



Investor Relations

EBA interpretation impacts certain capital ratios of ABN AMRO Group

investor presentation

3 November 2017

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EBA interpretation of capital requirements (3 Nov 2017)

- European Banking Authority (EBA) published today its interpretation of articles 82,11(2) of the Capital Requirement Regulations (CRR)
- This interpretation¹⁾ is applicable to European banks and impacts bank holding companies with a single subsidiary, and a high level of total capital as is the case for ABN AMRO
- This results in certain capital ratios of ABN AMRO Group N.V. being impacted

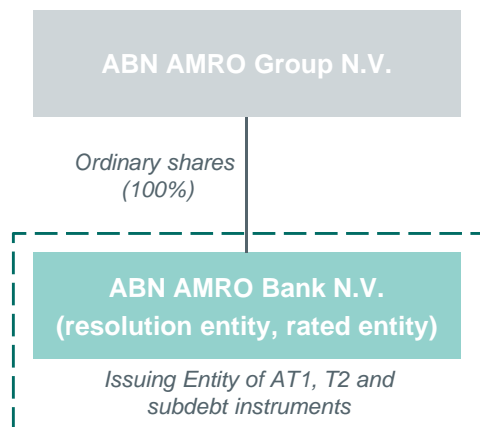
Key messages

- Certain capital ratios of ABN AMRO Group are impacted, being: Tier 1 ratio, Total capital ratio and Leverage ratio
- CET1 capital position of ABN AMRO Group remains unaffected
- No impact on capital ratios of ABN AMRO Bank
- No impact on dividend policy of 50% pay-out
- No impact on ability to pay AT1 coupons
- Outstanding instruments remain relevant in the management of capital ratios of the group and the bank and consequently no regulatory calls will be exercised as a result of this EBA interpretation
- No impact expected on credit ratings of instruments issued by ABN AMRO Bank

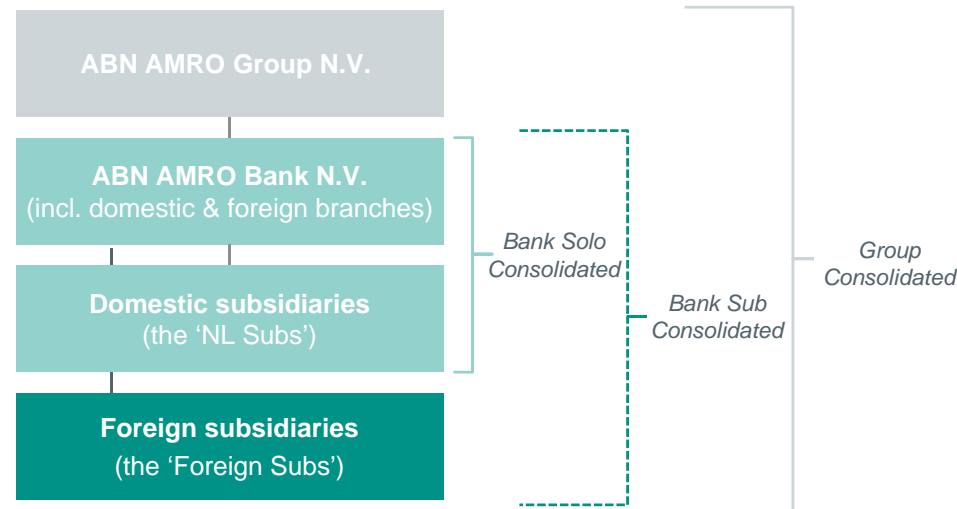
1) [Link to EBA publication](#)

ABN AMRO Group overview

Group legal structure



Regulatory reporting scope of ABN AMRO



- ABN AMRO Group holds all shares in ABN AMRO Bank and has no other assets and liabilities
- Resolution entity ABN AMRO Bank issued all outstanding AT1, T2 and other subordinated instruments
- EBA's interpretation of capital regulation applies to banks and affects bank holding companies with a single bank operating subsidiary, as is the case for ABN AMRO
- Impact exclusively on Group Consolidated ratios, being the Tier 1, Total Capital and leverage ratios of ABN AMRO Group. No impact at Sub Consolidated and Solo Consolidated capital ratios of ABN AMRO Bank

Estimated impact on capital ratios – fully loaded impact (1/2)

ABN AMRO Group

Capital	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	18,328	18,328	0
AT1	1,988	1,350	-638
Tier 1	20,316	19,678	-638
Tier 2	6,445	3,653	-2,792
Total capital	26,761	23,331	-3,430

Capital ratios	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	17.6%	17.6%	0.0%
Tier 1	19.5%	18.9%	-0.6%
Total capital	25.7%	22.4%	-3.3%
Leverage	4.1%	4.0%	-0.1%

ABN AMRO Bank

Capital	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	18,328	no change	-
AT1	1,988	no change	-
Tier 1	20,316	no change	-
Tier 2	6,445	no change	-
Total capital	26,761	no change	-

Capital ratios	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	17.6%	no change	-
Tier 1	19.5%	no change	-
Total capital	25.7%	no change	-
Leverage	4.1%	no change	-

- Pro forma impact calculation based on 30 June 2017 fully loaded capital position, using fully loaded capital requirements, including the recently issued EUR 1.0bn 4.75% PNC10 AT1
- Details of the calculation included on the next page

Estimated impact on capital ratios – fully loaded calculation (2/2)

Pro forma impact calculation based on 30 June 2017 fully loaded capital position, using fully loaded capital requirements, including the recently issued EUR 1.0bn 4.75% PNC10 AT1

Issued by ABN AMRO Bank	To Parent	To Third parties	Total
CET1	18,328		18,328
AT1		1,988	1,988
Tier 1	18,328	1,988	20,316
Tier 2		6,445	6,445
Total capital	18,328	8,433	26,761

