

## IMPORTANT NOTICE

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED BELOW) OR IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN OR AT ANY ADDRESS IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS OR TO ANY PERSON LOCATED OR RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT.**

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached exchange offer memorandum (the "**Exchange Offer Memorandum**") and you are therefore required to read this disclaimer carefully before accessing, reading or making any other use of the Exchange Offer Memorandum. By accessing the Exchange Offer Memorandum, you agree (in addition to giving the representation below) to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from UBS Limited (the "**Structurer and Lead Dealer Manager**"), Barclays Bank PLC, ING Bank N.V. (the "**Joint Dealer Managers**", and together with the Structurer and Lead Dealer Manager, the "**Dealer Managers**"), Lucid Issuer Services Limited (the "**Exchange Agent**"), ING Groep N.V. (the "**Offeror**") and/or ING Bank N.V. (the "**Issuer**") as a result of such access. Capitalised terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the Exchange Offer Memorandum.

**Confirmation of your representation:** In order to be eligible to view the attached Exchange Offer Memorandum or make an investment decision with respect to the Euro Denominated 4.00 per cent. Notes due 2016 (the "**New Securities**") to be issued by the Issuer, you must not be a U.S. person and must be outside the United States and you must be otherwise able to participate lawfully in the invitations by the Offeror, to holders of the €750,000,000 ING Perpetual Securities II (ISIN: NL0000113587) (the "**Existing Perpetual Securities II**") and the €1,000,000,000 ING Perpetual Securities III (ISIN: NL0000116127) (the "**Existing Perpetual Securities III**", and together with the Existing Perpetual Securities II, the "**Existing Securities**") each issued by ING Groep N.V., to offer to exchange their Existing Securities for New Securities (each invitation, an "**Exchange Offer**", and together the "**Exchange Offers**"), in each case on the terms and subject to the conditions set out in the Exchange Offer Memorandum including the offer and distribution restrictions set out on pages 9-11 (the "**Offer and Distribution Restrictions**"). The Exchange Offer Memorandum was sent at your request and by accessing the Exchange Offer Memorandum you shall be deemed to have represented to the Offeror, the Issuer, the Dealer Managers and the Exchange Agent that:

- (i) you are a holder or a beneficial owner of Existing Securities;
- (ii) neither you nor any beneficial owner of Existing Securities or any other person on whose behalf you are acting, either directly or indirectly, is a U.S. person, or located or resident in the United States;
- (iii) the electronic mail address that you have given to us and to which the Exchange Offer Memorandum has been delivered is not located in the United States;
- (iv) you are otherwise a person to whom it is lawful to send the Exchange Offer Memorandum or to make an invitation pursuant to the Exchange Offers in accordance with applicable laws, including the Offer and Distribution Restrictions; and
- (v) you consent to delivery of the Exchange Offer Memorandum by electronic transmission.

The attached Exchange Offer Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Offeror, the Issuer, the Dealer Managers, the Exchange Agent or any person who controls, or is a director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Exchange Offer Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Dealer Managers or the Exchange Agent, the contact details for each of which appear on the last page of the Exchange Offer Memorandum.

**THE EXCHANGE OFFER MEMORANDUM SHOULD NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND SHOULD NOT BE FORWARDED OR DISTRIBUTED TO ANY PERSON OTHER THAN THE RECIPIENT. ANY SUCH FORWARDING OR DISTRIBUTION OR ANY**

**REPRODUCTION OF THE EXCHANGE OFFER MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS RESTRICTION MAY RESULT IN A VIOLATION OF THE APPLICABLE LAWS OF CERTAIN JURISDICTIONS.**

You are also reminded that the attached Exchange Offer Memorandum has been sent to you on the basis that you are a person into whose possession the Exchange Offer Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or resident and you may not, nor are you authorised to, deliver the Exchange Offer Memorandum to any other person. Any materials relating to the Exchange Offers do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that an Exchange Offer be made by a licensed broker or dealer and either of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in that jurisdiction, that Exchange Offer shall be deemed to be made by such Dealer Manager or such affiliate on behalf of the Offeror in such jurisdiction.

**THIS ELECTRONIC TRANSMISSION DOES NOT CONTAIN OR CONSTITUTE AN OFFER OF, OR THE SOLICITATION OF AN OFFER TO BUY OR SUBSCRIBE FOR, SECURITIES TO OR FROM ANY PERSON IN THE UNITED STATES OR ANY OTHER JURISDICTION TO WHOM OR IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES ABSENT REGISTRATION UNDER, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE SECURITIES REFERRED TO IN THE ATTACHED EXCHANGE OFFER MEMORANDUM HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND SUCH SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT ("REGULATION S")).**

The communication of the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, persons within the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply. The communication of the Exchange Offer Memorandum is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")) or within Article 43 of the Order, or to other persons to whom it may otherwise lawfully be communicated by virtue of an exemption to section 21(1) of the FSMA or otherwise in circumstances where it does not apply (such persons together being "**Relevant Persons**"). The Exchange Offer Memorandum is only available to Relevant Persons and the transactions contemplated herein will be available only to, or engaged in only with, Relevant Persons, and must not be relied or acted upon by persons other than Relevant Persons.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED) OR IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN OR AT ANY ADDRESS IN THE UNITED STATES OR TO ANY PERSON LOCATED OR RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS EXCHANGE OFFER MEMORANDUM

This Exchange Offer Memorandum does not constitute an offer to buy or a solicitation of an offer to sell Existing Securities (as defined below) in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws or otherwise. The distribution of this document in certain jurisdictions (in particular, the United States, Italy, the United Kingdom, Belgium and France) may be restricted by law. See "Offer and Distribution Restrictions" on pages 9-11 below. Persons into whose possession this document comes are required by the Offeror, the Issuer, the Dealer Managers and the Exchange Agent (each as defined below) to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer has been or will be taken in any jurisdiction other than The Netherlands by the Offeror, the Issuer, the Dealer Managers or the Exchange Agent.

EXCHANGE OFFER MEMORANDUM dated 12 December 2011.

THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION.



Invitations by

ING Groep N.V.

(in such capacity referred to as the "Offeror")

to holders (the "Holders") of the outstanding

€750,000,000 ING Perpetual Securities II (ISIN: NL0000113587; Common Code: 016928984)

(the "Existing Perpetual Securities II")

and

€1,000,000,000 ING Perpetual Securities III (ISIN: NL0000116127; Common Code: 019315207)

(the "Existing Perpetual Securities III", and together with the Existing Perpetual Securities II, the "Existing Securities")

each issued by ING Groep N.V.

to offer to exchange the Existing Securities for

Euro Denominated 4.00 per cent. Notes due 2016

(the "New Securities")

to be issued by

ING Bank N.V.

(in such capacity referred to as the "Issuer")

(each such invitation, an "Exchange Offer" and, together, the "Exchange Offers")

#### EXISTING SECURITIES

Name	Issuer	Type	ISIN/Common Code	Amount Outstanding	Coupon <sup>1</sup>	First Call Date <sup>2</sup>	Maturity Date	Amount of Existing Securities subject to relevant Exchange Offer	Exchange Ratio
Existing Perpetual Securities II	ING Groep N.V.	Tier 1	NL0000113587/ 016928984	€750,000,000	A floating rate by reference to 10 year Dutch State loans plus 0.50%	30 June 2013	Perpetual	Any and all	0.58

<sup>1</sup> More detailed information about the coupon is contained in the Existing Security Conditions.

<sup>2</sup> Subject to adjustment for non-business days in accordance with the Existing Security Conditions.

Name	Issuer	Type	ISIN/Common Code	Amount Outstanding	Coupon <sup>3</sup>	First Call Date <sup>4</sup>	Maturity Date	Amount of Existing Securities subject to relevant Exchange Offer	Exchange Ratio
Existing Perpetual Securities III	ING Groep N.V.	Tier 1	NL0000116127/ 019315207	€1,000,000,000	A floating rate by reference to 10 year Dutch State loans plus 0.10%	30 June 2014	Perpetual	Any and all	0.58

**NEW SECURITIES**

Issuer	Type	Coupon	Issue Price	Maturity Date	Rating
ING Bank N.V.	Senior	4.00 per cent.	100%	Expected to be 23 December 2016	The New Securities to be issued are expected to be rated A+ by Standard & Poor's Credit Market Services Europe Limited, Aa3 by Moody's France SAS and A+ by Fitch Ratings Ltd.

**THE EXCHANGE OFFERS WILL EXPIRE AT 5.00 P.M. (CENTRAL EUROPEAN TIME) ON 20 DECEMBER 2011, UNLESS EXTENDED, RE-OPENED OR TERMINATED AS PROVIDED IN THIS EXCHANGE OFFER MEMORANDUM. THE DEADLINE SET BY ANY INTERMEDIARY OR CLEARING SYSTEM WILL BE EARLIER THAN THIS DEADLINE.**

*Structurer and Lead Dealer Manager*

**UBS INVESTMENT BANK**

*Joint Dealer Managers*

**BARCLAYS CAPITAL**

**ING**

<sup>3</sup> More detailed information about the coupon is contained in the Existing Security Conditions.

<sup>4</sup> Subject to adjustment for non-business days in accordance with the Existing Security Conditions.

**This Exchange Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Exchange Offers. If any Holder is in any doubt as to the contents of this document or the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Existing Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to offer Existing Securities for exchange pursuant to the Exchange Offers. None of the Dealer Managers, the Exchange Agent, the Offeror or the Issuer (or their respective directors, employees or affiliates) makes any recommendation as to whether Holders should offer Existing Securities for exchange.**

*This Exchange Offer Memorandum does not constitute an invitation to participate in the Exchange Offers in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. The Exchange Offers are subject to offer and distribution restrictions in, amongst other countries, the United States of America, the United Kingdom, Italy, France and Belgium. The distribution of this Exchange Offer Memorandum in those jurisdictions is restricted by the laws of such jurisdictions. No action has been or will be taken in any jurisdiction in relation to the Exchange Offers that would permit a public offering of securities other than in the Netherlands. See "Offer and Distribution Restrictions".*

*The Exchange Offers are not being made within, and this Exchange Offer Memorandum is not for distribution in or into, the United States of America or to any U.S. person (as defined in Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**Securities Act**")). This Exchange Offer Memorandum is not an offer of securities for sale in the United States or any other jurisdiction in which such offer is unlawful. Securities may not be offered, sold or delivered in the United States absent registration under, or an exemption from the registration requirements of, the Securities Act. The Existing Securities and the New Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons.*

This Exchange Offer Memorandum does not comprise a prospectus for the purpose of the Prospectus Directive and has not been approved, filed with or reviewed by any commission or regulatory authority, whether domestic (such as the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*)) or foreign (including the U.S.), nor has any such entity issued any report regarding the accuracy or adequacy of this Exchange Offer Memorandum.

