ABN·AMRO

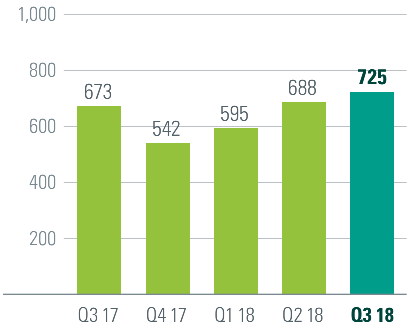
Quarterly Report

Third quarter 2018

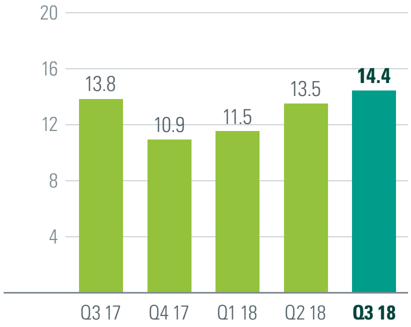
ABN AMRO Group N.V.

Figures at a glance

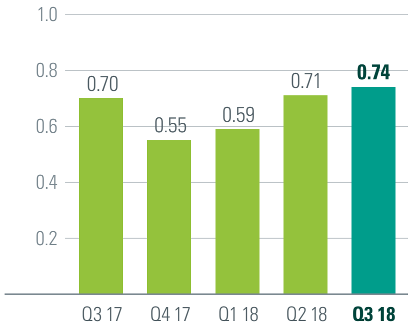
Net profit
(in millions)



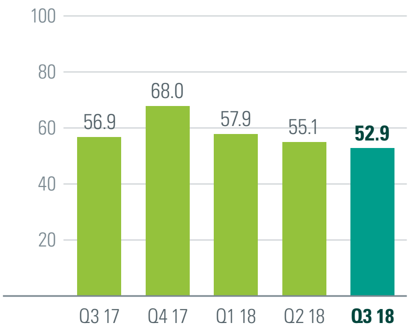
Return on equity
Target range is 10-13 (in %)



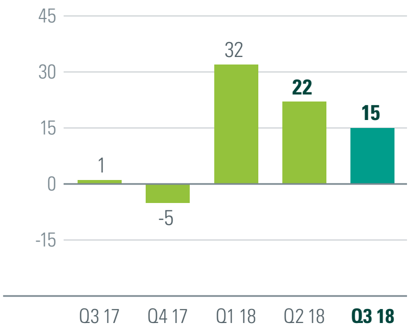
Earnings per share
(in EUR)



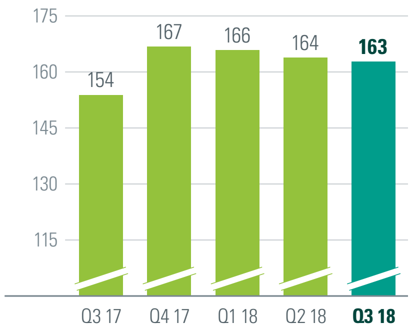
Cost/income ratio
2020 target range is 56-58 (in %)



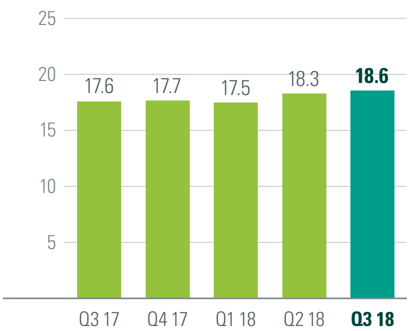
Cost of risk
(in bps)



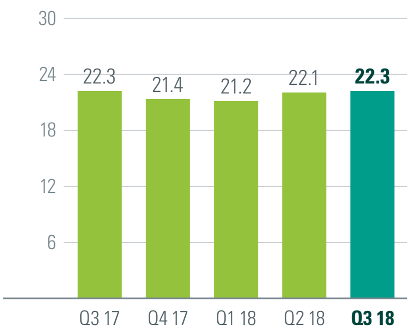
Net interest margin
(in bps)



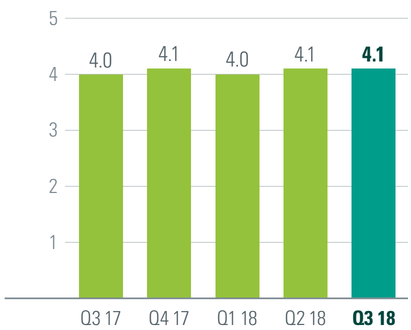
CET1 (fully-loaded)
(end-of-period, in %)
Target range is 17.5-18.5 (in %)



Total capital ratio (fully-loaded)
(end-of-period, in %)



Leverage ratio (fully-loaded, CDR)
(end-of-period, in %)



Message from the CEO

We are pleased to show the progress made in executing our strategy and achieving our financial targets for 2020. In the past years, we have invested in our client businesses, grown the loan book, addressed the cost base and prepared for Basel IV, while increasing the dividend pay-out to shareholders. More recently, we took further steps to improve the profitability of Corporate & Institutional Banking and the international activities of Private Banking.

This has resulted in a good third quarter, with a net profit of EUR 725 million, an increase of 8% on Q3 2017. Net interest income was up 4% year-on-year on the back of a strong Dutch economy. Costs continued to benefit from cost-saving programmes, as evidenced by a lower cost/income ratio. Impairments were lower than in the first two quarters, with year-to-date impairments amounting to 23 basis points of the loan book. We continue to expect full-year impairments to be below the through-the-cycle average of 25-30 basis points. And we were pleased to see we did well in the 2018 EU-wide stress test for European banks.

We made good progress in meeting our financial targets. The cost/income ratio over the first nine months was 55.3% and the return on equity was 13.1%. The capital position continued to strengthen and the CET1 ratio reached 18.6% in Q3 2018. Therefore, we have accrued 60% of the year-to-date net result to create flexibility to raise the dividend pay-out ratio over 2018. We will make a final decision when we have our full-year 2018 results, also taking into account the SREP requirements for 2019.

In September, ABN AMRO was again named one of the world's best-performing banks in terms of sustainability. In RobecoSAM's annual sustainability review, the bank scored 86 out of 100 points, reducing the difference between ABN AMRO and the industry leader to a single point. This score underlines that our bank is successfully making a serious contribution to a sustainable society, and we can do more. We also want to address trends such as environmental awareness, the sharing economy, climate change, the ageing population and increasing urbanisation. To remain relevant and responsible now and in the future, we have defined a clear purpose to guide us through change: Banking for better, for generations to come. And to continue creating lasting value for all of our stakeholders, we have refreshed our strategy and will focus on three pillars: supporting our clients' transition to sustainability; reinventing the customer experience; and building a future-proof bank.

The first pillar means we support clients in their transition to sustainable products and business models that enhance people's welfare. There are huge business opportunities in supporting clients in this transition and financing new business propositions such as product-as-a-service, sustainable real estate and global urbanisation. The second pillar, reinventing the customer experience, means we want to give clients effortless end-to-end experiences at moments that matter to them, by providing fast and flawless service that is right the first time - every time. We will create more touch points in the customer journey and team up with partners to broaden our product range. In doing so, we will retain the client relationship while our partners bring new technologies and innovative solutions. The third pillar is building a future-proof bank. Being a purpose-led and value-driven organisation encourages high performance and engages employees. We will continue to invest in our employees and their education, as well as in promoting the agile way of working. We will also focus further on process optimisation and product rationalisation, and will continue to rejuvenate the IT landscape as we have done over the past five years.

So, we are on track and continue to move forward in achieving our financial targets for 2020, while we have also refreshed our strategic priorities for the years ahead. At the Investor Day on 16 November, the Executive Committee will present an update on what we have delivered since the IPO and elaborate on our strategic priorities and address focus areas such as IT, business outlook and capital position.

Kees van Dijkhuizen

CEO of ABN AMRO Group N.V.

Business

Financial review

This financial review includes a discussion and analysis of the results and sets out the financial condition of ABN AMRO.

Results

Financial highlights

- Good profit for Q3 2018, up year-on-year and quarter-on-quarter, reflecting resilient net interest income, favourable equity participations results, controlled costs, and impairments below previous quarters.
- Net interest income was up 4% YoY, despite low interest environment. Income on mortgages remained stable.
- Costs were under control, reflecting lower personnel expenses following from FTE reductions and higher costs for external employees following a shift to a more flexible workforce, increased short-term capacity and regulatory-related projects. Cost/income ratio was 52.9%.
- RWA down by EUR 0.5 billion from Q2 2018, reflecting lower credit risk including the Luxembourg divestment.

Operating results

(in millions)	Q3 2018	Q3 2017	Change	Q2 2018	Change	Nine months 2018	Nine months 2017	Change
Net interest income	1,624	1,566	4%	1,656	-2%	4,951	4,760	4%
Net fee and commission income	417	416	0%	425	-2%	1,273	1,304	-2%
Other operating income	277	141	96%	207	34%	711	796	-11%
Operating income	**2,318**	**2,123**	**9%**	**2,288**	**1%**	**6,935**	**6,861**	**1%**
Personnel expenses	593	616	-4%	581	2%	1,803	1,904	-5%
Other expenses	634	593	7%	680	-7%	2,034	2,025	0%
Operating expenses	**1,227**	**1,209**	**2%**	**1,261**	**-3%**	**3,837**	**3,929**	**-2%**
Operating result	**1,091**	**914**	**19%**	**1,027**	**6%**	**3,098**	**2,932**	**6%**
Impairment charges on financial instruments	106	5		134	-21%	447	-29	
Operating profit/(loss) before taxation	**985**	**910**	**8%**	**893**	**10%**	**2,651**	**2,960**	**-10%**
Income tax expense	260	236	10%	204	27%	643	711	-10%
Profit/(loss) for the period	**725**	**673**	**8%**	**688**	**5%**	**2,009**	**2,249**	**-11%**
Attributable to:								
Owners of the parent company	698	661	6%	664	5%	1,917	2,200	-13%
Holders of AT1 capital securities	20	11	84%	20	1%	59	32	82%
Other non-controlling interests	8	1		5	70%	33	17	97%

Incidentals

Private Banking divestment

Private Banking's other operating income in Q3 2018 included EUR 12 million in tax-exempt sale proceeds following the divestment of the activities in Luxembourg. Q2 2018 included a total of EUR 48 million in sale proceeds and provision releases resulting from divestments (sale of a building in Luxembourg and asset management activities in France). The total amount for 9M 2018 was EUR 60 million.

Restructuring provision

Q3 2018 included a EUR 27 million restructuring provision relating to the refocus of the CIB strategy. The total amount of restructuring provisions in 9M 2018 came to EUR 60 million. In Q3 2017, there had been a EUR 29 million addition to the restructuring provision for control and support activities. The total amount for 9M 2017 was EUR 87 million, including restructuring-related costs for the PB Asia sale.

Provision release for discontinued securities financing activities

Q2 2018 included a EUR 64 million provision release relating to securities financing activities that had been discontinued in 2009. The release was recorded as net interest income at EUR 35 million and as other operating income at EUR 29 million. In Q3 2017, there had been a EUR 27 million release in other operating income.

Insurance claim settlement

In Q3 2017, there had been a favourable insurance claim settlement at Private Banking, resulting in a EUR 8 million release in other expenses.

ICS provision

In Q2 2018 Retail Banking's net interest income included a EUR 15 million addition to the provision for ICS.

Provision for SME derivatives-related issues

In Q2 2018 the provision for project costs relating to SME derivatives-related issues was raised by EUR 37 million.

Other indicators

	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Net interest margin (NIM) (in bps)	163	154	164	164	154
Cost/income ratio	52.9%	56.9%	55.1%	55.3%	57.3%
Cost of risk (in bps)[1]	15	1	22	23	-2
Return on average Equity[2]	14.4%	13.8%	13.5%	13.1%	15.7%
Earnings per share (in EUR)[3]	0.74	0.70	0.71	2.04	2.34

1 Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.
2 Profit for the period excluding coupons attributable to AT1 capital securities and results attributable to other non-controlling interests divided by the average equity attributable to the owners of the company.
3 Profit for the period excluding coupons attributable to AT1 capital securities and results attributable to other non-controlling interests divided by the average outstanding and paid-up ordinary shares.

	30 September 2018	30 June 2018	31 December 2017
Client Assets (in billions)	301.5	308.2	307.0
Risk-weighted assets (risk exposure amount; in billions)	104.0	104.5	106.2
FTEs	18,720	19,215	19,954

Third-quarter 2018 results

Net interest income totalled EUR 1,624 million in Q3 2018, an increase of EUR 58 million on Q3 2017. This resulted mainly from year-on-year growth in corporate loans, higher mortgage penalty fees and increased interest-related fees from new deals, partly offset by a decline in duration-related interest results. Interest income on residential mortgages was stable as both average volumes and margins remained broadly flat in a competitive market. Consumer loans yielded lower margins year-on-year. On the liability side, average savings volumes were higher year-on-year and the margin decreased.

