ABN·AMRO

Quarterly Report first quarter 2015

ABN AMRO Group N.V.

Notes to the reader

Introduction

This Quarterly Report presents ABN AMRO's result for the first quarter of 2015. The report contains our quarterly operating and financial review, an economic update and selected risk, capital, liquidity and funding disclosures.

Presentation of information

The financial information contained in this Quarterly Report has been prepared according to the same accounting policies and methods of computation as our most recent financial statements, which were prepared in accordance with EU IFRS. The figures in this document have been neither audited nor reviewed by our external auditor.

To provide a better understanding of the underlying results, ABN AMRO has adjusted its results reported in accordance with EU IFRS for defined special items and material divestments.

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 Quarterly 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. In addition, certain percentages in this document have been calculated using rounded figures.

In addition to this report, ABN AMRO provides the following supplementary documents for its Q1 2015 results on abnamro.com/ir.

Other publications

- statistical factsheet;
- investor call presentation;
- road show presentation.

For a download of this report or more information, please visit us at abnamro.com/ir or contact us at investorrelations@nl.abnamro.com.

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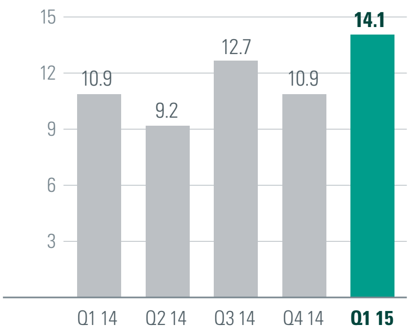
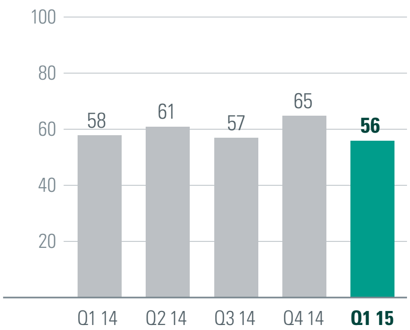
figures at a glance

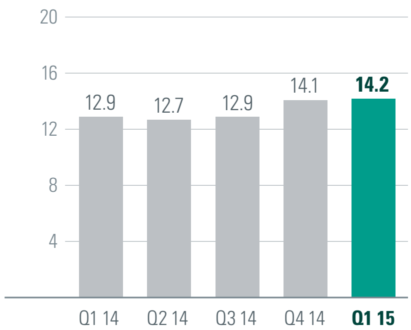
Underlying return on equity
2017 target range 9-12 (in %)



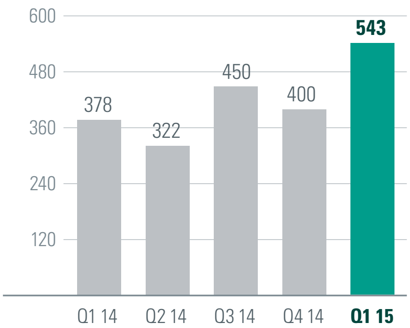
Underlying cost/income ratio
2017 target range is 56-60 (in %)



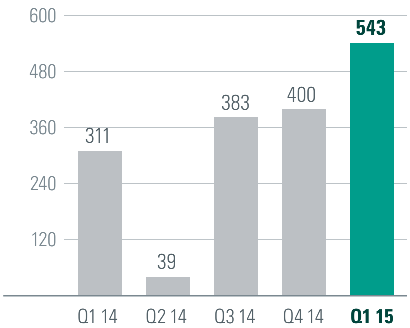
CET1 (fully-loaded)
2017 target range is 11.5-12.5 (in %)



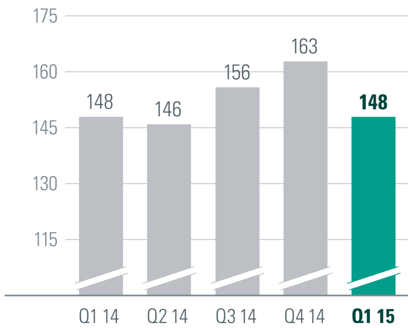
Underlying net profit
(in millions)



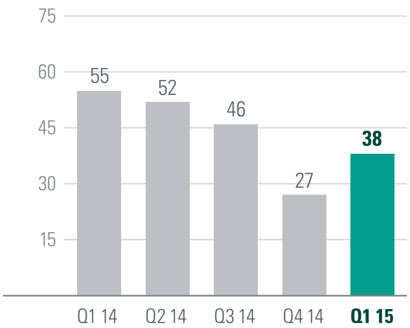
Reported net profit
(in millions)