## EXCHANGE OFFERS

The Offeror invites all Holders (subject to the offer restrictions referred to in "*Offer and Distribution Restrictions*") to offer to exchange any and all of their Existing Securities for New Securities. Each Exchange Offer shall be treated independently.

The Exchange Offers are made on the terms and subject to the conditions set out in this Exchange Offer Memorandum. Capitalised terms used in this Exchange Offer Memorandum have the meaning given in "*Definitions*" and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

*Before making a decision whether to offer Existing Securities for exchange, Holders should carefully consider all of the information in this Exchange Offer Memorandum (including all of the information in, and incorporated by reference in, the Base Prospectus and the Final Terms) and, in particular, the risk factors described or referred to in "Risk Factors and Other Considerations" and the Prospectus Risk Factors.*

*Participation in the Exchange Offers by Holders located in the European Economic Area is limited to those Holders that individually (i) are "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC or (ii) are offering to exchange such nominal amount of Existing Securities of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000 (or, in any Member State of the European Economic Area which has implemented the amendment referred to in Article 3(a)(i)(2)(c) of the Prospectus Directive Amending Directive (Directive 2010/73/EU), €100,000); provided that such limitations shall not apply to Holders located in the Netherlands.*

**THE EXCHANGE OFFERS WILL EXPIRE AT 5.00 P.M. (CET) ON 20 DECEMBER 2011 (THE "EXCHANGE OFFER DEADLINE"), UNLESS EXTENDED, RE-OPENED OR TERMINATED AS PROVIDED IN THIS EXCHANGE OFFER MEMORANDUM. THE DEADLINE SET BY ANY INTERMEDIARY OR CLEARING SYSTEM WILL BE EARLIER THAN THIS DEADLINE.**

### **Consideration for Existing Securities offered and accepted for exchange**

Holders of Existing Securities accepted by the Offeror for exchange will receive on the Settlement Date, which is expected to be 23 December 2011, New Securities with an aggregate nominal amount (rounded down to the nearest €1,000) equal to the product of (a) the aggregate nominal amount of the Existing Securities of the relevant series validly offered and accepted for exchange, and (b) the relevant Exchange Ratio for such Existing Securities. Such Holders will also be entitled to receive on the Settlement Date an amount in cash (in euro) equal to any applicable Accrued Coupon Payment and Cash Rounding Amount.

### **Announcement of Results**

The Offeror will announce its decision whether to accept valid offers of Existing Securities for exchange pursuant to each or both of the Exchange Offers as soon as reasonably practicable after the Exchange Offer Deadline. If so accepted, the Offeror will also announce (i) the aggregate nominal amount of each series of Existing Securities accepted for exchange by the Offeror and (ii) the aggregate nominal amount of New Securities to be issued, including, if applicable, the amount of Additional New Securities (if any) to be issued, on the Settlement Date (the "**Announcement of Results**").

### **Announcements**

Unless stated otherwise, announcements in relation to the Exchange Offers will be made by publication on the website of Euronext Amsterdam and Euronext Brussels at [www.euronext.com](http://www.euronext.com). Such announcements may also be found on the relevant Reuters International Insider Screen and be made by (i) the issue of a press release to a Notifying News Service and (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants. Copies of all announcements, notices and press releases can also be obtained from the Exchange Agent, the contact details for which are on the last page of this Exchange Offer Memorandum.

### **Form and Denomination of New Securities**

The New Securities will be issued under the Issuer's €45,000,000,000 Programme for the Issuance of Debt Instruments, as described in the Base Prospectus, and will be issued in bearer form and shall be in denominations of €1,000 each.

The Final Terms of the New Securities are set in the Annex to this Exchange Offer Memorandum, and must be read in conjunction with the terms and conditions of the New Securities as set out in the Base Prospectus.

## **General**

To participate in an Exchange Offer, Holders must validly offer for exchange Existing Securities of the relevant series with an aggregate nominal amount equal to no less than €1,800 such that after the application of the relevant Exchange Ratio a Holder is eligible to receive a nominal amount of New Securities of at least €1,000 (the "**Minimum Offer Amount**"). Holders in the European Economic Area that are neither (a) located in the Netherlands nor (b) "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC should also note the requirement that, individually, they must offer to exchange such nominal amount of Existing Securities of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000 (or, in any Member State of the European Economic Area which has implemented the amendment referred to in Article 3(a)(i)(2)(c) of the Prospectus Directive Amending Directive (Directive 2010/73/EU), €100,000).

Exchange Instructions may be submitted in respect of any integral multiple of €100 in nominal amount of the relevant Existing Securities.

The Offeror may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate either or both of the Exchange Offers at any time (subject to applicable law and as provided in this Exchange Offer Memorandum). Details of any such extension, re-opening, amendment, waiver or termination will be announced as provided in this Exchange Offer Memorandum as soon as reasonably practicable after the relevant decision is made. See "*Amendment and Termination*".

In order to participate in, and be eligible to receive New Securities pursuant to, the Exchange Offers, Holders must validly offer their Existing Securities for exchange by delivering, or arranging to have delivered on their behalf, a valid Exchange Instruction that is received by the Exchange Agent by the Exchange Offer Deadline. See "*Procedures for Participating in the Exchange Offers*". Exchange Instructions will be irrevocable except in the limited circumstances described in "*Amendment and Termination*".

***Holders are advised to check with any bank, securities broker or other intermediary through which they hold Existing Securities when such intermediary needs to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Exchange Offers before the deadlines specified in this Exchange Offer Memorandum. The deadlines set by each Clearing System for the submission and withdrawal of Exchange Instructions will also be earlier than the relevant deadlines specified in this Exchange Offer Memorandum.***

For further information on the Exchange Offers and the further terms and conditions on which the Exchange Offers are made, Holders should refer to "*Further Information and Terms and Conditions*". Questions and requests for assistance in connection with the (a) Exchange Offers may be directed to the Dealer Managers, and (b) delivery of Exchange Instructions may be directed to the Exchange Agent, the contact details for all of which are on the last page of this Exchange Offer Memorandum.

## **Additional New Securities**

At any time throughout the Exchange Period or immediately thereafter, at the absolute discretion of the Issuer, there may be an offer of additional New Securities (the "**Additional New Securities**") in the open market, with the intention that any such Additional New Securities will be issued on the Settlement Date (subject to payment of the relevant price) and will be consolidated and form a single series with the New Securities issued pursuant to the Exchange Offers.

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## OFFER AND DISTRIBUTION RESTRICTIONS

*This Exchange Offer Memorandum does not constitute an invitation to participate in the Exchange Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Exchange Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Exchange Offer Memorandum comes are required by the Offeror, the Issuer, the Dealer Managers and the Exchange Agent to inform themselves about, and to observe, any such restrictions.*

*No action has been or will be taken in any jurisdiction (other than the Netherlands) by the Offeror, the Issuer, the Dealer Managers or the Exchange Agent in relation to the Exchange Offers that would permit a public offering of securities. The Exchange Offers comprise offers of securities for the purposes of the Prospectus Directive and its relevant implementing measures in The Netherlands. However, the Exchange Offers are not being made, and the New Securities are not being offered, in any Member State of the European Economic Area which has implemented the Prospectus Directive (other than the Netherlands), other than to persons who are either (i) "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive or (ii) offering to exchange such nominal amount of Existing Securities of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000 (or, in any Member State of the European Economic Area which has implemented the amendment referred to in Article 3(a)(i)(2)(c) of the Prospectus Directive Amending Directive (Directive 2010/73/EU), €100,000).*

### **United States**

The Exchange Offers are not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, for the account or benefit of, U.S. persons. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to U.S. persons, and the Existing Securities cannot be offered for exchange in the Exchange Offers by any such use, means, instrumentality or facilities or from within the United States or by U.S. persons. Any purported offer of Existing Securities for exchange resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported offer of Existing Securities for exchange made by a U.S. person, a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will be invalid and will not be accepted.

This Exchange Offer Memorandum is not an offer of securities for sale in the United States or to U.S. persons. Securities may not be offered or sold in the United States absent registration under, or an exemption from the registration requirements of, the Securities Act. The New Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons. The purpose of this Exchange Offer Memorandum is limited to the Exchange Offers and this Exchange Offer Memorandum may not be sent or given to a person in the United States or otherwise to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each Holder participating in an Exchange Offer will represent that it is not located in the United States and is not participating in such Exchange Offer from the United States, that it is participating in the Exchange Offers in accordance with Regulation S under the Securities Act and that it is not a U.S. person or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Exchange Offers from the United States and is not a U.S. person. As used herein, "**United States**" means United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

### **Italy**

None of the Exchange Offers, this Exchange Offer Memorandum or any other documents or materials relating to the Exchange Offers have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* (CONSOB).

Accordingly, the Exchange Offers may only be carried out in Italy pursuant to an exemption under article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the Financial Services Act), article 35-bis, paragraph 3 and article 35-bis, paragraph 4, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Holders or beneficial owners of the Existing Securities can offer to exchange Existing Securities through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in respect of the Existing Securities and/or the Exchange Offers.

### **United Kingdom**

The communication of this Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 ("FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, persons in the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply. The communication of this Exchange Offer Memorandum is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")) or within Article 43 of the Order, or to other persons to whom it may otherwise lawfully be communicated by virtue of an exemption to section 21(1) of the FSMA or otherwise in circumstances where it does not apply.

### **France**

The Exchange Offers are not being made, directly or indirectly, to the public in the Republic of France ("**France**"). Neither this Exchange Offer Memorandum nor any other documents or offering materials relating to the Exchange Offers have been or shall be distributed to the public in France and only (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors (*investisseurs qualifiés*) acting on their own account, other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier* are eligible to participate in the Exchange Offers. This Exchange Offer Memorandum has not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

### **Belgium**

This Exchange Offer Memorandum has not been submitted for approval to the Belgian Banking, Finance and Insurance Commission and, accordingly, the Exchange Offers may not be made in Belgium by way of a public offer, as defined for the purposes of the law of 1 April 2007 on public takeover bids or the law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets. Each Exchange Offer is addressed in Belgium exclusively to, and may only be accepted by, Holders who are qualifying investors within the meaning of Article 10 of the law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, or who can otherwise make the representation set out in "*Procedures for Participating in the Exchange Offers*" below.

### **General**

This Exchange Offer Memorandum does not constitute an offer to sell or buy or the solicitation of an offer to sell or buy the Existing Securities and/or New Securities, as applicable, (and offers of Existing Securities for exchange pursuant to the Exchange Offers will not be accepted from Holders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Exchange Offer to be made by a licensed broker or dealer and either of the Dealer Manager or any of their respective affiliates is such a licensed broker or dealer in any such jurisdiction, that Exchange Offer shall be

deemed to be made by such Dealer Manager or such affiliate (as the case may be) on behalf of the Offeror in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Holder participating in an Exchange Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Exchange Offers*". Any offer of Existing Securities for exchange pursuant to an Exchange Offer from a Holder that is unable to make these representations will not be accepted. Each of the Offeror, the Issuer, the Dealer Managers and the Exchange Agent reserves the right, in its absolute discretion, to investigate, in relation to any offer of Existing Securities for exchange pursuant to the Exchange Offers, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such offer shall not be accepted.