The interest rate paid on main retail savings products was lowered from 5bps to 3bps in Q3 2018 (Q3 2017: 10bps). The interest rate paid on commercial deposits has been nil for some time; professional clients are being charged negative interest rates on deposits. Excluding incidentals (EUR 20 million net positive impact in Q2 2018), net interest income was lower than in the previous quarter. This was caused mainly by increased margin pressure on deposits. The **net interest margin** (NIM) amounted to 163bps in Q3 2018 (Q3 2017: 154bps), due to higher net interest income and active balance sheet management.

Net fee and commission income totalled EUR 417 million and remained flat compared with Q3 2017. An increase in fees charged for payment packages (Retail Banking) was offset by less favourable market sentiment compared with Q3 2017 (Private Banking). This resulted in a lower number of securities transactions and lower income for asset management activities. Moreover, relatively more clients opted for execution-only instead of managed portfolios, and our raised client threshold for advisory services resulted in a decline in advisory volumes. Compared with Q2 2018, net fee and commission income came down by EUR 8 million. Adjusted for the developments at Retail and Private Banking, the decline was mainly attributable to the Clearing business, as less volatility in the financial markets resulted in lower volumes of transactions in Q3.

Other operating income amounted to EUR 277 million in Q3 2018. Excluding the impact of incidentals and volatile items in both quarters, other operating income remained broadly flat compared with Q3 2017. Q3 2018 included higher results for equity participations (EUR 107 million versus EUR 28 million in Q3 2017), more favourable hedge accounting-related income (EUR 70 million compared with EUR 9 million in Q3 2017) and slightly higher CVA/DVA/FVA (EUR 9 million versus EUR 1 million in Q3 2017). Excluding the impact of incidentals and volatile items, other operating income was in line with Q2 2018, which included lower results for equity participations (EUR 29 million in Q2), CVA/DVA/FVA (EUR 3 million) and less favourable hedge accounting-related income (EUR 16 million). This was offset by positive incidentals relating to Private Banking divestments and a provision release relating to securities financing activities that had been discontinued in 2009.

Personnel expenses declined by EUR 23 million, totalling EUR 593 million in Q3 2018. Adjusted for restructuring provisions, the underlying trend showed a further decrease on the back of declining FTE levels, partly offset by wage inflation. Both quarters (Q3 2018 and Q3 2017) included similar restructuring provisions. Adjusted for restructuring provisions, personnel expenses were lower than in Q2 2018 due to a further decline in FTE levels. As we continue to digitalise and optimise our organisation, we estimate that we will set aside a further restructuring provision in Q4 2018.

FTE levels have come down 1,549 FTEs since the end of Q3 2017, totalling 18,720 in Q3 2018. The decrease applies to almost all segments as a result of restructuring programmes. Since the end of Q2 2018, the number of FTEs decreased by 495, primarily at Retail Banking (transition to a more autonomous way of working) and Private Banking (Luxembourg divestment).

Other expenses increased by EUR 41 million, totalling EUR 634 million in Q3 2018. Adjusted for incidentals and slightly higher regulatory levies, other expenses increased due to a combination of factors. These included higher costs for external employees primarily resulting from a shift to a more flexible workforce, increased short-term capacity and regulatory-related projects. In addition, Q3 2018 included higher costs for M&A activities at Private Banking. Compared with Q2 2018, other expenses decreased by EUR 46 million. Adjusted for incidentals and lower regulatory levies, other expenses increased modestly, mainly due to the same drivers.

Impairment charges on financial instruments amounted to EUR 106 million in Q3 2018, versus EUR 5 million in Q3 2017. Current quarter impairment charges mainly reflect a few specific files relating to the shipping industry (Commercial Banking) and offshore energy markets (CIB). Limited impairment charges in Q3 2017 partly resulted from releases following a model refinement. The cost of risk amounted to 15bps in Q3 2018. Impairments were lower than in Q2 2018, primarily reflecting charges for the healthcare industry and Trade & Commodity Finance (TCF).

Client loans increased to EUR 254.6 billion, primarily reflecting corporate loans at Corporate & Institutional Banking (see also Balance Sheet). **RWA** amounted to EUR 104.0 billion, a EUR 0.5 billion decrease from Q2 2018, due to lower credit risk including the impact of the Luxembourg divestment. Total operational risk RWA remained stable.

Developments in the first nine months of 2018

ABN AMRO's **profit for the period** (9M 2018) amounted to EUR 2,009 million. The decrease of EUR 240 million compared with 9M 2017 was mainly attributable to the sale proceeds of the PB Asia divestment and the effect of model refinements driving impairment releases, both in 2017. As a result, **Return on Equity** for 9M 2018 was 13.1%, compared with 15.7% in 9M 2017. Adjusted for incidentals, the operating result showed an underlying improvement, reflecting higher net interest income resulting from corporate loan growth and lower cost levels following from FTE reductions.

Operating income amounted to EUR 6,935 million, an increase of EUR 74 million on 9M 2017. Excluding the impact of divestments, the increase was predominately attributable to higher net interest income.

Net interest income came to EUR 4,951 million, an increase of EUR 191 million on 9M 2017, partly supported by favourable incidental items. The underlying trend showed improved net interest income resulting from corporate loan growth and higher mortgage penalty fees, partly offset by a decline in duration-related interest results. Interest income on residential mortgages was stable as average volumes and margins remained broadly flat in a competitive market. Consumer loans yielded lower income. Deposit income benefited from higher average saving volumes.

Net fee and commission income amounted to EUR 1,273 million, a decrease of EUR 31 million compared with 9M 2017. Half of this decrease was attributable to the PB Asia divestment, as 2017 included four months of fee contributions from this business. The remaining decrease occurred primarily within Private Banking, as net fee and commission income had been higher in 9M 2017 on the back of more favourable market sentiment.

Other operating income decreased to EUR 711 million in 9M 2018 (9M 2017: EUR 796 million). Excluding the PB Asia divestment in 2017, other operating income increased due to better results for equity participations (EUR 238 million versus EUR 105 million in 9M 2017). Lower results for CVA/DVA/FVA (9M 2018: EUR 8 million, 9M 2017: EUR 43 million) and less favourable hedge accounting-related income (EUR 110 million versus EUR 127 million in 9M 2017) were largely offset by favourable incidentals in 9M 2018, such as divestment-related income at Private Banking and the revaluation of equensWorldline (EUR 46 million).

Personnel expenses came down by EUR 101 million to EUR 1,803 million in 9M 2018. Excluding restructuring-related costs, personnel expenses decreased as a result of lower FTE levels following from cost-saving programmes. This decrease was partly offset by wage inflation as the new CLA entailed a 2% wage increase and a one-off payment (EUR 16 million).

Other expenses totalled EUR 2,034 million in 9M 2018, broadly in line with 9M 2017. Excluding the impact of incidentals and higher regulatory levies (EUR 208 million in 9M 2018), other expenses increased slightly as costs for external employees went up. Regulatory levies were higher in 9M 2018, mainly due to an increase in the Single Resolution Fund contribution. Full-year regulatory levies are expected to be approximately EUR 325 million.

Impairment charges on financial instruments amounted to EUR 447 million in 9M 2018, versus a EUR 29 million release in 9M 2017. Despite the continued favourable overall credit quality trend, impairment charges in 9M 2018 were high due to charges recorded in specific sectors (by CIB primarily for Natural Resources and Trade & Commodity Finance; by Commercial Banking primarily for healthcare and the shipping industry). Impairment releases in 9M 2017 mainly resulted from model refinements on SME lending and mortgages as well as an IBNI release. The cost of risk amounted to 23bps in 9M 2018, below the through-the-cycle level of 25-30bps.

Balance sheet

Condensed consolidated statement of financial position

(in millions)	30 September 2018	30 June 2018	31 December 2017
Cash and balances at central banks	29,982	28,826	29,783
Financial assets held for trading	1,283	1,430	1,600
Derivatives	7,315	8,648	9,825
Financial investments	40,042	41,322	40,964
Securities financing	18,851	16,830	15,686
Loans and advances banks	8,810	10,084	10,665
Loans and advances customers	277,183	277,817	274,906
Other	8,954	10,408	9,743
Total assets	**392,419**	**395,365**	**393,171**
Financial liabilities held for trading	684	716	1,082
Derivatives	7,748	9,700	8,367
Securities financing	14,531	12,756	11,412
Due to banks	16,178	14,646	16,462
Due to customers	237,518	238,058	236,699
Issued debt	78,739	78,251	76,612
Subordinated liabilities	9,576	9,683	9,720
Other	6,147	10,266	11,488
Total liabilities	**371,121**	**374,077**	**371,841**
Equity attributable to the owners of the parent company	19,269	19,240	19,303
AT1 capital securities	1,986	2,005	2,007
Equity attributable to other non-controlling interests	43	43	20
Total equity	**21,298**	**21,288**	**21,330**
Total liabilities and equity	**392,419**	**395,365**	**393,171**
Committed credit facilities	39,271	37,099	32,772
Guarantees and other commitments	15,421	16,062	16,165

Main developments in total assets compared with 30 June 2018

Total assets decreased by EUR 2.9 billion, totalling EUR 392.4 billion at 30 September 2018, mainly due to the divestment of the private banking activities in Luxembourg.

Cash and balances at central banks went up by EUR 1.2 billion, partly due to a shift from financial investments.

Securities financing assets increased by EUR 2.0 billion to EUR 18.9 billion. This is also reflected in the securities financing liabilities position.

Loans and advances customers

(in millions)	30 September 2018	30 June 2018	31 December 2017
Residential mortgages	149,960	150,393	150,562
Consumer loans	12,522	12,329	12,426
Corporate loans to clients[1]	92,138	91,506	85,455
Of which: Commercial Banking	41,612	41,527	40,082
Of which: Corporate & Institutional Banking	43,651	43,369	38,814
Total client loans[2]	**254,620**	**254,228**	**248,443**
Loans to professional counterparties and other loans[3]	21,682	22,840	25,224
Total Loans and advances customers[2]	**276,302**	**277,068**	**273,666**
Fair value adjustments from hedge accounting	3,150	3,516	3,700
Less: loan impairment allowance	2,270	2,767	2,460
Total Loans and advances customers	**277,183**	**277,817**	**274,906**

1 Corporate loans excluding loans to professional counterparties.
2 Gross carrying amount excluding fair value adjustment from hedge accounting.
3 Other loans consist of loans and advances to government, official institutions and financial markets parties.

Loans and advances customers decreased by EUR 0.6 billion. A decrease in professional loans was partly offset by higher client loans.

Client loans rose by EUR 0.4 billion, primarily reflecting growth of corporate loans at Corporate & Institutional Banking. The increase in the CIB loan book was primarily attributable to Corporates NL, Natural Resources (Energy) and USD appreciation (EUR 0.1 billion positive). Compared with previous quarters, growth slowed down with lower volumes recorded by Trade & Commodity Finance (TCF) and Global Transportation & Logistics (GTL). This reflects the strategy refocus, which is expected to impact volumes gradually through 2020. Corporate loans at Commercial Banking were marginally higher than at 30 June 2018, while consumer loans increased slightly. Residential mortgages decreased by EUR 0.4 billion, reflecting a decline in market share (16.2% in Q3 2018 versus 17.7% in Q2 2018).

Professional loans (loans to professional counterparties plus other loans) decreased by EUR 1.2 billion, mainly within the Clearing business.

Main developments in total liabilities compared with 30 June 2018

Total liabilities came down by EUR 3.0 billion, totalling EUR 371.1 billion at 30 September 2018. The decrease mainly related to the divestment of the private banking activities in Luxembourg.

Securities financing increased by EUR 1.8 billion. This is also reflected in the securities financing assets position.

Issued debt securities went up by EUR 0.5 billion, totalling EUR 78.7 billion due to increased long-term funding.

Due to customers decreased by EUR 0.5 billion, totalling EUR 237.5 billion. This was mainly due to lower professional deposits, partly offset by higher client deposits at Private Banking.

Total equity remained stable at EUR 21.3 billion as the inclusion of the profit for the period was offset by the interim dividend payment (EUR 611 million).

Results by segment

This section includes a discussion and analysis of the results and the financial condition of ABN AMRO Group at segment level for Q3 2018 compared with Q3 2017.

Most of the interest expenses and operating expenses incurred by Group Functions are allocated to the business lines through net interest income and other expenses.

Update non-maturing deposits (NMD) model

With effect from Q3 2018, we have implemented a new allocation of net interest income (NII) between Group Functions and the business segments. This follows from improvements to the model for non-maturing deposits (deposits and current accounts with no tenor) and enables us to calculate the duration of these deposits more precisely. The improvements have led to a shortening of the modelled duration of non-maturing deposits. As a result, the bank's overall hedging position has been adjusted in order to manage ABN AMRO's interest rate sensitivity. The total impact of this model update on Group NII is limited, reflecting higher hedging costs within Group Functions (approximately EUR 40 million per year).

The model update has resulted in a lower transfer price being paid by Asset & Liability Management (ALM, part of Group Functions) to the business segments with respect to non-maturing deposits (mainly Retail, Private and Commercial Banking), which has in turn resulted in an increase in the liquidity and interest-related NII result recorded by Group Functions. As ALM manages interest rate risk on behalf of the business segments, ALM's NII is reallocated to the business segments. The allocation is proportional to the equity allocated per segment.