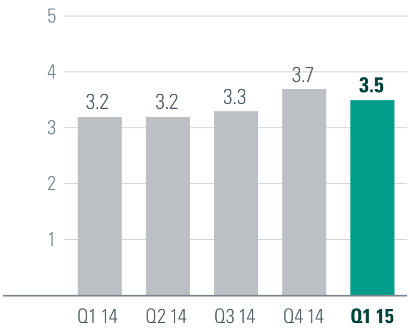
Underlying net interest margin
(in bps)



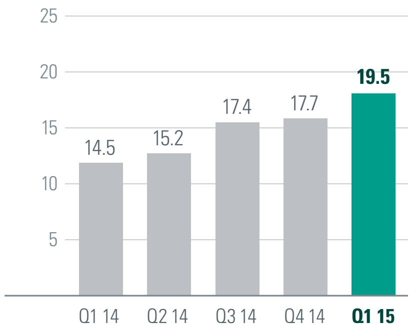
Underlying cost of risk
(in bps)



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



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



message from the Chairman of the Managing Board

We had a good financial start to 2015, with a Q1 net profit of EUR 543 million, the highest level of profitability in the past 16 quarters. The economic recovery in the Netherlands, the economy to which we are most exposed, continued. Private consumption and exports maintained their upward trend and consumer confidence improved to levels well above the long-term average. The Dutch housing market also continued its upward trend, with both the number of transactions and house prices going up compared with a year ago. The economic recovery translated into fewer bankruptcies, lower unemployment and a lower inflow into our restructuring department.

We enjoyed several commercial successes in the first quarter of 2015. We successfully floated both GrandVision and Refresco on the Amsterdam stock exchange. We also saw the highest level of inflow of net new assets into Private Banking since 2012, totalling EUR 3.7 billion, of which EUR 1.5 billion came from Retail Banking clients, underpinning our business model of being a full-service bank in the Netherlands.

The underlying first-quarter net profit improved by 44% year-on-year to EUR 543 million on the back of an increase in the operating result and lower impairments. The Return on Equity increased from 11% to 14%. Revenues increased by 9% compared with Q1 2014. For the first time in two years, we see the number of loan applications from small enterprises slowly increasing again whilst; the level of acceptances has already been higher for the past three quarters. We were the second largest provider of new mortgages in the Netherlands, with a market share of 20%[1].

Operating expenses were up by 7% compared with Q1 2014. Pension charges increased on the back of even lower interest rates in the Netherlands. Costs were also driven up by the investments we made to increase our agility and efficiency in the future and a reorganisation charge in Corporate Banking. Even so, the cost/income ratio improved from 58% to 56%. If we had included the regulatory costs equally over the four quarters (expected to be approximately EUR 250 million, to be recorded in the second half of this year), the cost/income ratio would have been around 59% and the Return on Equity would have been around 12.5%.

Loan impairments were 30% lower compaired to Q1 2014, reflecting the recovery of the Dutch housing market and Dutch economy and lower unemployment levels. Mortgage impairment charges over the total mortgage book were 2 basis points on an annualised basis; the lowest level since the start of the new bank. Loan impairments in Commercial Clients (clients with revenues up to EUR 250 million) peaked in 2013 and have gradually declined since then. Unfortunately we experienced in Q1 2015 a single large addition, masking this trend.

Our capital position further improved to 14.2% (fully-loaded CET1 ratio) at the end of Q1 2015. This is well above our target range of 11.5-12.5% and gives us a cushion for possible regulatory changes on risk-weighting.

The first quarter was also marked by the publicity around the compensation for abolishing the variable pay for the Managing Board. We sincerely regret the increase in fixed salary and the impact it has had on ABN AMRO, our clients and employees, and other stakeholders. Hence, we cancelled the increase. We understand that it will take time for the public to regain confidence in ABN AMRO and will work hard to restore that confidence by doing our utmost to put our clients' interests first every day.

All in all, the financial performance gives me confidence in the future. The economic environment helped move us along in achieving our targets, but as ever it is our people and clients who make the difference.

Gerrit Zalm
Chairman of the Managing Board

[1] Source: Dutch Land Registry (Kadaster).