## GENERAL

The Offeror accepts responsibility for the information contained in this Exchange Offer Memorandum. To the best of the knowledge of the Offeror (having taken all reasonable care to ensure that such is the case) the information contained in this Exchange Offer Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each Holder is solely responsible for making its own independent appraisal of all matters as such Holder deems appropriate (including those relating to the relevant Exchange Offer, the New Securities, the Offeror and/or the Issuer) and each Holder must make its own decision as to whether to offer any or all of its Existing Securities for exchange pursuant to such Exchange Offer. None of the Dealer Managers, or the Exchange Agent (or any of their respective directors, employees or affiliates), makes any representation or recommendation whatsoever regarding this Exchange Offer Memorandum or the Exchange Offers or expresses any views on the merits thereof, and none of the Offeror, the Issuer, the Dealer Managers or the Exchange Agent (or any of their respective directors, employees or affiliates) makes any recommendation as to whether holders of Existing Securities should offer any Existing Securities for exchange pursuant to the Exchange Offers. The Exchange Agent is the agent of the Offeror and does not owe any duty to any Holder.

Neither the delivery of this Exchange Offer Memorandum nor any exchange of Existing Securities pursuant to the Exchange Offers shall, under any circumstances, create any implication that the information contained in this Exchange Offer Memorandum is current as of any time subsequent to the date of such information or that there has been no change in the information set out in it or in the affairs of the Offeror, the Issuer or the Group since the date of this Exchange Offer Memorandum.

No person has been authorised to give any information or to make any representation about the Offeror or the Issuer or about the Exchange Offers other than as contained or incorporated by reference in this Exchange Offer Memorandum (including the Base Prospectus and the Final Terms) and, if given or made, such information or representation must not be relied upon as having been authorised by the Offeror, the Issuer, the Dealer Managers or the Exchange Agent or any of their respective agents.

Holders who do not participate in the Exchange Offers, or whose Existing Securities are not accepted for exchange by the Offeror, will continue to hold their Existing Securities subject to the terms and conditions of such Existing Securities.

The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Exchange Offers in, from or otherwise involving the United Kingdom.

For the avoidance of doubt, each invitation by the Offeror to Holders contained in this Exchange Offer Memorandum is an invitation to treat by the Offeror and any references to any offer or invitation being made by the Offeror under or in respect of an Exchange Offer shall be construed accordingly.

Unless the context otherwise requires, all references in this Exchange Offer Memorandum to "**Holders**" or "**holders of Existing Securities**" mean:

- (a) each person who is shown in the records of Euroclear Netherlands, and its participating entities, Clearstream, Luxembourg or Euroclear, as a holder of any of the Existing Securities; and
- (b) each beneficial owner of the Existing Securities or holder of a proportionate co-ownership or equivalent beneficial interest or right in the Existing Securities holding such Existing Securities, directly or indirectly, in an account in the name of a Direct Participant acting on such beneficial owner's or holder's behalf.

For the purposes of the exchange of any Existing Securities for New Securities and the payment of any Accrued Coupon Payment and the Cash Rounding Amount pursuant to an Exchange Offer, to the extent the holder of the relevant Existing Securities is not a Direct Participant, the New Securities will only be delivered and such payment will only be made by the Offeror through the relevant Clearing System to the relevant Direct Participant and the delivery of such New Securities and making of such payment by or on behalf of the Offeror to such Clearing System and by such Clearing System to such Direct Participant will satisfy the respective obligations of the Offeror and such Clearing System in respect of the exchange of such Existing Securities.

All references in this Exchange Offer Memorandum to "**Euro**", "**euro**" or "**€**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

## **DOCUMENTS INCORPORATED BY REFERENCE**

The Base Prospectus (and all of the information and documents incorporated by reference therein) is incorporated in and forms (or, in the case of any future supplement to the Base Prospectus, will from the date of publication of such supplement, form) part of this Exchange Offer Memorandum.

Copies of all such documents and information that are (or as applicable, will be) incorporated by reference into this Exchange Offer Memorandum are available, free of charge, on request from the Exchange Agent, the contact details for which are or as applicable, will from the date of publication of the same, be) on the last page of this Exchange Offer Memorandum.

## EXPECTED TIMETABLE OF EVENTS

The times and dates below are indicative only.

<u>Events</u>	<u>Times and Dates</u>
<b><i>Commencement of the Exchange Offers</i></b> Exchange Offers announced. Exchange Offer Memorandum available from the Dealer Managers and the Exchange Agent.	12 December 2011
<b><i>Exchange Offer Deadline</i></b> Final deadline for receipt of valid Exchange Instructions by the Exchange Agent in order for Holders to be able to participate in the Exchange Offers.	5:00 p.m. (CET) on 20 December 2011
<b><i>Announcement of Results</i></b> Announcements of whether the Offeror will accept valid offers of Existing Securities for exchange pursuant to the either or both of the Exchange Offers and, if so accepted, of (i) the aggregate nominal amount of Existing Securities accepted for exchange by the Offeror and (ii) the aggregate nominal amount of each series of New Securities to be issued, including, if applicable, the amount of Additional New Securities (if any) to be issued, on the Settlement Date.	As soon as reasonably practicable after the Exchange Offer Deadline.
<b><i>Settlement Date</i></b> Expected settlement date for the Exchange Offers and issue of the Additional New Securities (if any).	On or about 23 December 2011

*The above times and dates are subject to the right of the Offeror to extend, re-open, amend and/or terminate either of the Exchange Offers (subject to applicable law and as provided in this Exchange Offer Memorandum). Holders are advised to check with any bank, securities broker or other intermediary through which they hold Existing Securities when such intermediary needs to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Exchange Offers before the deadlines set out above. **The deadlines set by each Clearing System for the submission of Exchange Instructions will also be earlier than the deadlines above. See "Procedures for Participating in the Exchange Offers".***

Unless stated otherwise, announcements in relation to the Exchange Offers will be made by publication on the website of Euronext Amsterdam and Euronext Brussels at [www.euronext.com](http://www.euronext.com). Such announcements may also be found on the relevant Reuters International Insider Screen and be made by (i) the issue of a press release to a Notifying News Service and (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants. Copies of all such announcements, press releases and notices can also be obtained from the Exchange Agent, the contact details for which are on the last page of this Exchange Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Holders are urged to contact the Exchange Agent for the relevant announcements during the course of the Exchange Offers. In addition, holders of Existing Securities may contact the Dealer Managers for information using the contact details on the last page of this Exchange Offer Memorandum.

### **Additional New Securities**

At any time throughout the Exchange Period or immediately thereafter, at the absolute discretion of the Issuer, there may be an offer of additional New Securities (the "**Additional New Securities**") in the open market, with

the intention that any such Additional New Securities will be issued on the Settlement Date (subject to payment of the relevant price) and will be consolidated and form a single series with the New Securities issued pursuant to the Exchange Offers.

## DEFINITIONS

<b>"Accrued Coupon Payment"</b>	An amount in cash (rounded to the nearest €0.01, with half a cent rounded upwards) equal to any accrued and unpaid Coupon on the relevant Existing Securities validly offered for exchange by a Holder and accepted by the Offeror for the period from (and including) the coupon payment date for such Existing Securities immediately preceding the Settlement Date to (but excluding) the Settlement Date.
<b>"Additional New Securities"</b>	Any additional securities which, at the absolute discretion of the Issuer, may be offered in the open market, throughout the Exchange Period or immediately thereafter, with the intention that such securities will be consolidated and form a single series with the New Securities upon issue.
<b>"Announcement of Results "</b>	Announcement which the Offeror intends to release as soon as reasonably practicable after the Exchange Offer Deadline setting out (i) the aggregate nominal amount of each series of Existing Securities accepted for exchange by the Offeror and (ii) the aggregate nominal amount of New Securities to be issued, including, if applicable, the amount of Additional New Securities to be issued, (if any) on the Settlement Date.
<b>"Base Prospectus"</b>	The base prospectus in respect of the Issuer's €45,000,000,000 Programme for the Issuance of Debt Instruments dated 11 May 2011, as supplemented by supplementary prospectuses dated 21 June 2011, 11 August 2011, 7 November 2011 and 8 December 2011, together with any supplementary prospectuses published after the date of this Exchange Offer Memorandum but prior to the Settlement Date, in each case relating to such base prospectus.
<b>"Business Day"</b>	A day other than a Saturday or a Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in London and Amsterdam.
<b>"Cash Rounding Amount"</b>	The amount in cash (rounded to the nearest €0.01, with half a cent rounded upwards) to be paid by the Offeror to each relevant Holder on the Settlement Date for any fractional portion of New Securities such Holder would otherwise be entitled to receive as a result of the application of the relevant Exchange Ratio that is not an integral multiple of €1,000, as the case may be, as determined in the manner described in " <i>Further Information and Terms and Conditions – Cash Rounding Amount</i> ".
<b>"CET"</b>	Central European time.
<b>"Clearing System Notice"</b>	The notice to be sent to Direct Participants by the Clearing Systems on or about the date of this Exchange Offer Memorandum informing Direct Participants of the procedures to be followed in order to participate in the Exchange Offers.
<b>"Clearing Systems"</b>	Euroclear, Clearstream, Luxembourg and Euroclear Netherlands.
<b>"Clearstream, Luxembourg"</b>	Clearstream Banking, <i>société anonyme</i> .
<b>"Coupon"</b>	The coupon which Holders are entitled to receive in respect of the Existing Securities (subject to the limitations described under the Existing Security Conditions as applicable).
<b>"Dealer Managers"</b>	The Structurer and Lead Dealer Manager and the Joint Dealer Managers.