The combined impact of these measures on the business segments in the third quarter of 2018 was a decline in NII of approximately EUR 30 million for Retail Banking, approximately EUR 10 million for Private Banking and approximately EUR 20 million for Commercial Banking, and a rise in NII of approximately EUR 20 million for CIB and approximately EUR 40 million for Group Functions.

Retail Banking

Financial highlights

- Lower profit for the period attributable to a slightly lower operating result and impairment releases in the previous year.
- Interest income on mortgages remained stable despite competitive environment, while consumer loans saw lower volumes and margins year-on-year.
- FTE levels have come down since Q2 2018 following a transition to a more autonomous way of working, based on self-organising teams.

Business developments

- ABN AMRO has reopened Groenbank, which finances sustainable projects based on the Green Scheme as established by the Netherlands Enterprise Agency (RVO). Savers can initiate their green savings at Groenbank with a Green Deposit, and will receive tax advantages through the Green Scheme.
- For the first time the Net Promotor Score (NPS) on video banking ('beeldbankieren') is above the NPS for Face to Face contact.

Operating results

(in millions)	Q3 2018	Q3 2017	Change	Q2 2018	Change	Nine months 2018	Nine months 2017	Change
Net interest income	774	814	-5%	790	-2%	2,368	2,449	-3%
Net fee and commission income	98	82	18%	86	13%	268	257	4%
Other operating income	12	12	0%	10	22%	27	24	13%
Operating income	**884**	**909**	**-3%**	**887**	**0%**	**2,663**	**2,731**	**-2%**
Personnel expenses	104	110	-6%	111	-7%	334	334	0%
Other expenses	354	363	-3%	378	-6%	1,138	1,138	0%
Operating expenses	**457**	**473**	**-3%**	**489**	**-6%**	**1,472**	**1,471**	**0%**
Operating result	**427**	**436**	**-2%**	**398**	**7%**	**1,191**	**1,260**	**-5%**
Impairment charges on financial instruments	0	-21		-23		-18	-81	77%
Operating profit/(loss) before taxation	**426**	**457**	**-7%**	**420**	**1%**	**1,210**	**1,340**	**-10%**
Income tax expense	99	112	-12%	103	-5%	293	333	-12%
Profit/(loss) for the period	**328**	**345**	**-5%**	**317**	**3%**	**917**	**1,007**	**-9%**

Other indicators

	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Cost/income ratio	51.7%	52.1%	55.1%	55.3%	53.9%
Cost of risk (in bps)[1]	0	-5	-5	-1	-7

[1] Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	30 September 2018	30 June 2018	31 December 2017
Loan-to-Deposit ratio	165%	163%	166%
Loans and advances customers (in billions)	155.7	156.0	156.3
Of which Client loans (in billions)[1]	156.1	156.4	156.7
Due to customers (in billions)	94.6	95.5	94.3
Risk-weighted assets (risk exposure amount; in billions)	27.4	26.7	27.6
FTEs	4,456	4,779	5,060
Total Client Assets (in billions)	106.1	107.3	106.4
Of which Cash	94.6	95.5	94.3
Of which Securities	11.4	11.8	12.1

[1] Gross carrying amount excluding fair value adjustment from hedge accounting.

Net interest income decreased by EUR 40 million compared with Q3 2017; approximately EUR 30 million of the decline was attributable to the combined impact of the NMD model update and the reallocation of net interest income from Group Functions. The underlying trend showed relatively stable interest income from mortgages as average volumes and margins remained broadly stable, despite the competitive market. Interest income from consumer loans was lower than in Q3 2017, due to lower volumes and margins year-on-year. Deposit income was impacted by the NMD model update. Adjusted for incidentals and the NMD model update, net interest income remained flat compared with Q2 2018. Market share of new mortgage production declined amid increased competition and growing demand for mortgages with a longer maturity (16.2% in Q3 2018 versus 19.2% in Q3 2017 and 17.7% in 2018).

Net fee and commission income showed an increase of EUR 16 million on Q3 2017, mainly due to a change in fees charged for payment packages and incidental higher fee income in Q3 2018. Both also resulted in higher net fee and commission income compared with Q2 2018.

Personnel expenses decreased by EUR 6 million, totalling EUR 104 million in Q3 2018. The decrease was attributable to lower FTE levels, partly offset by wage inflation. The number of FTEs declined by 619 compared with Q3 2017, totalling 4,456 FTEs on 30 September 2018. Lower FTE levels reflected a further reduction in the number of branches and ongoing digitalisation. Compared with Q2 2018, personnel expenses came down by EUR 7 million due to a further reduction of FTEs. The FTE decrease in Q3 2018 primarily related to a transition to a more autonomous way of working, based on self-organising teams.

Other expenses decreased by EUR 9 million, totalling EUR 354 million in Q3 2018. The decrease was mainly attributable to lower cost allocations from Group Functions, partly offset by increased costs for external employees. The decrease in other expenses compared with Q2 2018 mainly resulted from a decrease in allocated costs and regulatory levies.

Impairment charges on financial instruments were nil in Q3 2018, whereas Q3 2017 showed a release of EUR 21 million following a model refinement. The cost of risk of residential mortgages amounted to -3bps, well below the through-the-cycle level of 5-7bps.

Client loans declined by EUR 0.3 billion to EUR 156.1 billion at 30 September 2018, mainly due to a decline in the mortgage volume. **RWA** was up by EUR 0.7 billion, reflecting higher operational risk following a reallocation from Group Functions.

Commercial Banking

Financial highlights

- Strongly positive underlying net interest income development, benefiting from continued growth in client loans.
- Cost levels under control following FTE reductions resulting from cost-saving programmes.
- Increased impairment levels following specific additions in Q3 2018, while Q3 2017 included a small release.

Business developments

- Groenbank reopened to support companies transitioning to a sustainable business model with new modes of financing. In 2020 we want to finance one billion euros' worth of circular company assets, across all sectors and through a minimum of 100 separate deals, resulting in carbon emissions reduction of at least one million tonnes. Groenbank will positively contribute to these goals.
- Launched a new pilot in partnership with the Port of Rotterdam and Samsung SDS, Samsung's logistics and IT division. The pilot will seek to use blockchain technology to build a platform for efficient and paperless administration processes for the international finance and logistics surrounding container transport.
- ABN AMRO's campaign for Kaan's Stream Store won the Gold as well as the People's Lovie Awards, Europe's most prestigious internet awards. With the campaign ABN AMRO launched the world's first live stream.

Operating results

(in millions)	Q3 2018	Q3 2017	Change	Q2 2018	Change	Nine months 2018	Nine months 2017	Change
Net interest income	390	393	-1%	416	-6%	1,210	1,183	2%
Net fee and commission income	64	65	-2%	63	2%	189	191	-1%
Other operating income	8	13	-41%	15	-48%	31	40	-21%
Operating income	**462**	**470**	**-2%**	**493**	**-6%**	**1,431**	**1,413**	**1%**
Personnel expenses	75	78	-4%	75	0%	231	234	-1%
Other expenses	149	150	-1%	162	-8%	478	480	0%
Operating expenses	**225**	**229**	**-2%**	**238**	**-6%**	**709**	**714**	**-1%**
Operating result	**237**	**242**	**-2%**	**255**	**-7%**	**722**	**700**	**3%**
Impairment charges on financial instruments	64	-4		69	-8%	177	-118	
Operating profit/(loss) before taxation	**173**	**246**	**-29%**	**186**	**-7%**	**544**	**818**	**-33%**
Income tax expense	43	60	-29%	46	-7%	134	203	-34%
Reported profit/(loss) for the period	**130**	**185**	**-30%**	**140**	**-7%**	**410**	**615**	**-33%**

Other indicators

	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Cost/income ratio	48.7%	48.6%	48.2%	49.6%	50.5%
Cost of risk (in bps)[1]	50	-4	79	60	-39

[1] Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	30 September 2018	30 June 2018	31 December 2017
Loan-to-Deposit ratio	92%	92%	91%
Loans and advances customers (in billions)	41.5	41.5	40.1
Of which Client loans (in billions)[1]	42.2	42.1	40.5
Due to customers (in billions)	45.3	45.1	44.2
Risk-weighted assets (risk exposure amount; in billions)	24.8	25.0	24.9
FTEs	2,704	2,694	2,905

[1] Gross carrying amount excluding fair value adjustment from hedge accounting.

Net interest income decreased by EUR 3 million to EUR 390 million. Approximately EUR 20 million of the decrease was attributable to the combined impact of the NMD model update and the reallocation of net interest income from Group Functions. The underlying increase in net interest income was mainly attributable to higher net interest income on client loans, which benefited from continued growth across most sectors. Adjusted for the NMD model, deposit income was stable as volume growth was offset by continuing margin pressure. Compared with Q2 2018, underlying net interest income showed a slight decrease as a result of ongoing margin pressure on deposits and despite volume growth in both deposits and clients loans.

Net fees and commission income remained stable in comparison with both Q3 2017 and Q2 2018.

Other operating income decreased by EUR 5 million and EUR 7 million compared with Q3 2017 and Q2 2018 respectively, following more favourable revaluation results in those quarters.

Personnel expenses came down by EUR 3 million, totalling EUR 75 million in Q3 2018. This was driven by a reduction in FTEs following from cost-saving programmes, partly offset by wage inflation. Compared with Q2 2018, personnel expenses remained flat.

Other expenses remained stable compared with Q3 2017. Compared with Q2 2018, other expenses decreased by EUR 13 million to EUR 149 million as a result of a decline in costs allocated by Group Functions and lower regulatory levies.

Impairment charges on financial instruments amounted to EUR 64 million, compared with a EUR 4 million release in Q3 2017. Current quarter impairments primarily reflect specific additions in the shipping industry and a small release in the healthcare sector, as opposed to Q2 2018, which included a few new files with impairments, predominantly in the healthcare sector.

Client loans amounted to EUR 42.2 billion at 30 September 2018, a slight increase on 30 June 2018. **RWA** decreased by EUR 0.2 billion to EUR 24.8 billion, as credit risk RWA came down due to several smaller movements. This was partly offset by increased operational risk following a reallocation from Group Functions.

Private Banking

Financial highlights

- Higher profit versus Q3 2017 due to increased operating income and lower costs, despite higher impairments.
- Net interest income was up 8%, primarily reflecting margin improvements in the Netherlands.
- Underlying development shows lower cost levels following substantial FTE reductions.
- Client assets decreased by EUR 5.4 billion due to divestments; net new assets and market performance were positive.

Business developments

- Succesful closing of the sale of ABN AMRO Private Bank Luxembourg in September.
- The number of sustainable client assets further increased to EUR 13 billion.

Operating results

(in millions)	Q3 2018	Q3 2017	Change	Q2 2018	Change	Nine months 2018	Nine months 2017	Change
Net interest income	182	167	8%	180	1%	546	494	11%
Net fee and commission income	119	139	-14%	132	-10%	388	431	-10%
Other operating income	25	13	89%	64	-61%	101	287	-65%
Operating income	**325**	**319**	**2%**	**376**	**-14%**	**1,035**	**1,211**	**-15%**
Personnel expenses	96	106	-10%	100	-5%	298	371	-20%
Other expenses	133	127	5%	129	3%	401	436	-8%
Operating expenses	**229**	**233**	**-2%**	**230**	**0%**	**699**	**808**	**-14%**
Operating result	**96**	**86**	**12%**	**146**	**-34%**	**336**	**404**	**-17%**
Impairment charges on financial instruments	1	-6		7	-89%	13	-10	
Operating profit/(loss) before taxation	**95**	**93**	**3%**	**139**	**-31%**	**323**	**414**	**-22%**
Income tax expense	19	25	-22%	35	-46%	78	58	34%
Profit/(loss) for the period	**76**	**68**	**12%**	**104**	**-27%**	**245**	**356**	**-31%**

Other indicators

	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Cost/income ratio	70.4%	73.0%	61.1%	67.5%	66.7%
Cost of risk (in bps)[1]	4	-21	21	15	-11

[1] Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	30 September 2018	30 June 2018	31 December 2017
Loan-to-Deposit ratio	19%	19%	19%
Loans and advances customers (in billions)	12.4	12.1	12.2
Of which Client loans (in billions)[1]	12.6	12.3	12.4
Due to customers (in billions)	66.7	65.0	65.0
Risk-weighted assets (risk exposure amount; in billions)	9.2	9.3	9.4
FTEs	2,828	2,996	3,240

[1] Gross carrying amount excluding fair value adjustment from hedge accounting.

Client assets

(in billions)	Q3 2018	Q2 2018	Q4 2017
Opening balance Client Assets	**200.9**	**200.1**	**197.1**
Net new assets	2.0	-0.5	1.7
Market performance	1.1	1.8	1.8
Divestments	-8.5	-0.5	
Closing Balance Client Assets	**195.5**	**200.9**	**200.6**
	30 September 2018	30 June 2018	31 December 2017
Breakdown by type			
Cash	66.9	67.2	67.2
Securities	128.6	133.7	133.4
-of which Custody	36.2	38.0	36.7
Total	**195.5**	**200.9**	**200.6**
Breakdown by geography			
The Netherlands	58%	56%	55%
Rest of Europe	42%	44%	45%

Net interest income rose by EUR 15 million compared with Q3 2017, to EUR 182 million. Q3 2018 included a decrease of approximately EUR 10 million due to the combined impact of the NMD model update and the reallocation of net interest income from Group Functions. Underlying, the increase was primarily attributable to margin improvements in the Netherlands.