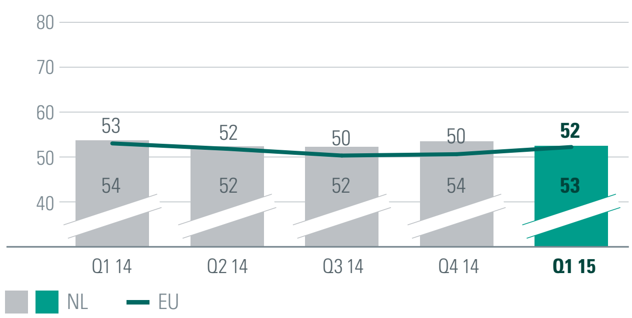
economic environment

Dutch exports account for some 30% of the total economy. The international economic environment is therefore important for the Dutch economy. About 75% of exports remain in Europe, of which more than half of exports stay within the eurozone. It is good news for the Dutch economy that the eurozone economy performed well in the first few months of the year, in contrast to many emerging markets and the US. We think temporary factors are at play, and we expect growth to pick up during the year. Economic growth in the eurozone is also likely to pick up during the year, helped by the lower euro, lower oil prices, lower financing costs and improvements in the credit channel.

Judging by the economic data so far, the Dutch economy must have performed well in Q1. Year-on-year growth of exports of goods and private consumption was strong in the first few months, while private investment was also up. In addition, the housing market improved further in Q1.

The three above spending components are expected to expand faster this year than last year. Exports should benefit from slightly stronger global economic growth and the much lower euro. Private consumption should be boosted by the improvement in real disposable income and stronger confidence. GDP growth is expected to be substantially higher than in 2014.

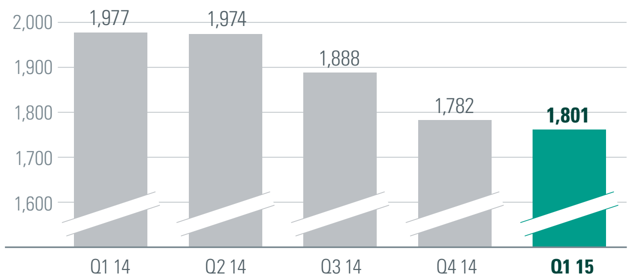
Purchasing Managers' Index
(>50: growth, <50: contraction, end-of-period)



Source: Markit

- PMI is above 50, which points to further economic growth;
- Dutch manufacturing PMI was lower in Q1 than in Q4;
- PMI EU increased compared to Q4.

Bankruptcies in the Netherlands
(number of bankruptcies)

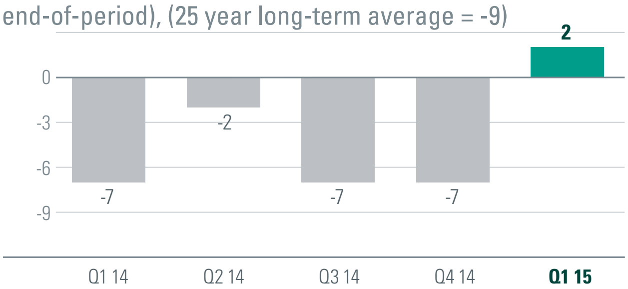


Source: Eurostat

- Number of bankruptcies continued to drop in Q1: -9% year-on-year (-19% on average in 2014);
- Benefiting from better economic climate;
- Strongest drop in Business services, Trade and Manufacturing;

Consumer confidence

(as % balance of positive and negative answers, end-of-period), (25 year long-term average = -9)

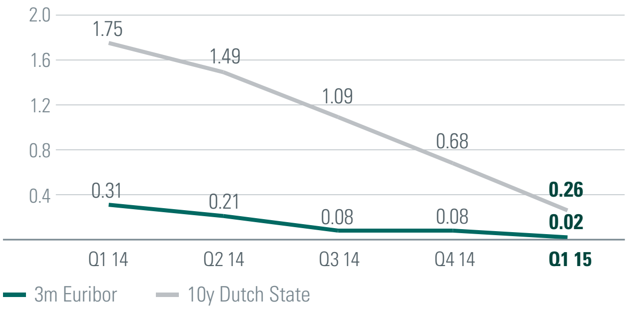


Source: CBS

- IT services and Financial services, however, saw increases.
- Consumer confidence improved significantly in Q1;
- This was mainly due to a substantially more positive assessment of the economic climate;
- End-of-period Q1 value (+2) was positive for the first time since 2007.