<b>"Direct Participant"</b>	Each person who is shown in the records of Euroclear and Clearstream, Luxembourg or Euroclear Netherlands as a holder of the Existing Securities.
<b>"Euroclear"</b>	Euroclear Bank S.A./N.V.
<b>"Euroclear Netherlands"</b>	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
<b>"Euronext Amsterdam"</b>	NYSE Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.
<b>"Euronext Brussels"</b>	NYSE Euronext in Brussels, a regulated market of Euronext Brussels S.A./N.V.
<b>"Exchange Agent"</b>	Lucid Issuer Services Limited.
<b>"Exchange Instruction"</b>	<p>The electronic exchange instruction in the form specified in the applicable Clearing System Notice for submission by Direct Participants to the Exchange Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the relevant deadlines in order for Holders to be able to participate in the Exchange Offer.</p> <p>The Exchange Instructions in relation to the Existing Securities must be submitted by the Exchange Offer Deadline in order for Holders to be able to participate in either of the Exchange Offers.</p>
<b>"Exchange Offer Deadline"</b>	5.00 p.m. (CET) on 20 December 2011 (subject to the right of the Offeror to extend, re-open, amend and/or terminate the Exchange Offers).
<b>"Exchange Offers"</b>	The invitations by the Offeror to Holders (subject to the offer restrictions referred to in " <i>Offer and Distribution Restrictions</i> ") to offer to exchange their Existing Securities for New Securities, on the terms and subject to the conditions set out in this Exchange Offer Memorandum.
<b>"Exchange Period"</b>	The period of time from the commencement of the Exchange Offers to the Exchange Offer Deadline.
<b>"Exchange Ratio"</b>	The ratio as set out in the table on the cover of this Exchange Offer Memorandum that will determine the aggregate nominal amount of New Securities that each Holder whose Existing Securities are accepted for exchange pursuant to the relevant Exchange Offer will receive on the Settlement Date.
<b>"Existing Perpetual Securities II"</b>	€750,000,000 ING Perpetual Securities II (ISIN: NL0000113587; Common Code: 016928984) issued by ING Groep N.V.
<b>"Existing Perpetual Securities III"</b>	€1,000,000,000 ING Perpetual Securities III (ISIN: NL0000116127; Common Code: 019315207) issued by ING Groep N.V.
<b>"Existing Securities"</b>	The Existing Perpetual Securities II and the Existing Perpetual Securities III.
<b>"Existing Security Conditions"</b>	The terms and conditions of the relevant Existing Securities.
<b>"Final Terms"</b>	The final terms relating to and completing the New Securities Conditions, which are set out in the Annex .
<b>"Financial Promotion Order"</b>	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.

<b>"Group"</b>	The Issuer and its subsidiaries.
<b>"Issuer"</b>	ING Bank N.V.
<b>"Joint Dealer Managers"</b>	Barclays Bank PLC and ING Bank N.V.
<b>"Maturity Date"</b>	Expected to be 23 December 2016.
<b>"Minimum Offer Amount"</b>	The minimum nominal amount of the Existing Securities of the relevant series that must be validly offered for exchange in order to participate in the Exchange Offers, being an aggregate amount of €1,800 such that after the application of the relevant Exchange Ratio a Holder is eligible to receive a nominal amount of New Securities of at least €1,000.
<b>"New Securities"</b>	The Euro Denominated 4.00 per cent. Notes due 2016 to be issued by the Issuer and having the New Securities Conditions.
<b>"New Securities Conditions"</b>	The terms and conditions of the New Securities set out in the Base Prospectus as supplemented by the Final Terms.
<b>"Notifying News Service"</b>	A recognised financial news service or services (e.g. Reuters/Bloomberg) as selected by the Offeror.
<b>"Offeror"</b>	ING Groep N.V.
<b>"Prospectus Directive"</b>	The Prospectus Directive (Directive 2003/71/EC), as amended by the Prospectus Directive Amending Directive (Directive 2010/73/EU).
<b>"Prospectus Risk Factors"</b>	The risk factors disclosed in the Base Prospectus.
<b>"Regulation S"</b>	Regulation S under the Securities Act.
<b>"Securities Act"</b>	United States Securities Act of 1933, as amended.
<b>"Settlement Date"</b>	On or about 23 December 2011 (subject to the right of the Offeror to extend, re-open, amend and/or terminate either of the Exchange Offers).
<b>"Structurer and Lead Dealer Manager "</b>	UBS Limited.

## **RISK FACTORS AND OTHER CONSIDERATIONS**

*Before making a decision whether to offer Existing Securities for exchange pursuant to an Exchange Offer, holders of Existing Securities should carefully consider all of the information in this Exchange Offer Memorandum and, in particular, the following factors and the Prospectus Risk Factors.*

### **Uncertainty as to the trading market for Existing Securities not exchanged**

Although the Existing Securities that are not validly offered for exchange by Holders or accepted by the Offeror will continue to be admitted to trading on Euronext Amsterdam and Euronext Brussels, to the extent offers of Existing Securities for exchange in an Exchange Offer are accepted by the Offeror and such Exchange Offer is completed, the trading market for the relevant Existing Securities that remain outstanding following such completion may be significantly more limited. Such remaining Existing Securities may command a lower price than a comparable issue of securities with greater market liquidity. A reduced market value and liquidity may also make the trading price of such remaining Existing Securities more volatile. As a result, the market price for such Existing Securities that remain outstanding after the completion of such Exchange Offer may be adversely affected as a result of such Exchange Offer. None of the Offeror, the Issuer, any other Group company, the Dealer Managers or the Exchange Agent has any duty to make a market in any such remaining Existing Securities.

### **Uncertainty as to the trading market for the New Securities**

The Issuer does not intend to make any application for admission to trading of the New Securities on any market other than Euronext Amsterdam. The New Securities are securities for which there is currently no trading market and for which there can be no assurance of future liquidity.

### **Treatment of the Existing Securities not Exchanged**

Existing Securities not exchanged in the Exchange Offers will remain outstanding. The terms and conditions governing the Existing Securities will remain unchanged. No amendments to these terms and conditions are being sought.

From time to time in the future, the Issuer may acquire Existing Securities that are not exchanged in the Exchange Offers through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as the Issuer may determine (which may be on terms more or less favourable than those contemplated in the Exchange Offers).

### **No obligation to accept offers to exchange**

The Offeror is not under any obligation to accept, and shall have no liability to any person for any non-acceptance of, any offer of Existing Securities for exchange pursuant to an Exchange Offer. Offers of Existing Securities for exchange may be rejected in the sole discretion of the Offeror for any reason and the Offeror is not under any obligation to Holders to furnish any reason or justification for refusing to accept an offer of Existing Securities for exchange. For example, offers of Existing Securities for exchange may be rejected if the relevant Exchange Offer is terminated, if the relevant Exchange Offer does not comply with the relevant requirements of a particular jurisdiction, if the principal amount of Existing Securities offered for exchange is not at least equal to the Minimum Offer Amount or for any other reason.

### **Responsibility for complying with the procedures of the Exchange Offers**

Holders of Existing Securities are responsible for complying with all of the procedures for offering Existing Securities for exchange. If the instructions are not strictly complied with, the Exchange Instructions may be rejected. None of the Offeror, the Issuer, the Dealer Managers or the Exchange Agent assumes any responsibility for informing any holder of Existing Securities of irregularities with respect to such Holder's participation in the Exchange Offers.

### **The New Security Conditions**

The New Security Conditions are set out in the Base Prospectus and the Final Terms. Holders should review the Base Prospectus and the New Security Conditions (including all of the information in, and incorporated by

reference in, the Base Prospectus and the Final Terms) in their entirety before making a decision whether to offer Existing Securities for exchange. In particular, attention is also drawn to the Prospectus Risk Factors.

### **Differences between the Existing Securities and the New Securities**

The terms and conditions of the Existing Securities are substantially different from those of the New Securities.

Holders of Existing Securities should consider the differences (which may include, as applicable, *inter alia*, the obligor, payment dates, the coupon, the ranking and the form in which the New Securities are issued) closely. The full terms and conditions of the New Securities are set out in the Final Terms (the form of which, subject to modification, is appended to this Exchange Offer Memorandum, which should be read together with the Base Prospectus (and the information incorporated by reference therein) and the Announcement of Results).

### **Completion, termination and amendment**

Until the Offeror announces whether it has decided to accept valid offers of Existing Securities for exchange pursuant to an Exchange Offer, no assurance can be given that the Exchange Offers will be completed. In addition, subject to applicable law and as provided in this Exchange Offer Memorandum, the Offeror may, in its sole discretion, extend, re-open, amend or terminate the relevant Exchange Offer (including, but not limited to, amendments to the New Security Conditions) at any time before its announcement of whether it will accept valid offers of Existing Securities for exchange pursuant to such Exchange Offer, which it expects to make as soon as reasonably practicable after the Exchange Offer Deadline.

### **Exchange Instructions irrevocable**

Exchange Instructions will be irrevocable except in the limited circumstances described in "*Amendment and Termination*".

### **Compliance with offer and distribution restrictions**

Holders of Existing Securities are referred to the offer and distribution restrictions in "*Offer and Distribution Restrictions*" and the agreements, acknowledgements, representations, warranties and undertakings in "*Procedures for Participating in the Exchange Offers*", which Holders will be deemed to make on submission of an Exchange Instruction. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

### **Responsibility to consult advisers**

Holders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in an Exchange Offer and an investment in the New Securities.

### **Market value and price of the New Securities**

The relevant Exchange Ratio may not reflect the market value of the New Securities. Applications will be made for the New Securities to be admitted to trading on Euronext Amsterdam. To the extent that the New Securities are traded, the price of the New Securities may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Holders are urged to contact their brokers to obtain the best available information as to the potential market price of the New Securities and for advice concerning the effect of the relevant Exchange Ratio.

### **Restrictions on transfer of Existing Securities**

When considering whether to participate in an Exchange Offer, Holders should take into account that restrictions on the transfer of Existing Securities by Holders will apply from the time of submission of Exchange Instructions.

A Holder will, on submitting an Exchange Instruction, agree that its Existing Securities will be blocked in the relevant account in the relevant Clearing System from the date the relevant Exchange Instruction is submitted until the earlier of:

- i. the time of settlement on the Settlement Date;

- ii. the date of any termination of the relevant Exchange Offer (including where such Existing Securities are not accepted by the Offeror for exchange) or on which the Exchange Instruction is revoked, in the limited circumstances in which such revocation is permitted in accordance with the corresponding procedures and on the terms and conditions established in the section "*Amendment and Termination*" of this Exchange Offer Memorandum.

## **FURTHER INFORMATION AND TERMS AND CONDITIONS**

### **Rationale for the Exchange Offers**

The purpose of the Exchange Offers, in connection with separate exchange and tender offers the Group is conducting on selected outstanding capital securities, is to improve and strengthen the quality of the Group's capital base through the creation of Common Equity Tier 1 and enhance the efficiency of its capital base in anticipation of upcoming regulatory changes.

Any decisions by the Offeror as to whether it will exercise calls in the future in respect of any Existing Securities that are not exchanged pursuant to the Exchange Offers will be taken on an economic basis. Other factors which the Offeror will have regard to include prevailing market conditions, regulatory approval and capital requirements, and whether such exercise may still be subject to authorisation from the European Commission.

### **Consideration for Existing Securities offered and accepted for exchange**

Holders of Existing Securities accepted by the Offeror for exchange will receive on the Settlement Date, which is expected to be 23 December 2011, New Securities with an aggregate nominal amount (rounded down to the nearest €1,000) equal to the product of (a) the aggregate nominal amount of the Existing Securities of the relevant series validly offered and accepted for exchange, and (b) the relevant Exchange Ratio. Such Holders will also be entitled to receive on the Settlement Date an amount in cash (in euro) equal to any applicable Accrued Coupon Payment and Cash Rounding Amount.

