EXECUTIVE BOARD

John C.R. Hele
Chief Financial Officer

Sir David Tweedie, Chairman
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Subject
Exposure Draft "Investments in Debt Instruments"

Date
15 January 2009

Dear Sir David,

We have read your proposals contained in the Exposure Draft (ED) *"Investments in Debt Instruments"*. We would like to thank you for the opportunity to comment on your proposals. In this letter, we provide the comments on behalf of ING Group, a world-wide financial services organisation focusing on banking, investments, life insurance and retirement services. We note that we have contributed to the responses on this ED of several industry organisations, including notably the European Insurance CFO Forum. We fully support those comments. In this letter, we would like to highlight our key concerns with the ED. Please note that, as we fundamentally disagree with the proposals in general, we have not included responses to all specific, detailed questions raised in the ED.

In line with the subjects recently raised by the EU, we believe that the current impairment requirements for available-for-sale securities significantly overstate losses and should be amended such that only the true estimated credit loss is reflected in the P&L. The proposals in this ED do not address this issue. We are disappointed that the IASB has not yet addressed the measurement of impairment itself but has focussed on additional disclosures.

Furthermore, we do not believe that the proposed disclosures will add to transparency, but instead believe that these would be confusing and potentially misleading. The ED would require the presentation of net income as if all debt securities would have been measured at fair value through profit or loss. This is clearly not in line with the way business is managed and therefore not relevant to users. The proposed disclosure would be very misleading as it would only reflect fair value of debt securities assets. It ignores related/offsetting items, such as hedge accounting, shadow accounting and fair value of liabilities.

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Finally, we have significant concerns on the due process of this ED. We do not believe it is appropriate to finalise new requirements which have not been raised before and have not been requested by users nor preparers of financial statements in January, without a proper comment period, and require these to be effective retrospectively for the preceding year.

Therefore, we strongly believe that the Board should not adopt the proposed amendments. We believe that the Board should urgently focus on the issues as identified by the EU, as these are both more important and supported by a wide range of constituents.

We are available to discuss these proposals further with you and/or your staff.

Yours truly,