Interest rates

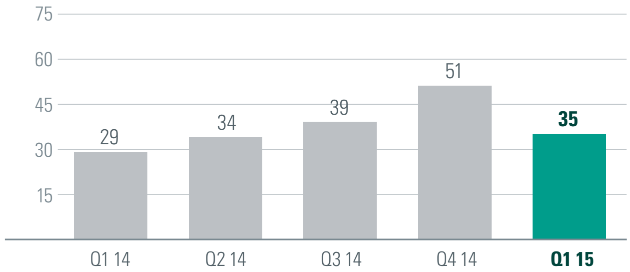
(in %, end-of-period)



- No change in official ECB interest rates in Q1;
- ECB's large-scale Quantitative Easing (QE) caused the 10-year rate (Dutch State) to fall sharply in Q1 (-42 basis points);
- 3m Euribor rates also eased further due to QE, but only 6 basis points.

Number of houses sold in the Netherlands

(in thousands)

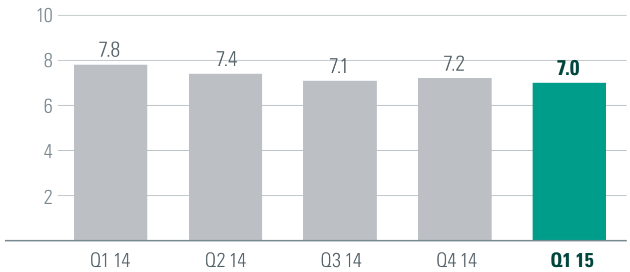


Source: CBS

- House prices continued to rise in Q1;
- House prices went up by 2.7% year-on-year end-of-period in Q1 (+2.0% year-on-year end-of-period Q4);
- Transactions also rose further in Q1: by almost 20% year-on-year.

Unemployed in the Netherlands

(in % of total labour force, end-of-period)



Source: Eurostat

- Unemployment fell slightly in Q1;
- This was mainly due to an increase in the number of jobs;
- On balance, the number of people enterering and re-entering the labour market was almost stable.

financial results

operating and financial review

This operating and financial review includes a discussion and analysis of the results of operations and sets out the financial condition of ABN AMRO Group on the basis of underlying results. For a reconciliation of reported versus underlying results, please refer to the additional financial information section of this report.

As of 2015, ABN AMRO has extended the definition of assets under management for the Group to include client assets in Retail Banking and changed the name of assets under management to client assets. Client assets include cash and securities of clients held on accounts with ABN AMRO. The evolution of client assets is explained for Private Banking.

Income statement

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	1,545	1,432	8%	1,620	-5%
Net fee and commission income	470	421	11%	431	9%
Other operating income	154	129	19%	95	63%
Operating income	**2,168**	**1,983**	**9%**	**2,145**	**1%**
Personnel expenses	619	565	9%	650	-5%
Other expenses	600	577	4%	748	-20%
Operating expenses	**1,219**	**1,143**	**7%**	**1,397**	**-13%**
Operating result	**949**	**840**	**13%**	**748**	**27%**
Impairment charges on loans and other receivables	252	361	-30%	181	39%
Operating profit/(loss) before taxes	**697**	**479**	**46%**	**567**	**23%**
Income tax expenses	154	101	52%	167	-8%
Underlying profit/(loss) for the period	**543**	**378**	**44%**	**400**	**36%**
Special items		-67			
Reported profit/(loss) for the period	**543**	**311**		**400**	

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	56%	58%	65%
Underlying return on average Equity	14.1%	10.9%	10.9%
Net interest margin (NIM) (in bps)	148	148	163
Underlying cost of risk (in bps)[1]	38	55	27

	31 March 2015	31 December 2014
Client Assets (in billions)	322.2	302.5
FTEs	22,224	22,215

1 Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

First-quarter 2015 results

ABN AMRO's **underlying profit** for the first quarter of 2015 amounted to EUR 543 million, an increase of EUR 165 million compared with the same period last year, reflecting a sharp decline in impairments, higher net interest income and higher net fee and commission income.

The **underlying Return on Equity (ROE)** increased to 14.1% over the first quarter of 2015, compared with 10.9% in the first quarter of 2014. If the regulatory charges comprising the Dutch bank tax, the European Resolution Fund, and the Deposit Guarantee Scheme had been equally divided over the quarters, ROE would have been around 12.5% in Q1 2015.

Operating income increased by 9% to EUR 2,168 million compared with Q1 2014, driven by improved results on all line items.