### **Cash Rounding Amount**

If, as a result of the application of the relevant Exchange Ratio, a Holder would be entitled to receive New Securities with an aggregate nominal amount that is not an integral multiple of €1,000, the Offeror will pay or procure that there is paid to such Holder on the Settlement Date an amount in cash (the "**Cash Rounding Amount**") equal to the fractional portion of such aggregate nominal amount that is not such an integral multiple.

### **Minimum Offer Amount**

The New Securities will be issued with a denomination of €1,000. Accordingly, to participate in an Exchange Offer, Holders must validly offer for exchange Existing Securities of the relevant series having an aggregate nominal amount of at least the Minimum Offer Amount. In order to be able to participate in an Exchange Offer, a Holder that holds Existing Securities of a series having an aggregate nominal amount less than the Minimum Offer Amount must first acquire such further Existing Securities of such series as is necessary for that Holder to be able to offer for exchange the Minimum Offer Amount.

### **Acceptance, no scaling of any series of Existing Securities**

If the Offeror decides to accept valid offers of Existing Securities for exchange pursuant to either or both of the Exchange Offers, the Offeror intends to accept for exchange all of the Existing Securities of each series that are validly offered for exchange and there will be no scaling of any offers of Existing Securities of such series for exchange. The Offeror may decide to accept offers of Existing Securities of either series for exchange but not of the other series and may make any such decision for any reason.

Existing Securities that are not exchanged pursuant to the Exchange Offers will remain outstanding.

### **Delivery of New Securities and payment**

If Existing Securities validly offered for exchange pursuant to an Exchange Offer are accepted for exchange by the Offeror the corresponding New Securities will be delivered, and the aggregate amounts of any applicable Accrued Coupon Payments and Cash Rounding Amounts will be paid by or on behalf of the Offeror to the relevant Clearing System, in immediately available funds, on the Settlement Date. The New Securities will be delivered and cash payments made to the Clearing System accounts in which the relevant Existing Securities are held.

The delivery of such New Securities and payment of such aggregate amounts to the relevant Clearing Systems will discharge the obligation of the Offeror to all such Holders in respect of the delivery of the New Securities and payment of the Accrued Coupon Payments and Cash Rounding Amounts.

All Accrued Coupon Payments and Cash Rounding Amounts will be paid without deduction for or on account of any withholding taxes.

Provided the Offeror delivers the New Securities, and makes, or has made on its behalf, full payment of the Accrued Coupon Payments and Cash Rounding Amounts for all Existing Securities accepted for exchange pursuant to the Exchange Offers to the relevant Clearing Systems, on or before the Settlement Date, under no circumstances will any additional distribution or interest be payable to a Holder because of any delay in the delivery of the New Securities by, or transmission of funds from, the relevant Clearing System or any other intermediary with respect to such Existing Securities of that Holder.

### **General conditions of the Exchange Offers**

The Offeror expressly reserves the right, in its sole discretion, to delay acceptance of Existing Securities offered for exchange pursuant to an Exchange Offer in order to comply with applicable laws. In all cases, the Offeror will only exchange Existing Securities for New Securities pursuant to an Exchange Offer after the submission of a valid Exchange Instruction in accordance with the procedures described in "*Procedures for Participating in the Exchange Offers*" and acceptance of such Exchange Offer as announced by the Offeror.

See also "*Risk Factors and Other Considerations*".

The Offeror will at all times have the discretion to accept any Existing Securities offered for exchange the offer of which would otherwise be invalid or, in the sole opinion of the Offeror, may otherwise be invalid.

The Offeror is not under any obligation to accept, and shall have no liability to any person for any non-acceptance of, any offer of Existing Securities for exchange pursuant to an Exchange Offer. Offers of Existing Securities for exchange may be rejected in the sole discretion of the Offeror for any reason and the Offeror is not under any obligation to Holders to furnish any reason or justification for refusing to accept an offer of Existing Securities for exchange. For example, offers of Existing Securities for exchange may be rejected if the relevant Exchange Offer is terminated, if such Exchange Offer does not comply with the relevant requirements of a particular jurisdiction, if the nominal amount of Existing Securities offered for exchange is not at least equal to the Minimum Offer Amount or for any other reason.

Holders are advised that the Offeror may in its sole discretion, accept offers of Existing Securities for exchange pursuant to the relevant Exchange Offer on more than one date if such Exchange Offer is extended or re-opened.

The failure of any person to receive a copy of this Exchange Offer Memorandum or any announcement made or notice issued in connection with the Exchange Offers shall not invalidate any aspect of the Exchange Offers. No acknowledgement of receipt of any Exchange Instructions and/or other documents will be given by the Offeror or the Exchange Agent.

### **Announcements**

Unless stated otherwise, announcements in relation to the Exchange Offers will be made by publication on the website of Euronext Amsterdam and Euronext Brussels at [www.euronext.com](http://www.euronext.com). Such announcements may also be found on the relevant Reuters International Insider Screen and be made by (i) the issue of a press release to a Notifying News Service and (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants. Copies of all such announcements, press releases and notices can also be obtained from the Exchange Agent, the contact details for which are on the last page of this Exchange Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Holders are urged to contact the Exchange Agent for the relevant announcements during the course of the Exchange Offers. In addition, holders of Existing Securities may contact the Dealer Managers for information using the contact details on the last page of this Exchange Offer Memorandum.

### **Governing law and Jurisdiction**

The Exchange Offers, each Exchange Instruction, any exchange of Existing Securities pursuant to the Exchange Offers and any non-contractual obligations arising out of or in connection with the Exchange Offers shall be governed by and construed in accordance with Dutch law. By submitting an Exchange Instruction, the relevant Holder irrevocably and unconditionally agrees for the benefit of the Offeror, the Issuer, the Dealer Managers and the Exchange Agent that the courts of The Netherlands are to have jurisdiction to settle any disputes that may arise out of or in connection with the relevant Exchange Offer, such Exchange Instruction, any exchange of Existing Securities pursuant to such Exchange Offer or any non-contractual obligations arising out of or in

connection with such Exchange Offer and that, accordingly, any suit, action or proceedings arising out of or in connection with any such dispute may be brought in such courts.

The New Securities and any non-contractual obligations arising out of or in connection with the New Securities shall be governed by and construed in accordance with Dutch law.

#### **Additional New Securities**

Any time throughout the Exchange Period or immediately thereafter, at the absolute discretion of the Issuer, there may be an offer of Additional New Securities in the open market, with the intention that any such Additional New Securities will be issued on the Settlement Date (subject to payment of the relevant price). Any such offer of Additional New Securities will not give rise to rights of revocation for any Holders who have already submitted Exchange Instructions prior to the announcement of the offer of such Additional New Securities.

## **TAX CONSEQUENCES**

In view of the number of different jurisdictions where tax laws may apply to a Holder, this Exchange Offer Memorandum does not discuss the tax consequences for Holders arising from the exchange of Existing Securities pursuant to the Exchange Offers for New Securities, or in relation to the New Securities. Holders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the exchange of their Existing Securities and the receipt pursuant to the Exchange Offers of New Securities, Accrued Coupon Payments and Cash Rounding Amounts. Holders are liable for their own taxes and have no recourse to the Offeror, the Issuer, any other Group company, the Dealer Managers or the Exchange Agent with respect to taxes arising in connection with the Exchange Offers.

## PROCEDURES FOR PARTICIPATING IN THE EXCHANGE OFFERS

*Holders who need assistance with respect to the procedures for participating in the Exchange Offers should contact the bank, securities broker or other intermediary through which they hold the Existing Securities. Alternatively, Holders may contact the Exchange Agent, the contact details for which are on the last page of this Exchange Offer Memorandum.*

The Offeror will only accept offers of Existing Securities for exchange pursuant to either Exchange Offer which are made by way of the submission of valid Exchange Instructions in accordance with the procedures set out in this section "*Procedures for Participating in the Exchange Offers*".

To offer Existing Securities for exchange pursuant to the relevant Exchange Offer, a Holder should deliver, or arrange to have delivered on its behalf, via the Clearing Systems, and in accordance with the requirements of such Clearing System, a valid Exchange Instruction that is received by the Exchange Agent by the Exchange Offer Deadline.

Exchange Instructions must be submitted in respect of an aggregate amount of the Existing Securities of at least the Minimum Offer Amount. Holders in the European Economic Area that are neither (a) located in the Netherlands nor (b) "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC should also note the requirement that, individually, they must offer to exchange such nominal amount of Existing Securities of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000 (or, in any Member State of the European Economic Area which has implemented the amendment referred to in Article 3(a)(i)(2)(c) of the Prospectus Directive Amending Directive (Directive 2010/73/EU), €100,000).

Exchange Instructions may be submitted in respect of any integral multiple of €100 in nominal amount of the relevant Existing Securities.

*Holders are advised to check with any bank, securities broker or other intermediary through which they hold Existing Securities when such intermediary needs to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Exchange Offer before the deadlines specified in this Exchange Offer Memorandum. **The deadlines set by the Clearing Systems for the submission and withdrawal of Exchange Instructions will be earlier than the relevant deadlines specified in this Exchange Offer Memorandum.***

*Holders of Existing Securities who do not have access to an account in the Clearing Systems (either directly or through a Direct Participant or other intermediary), or who do not deposit the Existing Securities which they wish to offer for exchange with a Direct Participant in the Clearing Systems, will not be able to submit an Exchange Instruction to the Exchange Agent and will not be eligible to participate in the Exchange Offer.*

### Forms of Exchange Instruction

A Holder will be required to select one of the following four forms of Exchange Instruction, as applicable to it:

(i) **EEA Qualified Investor:** Holder is located in the European Economic Area and is a "qualified investor" within the meaning of Article 2(1)(e) of Directive 2003/71/EC.

(ii) **Netherlands (Non-Qualified) Investor:** Holder is not a "qualified investor" within the meaning of Article 2(1)(e) of Directive 2003/71/EC, but is located in The Netherlands.

(iii) **Non-EEA Eligible Investor:** Holder is located outside the European Economic Area and is otherwise able to satisfy the requirements set forth in "*Offer and Distribution Restrictions*" in this Exchange Offer Memorandum.

(iv) **Other EEA Eligible Investor:** Holder is located in the European Economic Area and is not a "qualified investor" within the meaning of Article 2(1)(e) of Directive 2003/71/EC or located in The Netherlands, but is offering to exchange such nominal amount of Existing Securities of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000 (or, in any Member State of the European Economic Area which has implemented the amendment referred to in Article 3(a)(i)(2)(c) of the Prospectus Directive Amending Directive (Directive 2010/73/EU), €100,000).