Minimum and surplus capital	Minimum + CBR	Surplus	Regulatory capital requirement ¹⁾	
CET1	12,237	6,091	11.77%	P1 + P2R + CBR + CCyB
Tier 1	13,797	6,519	13.27%	P1 + P2R + CBR + CCyB + AT1
Total capital	15,876	10,885	15.27%	P1 + P2R + CBR + CCyB + AT1 + T2
RWA	103,970			
Exposure Measure	492,092			

Eligible consolidated capital for the parent	Total issued = a	Issued to third parties = b	Surplus = c	Surplus attr. to third parties $d = c * b / a$	Included in consolidated capital $e = b - d$
CET1	18,328	0	6,091	0	0
Tier 1	20,316	1,988	6,519	638	1,350
Total capital	26,761	8,433	10,885	3,430	5,003

1) Based on SREP requirements for 2017, we expect SREP in 2019 to be: P1 of 4.5% CET1, P2R of 1.75% CET1, CBR of 5.5% (SRB of 3.0% + CCB of 2.5%), CCyB of 2bps, AT1 of 1.5% and T2 of 2.0%

Estimated impact on capital ratios – phase-in impact (1/2)

ABN AMRO Group

Capital	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	18,352	18,352	0
AT1	1,906	987	-919
Tier 1	20,257	19,338	-919
Tier 2	7,956	3,481	-4,475
Total capital	28,213	22,819	-5,395

Capital ratios	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	17.7%	17.7%	0.0%
Tier 1	19.5%	18.6%	-0.9%
Total capital	27.1%	21.9%	-5.2%
Leverage	4.1%	3.9%	-0.2%

ABN AMRO Bank

Capital	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	18,352	no change	-
AT1	1,906	no change	-
Tier 1	20,257	no change	-
Tier 2	7,956	no change	-
Total capital	28,213	no change	-

Capital ratios	Pro forma 30 June 2017	Post EBA Interpretation	Delta
CET1	17.7%	no change	-
Tier 1	19.5%	no change	-
Total capital	27.1%	no change	-
Leverage	4.1%	no change	-

- Pro forma impact calculation based on 30 June 2017 phase-in capital position, using phase-in capital requirements, including the recently issued EUR 1.0bn 4.75% PNC10 AT1
- Details of the calculation included on the next page

Estimated impact on capital ratios – phase-in calculation (2/2)

Pro forma impact calculation based on 30 June 2017 phase-in capital position, using phase-in capital requirements, including the recently issued EUR 1.0bn 4.75% PNC10 AT1

Issued by ABN AMRO Bank	To Parent	To Third parties	Total	Regulatory adjustment
CET1	18,352		18,352	
AT1		1,988	1,988	-82
Tier 1	18,352	1,988	20,340	
Tier 2		7,992	7,992	-36
Total capital	18,352	9,980	28,331	

Minimum and surplus capital	Minimum + CBR	Surplus	Regulatory capital requirement ¹⁾
CET1	9,378	8,973	9.02% P1 + P2R + CBR + CCyB
Tier 1	10,938	9,402	10.52% P1 + P2R + CBR + CCyB + AT1
Total capital	13,017	15,314	12.52% P1 + P2R + CBR + CCyB + AT1 + T2
RWA	103,970		
Exposure Measure	492,064		

Eligible consolidated capital for the parent	Total issued = a	Issued to third parties = b	Surplus = c	Surplus attr. to third parties d = c * b / a	Included in consolidated capital e = b - d
CET1	18,352	0	8,973	0	0
Tier 1	20,340	1,988	9,402	919	1,069
Total capital	28,331	9,980	15,314	5,395	4,585

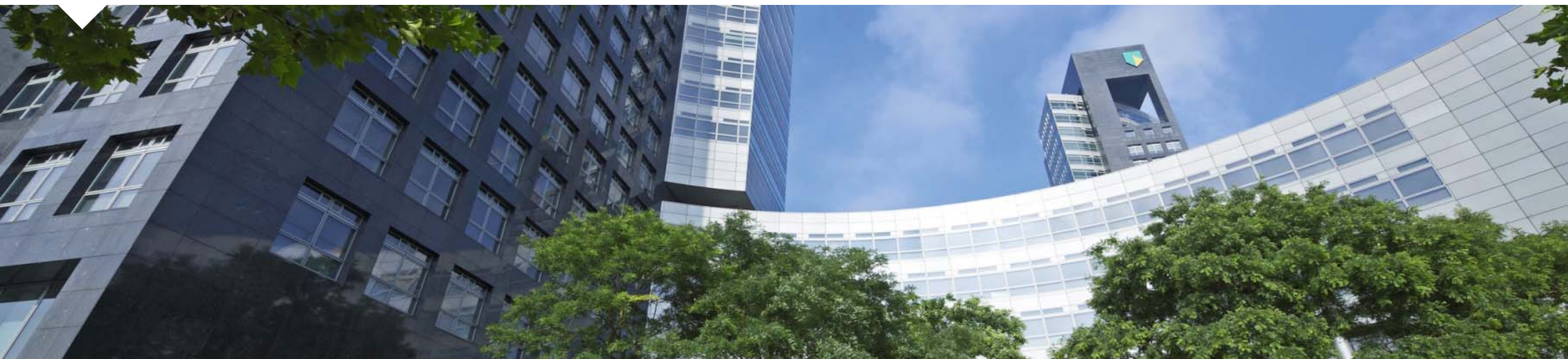
1) Capital requirement for 2017: P1 of 4.5% CET1, P2R of 1.75% CET1, CBR of 2.75% (SRB of 1.5% + CCB of 1.25%), CCyB of 2bps, AT1 of 1.5% and T2 of 2.0%

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