Net interest income (NII) increased and amounted to EUR 1,545 million, primarily driven by improved margins on loans and higher average commercial loan volumes. Additionally, expenses for maintaining the liquidity buffer declined.

Margins on the mortgage book improved due to continued gradual re-pricing at higher margins. In particular, mortgages originated pre-crisis had low margins. ABN AMRO's market share in new mortgage production in the Netherlands was around 20%[1].

The average commercial loan volume increased compared with Q1 2014, driven by International Clients in part due to dollar FX rate developments combined with average volume growth in the ECT Clients loan portfolio. Average commercial loan volumes in Commercial Clients showed a limited decline. Additionally, margins on commercial loans improved compared with Q1 2014, mainly within Commercial Clients.

Net interest income in Q4 2014 was above the average development over the last five quarters due to several one-offs, including an adjustment of EUR 37 million for reserved interest on defaulted loans.

Net fee and commission income was EUR 470 million, EUR 49 million higher than in Q1 2014. The increase was primarily recorded in Private Banking, driven by favourable stock market performance, and Corporate Banking, driven by higher corporate finance fees in International Clients and clearing fees within Capital Markets Solutions.

Other operating income amounted to EUR 154 million in Q1 2015, up by EUR 25 million compared with Q1 2014. The increase was primarily driven by an EUR 18 million rise in CVA/DVA results compared with Q1 2014 (EUR 15 million negative in Q1 2014 and EUR 3 million positive in Q1 2015). The impact of the Funding Value Adjustment (FVA) in Capital Markets Solutions in the first quarter of 2015 was EUR 5 million positive as FVA was first applied in Q3 2014. Additionally, the results on the Equity Participations portfolio within Corporate Banking improved.

1 Source: Dutch Land Registry (Kadaster).

Personnel expenses amounted to EUR 619 million, an increase of EUR 54 million or 9% compared with Q1 2014. The first quarter of 2015 was impacted by EUR 25 million higher pension costs following interest rate movements and a EUR 19 million restructuring provision following implementation of the revised business segmentation at Corporate Banking. Personnel expenses declined by EUR 31 million compared with Q4 2014, mainly because Q4 2014 included a EUR 60 million restructuring provision related to the programme to accelerate digitisation in Retail Banking.

Other expenses showed a modest increase of EUR 23 million to EUR 600 million, mainly driven by higher project costs. The full-year bank tax charge of EUR 91 million was recorded in Q4 2014.

The **operating result** improved by 13% compared with the first quarter of 2014 and the **underlying cost/income** ratio improved to 56% compared with 58%. If the regulatory charges had been equally divided over the quarters, the cost/income ratio would have been approximately 59% in Q1 2015.

Impairment charges on loans and other receivables amounted to EUR 252 million, down by EUR 109 million compared with the same quarter in 2014. The decrease in loan impairments was mainly driven by lower impairments in Retail Banking, partly offset by higher impairments in Corporate Banking.

Mortgage impairment charges over the total mortgage book continued to decrease, to 2bps (annualised) for the first quarter of 2015, down from 28bps in the same quarter of the previous year, and 5bps in Q4 2014. The improved circumstances in the housing market and recovery of the Dutch economy contributed to lower inflow of clients in the impaired portfolio, increased outflow of clients to the performing portfolio and an improvement of the risk profile of the portfolio, all of which had a positive impact on the impairment level of mortgages in the first quarter of 2015.

Loan impairments for commercial loans increased compared with Q1 2014. This was primarily due to a single large addition in Commercial Clients. Impairments on small-sized Commercial Clients continued to decrease. The largest impairment charges on commercial loans in the first quarter of 2015 were recorded in the industry sector Healthcare.

The **underlying cost of risk** amounted to 38bps, down from 55bps in Q1 2014.

International results

ABN AMRO aims to selectively grow its international activities in line with the ambition to increase international operating income to 20-25% of total operating income in 2017.

International results are results from activities recorded in entities outside the Netherlands. Although all reporting segments contribute to the international results, Private Banking and International Clients are the main contributors.

Operating income from international activities grew by 28% compared with the first quarter of 2014 and was impacted by FX movements. Operating income from international activities now represents 20% of overall operating income (18% in Q1 2014). Apart from FX impacts, the increase was due to volume growth in the foreign ECT Clients activities, and higher fee income in the international Private Banking activities, including consolidation of the acquired Private Banking activities in Germany.