Net fee and commission declined by EUR 20 million to EUR 119 million in Q3 2018. Market sentiment was less favourable than in Q3 2017, resulting in a lower number of securities transactions and lower income for asset management activities. Moreover, relatively more clients opted for execution-only instead of managed portfolios and the raised client threshold for advisory services resulted in lower advisory volumes. The decrease in net fee and commission income compared with Q2 2018 primarily related to the same drivers.

Other operating income grew EUR 12 million on Q3 2017, to EUR 25 million. This was mainly attributable to sale proceeds from the divested private banking activities in Luxembourg. Compared with Q2 2018, other operating income decreased by EUR 39 million as Q2 2018 included EUR 48 million for divestment-related incidentals.

Client assets came to EUR 195.5 billion, a decline of EUR 5.4 billion from Q2 2018, due to the impact of divestments (EUR 7.3 billion for Luxembourg and EUR 1.2 billion for asset management activities in France). The underlying trend was an increase in custody assets in the Netherlands as several large existing clients added funds.

Net new assets amounted to EUR 2.0 billion. The positive NNA development occurred primarily in the Netherlands. The internal transfer from Retail Banking and referrals from Commercial Banking amounted to EUR 0.7 billion.

Personnel expenses decreased by EUR 10 million compared with Q3 2017, reflecting substantial FTE reductions, partly offset by wage inflation. The decrease of 547 FTEs was primarily attributable to progress in restructuring, the sale of Luxembourg and an internal transfer to CIB following the PB Asia divestment. Compared with Q2 2018, personnel expenses decreased by EUR 4 million, reflecting a reduction of FTEs (Luxembourg divestment).

Other expenses increased by EUR 6 million compared with Q3 2017, to EUR 133 million. Private Banking included a favourable insurance claim settlement in Q3 2017 (EUR 8 million release). The underlying development showed lower allocated Group Functions costs, largely offset by costs related to M&A activities. Compared with Q2, other expenses increased by EUR 4 million due to higher M&A costs.

Client loans increased by EUR 0.3 billion compared with Q2 2018, to EUR 12.6 billion at Q3 2018.
RWA decreased slightly to EUR 9.2 billion, primarily due to the Luxembourg divestment. This was partly offset by a reallocation of operational risk from Group Functions.

Corporate & Institutional Banking

Financial highlights

- Profit up by EUR 129 million due to favourable Equity Participation results and improved net interest income, despite higher costs and impairments.
- Net interest income YoY up by 36%, on the back of corporate loan growth and favourable impact of new deals.
- Cost/income ratio was 47.8%. Underlying expenses remained stable.
- Impairment charges down compared with previous quarters.
- Slight increase in corporate loans versus Q2 2018. Growth slowed down as a result of lower volumes in Trade & Commodity Finance (TCF) and Global Transportation & Logistics (GTL). This reflects the strategy refocus, which is expected to impact volumes gradually until 2020.

Business developments

- By the end of October, ABN AMRO had informed more than half of its qualifying clients of the outcome of the reassessment of their interest rate derivatives based on the criteria of the Uniform Recovery Framework for SMEs. In total about 7,100 clients have interest rate derivatives that qualify for reassessment.
  The file review has been completed for approximately 4,000 clients, of which 3,576 clients have been sent a compensation offer. Nearly all other files are under review. ABN AMRO aims to inform as many clients of the outcome of the reassessment as possible before the year ends. At the current rate, all clients will have been notified of the outcome by Q1 2019.
- All ABN AMRO clients have been offered an advance on their expected compensation. For vulnerable clients, the advance corresponded to their total expected compensation. For other clients, the advance was equal to the expected ex-gratia payment.
- ABN AMRO, together with 14 of the world's largest financing, trading and production institutions, has launched Komgo SA. This venture digitalises trade and commodities finance processes through a blockchain-based open platform and will transform the way these operations are processed.

Operating results

(in millions)	Q3 2018	Q3 2017	Change	Q2 2018	Change	Nine months 2018	Nine months 2017	Change
Net interest income	307	225	36%	286	7%	858	689	24%
Net fee and commission income	125	123	2%	140	-11%	402	406	-1%
Other operating income	149	59		67	121%	342	260	32%
Operating income	**580**	**406**	**43%**	**493**	**18%**	**1,602**	**1,355**	**18%**
Personnel expenses	137	109	25%	117	17%	372	322	15%
Other expenses	141	143	-1%	193	-27%	515	527	-2%
Operating expenses	**278**	**252**	**10%**	**310**	**-10%**	**887**	**849**	**4%**
Operating result	**303**	**154**	**96%**	**183**	**65%**	**715**	**505**	**42%**
Impairment charges on financial instruments	55	34	64%	84	-34%	291	178	64%
Operating profit/(loss) before taxation	**247**	**120**	**105%**	**100**	**148%**	**424**	**327**	**30%**
Income tax expense	37	39	-5%	22	66%	63	80	-22%
Profit/(loss) for the period	**210**	**81**		**77**		**361**	**247**	**46%**

Other indicators

	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Cost/income ratio	47.8%	62.1%	62.9%	55.4%	62.7%
Cost of risk (in bps)[1]	41	24	55	67	41

[1] Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers (excluding at fair value through P&L) on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	30 September 2018	30 June 2018	31 December 2017
Loan-to-Deposit ratio	209%	204%	173%
Loans and advances customers (in billions)	61.6	61.9	59.7
Of which Client loans (in billions)[1]	43.8	43.4	38.9
Due to customers (in billions)	27.2	28.3	30.3
Risk-weighted assets (risk exposure amount; in billions)	37.3	37.2	37.7
FTEs	2,546	2,571	2,542

[1] Gross carrying amount excluding fair value adjustment from hedge accounting.

Net interest income increased by EUR 82 million compared with Q3 2017. Approximately EUR 20 million of the increase was attributable to the combined impact of the NMD model update and the reallocation of net interest income from Group Functions. Net interest income rose on the back of increased client lending year-on-year and higher interest-related fees from new deals, whereas loan margins remained stable. Deposit income was slightly higher than in Q3 2017 as margins improved modestly, largely on USD deposits, compensating for lower deposit volumes. Moreover, net interest income at Global Markets showed an increase compared with Q3 2017. Adjusted for the NMD model update and the related change in allocation, net interest income has remained stable since Q2 2018.

Net fee and commission amounted to EUR 125 million Q3 2018 and remained flat compared with Q3 2017, but declined compared to Q2 2018. The decline was mainly attributable to the Clearing business, as less volatility in the financial markets resulted in lower volumes of cleared transactions.

Other operating income increased by EUR 90 million to EUR 149 million in Q3 2018. The increase was mainly attributable to favourable Equity Participations results (EUR 107 million versus EUR 28 million in Q3 2017). CVA/DVA/FVA amounted to EUR 9 million in Q3 2018 (Q3 2017: EUR 1 million). Both were also the main drivers of the increase compared with Q2 2018.

Personnel expenses amounted to EUR 137 million, an EUR 28 million increase on Q3 2017. This was due to a restructuring provision of EUR 27 million relating to the previously announced CIB strategy refocus. Excluding this provision, underlying personnel expenses remained stable. Adjusted for restructuring provisions in both quarters, personnel expenses were slightly lower compared with Q2 2018 due to a modest decline in the number of FTEs.

Other expenses came down by EUR 2 million to EUR 141 million. This was driven by lower allocated costs from Group Functions, partly offset by slightly higher IT-related costs, particularly in Clearing. The decrease in other expenses compared with Q2 2018 was primarily attributable to the provision for project costs relating to SME derivatives issues (EUR 37 million in Q2 2018) and to a lesser extent due to lower regulatory levies.

Impairment charges on financial instruments amounted to EUR 55 million (EUR 34 million in Q3 2017). Impairments in Q3 2018 related largely to additions for a few specific files within Natural Resources, primarily regarding offshore energy markets. Lower impairment charges compared with Q2 2018 (EUR 84 million) resulted from a release in Trade & Commodity Finance and lower net additions in Natural Resources. The cost of risk amounted to 41bps.

Client loans amounted to EUR 43.8 billion, compared with EUR 43.4 billion on 30 June 2018. The increase primarily reflected Corporates NL, Natural Resources (Energy) and USD appreciation (EUR 0.1 billion positive). Compared with previous quarters, growth slowed down as a result of lower volumes within Trade & Commodity Finance and Global Transportation & Logistics. This reflects the strategy refocus, which is expected to impact volumes gradually through 2020. **RWA** grew slightly to EUR 37.3 billion, due to increased operational risk following a reallocation from Group Functions, largely offset by improved credit ratings for clients.

Group Functions

Financial highlights

- Net profit amounted to EUR -19 million, with increased operating income benefiting from more favourable hedge accounting-related income.
- Underlying trend shows declining personnel expenses, reflecting substantial FTE reductions following from cost-saving programmes.
- Lower RWA following a reallocation of operational risk to the business segments.

Operating results

(in millions)	Q3 2018	Q3 2017	Change	Q2 2018	Change	Nine months 2018	Nine months 2017	Change
Net interest income	-28	-34	16%	-15	-86%	-30	-55	45%
Net fee and commission income	12	7	60%	4		27	19	40%
Other operating income	84	44	88%	50	66%	208	186	12%
Operating income	**67**	**18**		**39**	**71%**	**205**	**150**	**36%**
Personnel expenses	182	212	-14%	177	3%	569	643	-12%
Other expenses	-143	-190	25%	-182	22%	-498	-556	10%
Operating expenses	**39**	**21**	**81%**	**-5**		**71**	**87**	**-19%**
Operating result	**28**	**-3**		**44**	**-36%**	**134**	**64**	**111%**
Impairment charges on financial instruments	-15	3		-3		-16	3	
Operating profit/(loss) before taxation	**43**	**-6**		**48**	**-10%**	**150**	**61**	**146%**
Income tax expense	62			-3		75	37	103%
Profit/(loss) for the period	**-19**	**-6**		**51**		**76**	**24**	

Other indicators

	30 September 2018	30 June 2018	31 December 2017
Securities financing - assets (in billions)	14.3	13.5	13.0
Loans and advances customers (in billions)	5.9	6.3	6.6
Securities financing - liabilities (in billions)[1]	13.6	11.9	10.8
Due to customers (in billions)	3.7	4.1	2.9
Risk-weighted assets (risk exposure amount; in billions)	5.3	6.3	6.5
FTEs	6,186	6,175	6,206

[1] ABN AMRO classified all unsettled securities transactions as other assets and other liabilities, previously these were included in securities financing. Comparative figures have been adjusted.

Net interest income amounted to EUR -28 million (Q3 2017: EUR -34 million) and included approximately EUR 40 million for the combined positive impact of the non-maturing deposits model update and the reallocation of net interest income to the business segments. The positive impact of the model update on the ALM/Treasury income and higher mortgage penalty fees was offset by the reallocation of net interest income to the business segments and a lower duration-related interest result. Compared with Q2 2018, net interest income decreased by EUR 13 million, partly due to a lower interest mismatch result. The positive impact of the model update and the related change in allocation was largely offset by previous quarter's provision release for securities financing activities discontinued in 2009 (EUR 35 million).

Other operating income increased by EUR 40 million to EUR 84 million in Q3 2018. This was largely due to more favourable hedge accounting-related income (EUR 70 million versus EUR 9 million in Q3 2017), partly offset by a provision release relating to the securities financing activities that had been discontinued in 2009 (EUR 27 million in Q3 2017).

Personnel expenses came down EUR 30 million, totalling EUR 182 million in Q3 2018, primarily due to a EUR 27 million restructuring provision in Q3 2017. The underlying trend showed slightly decreasing personnel expenses on the back of substantial FTE reductions. Compared with Q3 2017, the number of FTEs decreased by 276 to 6,186 at 30 September 2018, reflecting progress in cost-saving programmes.

Other expenses increased by EUR 47 million, totalling EUR 143 million in Q3 2018. This primarily related to saving benefits and cost control at Group Functions throughout the year, which resulted in a downward adjustment of the costs allocated to the business segments in Q3 2018.

Impairment charges on financial instruments amounted to a EUR 15 million release relating to a Madoff file (see Risk, funding & capital chapter).

Income tax expenses amounted to EUR 62 million and related to recognising tax for the termination of a funding structure.

RWA decreased by EUR 1.0 billion from 30 June 2018, due to a reallocation of operational risk to the business segments.