The submission by or on behalf of a Holder of one of the above forms of Exchange Instruction shall constitute its representation and warranty to the Offeror, the Issuer, all other Group companies, the Exchange Agent and the Dealer Managers that it is a Holder meeting the relevant description above and that it is eligible to submit such form of Exchange Instruction. If a Holder wishing to submit an Exchange Instruction is unable to select one of the above forms, such Holder should contact the Exchange Agent. Holders are advised that selection and completion of one of the above forms is in all cases subject to compliance with the further requirements for participating in the Exchange Offers set forth in this Exchange Offer Memorandum.

#### **Exchange Instructions for Existing Securities held via Euroclear Netherlands**

A Holder wishing to accept an Exchange Offer must deliver, or arrange to have delivered on its behalf, before the Exchange Offer Deadline, a valid Exchange Instruction, to the Exchange Agent. Instructions may only be submitted in the following way:

**Only Direct Participants may submit Exchange Instructions. Each Holder that is not a Direct Participant must arrange for the Direct Participant through which such Holder holds its Existing Securities to submit a valid Exchange Instruction on its behalf to Euroclear Netherlands before the deadlines specified by Euroclear Netherlands.**

In addition, a Holder or its Direct Participant may be required to give the appropriate instructions to (i) transfer the Existing Securities that it wishes to exchange to an account within Euroclear Netherlands so specified by Euroclear Netherlands prior to or concurrently with submitting an Exchange Instruction and (ii) authorise the Exchange Agent to debit this account on the Settlement Date in respect of the nominal amount of the Existing Securities to be exchanged for New Securities subject to the automatic withdrawal of those instructions in the event that the Offer is terminated by the Offeror on or prior to the Settlement Date or in the event that an Exchange Instruction is not accepted by the Offeror or the Exchange Agent or a Holder withdraws its Exchange Instruction (in the limited circumstances in which such withdrawal is permitted) in accordance with the procedure set out in this Exchange Offer Memorandum.

Existing Securities transferred to a relevant account within Euroclear Netherlands must be credited to that account not later than the Exchange Offer Deadline in order for the participation in the Offer to be valid.

#### **Exchange Instructions for Existing Securities held via Clearstream, Luxembourg or Euroclear**

The offering of Existing Securities for exchange by a Holder will be deemed to have occurred upon receipt by the Exchange Agent through either Clearstream, Luxembourg or Euroclear of a valid Exchange Instruction submitted in accordance with the requirements of such Clearing System. The transmission or entry of such Exchange Instruction by or through either Clearstream, Luxembourg or Euroclear will be acknowledged by, or visible on the internal systems of, such Clearing System in accordance with the standard practices of such Clearing System and will result in the "**blocking**" (as such term is generally employed in the securities custody industry) of the Existing Securities in the Holder's account with the relevant Clearing System so that no transfers may be effected in relation to such Existing Securities.

Holders must take the appropriate steps through the relevant Clearing System so that no transfers may be effected in relation to such blocked Existing Securities at any time after the date of submission of such Exchange Instruction until such Existing Securities are no longer blocked, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking such Existing Securities in the relevant Clearing System, each Direct Participant will be deemed to direct the Clearstream, Luxembourg or Euroclear, as applicable, to provide details concerning such Direct Participant's identity and account information to the Exchange Agent (and for the Exchange Agent to provide such details to the Offeror, the Issuer and the Dealer Managers, and their respective legal advisers).

**Only Direct Participants may submit Exchange Instructions. Each Holder that is not a Direct Participant must arrange for the Direct Participant through which such Holder holds its Existing Securities to submit a valid Exchange Instruction on its behalf to Clearstream, Luxembourg or Euroclear, as applicable, before the deadlines specified by the relevant Clearing System.**

#### **Revocation of Instructions**

It is a term of the Exchange Offer that Exchange Instructions are irrevocable except in the limited circumstances described in "*Amendment and Termination*". In such circumstances, Exchange Instructions may be revoked by a Holder, or the relevant Direct Participant on its behalf, by submitting a withdrawal instruction to the Exchange

Agent (that is received by the relevant deadline), through the facilities of the relevant Clearing System. To be valid, such instruction must reference the original Exchange Instruction, the nominal amount of the Existing Securities to which the original Exchange Instruction related, the nominal amount of Existing Securities for which the Exchange Instruction is requested to be withdrawn or revoked, the securities account to which such Existing Securities are (or, in the case of Existing Securities held in Euroclear Netherlands, were immediately prior to the submission of the relevant Exchange Instruction) credited and any other information required by the Exchange Agent or the Clearing Systems.

### **Holders' representations, warranties and undertakings**

By submitting a valid Exchange Instruction through the Clearing Systems in accordance with the standard procedures of such Clearing System, a Holder and any Direct Participant submitting such Exchange Instruction on such Holder's behalf shall be deemed to agree, and acknowledge, represent, warrant and undertake, to the Offeror, the Issuer, all other Group companies, the Exchange Agent and the Dealer Managers the following at the time of such submission, the Exchange Offer Deadline and the time of settlement on the Settlement Date (if a Holder or Direct Participant is unable to make any such agreement or acknowledgement or give any such representation, warranty or undertaking, such Holder or Direct Participant should contact the Exchange Agent immediately):

- (a) it is the full owner of the Existing Securities that it offers to exchange in the context of the relevant Exchange Offer (or, in the event the holder of the Existing Securities holds formal title to such Existing Securities, that it has full entitlement to transfer ownership over them) and that such Existing Securities are free of all liens, charges, encumbrances or restrictions to their transferability;
- (b) it has received the Exchange Offer Memorandum, and has reviewed and accepts the offer and distribution restrictions, terms, conditions, risk factors (including the Prospectus Risk Factors), New Security Conditions and other considerations of the relevant Exchange Offer, all as described in this Exchange Offer Memorandum (including the Base Prospectus and the Final Terms), and has undertaken an appropriate analysis of the implications of the relevant Exchange Offer without reliance on the Offeror, the Issuer, any other Group company, the Dealer Managers or the Exchange Agent;
- (c) by blocking the Existing Securities in the relevant Clearing System, it will be deemed to consent, in the case of a Direct Participant, to have such Clearing System provide details concerning its identity and account information to the Exchange Agent (and for the Exchange Agent to provide such details to the Offeror, the Issuer and the Dealer Managers, and their respective legal advisers);
- (d) upon the terms and subject to the conditions of the applicable Exchange Offer, it offers for exchange in the relevant Exchange Offer the Existing Securities of the aggregate nominal amount blocked in its account in the relevant Clearing System (such amount being at least equal to the Minimum Offer Amount) or transferred to an account within Euroclear Netherlands so specified by Euroclear Netherlands (as applicable) and, subject to and effective upon such exchange by the Offeror, it renounces all right, title and interest in and to all such Existing Securities exchanged by or at the direction of the Offeror and waives and releases any rights or claims it may have against the Offeror with respect to any such Existing Securities and the relevant Exchange Offer;
- (e) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Offeror and the Issuer, any of their respective directors or any person nominated by them in the proper exercise of his or her powers and/or authority hereunder;
- (f) it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Offeror to be desirable, in each case to complete the transfer of the Existing Securities to the Offeror or its nominee in exchange for the New Securities and/or to perfect any of the authorities expressed to be given hereunder;
- (g) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the relevant Exchange Offer or which will or may result in the Offeror, the Issuer, the Dealer Managers, the Exchange Agent, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the relevant Exchange Offer;

- (h) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (i) no information has been provided to it by the Offeror, the Issuer, any other Group company, the Dealer Managers or the Exchange Agent, or any of their respective directors or employees, with regard to the tax consequences for Holders arising from the exchange of Existing Securities pursuant to the relevant Exchange Offer for New Securities, or in relation to the New Securities and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the relevant Exchange Offer (including the exchange of its Existing Securities and the receipt pursuant to the relevant Exchange Offer of the New Securities, any Accrued Coupon Payment and the Cash Rounding Amount) or in relation to the New Securities, and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Offeror, the Issuer, any other Group company, the Dealer Managers or the Exchange Agent, or any of their respective directors or employees, or any other person in respect of such taxes and payments;
- (j) it is not a person to whom it is unlawful to make an invitation pursuant to the Exchange Offers under applicable securities laws and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Exchange Instruction in respect of the Existing Securities it is offering for exchange) complied with all laws and regulations applicable to it for the purposes of its participation in the relevant Exchange Offer;
- (k) the New Securities are being offered and sold in transactions not involving a public offering in the United States within the meaning of the Securities Act, and the New Securities have not been nor will be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (terms used in this and the following paragraph that are defined in Regulation S under the Securities Act are used as defined in Regulation S);
- (l) either (a) (i) it is the beneficial owner of the Existing Securities being offered for exchange and (ii) it is located outside the United States and is participating in the relevant Exchange Offer from outside the United States and it is not a U.S. person or (b) (i) it is acting on behalf of the beneficial owner of the Existing Securities being offered for exchange on a non-discretionary basis and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it that it is located outside the United States and is participating in the Exchange Offer from outside the United States and it is not a U.S. person;
- (m) if it is located in the European Economic Area (other than the Netherlands) it is (i) a "qualified investor" within the meaning of Article 2(1)(e) of Directive 2003/71/EC or (ii) it is offering to exchange such nominal amount of Existing Securities, of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000 (or, in any Member State of the European Economic Area which has implemented the amendment referred to in Article 3(a)(i)(2)(c) of the Prospectus Directive Amending Directive (Directive 2010/73/EU), €100,000);
- (n) it is not located in Italy or, if it is located in Italy, (i) it is a "qualified investor" (*investitore qualificato*) as defined in article 34-ter, paragraph 1, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended, or (ii) it is offering to exchange such nominal amount of Existing Securities of the relevant series as will, when multiplied by the applicable Exchange Ratio, be equal to or greater than €50,000; and, in each case, the relevant Exchange Instruction is being submitted by or on behalf of the beneficial owners of the Existing Securities through an authorised person (such as an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority;
- (o) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43 of the Financial Promotion Order, or to whom this

Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offers may otherwise lawfully be communicated in accordance with the Financial Promotion Order;