Balance sheet

Condensed consolidated statement of financial position

(in millions)	31 March 2015	31 December 2014
Cash and balances at central banks	5,864	706
Financial assets held for trading	13,459	9,017
Derivatives	32,389	25,285
Financial investments	44,152	41,466
Securities financing	44,479	18,511
Loans and receivables - banks	20,958	21,680
Loans and receivables - customers	268,576	261,910
Other	8,226	8,292
Total assets	**438,102**	**386,867**
Financial liabilities held for trading	5,192	3,759
Derivatives	38,127	30,449
Securities financing	33,752	13,918
Due to banks	20,387	15,744
Due to customers	227,229	216,011
Issued debt	82,245	77,131
Subordinated liabilities	8,639	8,328
Other	6,946	6,652
Total liabilities	**422,518**	**371,990**
Equity attributable to the owners of the parent company	15,571	14,865
Equity attributable to non-controlling interests	13	12
Total equity	**15,584**	**14,877**
Total liabilities and equity	**438,102**	**386,867**

Main developments in total assets compared with 31 December 2014

Total assets increased to EUR 438.1 billion at 31 March 2015 from EUR 386.9 billion at 31 December 2014, mainly due to an increase in Securities financing assets, Derivative assets and Loans and receivables - customers.

Cash and balances at central banks increased by EUR 5.2 billion as mandatory reserve deposits held with DNB recorded in Loans and receivables - banks were transfered to overnight deposit accounts.

Financial assets held for trading increased by EUR 4.4 billion compared with 31 December 2014, to EUR 13.4 billion. This increase was driven mainly by higher government bond positions related to primary dealerships.

Derivative assets were up EUR 7.1 billion, mainly reflecting both the impact of movements in mid- to long-term interest rates as well as the impact of movements in the FX rates. This is also observed in Derivative liabilities.

Financial investments rose by EUR 2.7 billion as cash was invested in highly liquid assets in the liquidity buffer combined with increased mark-to-market resulting from favourable FX rates, interest rates and credit spread movements.

Securities financing increased by EUR 26.0 billion compared with 31 December 2014, to EUR 44.5 billion at 31 March 2015. The increase was related to the cyclicality of the business as clients build up their positions in the first quarter.

Loans and receivables - banks decreased by EUR 0.7 billion compared with 31 December 2014, mainly as a result of transferred mandatory reserve deposits at DNB to overnight deposits partly offset by higher collateral pledged on derivative positions and a EUR 2 billion reclassification from Loans and receivables - customers within the ECT Clients portfolio.

Loans and receivables - customers

(in millions)	31 March 2015	31 December 2014
Residential mortgages	148,484	148,402
Consumer loans	16,022	16,052
Commercial loans to clients[1]	81,744	80,065
Total client loans[2]	**246,249**	**244,519**
Commercial loans to professional counterparties	10,545	9,635
Other loans[3]	10,309	6,777
Total Loans and receivables - customers[2]	**267,103**	**260,931**
Fair value adjustments from hedge accounting	6,322	5,739
Less: loan impairment allowance	4,849	4,761
Total Loans and receivables - customers	**268,576**	**261,910**

[1] Including lease and factoring loans, excluding commercial loans to professional counterparties.
[2] Gross carrying amount excluding fair value adjustment from hedge accounting.
[3] Other loans consists of loans and receivables to government, official institutions and financial markets parties.

Loans and receivables - customers grew by EUR 6.7 billion. The increase was driven by Clearing Clients and ECT Clients.

Compared with 31 December 2014, residential mortgages remained virtually stable at EUR 148.5 billion. New mortgage production in the Netherlands was stable compared with the previous quarter and compensated for the redemptions. Extra redemptions were considerably lower compared with the previous quarter, which was exceptionally high, and slightly below the level of the same quarter last year.

Commercial loans to clients increased, driven by FX rate developments in the ECT Clients loan book offset by a reclassification of EUR 2 billion to Loans and receivables - banks. The loan book of Commercial Clients showed a limited decrease.

Other loans increased, driven mainly by higher margin requirements at Clearing Clients.

Main developments in total liabilities compared with 31 December 2014

Total liabilities increased by EUR 50.5 billion compared with 31 December 2014, mainly due to increased Securities financing liabilities and Derivative liabilities.

Financial liabilities held for trading were EUR 1.4 billion higher, due to increased short bond activities.

Derivative liabilities increased by EUR 7.7 billion to EUR 38.1 billion at 31 March 2015, mainly reflecting the impact of movements in the mid- to long-term interest rates as well as the impact of movements in the FX rates.