Additional financial information

Selected financial information

Condensed Consolidated income statement

(in millions)	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Income					
Interest income from financial instruments measured at amortised costs and fair value through other comprehensive income	2,942	2,989	3,347	9,370	9,234
Interest income from financial instruments measured at fair value through profit or loss	48	29	26	100	99
Interest expense	1,365	1,452	1,717	4,518	4,573
Net interest income	**1,624**	**1,566**	**1,656**	**4,951**	**4,760**
Fee and commission income	739	759	789	2,350	2,348
Fee and commission expense	322	343	364	1,077	1,044
Net fee and commission income	**417**	**416**	**425**	**1,273**	**1,304**
Net trading income	50	68	81	168	222
Share of result in equity accounted investments	3	37	20	28	50
Other income	225	36	106	515	524
Operating income	**2,318**	**2,123**	**2,288**	**6,935**	**6,861**
Expenses					
Personnel expenses	593	616	581	1,803	1,904
General and administrative expenses	593	549	636	1,908	1,884
Depreciation and amortisation of tangible and intangible assets	41	44	44	126	141
Operating expenses	**1,227**	**1,209**	**1,261**	**3,837**	**3,929**
Impairment charges on financial instruments	106	5	134	447	-29
Total expenses	**1,333**	**1,213**	**1,395**	**4,284**	**3,900**
Operating profit/(loss) before taxation	**985**	**910**	**893**	**2,651**	**2,960**
Income tax expense	260	236	204	643	711
Profit/(loss) for the period	**725**	**673**	**688**	**2,009**	**2,249**
Attributable to:					
Owners of the parent company	698	661	664	1,917	2,200
AT1 capital securities	20	11	20	59	32
Other non-controlling interests	8	1	5	33	17

Condensed Consolidated statement of comprehensive income

(in millions)	Q3 2018	Q3 2017	Q2 2018
Profit/(loss) for the period	**725**	**673**	**688**
Other comprehensive income:			
Items that will not be reclassified to the income statement			
Remeasurement gains / (losses) on defined benefit plans			
(Un)realised gains/(losses) on Liability own credit risk	2		10
Items that will not be reclassified to the income statement before taxation	**2**		**10**
Income tax relating to items that will not be reclassified to the income statement	1		3
Items that will not be reclassified to the income statement after taxation	**2**	**0**	**7**
Items that may be reclassified to the income statement			
(Un)realised gains/(losses) currency translation	-4	-37	53
(Un)realised gains/(losses) available-for-sale		70	
(Un)realised gains/(losses) fair value through OCI	-86		3
(Un)realised gains/(losses) cash flow hedge	26	75	-62
Share of other comprehensive income of associates	-8	-2	-121
Other comprehensive income for the period before taxation	**-71**	**106**	**-127**
Income tax relating to items that may be reclassified to the income statement	-15	36	-17
Other comprehensive income for the period after taxation	**-56**	**69**	**-110**
Total comprehensive income/(expense) for the period after taxation	**671**	**742**	**585**
Attributable to:			
Owners of the parent company	643	730	560
Holders of AT1 capital securities	20	11	20
Other non-controlling interests	8	1	5

Condensed Consolidated statement of changes in equity

(in millions)	Share capital	Share premium	Other reserves including retained earnings	Accumulated other comprehensive income	Net profit/(loss) attributable to owners of the parent company	Total	AT1 capital securities	Other non-controlling interests	Total equity
Balance at 1 July 2017 (IAS 39)	**940**	**12,970**	**3,613**	**- 223**	**1,539**	**18,839**	**1,004**	**17**	**19,861**
Total comprehensive income				69	661	730	11	1	743
Transfer									
Dividend			- 611			- 611			- 611
Increase/(decrease) of capital							993		993
Paid interest on AT1 capital securities							- 22		- 22
Other changes in equity			2			2			2
Balance at 30 September 2017 (IAS 39)	**940**	**12,970**	**3,004**	**- 154**	**2,200**	**18,960**	**1,987**	**19**	**20,966**
Balance at 1 July 2018	**940**	**12,970**	**4,756**	**-645**	**1,219**	**19,240**	**2,005**	**43**	**21,288**
Total comprehensive income				-54	698	643	20	8	671
Transfer									
Dividend			-611			-611		-8	-619
Increase/(decrease) of capital									
Paid interest on AT1 capital securities							-39		-39
Other changes in equity			-3			-3			-3
Balance at 30 September 2018	**940**	**12,970**	**4,142**	**- 700**	**1,917**	**19,269**	**1,986**	**43**	**21,298**

Specification of accumulated other comprehensive income is as follows:

(in millions)	Remeasurements on post-retirement benefit plans	Currency translation reserve	Available-for-sale reserve	Fair value reserve	Cash flow hedge reserve	Accumulated share of OCI of associates and joint ventures	Liability own credit risk reserve	Total
Balance at 1 July 2017 (IAS 39)	**- 13**	**41**	**525**		**- 901**	**124**		**- 223**
Net gains/(losses) arising during the period		- 37	70		38	- 2		69
Less: Net realised gains/(losses) included in income statement					- 37			- 37
Net gains/(losses) in equity		- 37	70		75	- 2		106
Related income tax			17		19			36
Balance at 30 September 2017 (IAS 39)	**- 13**	**4**	**578**		**- 845**	**122**		**- 154**
Balance at 1 July 2018	**-21**	**-8**	**0**	**431**	**-1,022**	**28**	**-54**	**-645**
Net gains/(losses) arising during the period		-4		-85	-132	-8	2	-227
Less: Net realised gains/(losses) included in income statement				1	-159			-158
Net gains/(losses) in equity		**-4**		**-86**	**26**	**-8**	**2**	**-69**
Related income tax				-21	7		1	-14
Balance at 30 September 2018	**- 21**	**- 12**		**367**	**- 1,002**	**20**	**- 52**	**- 700**

Risk, funding & capital information

Risk developments

Key figures

w(in millions)	30 September 2018	30 June 2018	31 December 2017
Total loans and advances, gross excluding fair value adjustments	283,569	285,281	284,337
- of which Banks	8,816	10,089	10,671
- of which Residential mortgages	149,960	150,393	150,562
- of which Consumer loans	12,522	12,329	12,426
- of which Corporate loans [1]	97,795	98,368	94,220
- of which Other loans and advances - customers [1]	14,476	14,102	16,459
Total Exposure at Default (EAD)	402,512	402,537	393,596
- of which Retail Banking	171,560	172,428	174,545
- of which Commercial Banking	51,564	51,950	48,921
- of which Private Banking	19,560	19,881	19,963
- of which Corporate & Institutional Banking	83,924	82,919	77,769
- of which Group Functions	75,904	75,358	72,399
Credit quality indicators [2]			
Past due ratio	1.3%	1.1%	1.4%
Stage 3 Impaired ratio [3]	2.2%	2.5%	2.5%
Stage 3 Coverage ratio [3]	30.6%	34.0%	33.0%
Regulatory capital			
Total RWA (REA)	103,959	104,490	106,157
- of which Credit risk [4]	82,979	83,494	84,141
- of which Operational risk	19,313	19,247	19,626
- of which Market risk	1,667	1,748	2,391
Total RWA (REA)/total EAD	25.8%	26.0%	27.0%
Mortgage indicators			
Exposure at Default	164,133	164,630	165,107
- of which mortgages with Nationale Hypotheek Garantie (NHG)	36,836	37,262	38,049
Risk-weighted assets (risk exposure amount)	17,126	16,931	17,236
RWA (REA) / EAD	10.4%	10.3%	10.4%
Average Loan-to-Market-Value	66%	67%	70%
Average Loan-to-Market-Value - excluding NHG loans	64%	65%	67%

1 Excluding loans and advances measured at fair value through P&L.
2 Loans and advances customers measured at amortised cost only.
3 The 31 December 2017 amounts are based on IAS 39 figures and therefore do not have stage information. The impaired ratio per 31 December 2017 has been compared with the IFRS 9 stage 3 ratio.
4 RWA (REA) for credit value adjustment (CVA) is included in credit risk. CVA per 30 September 2018 is EUR 0.6 billion (30 June 2018: EUR 0.6 billion; 31 December 2017: EUR 0.7 billion).

	Q3 2018	Q3 2017	Q2 2018	Nine months 2018	Nine months 2017
Cost of risk (in bps) [1]	15	1	22	23	-2
Impairment charges on loans and other advances (in EUR million) [2]	106	5	134	447	-29
Cost of risk on residential mortgages (in bps) [1]	-3	-4	-2	-1	-5
Impairment charges on residential mortgages (in EUR million)	-10	-17	-8	-12	-60

1 Annualised impairment charges on loans and advances customers for the period divided by the average loans and advances customers on the basis of gross carrying amount and excluding fair value adjustment from hedge accounting.
2 Including off-balance sheet exposures.

Highlights

Third-quarter developments

Portfolio review

Total loans and advances decreased to EUR 283.6 billion (30 June 2018: EUR 285.3 billion). This was the result of a decline of the corporate loans portfolio, largely related to professional lending (mainly clearing business), partly offset by a limited increase in CIB clients. In addition, loans to banks and residential mortgages also declined.

Exposure at Default

EAD remained flat at EUR 402.5 billion compared with 30 June 2018. Movements were visible in CIB due to business movements, as well as in Group Functions and Private Banking due to growth in deposits with central banks off-set by treasury portfolio movements and the divestment of the activities in Luxembourg.

Credit quality indicators

The credit quality indicators in the third quarter of this year were impacted by the write-off of a large part of the fully provisioned Madoff file and by impairments for a few specific clients in specific sectors. The write-off of EUR 0.4 billion relating to the Madoff file was recorded as all possible means of recovery had been exhausted. The credit risk profile remained relatively stable.

The past due ratio increased slightly to 1.3% (30 June 2018: 1.1%) due to movements in short term arrears (≤ 30 days) and mid-term arrears. The increase in short term arrears was almost fully attributable to residential mortgages. The third quarter of each year often shows a rise in past due exposures following payment of holiday allowances and tax refunds in the second quarter, which results in relatively low past due exposures in the second quarter of every year. The increase in mid-term arrears for other loans and advances was attributable to a few larger files. The decline in long term arrears was attributable to a few larger Commercial Banking files in the corporate loans portfolio.

The stage 3 impaired ratio declined to 2.2% in Q3 2018 (Q2 2018: 2.5%) for the loans and advances to customers portfolio. The stage 3 coverage ratio declined to 30.6% (Q2 2018: 34.0%). Coverage ratio declined, mainly due to the write-off of the fully provisioned Madoff file. If the Madoff file had not been written off, the stage 3 coverage ratio would have increased slightly to 35.1%. For each of the sub-portfolios, the stage 3 impaired ratio showed an overall declining trend, except for consumer loans.

Impaired corporate loans and the related allowances declined significantly, also impacted by the write-off of the Madoff file. If the Madoff file had not been written off, the coverage ratio would have increased to 38.6%. Other declines within the corporate loans portfolio mainly related to repayments and partial write-offs after distressed loan sales within the oil and gas and shipping portfolios.

Impaired consumer loans increased due to a shift from the residential mortgages portfolio for the impaired Private Banking Luxembourg portfolio, which had a relatively low coverage ratio.

The impaired residential mortgages portfolio declined due to the abovementioned shift as well as due to the performance of the Dutch economy. Other loans and advances was impacted by several new impaired files. This increase was offset by a larger client moving from stage 3 to stage 2 and some repayments.

Regulatory capital

Total RWA decreased to EUR 104.0 billion (30 June 2018: EUR 104.5 billion). The decline in RWAs reflects almost fully a decrease in credit risk. The decrease in credit risk RWA was primarily the result of developments in Private Banking caused by the divestment of the activities in Luxembourg. Operational risk RWA remained stable at Group level, however there was a reallocation from Group Functions to the business lines, mainly to Retail Banking and CIB.

EBA Stress test

The European Banking Authority (EBA) published the results of the 2018 EU-wide stress test for European banks. For ABN AMRO the stress test resulted in a CET1 capital ratio of 19.70% under the baseline scenario and in a CET1 capital ratio of 14.85% under the adverse scenario, both at year-end 2020. The impact of 267bps on CET1 capital ratio fully-loaded is a reflection of ABN AMRO's moderate risk profile and resilience to stress in comparison with the average market decrease of 395bps on CET1.

Cost of risk

Impairments in Q3 amounted to EUR 106 million (cost of risk 15bps) and were largely recorded in stage 3, compared with EUR 5 million in Q3 2017 (cost of risk 1bp). The increase in impairments was mainly attributable to Commercial Banking and to a lesser extent to CIB, both within the corporate loans portfolio. In addition, Retail Banking showed lower releases, mainly relating to the residential mortgage portfolio.

Commercial Banking impairment charges increased from a net release of EUR 4 million in Q3 2017 to an addition of EUR 64 million in Q3 2018. The impairments in Q3 within Commercial Banking mainly related to the shipping industry, with the remainder spread across various industry sectors. For the healthcare sector a release was recorded after a few quarters of additions to impairments.

Impairment charges for CIB amounted to EUR 55 million in Q3 2018 (Q3 2017: EUR 34 million). The increase in CIB was mainly the result of additional impairments recorded by Natural Resources (Q3 2018: EUR 42 million) for a few specific files mainly in offshore energy markets. In Q2 and Q3 we also executed a few secondary sales of our most vulnerable clients, which materially mitigated our downside risk in the offshore energy market. In the upstream energy portfolio, approximately EUR 8 million was added to the impairments in Q3 2018.

