

PRESS RELEASE

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ING Investor Dashboard Sentiment Index for Asia declines further by 13% with China and Southeast Asia markets leading the fall

Key Highlights of the Quarterly ING Investor Dashboard Survey

- **Index for Asia falls to 109 for Q2 2008 from 125 for Q1 2008 as the global economic slowdown continues and regional political developments begin to weigh on investors**
- **China's sentiment declines considerably from optimistic to neutral for the first time while Southeast Asia leads the overall decline in the region**
- **Data suggests developed markets like Hong Kong believe in a rebound in the investment markets**
- **61% of Asian investors expect inflation to continue rising in Q3 2008 and 57% are considering reallocating their portfolios and/or investing more to hedge against inflation**

ING, the global financial services group, today released data from the quarterly ING Investor Dashboard Survey which shows a strong further decline in investor sentiment in Asia, with China and many of the Southeast Asian markets showing considerable falls in investor sentiment. This is the first time the pan-Asia sentiment index has moved into neutral sentiment from optimistic sentiment since the introduction of the investor sentiment survey in Q3 2007.

The overall pan-Asia ING Investor Dashboard Sentiment Index falls for the third consecutive quarter to 109 for Q2 2008 from 125 for Q1 2008 as internal and external economic factors and domestic political developments weigh on investors in Q2 2008. The pan-Asia sentiment index registers 135 for Q4 2007 and 141 for Q3 2007.

The ING Investor Dashboard is the first quarterly survey in the Asia Pacific region that provides a pan-Asia (ex-Japan) investor sentiment index. The survey is conducted quarterly across 13 markets* in Asia Pacific, and not only provides market insights on investor attitude and outlook but also allows each market to be benchmarked and tracked against the overall investor sentiment across Asia using the pan-Asia index.

High growth markets like China and India seen to lag in investor sentiment cycles

For most Asian markets, the ING Investor Dashboard sentiment index for Q2 2008 declines from Q1 2008. Most notably, China falls considerably to 117 for Q2 2008 from 136 for Q1 2008, moving from optimistic to neutral for the first time despite continued growth in the economy and the upcoming Olympic Games in Beijing. The Index results suggest that investors in China are beginning to absorb the effects of the global economic slowdown and market pressures:

* The survey was conducted across 13 markets in Asia Pacific including Hong Kong, China, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Japan, Australia and New Zealand. The pan-Asia investor sentiment index includes all Asia markets and excludes Japan, Australia and New Zealand

- 46% of Chinese investors say their economic situation in Q2 2008 deteriorated compared to 41% in Q1 2008
- 56% say their return on investment in Q2 2008 deteriorated compared to 45% in Q1 2008
- 35% say their personal financial situation in Q2 2008 deteriorated compared to 15% in Q1 2008

India also reflects a slight decline to 163 for Q2 2008 from 168 for Q1 2008.

Commenting on the results, Mr. Eddy Belmans, Regional General Manager, North Asia, ING Investment Management said: "We believe the overall net effect from the Sichuan earthquake and the upcoming Olympic Games will be minimal on the overall Chinese economy. The reality is that China, and the region as a whole, have not decoupled from the U.S. or global markets. China has clearly been impacted by the knock-on effects of the U.S. economy, rising oil prices, a fall in its domestic equity markets and rising inflation. As for India, despite the dip in sentiment, investors still appear very optimistic and the results for India suggest that investors there have yet to factor in the reality of the slowdown in its local economy and performance of the investment markets."

"It seems that investor sentiment in the high growth markets of China and India lags that of the developed markets in terms of investor reaction towards the global economic slowdown," he added.

Economic and political developments weigh on Southeast Asia

The developing markets in Southeast Asia are seen to lead the overall decline in investor sentiment in the region as local market and political developments coupled with global economic pressures weigh on investors. The following markets register the largest falls in investor sentiment:

- Thailand's investor sentiment falls to 81 for Q2 2008 from 131 for Q1 2008
- Malaysia's investor sentiment falls to 82 for Q2 2008 from 128 for Q1 2008
- Indonesia's investor sentiment falls to 108 for Q2 2008 from 131 for Q1 2008
- The Philippines' investor sentiment falls to 110 for Q2 2008 from 121 for Q1 2008

Commenting on the investor sentiment trends for Southeast Asia, Mr. Mike Ferrer, Regional General Manager, South Asia, ING Investment Management said: "The Southeast Asian markets in the past quarter, particularly for Thailand and Malaysia, have been affected on several fronts including rising inflation, oil prices and political challenges. Many of these markets also have a higher exposure to rising oil prices compared to the rest of the region, and with the added impact of recent cuts in oil subsidies in some markets, it is not unusual to see that they have led the fall in investor sentiment in Asia."

Asian investors still appear fairly optimistic markets will turn around in Q3 2008

Looking ahead, Asian investors appear fairly optimistic that markets will turn around in Q3 2008 despite the overall drop in investor sentiment in the region:

- 41% of Asian investors (ex-Japan) have a positive outlook for the economy in Q3 2008 compared to 25% who say the economy improved in Q2 2008
- 45% of investors (ex-Japan) expect their return on investment will increase in Q3 2008 compared to 30% who say their return on investment increased in Q2 2008
- 46% of investors (ex-Japan) expect their personal financial situation will improve in Q3 2008 compared to 35% who say their personal financial situation improved in Q2 2008
- 34% of investors (ex-Japan) also believe the U.S. economy will improve the following quarter (Q3 2008) compared to 29% the quarter before

This is despite continued concerns about the subprime crisis and inflation. 71% of Asian investors (ex-Japan) expect the subprime crisis to continue to affect their investment decisions in Q3 2008, and 81% of investors (ex-Japan) expect inflation to affect their investment decisions in Q3 2008.