Securities financing went up by EUR 19.8 billion to EUR 33.8 billion at 31 March 2015. The increase was related to the cyclicality of the business, as clients build up their positions in the first quarter.

Due to banks grew by EUR 4.6 billion at 31 March 2015 to EUR 20.4 billion. The increase was mainly driven by higher cash collateral related to derivatives.

Due to customers

(in millions)	31 March 2015	31 December 2014
Retail Banking	95,540	95,915
Private Banking	65,781	62,902
Corporate Banking	62,697	54,740
Group Functions	3,211	2,454
Total Due to customers	**227,229**	**216,011**
Demand deposits	115,915	109,753
Saving deposits	89,844	88,655
Time deposits	21,307	17,459
Total deposits	**227,066**	**215,867**
Other borrowings	163	144
Total Due to customers	**227,229**	**216,011**

Due to customers increased by EUR 11.2 billion, driven by higher deposits in Corporate Banking, mainly in International Clients, and Private Banking. Retail Banking deposits decreased marginally. The overall market share in retail deposits (including Private Banking) in the Netherlands was fairly stable at 23%[1].

Issued debt increased by EUR 5.1 billion to EUR 82.2 billion. The FX developments accounted for EUR 1.8 billion of the increase (EUR 0.3 billion short-term and EUR 1.5 billion long-term). Apart from the FX effect, short-term funding increased by EUR 7.6 billion due mainly to increased net securities financing positions. Long-term funding excluding the FX effect decreased by EUR 4.3 billion. An amount of EUR 6.4 billion in long-term funding was redeemed in the first quarter. This amount included EUR 3 billion of externally placed RMBS transactions that were called and will be retained to enhance the liquidity buffer. New issued long-term funding amounted to EUR 1.8 billion.

Subordinated liabilities slightly increased to EUR 8.6 billion, driven by FX movements.

Total equity rose to EUR 15.6 billion. The increase was mainly related to reported profit for the period and, to a lesser extent, movements in other comprehensive income.

Events after the reporting date

Agreement on transfer of diamond and jewellery activities in India

On 10 April 2015, ABN AMRO announced it had reached agreement on the transfer of the diamond and jewellery activities in India to IndusInd Bank Limited. These activities were conducted under cohabitation with Royal Bank of Scotland in India.

Furthermore, ABN AMRO and IndusInd Bank agreed to enter into a partner banking agreement to continue to cooperate in diamond and jewellery activities in India.

The transfer is subject to certain conditions, including the approval of the authorities.

[1] Source: De Nederlandsche Bank (DNB), based on end of February data.

results by segment

The results by segment section includes a discussion and analysis of the results of operations and of the financial condition of ABN AMRO Group at segment level for the first quarter of 2015 compared with the first quarter of 2014, on the basis of underlying results. Almost all interest expenses for maintaining the liquidity buffer and subordinated capital and operating expenses incurred by Group Functions are allocated to the business lines through net interest income and other expenses respectively.

Retail Banking

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	836	810	3%	885	-6%
Net fee and commission income	132	135	-2%	124	6%
Other operating income	10	7	37%	14	-31%
Operating income	**978**	**952**	**3%**	**1,024**	**-4%**
Personnel expenses	125	125	-0%	186	-33%
Other expenses	368	363	2%	411	-10%
Operating expenses	**493**	**488**	**1%**	**597**	**-17%**
Operating result	**485**	**465**	**4%**	**427**	**14%**
Impairment charges on loans and other receivables	35	163	-79%	99	-65%
Operating profit/(loss) before taxation	**450**	**301**	**49%**	**328**	**37%**
Income tax expenses	112	75	50%	90	25%
Underlying profit/(loss) for the period	**338**	**226**	**49%**	**238**	**42%**
Special items					
Reported profit/(loss) for the period	**338**	**226**		**238**	

Retail Banking's **underlying profit** rose by EUR 112 million to EUR 338 million in Q1 2015, up 49% compared with the first quarter of 2014. This increase was mainly the result of lower loan impairments.

Net interest income grew by 3% compared with the first quarter of the previous year, to EUR 836 million in Q1 2015. The increase in net interest income was primarily driven by improved mortgage margins, partly offset by lower average volumes on mortgages.

Margins on mortgages improved compared with Q1 2014 due to gradual re-pricing of the residential mortgage book. In particular mortgages originated pre-crisis have low margins. Market share on new residential mortgage production in the Netherlands was around 20%[1].