In Q3 2018, Retail Banking recorded nil impairments on a net basis. This was the result of a release for residential mortgages offset by additions for consumer loans. Q3 2017 had seen a net release of EUR 23 million (mainly due to a release following from a model refinement).

In Q3, the exposure on the Madoff file was largely reduced (by EUR 422 million). A redemption payment was received, leading to a EUR 14 million release in Group Functions.

Comparing Q3 with Q2 2018, impairments were below the Q2 impairments (EUR 134 million, cost of risk 22bps). The impairment decrease compared with Q2 2018 was mainly driven by lower impairments in CIB and a release in Group Functions, offset by lower releases in Retail Banking.

CIB recorded EUR 55 million in impairments compared with EUR 84 million in Q2 2018. Trade & Commodity Finance (TCF) showed a EUR 7 million release in impairments. Natural Resources (EUR 42 million) recorded lower net additions compared with Q2 2018 (EUR 66 million).

Based on current developments we still expect the cost of risk for FY 2018 to end below the through-the-cycle cost of risk of 25-30bps.

(in millions)	30 September 2018	30 June 2018
Exposure client loans	**30,032**	**30,283**
- of which Global transportation & logistics (GTL)	10,409	10,826
- of which Natural resources (energy & basic materials)	8,489	8,108
- of which Trade & Commodity finance[1]	11,134	11,349
	Q3 2018	Q2 2018
Impairment charges	**41**	**89**
- of which Global transportation & logistics (GTL)	5	-4
- of which Natural resources (energy & basic materials)	42	66
- of which Trade & Commodity finance[1]	-7	27

[1] Inclusive diamond & jewellery clients.

Residential mortgages

Housing market developments

The Dutch housing market is buoyant and prices continued to climb fast. The housing price index published by Statistics Netherlands (CBS) for Q3 2018 was 9.2% higher than in Q3 2017. The overall price level in September 2018 was 4.0% above the record level set in August 2008, not corrected for inflation.

As a result of the shortage in housing stock, the number of housing transactions is under pressure, both in existing and in new residential buildings.

This is reflected in the total number of transactions in the Dutch housing market, which was 7.3% lower compared with Q3 2017, but 7.5% higher in Q3 2018 than in Q2 2018 according to Statistics Netherlands. Declining transaction volumes were visible in almost all provinces in the Netherlands. The sharpest decline was again noticeable in the Randstad area in the western part of the country, where transactions have been under pressure for some time, particularly in the larger cities.

Residential mortgage insights

New mortgage production declined by 6.8% compared with Q2 2018. ABN AMRO's market share in new mortgage production decreased to 16.2% in Q3 2018 (Q2 2018: 17.7%) due to growing competition, particularly from non-banks.

The proportion of amortising mortgages continued to increase, totalling 28% by the end of Q3 2018 (Q2 2018: 26%). Total redemptions were 9.8% higher in Q3 2018 than in Q2 2018. Contractual redemptions gradually increased, in line with changes in the portfolio composition. In Q3 2018, extra repayments amounted to EUR 0.4 billion, 5.7% lower than in Q3 2017. Mortgages covered by the National Mortgage Guarantee scheme (NHG) remained fairly stable at 25%. Fully interest-only mortgages accounted for 17% of total mortgages at the end of Q3 2018 and approximately 22% of the extra redemptions were related to this type of loan.

Loan to Market Value (LtMV)

Rising housing prices and restrictions set for the maximum Loan to Market Value (LtMV) of new mortgages have led to continued improvement of the average indexed LtMV, both guaranteed and unguaranteed. The long-term LtMV of the bank's portfolio is expected to decrease further as a result of rising housing prices, contractual and extra redemptions and current tax regulations.

The gross carrying amount of mortgages with a LtMV in excess of 100% continued to decline, totalling EUR 5.0 billion (30 June 2018: EUR 6.5 billion). Note that LtMVs in excess of 100% do not necessarily indicate that these clients are in financial difficulties. However, ABN AMRO actively approaches clients with an interest-only mortgage in combination with a high LtMV level with a view to adjusting their mortgage. Mortgages with a LtMV>100% account for 3.3 % of total mortgages and approximately 6% of the extra repayments related to this category.

Please see the table Residential mortgages to indexed market values for more details.

Past due but not impaired loans

	30 September 2018						30 June 2018	31 December 2017
		Days past due						
(in millions)	Gross carrying amount	<= 30 days	> 30 days & <= 90 days	> 90 days	Total past due but not stage 3	Past due ratio	Past due ratio	Past due ratio
Loans and advances banks	**8,816**							
Loans and advances customers								
Residential mortgages[1]	149,960	1,929	154	11	2,094	1.4%	1.2%	1.6%
Consumer loans	12,522	244	103	58	405	3.2%	2.8%	3.5%
Corporate loans[1,2]	97,795	277	96	77	450	0.5%	0.6%	0.8%
Other loans and advances customers[1,2,3]	14,476	204	402	54	660	4.6%	3.6%	2.0%
Total Loans and advances customers[2]	**274,753**	**2,655**	**754**	**199**	**3,609**	**1.3%**	**1.1%**	**1.4%**
Loans at fair value through P&L	1,549							
Total Loans and advances	**285,118**	**2,655**	**754**	**199**	**3,609**	**1.3%**	**1.1%**	**1.4%**

[1] Gross carrying amount excludes fair value adjustments from hedge accounting.
[2] Excluding loans at fair value through P&L.
[3] Other loans and advances customers consists of Government and official institutions, Financial lease receivables and Factoring.

Coverage and impaired ratio by stage

(in millions)			30 September 2018		30 June 2018	
	Gross carrying amount	Allowances for credit losses	Coverage ratio	Stage ratio	Coverage ratio	Stage ratio
Stage 1						
Loans and advances banks	**8,756**	**5**	**0.1%**	**99.3%**	**0.0%**	**99.4%**
Residential mortgages	146,377	22	0.0%	97.6%	0.0%	97.1%
Consumer loans	10,986	42	0.4%	87.7%	0.4%	88.7%
Corporate loans	84,342	136	0.2%	86.2%	0.2%	85.3%
Other Loans and advances customers[1]	13,502	16	0.1%	93.3%	0.1%	93.5%
Total Loans and advances customers	**255,207**	**216**	**0.1%**	**92.9%**	**0.1%**	**92.3%**
Stage 2						
Loans and advances banks	**60**	**1**	**2.5%**	**0.7%**	**3.4%**	**0.4%**
Residential mortgages	2,774	13	0.5%	1.8%	0.5%	2.2%
Consumer loans	1,051	56	5.3%	8.4%	5.5%	7.8%
Corporate loans	8,951	118	1.3%	9.2%	1.2%	9.3%
Other Loans and advances customers[1]	711	14	1.9%	4.9%	1.7%	4.6%
Total Loans and advances customers	**13,487**	**200**	**1.5%**	**4.9%**	**1.3%**	**5.1%**
Stage 3						
Loans and advances banks				**0.0%**	**0.0%**	**0.3%**
Residential mortgages	809	86	10.6%	0.5%	12.7%	0.6%
Consumer loans	485	247	50.9%	3.9%	53.8%	3.5%
Corporate loans	4,502	1,478	32.8%	4.6%	37.2%	5.4%
Other Loans and advances customers[1]	263	42	16.1%	1.8%	13.1%	1.9%
Total Loans and advances customers	**6,059**	**1,854**	**30.6%**	**2.2%**	**34.0%**	**2.5%**
Total of stages 1, 2 and 3						
Total Loans and advances banks	**8,816**	**6**	**0.1%**		**0.0%**	
Residential mortgages	149,960	121	0.1%		0.1%	
Consumer loans	12,522	344	2.8%		2.7%	
Corporate loans	97,795	1,732	1.8%		2.3%	
Other Loans and advances customers[1]	14,476	72	0.5%		0.4%	
Total Loans and advances customers[2]	**274,753**	**2,270**	**0.8%**		**1.0%**	
Loans at fair value through P&L	**1,549**		**0.0%**		**0.0%**	
Fair value adjustments from hedge accounting on Loans and advances customers	**3,150**					
Total Loans and advances banks	8,816	6	0.1%		0.0%	
Total Loans and advances customers	279,452	2,270	0.8%		1.0%	
Total Loans and advances	**288,268**	**2,276**	**0.8%**		**1.0%**	
Other balance sheet items[3]	106,433	6	0.0%		0.0%	
Total on-balance sheet	**394,701**	**2,282**	**0.6%**		**0.7%**	
Irrevocable loan commitments and financial guarantee contracts	49,021	14	0.0%		0.0%	
Other off-balance sheet items	5,684		0.0%		0.0%	
Total on- and off-balance sheet	**449,407**	**2,296**	**0.5%**		**0.6%**	

[1] Other loans and advances customers consists of Government and official institutions, Financial lease receivables and Factoring.
[2] Excluding fair value adjustments from hedge accounting on Loans and advances customers
[3] The allowances for credit losses excludes allowances for financial investments held at FVOCI (30 September 2018: EUR 1.7 million; 30 June 2018: EUR 3.0 million).

Coverage and impaired ratio

(in millions)	Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk[3]	Coverage ratio	Impaired ratio
					31 December 2017
Loans and advances banks	**10,671**	**71**	**1**	**1.5%**	**0.7%**
Loans and advances customers					
Residential mortgages[1]	150,562	1,019	111	10.9%	0.7%
Consumer loans	12,426	507	285	56.2%	4.1%
Corporate loans[1]	94,220	5,114	1,844	36.1%	5.4%
Other loans and advances customers[1,2]	16,459	269	40	15.0%	1.6%
Total Loans and advances customers	**273,666**	**6,909**	**2,280**	**33.0%**	**2.5%**
Total Loans and advances	**284,337**	**6,980**	**2,281**	**32.7%**	**2.5%**

[1] Gross carrying amount excludes fair value adjustments from hedge accounting.
[2] Other loans and advances customers consists of Government and official institutions, Financial lease receivables and Factoring.
[3] Amounts excluding Incurred But Not Identified (IBNI).

Loan impairment charges and allowances

(in millions)	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total Loans and advances	Off-balance
							Q3 2018
Balance at begin of period	**5**	**155**	**330**	**2,276**	**6**	**2,771**	**20**
Changes in existing allowances	1	-4	17	95	4	113	-7
Originated or purchased			1	21		22	5
Matured or sold loans	1		-3	-15		-17	-3
Write-offs		-9	-20	-583		-612	
Changes in risk parameters		-2	-1	-4		-7	2
Foreign exchange and other movements		-19	21	3	1	6	-1
Balance at end of period	**6**	**121**	**344**	**1,793**	**11**	**2,276**	**14**

(in millions)	Banks	Residential mortgages	Consumer loans	Corporate loans	Other loans	Total
						Q3 2017
Balance at begin of period	**6**	**175**	**381**	**2,566**	**3**	**3,130**
Impairment charges for the period	-1	3	41	195		238
Reversal of impairment allowances no longer required		-15	-42	-159		-216
Recoveries of amounts previously written-off		-5	-11	-2		-18
Total impairment charges on loans and other advances	**-1**	**-17**	**-12**	**34**	**-1**	**4**
Other adjustments		-19	-21	-182		-221
Balance at end of period	**5**	**139**	**348**	**2,418**	**2**	**2,913**

Reporting scope risk

(in millions)	30 September 2018 Gross carrying amount	Loan impairment allowance	Carrying amount	30 June 2018 Gross carrying amount	Loan impairment allowance	Carrying amount	31 December 2017 Gross carrying amount	Loan impairment allowance	Carrying amount
Loans and advances banks	**8,816**	**6**	**8,810**	**10,089**	**5**	**10,084**	**10,671**	**7**	**10,665**
Residential mortgages	151,821	121	151,700	152,541	155	152,387	152,825	134	152,691
Less: Fair value adjustment from hedge accounting	1,860		1,860	2,148		2,148	2,264		2,264
Residential mortgages, excluding fair value adjustments from hedge accounting	**149,960**	**121**	**149,839**	**150,393**	**155**	**150,238**	**150,562**	**134**	**150,428**
Consumer loans	**12,522**	**344**	**12,178**	**12,329**	**330**	**11,999**	**12,426**	**304**	**12,122**
Corporate loans	99,076	1,732	97,344	99,724	2,219	97,505	95,645	1,971	93,674
Less: Fair value adjustment from hedge accounting	1,281		1,281	1,356		1,356	1,425		1,425
Corporate loans, excluding fair value adjustments from hedge accounting	**97,795**	**1,732**	**96,063**	**98,368**	**2,219**	**96,149**	**94,220**	**1,971**	**92,250**
Corporate loans at fair value through P&L	**1,545**		**1,545**	**1,872**		**1,872**			
Other loans and advances customers[1]	14,484	72	14,412	14,113	63	14,051	16,470	51	16,419
Less: Fair value adjustment from hedge accounting	8		8	12		12	11		11
Other loans and advances customers, excluding fair value adjustments from hedge accounting[1]	**14,476**	**72**	**14,404**	**14,102**	**63**	**14,039**	**16,459**	**51**	**16,407**
Other loans at fair value through P&L	**4**		**4**	**4**		**4**			
Total loans and advances customers, excluding fair value adjustments from hedge accounting	**276,302**	**2,270**	**274,032**	**277,068**	**2,767**	**274,301**	**273,666**	**2,460**	**271,206**
Fair value adjustments from hedge accounting on Loans and advances customers	3,150		3,150	3,516		3,516	3,700		3,700
Total loans and advances customers	**279,452**	**2,270**	**277,183**	**280,584**	**2,767**	**277,817**	**277,366**	**2,460**	**274,906**
Total loans and advances, excluding fair value adjustments from hedge accounting	**285,118**	**2,276**	**282,842**	**287,156**	**2,771**	**284,385**	**284,337**	**2,467**	**281,871**
Total fair value adjustments from hedge accounting on Loans and advances	3,150		3,150	3,516		3,516	3,700		3,700
Total loans and advances	**288,268**	**2,276**	**285,992**	**290,672**	**2,771**	**287,901**	**288,037**	**2,467**	**285,571**
Other		6	106,427		7	107,464			107,600
Total assets		**2,282**	**392,419**		**2,779**	**395,365**			**393,171**

[1] Other loans and advances customers consists of Government and official institutions, Financial lease receivables and Factoring.