The survey results also show that investors in developed markets like Hong Kong believe the investment market may be turning around. The Hong Kong Index rises considerably to 123 for Q2 2008 from 107 for Q1 2008, and 58% of Hong Kong investors think the stock market will rise the next quarter (Q3 2008) compared to 36% the quarter before.

"Asian investors are clearly hopeful that Asia will be able to hold its ground and the investment climate will improve in Q3 2008. This might be driven by the fact that most markets are still expected to post healthy growth

rates even though economic growth has slowed slightly in Asia. More savvy investors from the developed markets like Hong Kong and Singapore may also be more confident because they see an opportunity to enter the markets to pick out undervalued investments," said Mr. Mike Ferrer.

Inflation expected to rise and remains a key concern in the region

The ING Investor Dashboard results also show that 61% of Asian investors (ex-Japan) expect inflation to continue rising in Q3 2008, while 81% expect inflation to affect their investment decisions in the coming quarter. 57% of Asian investors (ex-Japan) are also considering reallocating their investment portfolios and/or investing more to hedge against growing inflationary pressures.

"Rising inflation generally does not help the equities market and together with the credit crisis worsening and U.S. equity markets falling, sentiment will continue to be affected in the region. Coupled with higher interest rates in many markets in Asia, we believe investors are currently sitting on the sidelines with their money," commented Mr. Eddy Belmans.

The data also shows that investors in the various markets are considering different ways to deal with the issue of rising inflation.

Investors in developed markets such as Hong Kong and Singapore are considering reallocating their investment portfolios and/or investing more for higher returns in order to beat inflation, and are focused on stocks and foreign currencies. Those in high growth markets such as China and India are focused on gold, property and stocks.

Developing markets in Southeast Asia, on the other hand, appear to be unsure about their investment strategies for beating inflation and are adopting a wait-and-see attitude. Many investors from these Southeast Asian markets are possibly intending to invest less and put aside more money for their daily expenses in order to deal with rising inflation.

For detailed (high-resolution) data charts on the ING Investor Dashboard Sentiment Index, please download the results presentation from: http://www.ing.asia/investor_dashboard

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Notes to Editors

About the ING Investor Dashboard

The ING Investor Dashboard survey measures and tracks investor sentiment and behaviour of mass affluent investors each quarter from 13 Asia Pacific markets including China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Japan, Australia and New Zealand. Each market covered by the survey is assigned an investor sentiment score ranging from 0 (the least optimistic) to 200 (the most optimistic).

It is the first quarterly survey in Asia Pacific which provides a specific industry benchmark for pan-Asia (ex-Japan) investor sentiment. Each quarter, the pan-Asia ING Investor Dashboard sentiment index is also developed as part of the survey. The pan-Asia sentiment index is derived from the median sentiment index scores of 10 of the Asian markets including China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, and Thailand (excludes Japan, Australia and New Zealand).

The ING Investor Dashboard was launched in Asia Pacific following the success of ING's Investor Barometer in Europe. The Investor Barometer is published regularly in the Netherlands and Belgium to gauge the confidence of private investors. It is considered an authoritative measure of the sentiment of private investors and is closely followed by key players in the European financial industry.

The Q3 2007, Q4 2007 and Q1 2008 surveys were carried out in August 2007, December 2007, and March 2008 respectively. The Q2 2008 survey was conducted in June 2008 and involved face-to-face or online interviews with a total of 1,313 mass affluent investors across the 13 Asia Pacific markets. The respondents are aged 30 years and above, and have disposable assets or investments of US\$100,000 and above, with the exception of Indonesia (disposable assets or investments of US\$56,000 and above) and the Philippines (disposable assets or investments of US\$100,000 or monthly income of Php250,000 and above).

The survey is conducted by international and independent research firm TNS.

Profile of ING

ING is a global financial institution of Dutch origin offering banking, insurance and asset management to over 85 million private, corporate and institutional clients in more than 50 countries. With a diverse workforce of about 130,000 people, ING comprises a broad spectrum of prominent companies that increasingly serve their clients under the ING brand.

Profile of TNS

TNS is the world's foremost provider of custom research and analysis, combining in-depth industry sector understanding with world-class expertise in the areas of Retails and Shopper Insights, Stakeholder Management, New Product Development and Brand and Communications. It works in partnership with its clients, meeting their needs for high-quality information, analysis and foresight across a network of over 70 countries.

APPENDIX

Q2 08 Ranking	Country	Q2 08 Index Score	Q1 08 Index Score	Q4 07 Index Score	Q3 07 Index Score
1	India	163	168	167	168
2	Hong Kong	123	107	148	141
3	China	117	136	132	164
4	Philippines	110	121	153	148
5	Taiwan	109	105	83	134
6	Indonesia	108	131	136	133
7	Australia	105	89	131	125
8	New Zealand	98	90	118	114
9	Singapore	90	88	136	141
10	Korea	87	96	113	137
11	Malaysia	82	128	124	148
12	Thailand	81	131	134	129
13	Japan	73	60	71	89

Note: The Investor Sentiment Score gauges the confidence of private investors in investment across 13 Asia Pacific countries.