- (p) it is not located or resident in France or, if it is located or resident in France, it is a (i) provider of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investor (*investisseur qualifié*) acting on its own account, other than an individual (as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*);
- (q) it is located outside Belgium, or if it is located in Belgium it is a qualifying investor within the meaning of Article 10 of the law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets;
- (r) it has full power and authority to offer for exchange and transfer the Existing Securities offered for exchange and, if such Existing Securities are accepted for exchange by the Offeror, such Existing Securities will be transferred to, or to the order of, the Offeror with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached to such Existing Securities, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Offeror to be necessary or desirable to complete the transfer and cancellation of such Existing Securities or to evidence such power and authority;
- (s) in respect of Existing Securities held via Clearstream, Luxembourg or Euroclear, it holds and will hold, until the time of settlement on the Settlement Date, the Existing Securities blocked in the relevant Clearing System and, in accordance with the requirements of, and by the deadline required by, such Clearing System, it has submitted, or has caused to be submitted, an Exchange Instruction to such Clearing System to authorise the blocking of the Existing Securities offered for exchange with effect on and from the date of such submission so that, at any time pending the transfer of such Existing Securities on the Settlement Date to the Offeror, or to its agent on its behalf, no transfers of such Existing Securities may be effected unless such blocking instructions are properly withdrawn in accordance with the terms of the relevant Exchange Offer;
- (t) in respect of Existing Securities held via Euroclear Netherlands, it (i) has transferred, or arranged for the transfer of, the Existing Securities offered for exchange to the relevant account within Euroclear Netherlands prior to or concurrently with submitting an Exchange Instruction to the Exchange Agent and (ii) has authorised the Exchange Agent to debit the relevant account on the Settlement Date in respect of the principal amount of the Existing Securities to be exchanged;
- (u) the terms and conditions of the relevant Exchange Offer shall be deemed to be incorporated in, and form a part of, the Exchange Instruction which shall be read and construed accordingly, and that the information given by or on behalf of such Holder in the Exchange Instruction is true and will be true in all respects at all times between (and including) the time of submission of the Exchange Instruction and the time of the exchange on the Settlement Date;
- (v) it acknowledges that the Offeror, the Issuer, the Dealer Managers and the Exchange Agent will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and undertakings; and
- (w) it accepts the Offeror is under no obligation to accept offers of Existing Securities for exchange pursuant to the Exchange Offers, and accordingly such offers may be accepted or rejected by the Offeror in its sole discretion and for any reason.

The receipt of an Exchange Instruction by the relevant Clearing System will constitute instructions to debit the securities account of the relevant Direct Participant on the Settlement Date in respect of all of the Existing Securities that the relevant Holder has offered for exchange, upon receipt by such Clearing System of an instruction from the Exchange Agent for such Existing Securities to be transferred to the specified account of the Offeror or its agent on its behalf and against credit of the New Securities and payment by or on behalf of the Offeror of any Accrued Coupon Payment and Cash Rounding Amount, subject to the automatic withdrawal of those instructions on the date of any termination of the relevant Exchange Offer (including where such Existing Securities are not accepted for exchange by the Offeror) or on the valid revocation of such Exchange Instruction, in the limited circumstances in which such revocation is permitted as described in "*Amendment and*

*Termination*", and subject to acceptance of the relevant Exchange Offer by the Offeror and all other conditions of the relevant Exchange Offer.

## **General**

### ***Exchange Instructions***

A separate Exchange Instruction must be completed on behalf of each beneficial owner and in respect of each series of Existing Securities, and must in each case relate to an aggregate amount of Existing Securities of at least the Minimum Offer Amount applicable to the relevant series of Existing Securities.

### ***Irrevocability***

The submission of a valid Exchange Instruction in accordance with the procedures set out in this section "*Procedures for Participating in the Exchange Offers*" will be irrevocable (except in the limited circumstances described in "*Amendment and Termination*").

### ***Irregularities***

All questions as to the validity, form, eligibility and valid revocation (including times of receipt) of any Exchange Instruction will be determined by the Offeror, in its sole discretion, which determination shall be final and binding.

The Offeror reserves the absolute right to reject any and all Exchange Instructions or revocation instructions not in proper form or for which any corresponding agreement by the Offeror to accept would, in the opinion of the Offeror and its legal advisers, be unlawful. The Offeror also reserves the absolute right to waive any defects, irregularities or delay in the submission of any and all Exchange Instructions or revocation instructions. The Offeror also reserves the absolute right to waive any such defect, irregularity or delay in respect of particular offers of Existing Securities for exchange, whether or not the Offeror elects to waive similar defects, irregularities or any delay in respect of any other offers of Existing Securities for exchange. Any defect, irregularity or delay must be cured within such time as the Offeror determines, unless waived by it. Exchange Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of the Offeror, the Issuer, the Dealer Managers or the Exchange Agent shall be under any duty to give notice to a Holder of any defects, irregularities or delays in any Exchange Instruction or revocation instruction, nor shall any of them incur any liability for failure to give such notice.

## AMENDMENT AND TERMINATION

### Amendment and Termination

Notwithstanding any other provision of the Exchange Offers, the Offeror may, subject to applicable laws and following consultation with the Dealer Managers, at its option and in its sole discretion, at any time before any acceptance by it of the relevant Exchange Offer:

- (a) extend the Exchange Offer Deadline for, or re-open, such Exchange Offer (in which case all references in this Exchange Offer Memorandum to "Exchange Offer Deadline", shall for the purposes of such Exchange Offer unless the context otherwise requires, be to the latest time and date to which the Exchange Offer Deadline has been so extended or such Exchange Offer re-opened);
- (b) otherwise extend, re-open or amend such Exchange Offer in any respect (including, but not limited to, any increase, decrease, extension, re-opening or amendment, as applicable, in relation to the Exchange Offer Deadline, Settlement Date, and/or the relevant Exchange Ratio and/or any term of the New Securities);
- (c) delay the acceptance of Exchange Instructions or exchange of Existing Securities validly submitted for exchange in such Exchange Offer until satisfaction or waiver of the conditions to such Exchange Offer, even if such Exchange Offer has expired; or
- (d) terminate such Exchange Offer, including with respect to Exchange Instructions submitted before the time of such termination.

The Offeror also reserves the right at any time to waive any or all of the conditions of either of the Exchange Offers as set out in this Exchange Offer Memorandum.

The Offeror will make an announcement in respect of any such extension, re-opening, amendment or termination as soon as is reasonably practicable after the relevant decision is made as described under "*Further Information and Terms and Conditions - Announcements*" above. To the extent a decision is made to waive any condition of either of the Exchange Offers generally as opposed to in respect of certain offers of Existing Securities for exchange only, the Offeror will make a similar announcement in respect of such decision as soon as is reasonably practicable after it is made.

### Revocation Rights

If the Offeror amends either of the Exchange Offers in any way (including by way of the issue of any supplement or other form of update to this Exchange Offer Memorandum or the making of any other announcement, in which any other material development is disclosed) that, in the opinion of the Offeror (in consultation with the Dealer Managers) is materially prejudicial to Holders that have already submitted Exchange Instructions for that Exchange Offer before the announcement of such amendment (which announcement shall include a statement that in the opinion of the Offeror such amendment is materially prejudicial to such Holders), then such Exchange Instructions may be revoked at any time from the date and time of the announcement of such decrease or amendment until 5.00 p.m. (CET) on the second Business Day following such announcement (subject to the earlier deadlines required by the Clearing Systems and any intermediary through which Holders hold their Existing Securities).

Any extension or re-opening of either of the Exchange Offers (including any amendment in relation to the Exchange Offer Deadline and/or Settlement Date) in accordance with the terms of that Exchange Offer as described in this section "*Amendment and Termination*" shall not be considered materially prejudicial to Holders that have already submitted Exchange Instructions before the announcement of such amendment, provided that settlement of the relevant Exchange Offer (as so extended or re-opened) is completed by no later than the tenth Business Day after the originally scheduled Settlement Date.

Holders wishing to exercise any right of revocation as set out above should do so in accordance with the procedures set out in "*Procedures for Participating in the Exchange Offers*". Beneficial owners of Existing Securities that are held through an intermediary are advised to check with such entity when it needs to receive instructions to revoke an Exchange Instruction in order to meet the above deadline. For the avoidance of doubt, any Holder who does not exercise any such right of revocation in the circumstances and in the manner specified

above, shall be deemed to have waived such right of revocation and its original Exchange Instruction will remain effective.

## DEALER MANAGERS AND EXCHANGE AGENT

The Offeror has retained UBS Limited as Structurer and Lead Dealer Manager and Barclays Bank PLC and ING Bank N.V. as Joint Dealer Managers for the Exchange Offers with Lucid Issuer Services Limited to act as Exchange Agent. The Offeror and the Dealer Managers (amongst other parties) have entered into a Dealer Manager Agreement dated 12 December 2011 which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Exchange Offers. The Exchange Agent will receive a customary fee for their services, as well as reimbursement for reasonable out-of-pocket expenses.

For the purposes of the settlement of the Exchange Offers on the Settlement Date, the Offeror will calculate, or procure the calculation on its behalf of, the Accrued Coupon Payment for each Holder in respect of the Existing Securities validly offered for exchange by such Holder and accepted by the Offeror, and each Cash Rounding Amount. All such determinations and calculations by the Offeror, or by a third party acting on its instructions and on its behalf, will, absent manifest error, be conclusive and binding on the Offeror and the Holders.

The Dealer Managers and their respective affiliates may contact Holders regarding the Exchange Offers and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Exchange Offer Memorandum and related materials to Holders.

The Dealer Managers and their respective affiliates have provided and continue to provide certain investment banking services to the Offeror, the Issuer and other Group companies for which they have received and will receive compensation that is customary for services of such nature.

None of the Dealer Managers or the Exchange Agent or any of their respective directors, employees or affiliates assume any responsibility for the accuracy or completeness of the information concerning the Exchange Offers, the Offeror, the Issuer any other Group company, the Existing Securities or the New Securities contained in this Exchange Offer Memorandum (including the Base Prospectus and the Final Terms) or for any failure by the Offeror or the Issuer to disclose events that may have occurred and may affect the significance or accuracy of such information.

Each Dealer Manager may (i) submit Exchange Instructions for its own account and (ii) submit Exchange Instructions (subject to the offer restrictions set out in "*Offer and Distribution Restrictions*") on behalf of other Holders.

None of the Dealer Managers, the Issuer, the Offeror, the Exchange Agent, or any director, officer, employee, agent or affiliate of any such person, is acting for any Holder, or will be responsible to any Holder for providing any protections which would be afforded to its clients or for providing advice in relation to the Exchange Offers, and accordingly none of the Dealer Managers, the Exchange Agent, the Offeror, the Issuer, any other Group company or any of their respective directors, employees or affiliates make any representation or recommendation whatsoever regarding the Exchange Offers or expresses any views on the merits thereof, or any recommendation as to whether Holders should offer Existing Securities for exchange.

The Exchange Agent is the agent of the Offeror and does not owe any duty to any Holder.

## ANNEX –FINAL TERMS

### Final Terms dated 12 December 2011

#### ING Bank N.V.

#### Issue of up to €1,750,000,000 4.00 per cent. Fixed Rate Notes due 23 December 2016

#### under the €45,000,000,000 Programme for the Issuance of Debt Instruments

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area (the “EEA”) which has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in the Public Offer Jurisdiction mentioned in Paragraph 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

#### Part A — Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “Conditions”) set forth in the Base Prospectus dated 11 May 2011 and the supplemental prospectuses dated 21 June 2011, 11 August 2011, 7 November 2011 and 8 December 2011 (together, the “Prospectus”), which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms applicable to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (as implemented by the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and its implementing regulations) and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing at the Issuer’s website ([www.ing.com](http://www.ing.com)) and copies may be obtained from ING Groep N.V., c/o ING Bank N.V. at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands.