Breakdown of residential mortgages portfolio by loan type

	30 September 2018		30 June 2018		31 December 2017	
(in millions)	Gross carrying amount	Percentage of total	Gross carrying amount	Percentage of total	Gross carrying amount	Percentage of total
Interest only (partially)	47,584	32%	48,124	32%	48,734	32%
Interest only (100%)	26,096	17%	26,470	18%	27,231	18%
Redeeming mortgages (annuity/linear)	41,395	28%	39,781	26%	36,057	24%
Savings	16,542	11%	17,047	11%	18,160	12%
Life (investment)	12,219	8%	12,647	8%	13,419	9%
Other[1]	6,124	4%	6,324	4%	6,960	5%
Total	**149,960**	**100%**	**150,393**	**100%**	**150,562**	**100%**

1 Other includes hybrid, other and unclassified mortgage types. The hybrid portfolio consists of a combination of savings and investment mortgages.

Residential mortgages to indexed market values

	30 September 2018				30 June 2018				31 December 2017			
(in millions)	Gross carrying amount	Percentage of total	- of which guaranteed[2]	- of which unguaranteed	Gross carrying amount	Percentage of total	- of which guaranteed[2]	- of which unguaranteed	Gross carrying amount	Percentage of total	- of which guaranteed[2]	- of which unguaranteed
LtMV category[1]												
<50%	35,686	23.8%	2.8%	21.0%	34,411	22.9%	2.6%	20.3%	31,365	20.8%	2.3%	18.5%
50% - 80%	67,431	45.0%	12.1%	32.9%	64,840	43.1%	11.2%	31.9%	58,691	39.0%	9.2%	29.8%
80% - 90%	24,965	16.6%	5.7%	11.0%	25,986	17.3%	6.1%	11.1%	26,384	17.5%	6.8%	10.7%
90% - 100%	15,825	10.6%	3.2%	7.4%	17,542	11.7%	3.6%	8.1%	20,821	13.8%	4.5%	9.3%
>100%	5,013	3.3%	0.9%	2.4%	6,519	4.3%	1.2%	3.1%	11,813	7.8%	2.4%	5.5%
Unclassified	1,040	0.7%			1,095	0.7%			1,487	1.0%		
Total	**149,960**	**100%**			**150,393**	**100%**			**150,562**	**100%**		

1 ABN AMRO calculates the Loan-to-Market Value using the indexation of the CBS (Statistics Netherlands).
2 NHG guarantees.

Liquidity risk

Liquidity indicators

	30 September 2018	30 June 2018	31 December 2017
Available liquidity buffer (in billions)[1]	74.1	72.5	72.5
Survival period (moderate stress)	> 12 months	> 12 months	> 12 months
LCR	>100%	>100%	>100%
NSFR	>100%	>100%	>100%
Loan-to-Deposit ratio	114%	114%	112%

[1] The mandatory cash reserve with the central bank has been deducted from the cash and central bank deposits in the liquidity buffer.

The objective of our liquidity management is to manage the bank's liquidity position and to comply at all times with internal, regulatory and other relevant liquidity requirements. The liquidity objectives are measured by several indicators and the survival period reflects the period that the liquidity position is expected to remain positive in an internally developed (moderate) stress scenario. In Q3 2018, the survival period was consistently longer than 12 months, while the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) both remained above 100%.

Loan-to-Deposit ratio

The Loan-to-Deposit (LtD) ratio remained stable at 114% as at 30 September 2018 (30 June 2018: 114%). Overall, client loans decreased by EUR 0.7 billion, offset by a EUR 0.5 billion decrease in client deposits. Corporate loans decreased by EUR 1.2 billion, mainly due to loans to professional counterparties in the clearing business. Client loans grew EUR 0.4 billion, reflecting growth of the corporate loan book in CIB. Corporate loans at Commercial Banking grew marginally compared with 30 June 2018, while consumer loans increased slightly. Residential mortgages decreased by EUR 0.4 billion. The decline in client deposits was mainly attributable to lower professional deposits, partly offset by a EUR 1.7 billion rise in client deposits in Private Banking.

Liquidity buffer composition

	30 September 2018		30 June 2018		31 December 2017	
(in billions)	Liquidity buffer	LCR eligible	Liquidity buffer	LCR eligible	Liquidity buffer	LCR eligible
Cash & central bank deposits[1]	29.3	29.3	27.9	27.9	28.9	28.9
Government bonds	31.1	31.9	33.7	34.5	31.0	31.6
Covered bonds	3.0	2.8	2.4	2.3	1.9	1.8
Retained issuances	2.9		0.7		4.1	
Third party RMBS						
Other	7.8	8.6	7.7	8.6	6.6	7.0
Total liquidity buffer	**74.1**	**72.6**	**72.5**	**73.3**	**72.5**	**69.4**

[1] The mandatory cash reserve with the central bank has been deducted from the cash and central bank deposits in the liquidity buffer.

The liquidity buffer grew to EUR 74.1 billion at 30 September 2018 (30 June 2018: EUR 72.5 billion), mainly due to the issuance of retained covered bonds.

The higher cash buffer was partly offset by a similar decline in government bonds.

Funding

Client deposits declined to EUR 236.7 billion at 30 September 2018 (30 June 2018: EUR 237.3 billion). Total wholesale funding (defined as issued debt plus subordinated liabilities) increased to EUR 88.3 billion at 30 September 2018 (30 June 2018: EUR 87.9 billion), mainly reflecting an increase in long-term unsecured debt.

Long-term funding raised

Long-term funding raised in Q3 2018 amounted to EUR 3.1 billion with a weighted average maturity of 4.6 years and consisted primarily of EUR 2.9 billion in unsecured medium-term notes. This funding was issued mainly to replace maturing funding.

Overview of funding types

Main type of wholesale funding

(in millions)	30 September 2018	30 June 2018	31 December 2017
Euro Commercial Paper	2,090	1,630	2,408
London Certificates of Deposit	7,300	8,666	9,373
US Commercial Paper	4,005	4,009	4,115
Total Commercial Paper/Certificates of Deposit	**13,395**	**14,305**	**15,896**
Senior unsecured (medium-term notes)	32,672	29,978	28,751
Covered bonds	32,166	32,711	30,708
Securitisations	500	1,250	1,250
Saving certificates	6	6	6
Total issued debt	**78,739**	**78,251**	**76,612**
Subordinated liabilities	9,576	9,683	9,720
Total wholesale funding	**88,315**	**87,934**	**86,331**
Other long-term funding[1]	8,768	8,767	8,796
Total funding instruments[2]	**97,083**	**96,701**	**95,128**
- of which CP/CD matures within one year	13,395	14,305	15,896
- of which funding instruments (excl. CP/CD) matures within one year	14,228	11,874	7,894
- of which matures after one year	69,461	70,522	71,338

1 Other long-term funding includes TLTRO II and funding with the Dutch State as counterparty.
2 Includes FX effects, fair value adjustments and interest movements.

Maturity calendar

The maturity calendar assumes redemption on the earliest possible call date or the legal maturity date. Early redemption of subordinated instruments is subject to approval by the regulators. The targeted long-term refinancing operations II (TLTRO II) of EUR 8 billion were reported at their legal maturity of four years, although there is a voluntary repayment option after two years. The average remaining maturity of outstanding long-term wholesale funding decreased to 5.2 years at 30 September 2018 (30 June 2018: 5.4 years).

Maturity calender at 30 september 2018

	30 September 2018											
(notional amounts, in billions)	2018[1]	2019	2020	2021	2022	2023	2024	2025	2026	2027	≥ 2028	Total
Senior unsecured	3.0	8.8	5.8	4.5	4.3	2.4	0.3	2.4	0.1	0.2	0.4	32.2
Covered bonds		1.8	2.5	2.5	2.7	1.9	1.8	0.5	1.6	0.6	14.7	30.7
Securitisations		0.5										0.5
Subordinated liabilities			1.6	1.5	1.5	2.4		1.3	0.9		0.3	9.4
Other long-term funding[2]			4.1	4.3					0.3	0.2		8.8
Total Long-term funding	**3.0**	**11.2**	**14.0**	**12.7**	**8.5**	**6.7**	**2.1**	**4.2**	**2.8**	**1.0**	**15.3**	**81.6**

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	≥ 2028	Total
Total Long-term funding												
30 June 2018	4.3	11.2	14.0	11.0	8.5	5.5	2.1	4.2	2.8	1.0	15.2	79.8
31 December 2017	7.8	11.1	13.4	9.3	8.3	5.4	2.1	3.4	2.8	1.0	11.4	76.1

[1] Includes funding that matures in Q4 2018.
[2] Other long-term funding includes TLTRO II and funding with the Dutch State as counterparty.

Capital management

Developments impacting capital ratios

In Q3 2018, the Common Equity Tier 1 (CET1) capital base continued to increase, mainly reflecting profit accumulation. Total RWA declined to 104.0 billion at 30 September 2018 (30 June 2018: EUR 104.5 billion). At 30 September 2018, the fully-loaded CET1, Tier 1 and Total Capital ratios were 18.6%, 19.5% and 22.3% respectively (30 June 2018: 18.3%, 19.3%, 22.1%). All capital ratios were in line with the bank's risk appetite and strategic ambitions and were well above regulatory minimum requirements.

The CET1 capital target range under Basel III is 17.5%-18.5% for 2018. This consists of a Basel IV implementation buffer of 4-5% CET1 on top of the SREP capital requirements, Pillar 2 Guidance and management buffer (totaling 13.5%). The CET1 ratio had grown to 18.6% by the end of Q3 2018. The 0.3% percentage point increase of the CET1 ratio compared with Q2 2018 reflected an accumulation of profit and a EUR 0.5 billion decrease in RWA. The RWA decrease can mainly be explained by a credit risk RWA decrease in Commercial Banking, due to several smaller movements, and Private Banking, primarily due to the Luxembourg divestment. The credit risk RWA's in Group Functions and Retail Banking increased slightly, which is offset by a small RWA decrease in CIB. Market risk has also decreased slightly. Operational risk RWA has remained stable at Group level, however there was a reallocation from Group Functions to the business lines, mainly to Retail Banking and CIB.

While the capital position continued to strengthen during 2018 with the CET1 ratio reaching 18.6% in Q3 2018, most of the drivers responsible for this improvement under Basel III do not improve the CET1 ratio under Basel IV. For example, higher collateral values for mortgages lower Basel III RWAs but do not lower Basel IV RWAs. As a result the Basel IV CET1 ratio remained broadly flat during 2018 at around 13% (excluding mitigations).

The Maximum Distributable Amount (MDA) trigger level for ABN AMRO Bank N.V. is 10.43% of CET1 capital, to be increased by any Additional Tier 1 (AT1) or Tier 2 capital shortfall. Due to the minority interest interpretation of the EBA, there is an AT1 shortfall of 0.6%. This implies an MDA trigger of 11.03%. Based on the full phase-in of the SRB (from 2.25% in 2018 to 3.0% in 2019) and the capital conservation buffer (from 1.88% in 2018 to 2.5% in 2019), the fully-loaded MDA trigger level is expected to increase to 11.8% in 2019, including a counter-cyclical buffer (0.05%) and assuming the absence of an AT1 or Tier 2 capital shortfall. The CET1 ratio is comfortably above the MDA trigger level.

Dividend

In 2017, 50% of net profit attributable to shareholders was paid out. In September ABN AMRO paid out an interim dividend of EUR 611 million (EUR 0.65 per share), which equals 50% of the net profit attributable to shareholders.

