ABN·AMRO

Pre-close note Q2 2026

15 July 2026

Dutch economic developments [1]

- The Dutch economy grew by 0.2% in Q1, primarily driven by public and household consumption, and investments
- For 2026, GDP growth is projected to slow to 0.9%, with the Dutch economy remaining resilient despite the ongoing conflict in the Middle East affecting growth
- Unemployment was 3.9% in May and is expected to average 4.2% in 2026
- Bankruptcies remained relatively stable
- Inflation was 2.5% year-on-year in June and is expected to average at 3.0% for the full year, with elevated energy prices gradually filtering through
- The ECB raised its deposit rate to 2.25% in June, and is expected to hike once more in September. By the end of 2027, the deposit rate is expected to be cut back down to 2.0%
- House prices increased in May by 4.4% year-on-year, while transactions declined by 2.5%
- The Dutch housing market is cooling off from historically high growth, with house prices still expected to rise by 3% over 2026, while transactions are expected to decline by 3%

Investments and divestments

- The acquisition of NIBC bank is expected to close on 1 August 2026. As communicated at Q1, the expected overall impact on CET1 capital ratio is 70-80bps depending on NIBC financials, ABN AMRO's RWAs, and purchase price allocation
- The sale of Alfam, ABN AMRO's personal loan business, is expected to close in Q4 2026 with an estimated positive impact on CET1 capital ratio of around 5bps

Net interest income in Q1 2026 was €1,637m
Commercial NII in Q1 was €1,608m

- At Q1, FY2026 commercial NII guidance remained unchanged at circa €6.4bn (excluding NIBC), reflecting a prudent approach with strong confidence in delivering on full-year guidance
- Liability NII in Q1 increased, reflecting growth in average client deposits. The liability margin was broadly unchanged as the benefit from higher rates impacted the replicating yield as of March
    - Deposits in Q2 are typically seasonally higher from annual holiday allowance payments
    - There were no changes in the main client savings rate during Q2 (remained at 1.25%)
- Asset NII in Q1 was stable and reflected growth in mortgages and corporate loans, offsetting continued mortgage margin pressure
    - Mortgage and corporate loan demand has been positive in the Netherlands
    - The relatively high share of state-guaranteed mortgages (low margin, low capital requirement) contributes to mortgage margin pressure
- In Q1, other commercial NII was supported by higher financing demand from Clearing clients

[1] Historical data points are sourced from the Statistics Netherlands (Centraal Bureau voor de Statistiek). Economic expectations mentioned are from ABN AMRO Group Economics latest reports. Inflation refers to HICP

Residual NII in Q1 was €29m

- Residual NII is volatile and expected at around €0-200m per annum

Fee and commission income in Q1 2026 was €608m

- Most of the fee growth in Q1 came from Corporate Banking with the largest part from Clearing and linked to increased market volatility
- Fee income in Personal & Business Banking in Q1 benefitted from increased pricing as of January
- Wealth Management fee income depends on the volume of assets under management, which is mainly impacted by market performance. Equity market performance was positive in Q2

Other income in Q1 2026 was €42m

- Other income is volatile by nature and was impacted by lower ALM results and reduced equity participations last quarters

Operating expenses in Q1 2026 were €1,277m, including €82m positive incidental, €63m restructuring costs and €4m regulatory levies

- With Q1, the FY2026 cost guidance was lowered by €0.1bn to circa €5.5bn (excluding restructuring costs and NIBC), reflecting disciplined cost management
- FTEs reductions in Q1 continued, ahead of plan. The pace of reductions is expected to moderate
- As part of the existing collective labour agreement, staff with room in their pay scale received a salary increase of 2.5% as of April
- The current CLA, which came up for renewal at the end of Q2, has been extended until a new agreement is reached
- In Q2, an €8.5m administrative fine will be booked, as earlier announced in a press release
- Regulatory levies are expected to be negligible in Q2

Loan impairments in Q1 2026 were €67m, or 9bps

- Earlier provided 2028 cost of risk guidance is at the low end of the 10-15bps through-the-cycle range, reflecting the solid credit quality of the diversified loan book
- Q1 included higher model driven impairments, reflecting updated macroeconomic weighting
- Circa €75m of management overlays were in place at Q1, with the vast majority related to interest-only mortgages

Tax: effective tax rate in Q1 2026 was 26.4%

- Full year guidance is a tax rate slightly above the Dutch corporate tax rate of 25.8% reflecting the non-deductible Dutch bank tax in Q4 and the impact of a portion of interest paid not being tax deductible following the thin-cap rule in the Netherlands

Risk weighted assets (RWA) at the end of Q1 2026 were €136.6bn

- In Q1, RWAs increased by €1.2bn, reflecting an increase in business developments partly offset by RWA optimisation
- Further RWA optimisation is expected to be more spread over time

Capital: The Q1 2026 pro-forma CET1 ratio was 15.5%, based on 50% dividend reserve

- Quarterly AT1 costs are circa €48m (€35m net of tax)
- Interim cash dividends are considered at 40% of H1 reported net profit, after deduction of AT1 coupon payments and minority interest, with the ex-dividend date set for 19 August and the payment date for 15 September
- ABN AMRO's CET1 ratio target is >13.75% and the outcome of the annual capital assessment will be announced with Q4 results

Please note that ABN AMRO Investor Relations will be in closed period as of close of business on 22 July 2026. ABN AMRO will publish its Q2 2026 results on 12 August 2026 at 07:00 CEST.