Prospective investors should carefully consider the section “Risk Factors” in the Base Prospectus.

1	Issuer:	ING Bank N.V.
2	(i) Series Number:	55
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	EUR (€)
4	Aggregate Nominal Amount:	
	(i) Series:	Up to €1,750,000,000
	(ii) Tranche:	Up to €1,750,000,000
		(The final Aggregate Nominal Amount will be determined by the Issuer, in its sole and absolute discretion, and on the

basis of the success and completion of the exchange offers (the “**Exchange Offers**”) launched by ING Groep N.V. on 12 December 2011 and new-money offer to which the Notes relate. The Issuer may issue certain of the Notes pursuant to the Exchange Offers (the “**Tranche 1A Notes**”) and additional Notes pursuant to a concurrent new-money offer (the “**Tranche 1B Notes**”). The final Aggregate Nominal Amount will be announced on or about 21 December 2011 on www.ing.com.)

5	Issue Price:	100% of the Aggregate Nominal Amount
6	(i) Specified Denominations:	€1,000
	(ii) Calculation Amount:	€1,000
7	(i) Issue Date:	23 December 2011
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	23 December 2016
9	Interest Basis:	4.00% Fixed Rate (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	Status of the Notes:	Senior
14	Method of distribution:	In respect of the Tranche 1A Notes: Delivery to participants in the Exchange Offers.  In respect of the Tranche 1B Notes: Syndicated (on a non-underwritten basis)

**Provisions relating to Interest (if any) payable**

15	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	4.00% per annum payable annually in arrear.
	(ii) Interest Payment Date(s):	23 December in each year commencing on (and including) 23 December 2012 up to (and including) the Maturity Date.
	(iii) Fixed Coupon Amount(s):	€40.00 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual (ICMA)

	(vi) Determination Dates:	23 December in each year
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
	(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	<b>Floating Rate Note Provisions</b>	Not Applicable
17	<b>Zero Coupon Note Provisions</b>	Not Applicable
18	<b>Index-Linked Interest Note/other variable-linked interest Note Provisions</b>	Not Applicable
19	<b>Dual Currency Note Provisions</b>	Not Applicable

#### Provisions relating to Redemption

20	<b>Issuer Call</b>	Not Applicable
21	<b>Investor Put</b>	Not Applicable
22	<b>Final Redemption Amount of each Note:</b>	€1,000 per Calculation Amount
23	<b>Early Redemption Amount</b>	
	(i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(e)):	Condition 6(e) applies.
	(ii) Notice period (if other than as set out in the Conditions):	Not Applicable
	(iii) Other (Condition 6(k)):	Not applicable

#### General Provisions Applicable to the Notes

24	Form of Notes	
	(i) Form:	Bearer Notes
		Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only on the occurrence of an Exchange Event, subject to mandatory provisions of applicable laws and regulations.
	(ii) New Global Note:	Yes
25	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
26	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on	

	which such Talons mature):	No
27	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Global Note, consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
28	Details relating to Instalment Notes:	
	(i) Instalment Amount(s):	Not Applicable
	(ii) Instalment Date(s):	Not Applicable
29	For the purposes of Condition 13, notices to be published in the Financial Times (generally yes, but not for domestic issues):	No
30	Other final terms:	Not Applicable

#### **Distribution**

31	(i) If syndicated, names of Managers:	In respect of the Tranche 1A Notes: Not Applicable In respect of the Tranche 1B Notes: <b>UBS Limited</b> 1 Finsbury Avenue London EC2M 2PP United Kingdom; <b>Barclays Bank PLC</b> 5 The North Colonnade Canary Wharf London E14 4BB United Kingdom; and <b>ING Bank N.V.</b> Bijlmerplein 888 1102 MG Amsterdam Zuid-Oost The Netherlands
	(ii) Date of Syndication Agreement:	In respect of the Tranche 1A Notes: Not Applicable In respect of the Tranche 1B Notes: expected to be on or about 21 December 2011
	(iii) Stabilising Manager (if any):	Not Applicable
32	If non-syndicated, name of Dealer:	Not Applicable
33	Total commission and concession:	Not Applicable
34	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA

35	Non-exempt Offer:	D An offer of the Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in The Netherlands (the “ <b>Public Offer Jurisdiction</b> ”) during the period from 12 December 2011 until 20 December 2011 (the “ <b>Offer Period</b> ”). See further Paragraph 7 of Part B below.
36	Additional selling restrictions:	Not Applicable

**Purpose of Final Terms**

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdiction and for admission to trading on Euronext Amsterdam of the Notes described herein pursuant to the €45,000,000,000 Programme for the Issuance of Debt Instruments of ING Groep N.V. and ING Bank N.V.

**Responsibility**

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information.

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## Part B — Other Information

### 1. Listing

Listing Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Amsterdam with effect from the Issue Date.

### 2. Ratings

Ratings: The Notes to be issued are expected to be rated:  
Moody's: Aa3  
Standard & Poor's: A+  
Fitch: A+

### 3. Interests of Natural and Legal Persons involved in the Offer

Save as discussed in "Subscription and Sale" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 4. Reasons for the Offer and Estimated Net Proceeds and Total Expenses

- (i) Reason for the offer: In respect of the Tranche 1A Notes: The Notes are being issued in exchange for the outstanding (i) €750,000,000 ING Perpetual Securities II (ISIN: NL0000113587) and (ii) €1,000,000,000 ING Perpetual Securities III (ISIN: NL0000116127).  
In respect of the Tranche 1B Notes: See "Use of Proceeds" wording in the Base Prospectus dated 11 May 2011.
- (ii) Estimated net proceeds: There will be no net proceeds from the issue of the Tranche 1A Notes.  
The estimated net proceeds in relation to the Tranche 1B Notes will be announced at the Issuer's website ([www.ing.com](http://www.ing.com)).
- (iii) Estimated total expenses: The estimated total expenses in relation to the admission to trading will be announced at the Issuer's website ([www.ing.com](http://www.ing.com)).

### 5. Yield

Indication of yield: 4.00% per annum  
As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

## 6. Operational Information

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|--|--|
| (i) ISIN Code:   | To be announced at the Issuer's website (www.ing.com).   |
| (ii) Common Code:  | To be announced at the Issuer's website (www.ing.com).   |
| (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> /Euroclear Netherlands and the relevant identification number(s): | Not Applicable   |
| (iv) Delivery:   | In respect of the Tranche 1A Notes: Delivery against delivery of the relevant Existing Securities in the Exchange Offers.<br>In respect of the Tranche 1B Notes: Delivery against payment.   |
| (v) Names and addresses of initial Paying Agent(s):  | As set out in the Base Prospectus  |
| (vi) Names and addresses of additional Paying Agent(s) (if any):   | Not Applicable   |
| (vii) Name and address of Calculation Agent:   | Not Applicable   |
| (viii) Intended to be held in a manner which would allow Eurosystem eligibility:   | Yes<br>Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories as Common Safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. |

## 7. Terms and Conditions of the Offer

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|--|--|
| (i) Offer Price:                               | Issue Price  |
| (ii) Conditions to which the offer is subject: | Successful completion of the Exchange Offers   |
| (iii) Description of the application process:  | The subscription period (the " <b>Subscription Period</b> ") for the Notes will coincide with the period of the exchange offers (the " <b>Exchange Offers</b> ") to holders of the outstanding €750,000,000 ING Perpetual Securities II (ISIN: NL0000113587) and the outstanding €1,000,000,000 ING Perpetual Securities III (ISIN: NL0000116127) (the " <b>Existing</b> |

**Securities**”) pursuant to the exchange offer memorandum dated 12 December 2011 (the “**Exchange Offer Memorandum**”) and will commence on 12 December 2011 and conclude at 5:00 p.m. (Amsterdam time) on 20 December 2011 (or such earlier or later time and/or date as the Issuer may permit). The Issuer reserves the right (the “**Modification Right**”) to cancel, withdraw, or alter the terms of the offer of the Notes (including, without limitation, by cancelling the issue of the Notes following expiration of the Subscription Period, by extending the Subscription Period or by terminating the Subscription Period early at any time following its commencement pursuant to the Exchange Offer Memorandum). Any alteration pursuant to the Modification Right will be published at the Issuer’s website (www.ing.com). For the avoidance of doubt, if any application has been made by a potential investor and the Issuer exercises its right to withdraw its offer or cancel the issue of the Notes, potential investors shall not be entitled to subscribe or otherwise acquire the Notes.

The aggregate nominal amount of the Notes to be issued (if any) will be determined by the Issuer, in its sole and absolute discretion, and on the basis of the success and completion of the Exchange Offers to which the Tranche 1A Notes and new-money offer to which the Tranche 1B Notes relate. The final Aggregate Nominal Amount will be announced on or about 21 December 2011 at the Issuer’s website (www.ing.com).

(iv) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:

Not Applicable

(v) Details of the minimum and/or maximum amount of application:

Tranche 1A Notes:

Subject to the Modification Right, all valid applications for exchange of Existing Securities for the Notes received during the Subscription Period will be allocated in full.

Tranche 1B Notes:

There are no pre-identified allotment criteria. The Managers will adopt allotment and/or application criteria in accordance with customary market practices and applicable laws and regulations and/or as otherwise agreed

- between them.
- (vi) Details of the method and time limits for paying up and delivering the Notes: Tranche 1A Notes:  
The Notes will be issued on the Issue Date and only upon the successful completion of the Exchange Offers. No cash amounts are being paid to the Issuer in respect of the issue or the delivery of the Tranche 1A Notes issued in exchange for the Existing Securities pursuant to the Exchange Offers.  
Tranche 1B Notes:  
Not Applicable
- (vii) Manner in and date on which results of the offer are to be made public: The final Aggregate Nominal Amount will be announced on or about 21 December 2011 at the Issuer's website ([www.ing.com](http://www.ing.com))
- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable
- (ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: Tranche 1A Notes are reserved for holders of the Existing Securities who comply with the offer restrictions and validly participation in the Exchange Offers.
- (x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Not Applicable
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Not Applicable. However, investors will be required to pay any taxes arising as a result of the receipt of the Notes, including (if applicable) as a result of participation in the Exchange Offers.
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: Not Applicable

**THE OFFEROR**

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The Netherlands

**THE ISSUER**

**ING Bank N.V.**  
Bijlmerplein 888  
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The Netherlands

**DEALER MANAGERS**

*Structurer and Lead Dealer Manager*

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*Joint Dealer Managers*

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The Netherlands

**THE EXCHANGE AGENT**

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