In accordance with the prevailing dividend policy, ABN AMRO intends to pay a dividend of 50% of sustainable net profit attributable to shareholders over the full year 2018, excluding exceptional items that significantly distort profitability. Additional distributions will be considered when capital is within or above the target range and will be subject to other circumstances, including regulatory and commercial considerations. The combined distribution will amount to at least 50% of sustainable profit. As the capital position improved to 18.6% in Q3, above the 17.5-18.5% target range, the decision was made to accrue 60% of the year-to-date net profit attributable to shareholders to create flexibility to pay additional dividends. A final decision on dividend pay-out will be made following the full-year 2018 results, also taking into account the SREP requirements for 2019 and the leverage ratio.

Regulatory capital structure

(in millions)	30 September 2018		30 June 2018		31 December 2017	
Total equity (EU IFRS)		**21,298**		**21,288**		**21,330**
Cash flow hedge reserve		1,002		1,022		919
Dividend reserve		-547		-609		-752
AT1 capital securities	-1,986		-2,005		-2,007	
Profit attributable minus interest paid to holders of AT1 capital securities			20		21	
AT1 capital securities		-1,986		-1,986		-1,987
Other regulatory adjustments		-447		-556		-718
Common Equity Tier 1		**19,321**		**19,159**		**18,793**
AT1 capital securities		1,986		1,986		1,987
Other regulatory adjustments		-1,050		-1,038		-1,162
Tier 1 capital		**20,257**		**20,106**		**19,618**
Subordinated liabilities Tier 2		7,550		7,625		7,674
Other regulatory adjustments		-4,497		-4,520		-4,687
Total regulatory capital		**23,310**		**23,211**		**22,605**
Total risk-weighted assets (risk exposure amount)		**103,959**		**104,490**		**106,157**
Common Equity Tier 1 ratio		18.6%		18.3%		17.7%
Tier 1 ratio		19.5%		19.2%		18.5%
Total capital ratio		22.4%		22.2%		21.3%
Common Equity Tier 1 capital (fully-loaded)		19,317		19,154		18,737
Common Equity Tier 1 ratio (fully-loaded)		18.6%		18.3%		17.7%
Tier 1 capital (fully-loaded)		20,313		20,163		19,780
Tier 1 ratio (fully-loaded)		19.5%		19.3%		18.6%
Total capital (fully-loaded)		23,181		23,056		22,718
Total capital ratio (fully-loaded)		22.3%		22.1%		21.4%

Leverage ratio

	30 September 2018		30 June 2018		31 December 2017	
(in millions)	Phase-in	Fully-loaded	Phase-in	Fully-loaded	Phase-in	Fully-loaded
Tier 1 capital	**20,257**	**20,313**	**20,106**	**20,163**	**19,618**	**19,780**
Exposure measure (under CDR)						
On-balance sheet exposures	392,419	392,419	395,365	395,365	393,171	393,171
Off-balance sheet exposures	34,451	34,451	33,562	33,562	31,915	31,915
On-balance sheet netting	11,857	11,857	12,442	12,442	12,427	12,427
Derivative exposures	62,678	62,678	57,392	57,392	59,864	59,864
Securities financing exposures	2,287	2,287	2,444	2,444	1,261	1,261
Other regulatory measures	-7,344	-7,344	-10,448	-10,448	-11,961	-11,971
Exposure measure	**496,348**	**496,348**	**490,756**	**490,756**	**486,677**	**486,666**
Leverage ratio (CDR)	**4.1%**	**4.1%**	**4.1%**	**4.1%**	**4.0%**	**4.1%**
Impact CRR 2 (incl. SA-CCR)	-54,483	-54,483	-52,470	-52,470	-56,116	-56,116
Exposure measure (incl. CRR 2)	**441,865**	**441,865**	**438,286**	**438,286**	**430,561**	**430,550**
Leverage ratio (incl. CRR 2)	**4.6%**	**4.6%**	**4.6%**	**4.6%**	**4.6%**	**4.6%**

The CRR capital rules introduced a non-risk-based leverage ratio, which is expected to become a binding measure with effect from 2021. ABN AMRO aims for a leverage ratio of at least 4% by year-end 2018. At 30 September 2018, the fully-loaded leverage ratio of ABN AMRO Group remained stable at 4.1%, reflecting an increase in Tier 1 capital offset by an increase in exposure measure.

ABN AMRO expects a change in the methodology for calculating the exposure measure. BCBS and ECONFIN both reached agreement on the use of the SA-CCR calculation methodology for clearing guarantees, providing further confidence that this will be implemented via CRR2 in the short to medium term. We estimate that the cumulative CRR2 adjustments including SA-CCR will decrease the exposure measure by approximately EUR 55 billion, improving the fully-loaded leverage ratio by 0.5 percentage points to 4.6%. Despite the favourable effects of applying SA-CCR, ABN AMRO continues to monitor and report the leverage ratio at 4%, based on the current CEM methodology.

MREL

(in millions)	30 September 2018	30 June 2018	31 December 2017
Regulatory capital	23,310	23,211	22,605
Reversal minority adjustment AT1 and T2	5,468	5,478	5,625
Other MREL eligible liabilities[1]	1,880	1,787	1,619
Total capital	**30,657**	**30,477**	**29,849**
Total risk-weighted assets (risk exposure amount)	103,959	104,490	106,157
MREL[2]	29.5%	29.2%	28.1%

[1] Other MREL eligible liabilities consists of subordinated liabilities that are not included in regulatory capital.
[2] MREL is calculated as total regulatory capital plus other MREL eligible subordinated liabilities divided by total risk-weighted assets (REA).

In 2016, the Minimum Requirement for own funds and Eligible Liabilities (MREL) was implemented in order to ensure that banks in the European Union would have sufficient capacity to absorb losses in the event of a potential bank failure. The Single Resolution Board (SRB) set a requirement for ABN AMRO Bank at the consolidated level, in line with a Single Point of Entry resolution strategy.

The binding MREL requirement for ABN AMRO Bank has been set at 8.91% (including senior debt) of Total Liabilities and Own Funds (TLOF), equalling EUR 32.9 billion and 31.55% of RWA at year-end 2017. Taking into account MREL eligible senior debt, ABN AMRO currently exceeds this requirement. Subject to further changes in the MREL framework, we will continue to aim for a MREL of 29.3% of RWA in 2019, based on own funds and subordinated instruments (including, in time, non-preferred senior notes). In the Netherlands, the consultation process for the introduction of non-preferred senior notes has almost been finalised.

Regulatory capital developments

CRD IV and CRR constitute the framework for implementation of Basel III in the European Union. CRD IV and CRR have been phased in since 1 January 2014 and will be fully effective by January 2019. Further to this, the European Commission issued draft texts in November 2016 to amend CRD IV and CRR.

On 7 December 2017, Basel reached a final agreement on the completion of Basel III, with a 72.5% output floor applying to the Revised Standardised Approach (RSA). The Basel committee has set the implementation date at 1 January 2022, as from which the output floor will be phased-in gradually over a period of 5 years. We aim to meet the fully-loaded Basel IV CET1 requirement early in the phase-in period. Basel IV will significantly impact ABN AMRO's portfolio. We are monitoring Basel IV developments and working on plans and responses.

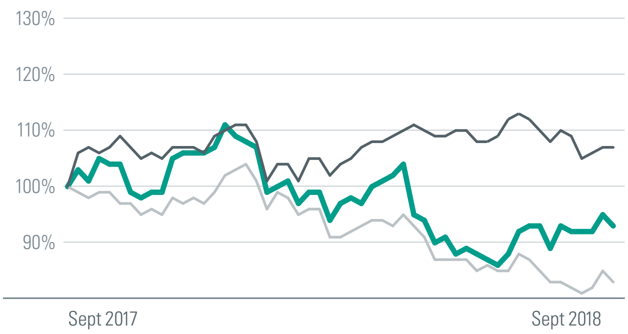
Other

ABN AMRO shares

Key developments

Between 29 June and 28 September 2018, ABN AMRO's share price (depositary receipts) rose 6% while the STOXX Europe 600 Bank index declined 3%. In September 2018, we paid out an interim dividend of EUR 0.65 per share, amounting to a 50% dividend payout ratio over the first half year of 2018.

Share price development
(in %)



Source: S&P Global Market Intelligence.

Listing information

A total of 470.9 million shares, or 50.1% of the total, are held by the STAK AAG ('*Stichting Administratiekantoor Continuïteit ABN AMRO Group*'). STAK AAG has issued depositary receipts representing such shares, which are listed on Euronext Amsterdam. NLFI holds 59.7 million (6.4%) of these depositary receipts. The remaining 469.1 million shares (49.9%) are held directly by NLFI. For more information about STAK AAG or NLFI, please go to the 'About ABN AMRO' section of abnamro.com or visit stakaag.org or nlfi.nl. The depositary receipts trade under ISIN code NL0011540547, Reuters ticker 'ABNd.AS' and Bloomberg ticker 'ABN:NA'.

Financial calender[1]

- Investor day 2018 – 16 November 2018
- Publication fourth quarter 2018 results – 13 February 2019
- Publication Annual Report 2018 – 13 March 2019

[1] All dates may be subject to change. Please refer to abnamro.com/ir for the latest information.

(in millions)	Q3 2018	Q3 2017	Q2 2018
Share count			
Total shares outstanding/issued and paid-up shares	940	940	940
- of which held by NLFI (shares and depository receipts)	529	529	529
- of which held by other investors (depositary receipts)	411	411	411
- as a percentage of total outstanding shares	44%	44%	44%
Average number of shares	940	940	940
Average diluted number of shares	940	940	940
Key indicators per share (EUR)			
Earnings per share[1]	0.74	0.70	0.71
Shareholder's equity per share	20.50	20.17	20.47
Tangible shareholder's equity per share	20.32	19.93	20.28
Share price development (EUR)			
Closing price (end of period)	23.45	25.34	22.22
High (during the period)	24.46	25.37	26.40
Low (during the period)	21.52	22.61	21.66
Market capitalisation (end of period, in billions)	22.04	23.82	20.89
Valuation indicators (end of period)			
Price/Earnings	9.05x	9.23x	9.21x
Price/Tangible book value	1.16x	1.27x	1.10x

[1] Profit for the period excluding coupons attributable to AT1 capital securities and results attributable to other non-controlling interests divided by the average outstanding and paid-up ordinary shares.

Source: S&P Global Market Intelligence

Notes to the reader

Introduction
This Quarterly Report presents ABN AMRO's results for the third quarter of 2018. The report provides a quarterly business and financial review, risk, funding, liquidity and capital disclosures, and an update on ABN AMRO's share performance.

Presentation of information
The financial information contained in this Quarterly Report has been prepared according to the same accounting policies as our most recent financial statements, which were prepared in accordance with EU IFRS. The figures in this document have not been audited or reviewed by our external auditor.

This report is presented in euros (EUR), which is ABN AMRO's presentation currency, rounded to the nearest million (unless otherwise stated). All annual averages in this report are based on month-end figures. Management does not believe that these month-end averages present trends that are materially different from those that would be presented by daily averages. Certain figures in this report may not tally exactly due to rounding. Furthermore, certain percentages in this document have been calculated using rounded figures.

On 1 January 2018, ABN AMRO adopted IFRS 9 "Financial Instruments", which replaces IAS 39 "Financial Instruments: Recognition and Measurement" and includes new requirements for the classification and measurement of financial instruments and impairment of financial assets. Prior years were not restated in line with the transitional provisions of the standard. This may result in prior year figures being less comparable with the figures presented over the third quarter of 2018. ABN AMRO has decided to continue applying IAS 39 for hedge accounting, including the application of the EU carve-out.

To download this report or to obtain more information, please visit us at abnamro.com/ir or contact us at investorrelations@nl.abnamro.com. In addition to this report, ABN AMRO provides an analyst and investor call presentation, an investor presentation and a fact sheet regarding the Q3 2018 results.

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Investor call
A conference call will be hosted by the Executive Board for analysts and investors on Wednesday 7 November 2018 at 11:00 am CET (10:00 GMT).

To participate in the conference call, we strongly advise analysts and investors to pre-register for the call using the information provided on the ABN AMRO Investor Relations website.

More information can be found on our website, abnamro.com/ir.

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Information on our website does not form part of this Quarterly Report, unless expressly stated otherwise.

Disclaimer & cautionary statements

ABN AMRO has included in this document, and from time to time may make certain statements in its public statements, that may constitute "forward-looking statements". This includes, without limitation, such statements that include the words "expect", "estimate", "project", "anticipate", "should", "intend", "plan", "probability", "risk", "Value-at-Risk ("VaR")", "target", "goal", "objective", "will", "endeavour", "outlook", "optimistic", "prospects" and similar expressions or variations of such expressions. In particular, the document may include forward-looking statements relating but not limited to ABN AMRO's potential exposures to various types of operational, credit and market risk. Such statements are subject to uncertainties.

Forward-looking statements are not historical facts and represent only ABN AMRO's current views and assumptions regarding future events, many of which are by nature inherently uncertain and beyond our control. Factors that could cause actual results to deviate materially from those anticipated by forward-looking statements include, but are not limited to, macro-economic, demographic and political conditions and risks, actions taken and policies applied by governments and their agencies, financial regulators and private organisations (including credit rating agencies), market conditions and turbulence in financial and other markets, and the success of ABN AMRO in managing the risks involved in the foregoing.