

Media release

Customer numbers drive strong earnings growth

Friday 17 March, 2017: ING in Australia today announced a statutory net profit after tax of \$295m for 2016 with underlying earnings growing 10% over the previous year. The earnings growth came off the back of ING attracting a record 163,000 new customers over the year with total customers reaching 1.7 million.

Total loans and savings both grew faster than system at 10%, driving the underlying earnings growth, while statutory net profit after tax at \$295m was down 6% on account of one-off loan portfolio and liquid asset sales in the previous period.

ING CEO Uday Sareen said he was particularly pleased that the number of primary bank (main financial institution) customers increased 36% driven by a record take up of the Orange Everyday payment account.

“The Orange Everyday payment account grew 39% breaking through the 500,000 mark. More than half of our new customers came from the recommendations of existing customers. We are now Australia’s 5th largest retail bank in both household balances and mortgages.”

2016 highlights include:

- Orange Everyday growth up 39% - accounts exceed 500,000
- Customers using ING as their main bank up 36%
- Total loans up 10% - \$47.8b
- Owner occupier mortgages up 12%
- Total savings up 10% - \$36.7b
- New to bank customers 163,000; total customers 1.7m
- Launched new digital online banking platform

Mr Sareen said the highlight of the loans growth was an increase of more than 12% for owner occupier home loans which make up 77% of ING’s retail mortgage portfolio.

“Buying a home is such an important decision for people and very relevant to ING developing the main financial relationship with customers”.

Mr Sareen said the strong customer growth came as ING further developed its digital offerings.

“Bank customer inertia is declining as people are more willing to move for a better digital experience. 8% of Australians are likely to switch banks in the next 12 months whereas 14% of customers have switched banks over the past 3 years. This is a big opportunity for customers.”

“People are increasingly looking for a seamless digital experience from their service providers and the onus is on banks to provide that experience. For us by far the majority of our customer interactions are via the mobile app.”

Mr Sareen said ING will continue to develop more products and services as part of the bank’s focused primary bank strategy.”

Mr Sareen said ING is also growing wholesale assets with the portfolio increasing approximately 50% over the year to \$3b.

“We are in a strong position to leverage our global expertise and international network for wholesale banking.”

-ENDS-

For images of Uday Sareen [click here](#)

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About ING DIRECT

ING DIRECT changed the way Australians bank 18 years ago by launching the country's first high interest, fee free online savings account. Since then, we've brought this low fee value to home loans, transactional banking and superannuation.

With 1.7 million customers – and \$37 billion in savings and \$42 billion in mortgages – ING DIRECT has the highest Net Promoter Score of any bank.

Australia's most recommended bank.

Source: Nielsen Consumer & Media View Mar '16 – Aug '16 (n=10,597) when compared by customers of 14 other banks operating in Australia.