Interest income on consumer lending decreased slightly as still declining average loan volumes were only partly offset by improved margins.

Interest income on deposits remained stable compared with the first quarter of 2014. Slightly higher average saving volumes were offset by slightly decreasing margins as reinvestment yields are declining at a higher pace than client savings rates.

Apart from developments in portfolio volumes and margins, the allocated interest expenses for maintaining the liquidity buffer were lower than they were in Q1 2014, which was offset by higher allocated capital costs.

Net interest income in Q4 2014 was exceptionally high and positively impacted by several one-off results. Interest income on deposits decreased slightly as both margin and volumes declined compared with Q4 2014.

Net fee and commission income and **other operating income** remained stable compared with Q1 2014.

Personnel expenses remained flat compared with Q1 2014. Personnel expenses declined due to lower average FTE levels following a further reduction in branches. This decline was offset by higher pension costs. Compared with the previous quarter, personnel expenses decreased by 33% due to a EUR 60 million provision taken for accelerating digitisation in Q4 2014.

Other expenses were up 2% to EUR 368 million in Q1 2015 mainly due to higher project costs. Compared with Q42014, other expenses decreased by 10% due mainly to the 2014 full-year bank tax charge.

Operating result increased by 4% to EUR 485 million in Q1 2015. The underlying cost/income ratio improved by 1 percentage point to 50%.

Impairment charges on loans and other receivables fell significantly, by EUR 128 million in comparison with Q1 2014, to EUR 35 million in Q1 2015. The decline was driven mainly by lower impairments on mortgages. Improved circumstances in the housing market and recovery of the Dutch economy contributed to lower inflow of clients in the impaired portfolio, increased outflow of clients to the performing portfolio and an improvement of the risk profile, all of which had a positive impact on the impairment level of mortgages in the first quarter of 2015.

Impairment charges on the consumer lending portfolio declined sharply compared with the first quarter of 2014, mainly driven by a declining portfolio in default.

Impairment charges on the YourBusiness Banking portfolio (clients with turnover of less than EUR 1 million) remained stable compared with the first quarter of 2014.

[1] Source: Dutch Land Registry (Kadaster).

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	50%	51%	58%
Underlying cost of risk (in bps)[1]	9	41	25

	31 March 2015	31 December 2014
Loan-to-Deposit ratio	159%	158%
Loans and receivables - customers (in billions)	156.0	156.0
Due to customers (in billions)	95.5	95.9
Risk exposure amount (in billions)	36.5	36.8
FTEs	6,138	6,258

[1] Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

Loans and receivables - customers have remained stable since the beginning of 2015, at EUR 156.0 billion. The mortgage portfolio was flat compared with year-end 2014. Total redemptions offset new mortage production. New mortgage production was in line with the final quarter of 2014, while extra redemptions were considerably lower.

Due to customers showed a marginal decrease of EUR 0.4 billion compared with 31 December 2014.

Client Assets

(in billions)	31 March 2015	31 December 2014
Cash	95.5	95.9
Securities	17.7	16.0
Total Client Assets	**113.2**	**111.9**

Private Banking

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	152	146	5%	156	-2%
Net fee and commission income	159	134	19%	140	13%
Other operating income	30	13	138%	4	
Operating income	**341**	**292**	**17%**	**301**	**14%**
Personnel expenses	122	109	12%	123	-1%
Other expenses	122	113	8%	156	-22%
Operating expenses	**244**	**223**	**10%**	**279**	**-13%**
Operating result	**97**	**69**	**40%**	**21**	
Impairment charges on loans and other receivables	-9	8		-12	26%
Operating profit/(loss) before taxation	**106**	**61**	**73%**	**33**	
Income tax expenses	19	10	91%	19	-0%
Underlying profit/(loss) for the period	**87**	**52**	**70%**	**15**	
Special items					
Reported profit/(loss) for the period	**87**	**52**		**15**	

Private Banking's **underlying profit** increased by EUR 35 million compared with the first quarter of 2014 to EUR 87 million in the first quarter of 2015. The increase was mainly driven by higher operating income as a result of improved stock market performance. The acquired German private banking activities of Credit Suisse were consolidated as of 1 September 2014.

Net interest income amounted to EUR 152 million, up by EUR 6 million compared with Q1 2014. The NII increase was mainly driven by higher savings volumes. Margins remained stable.

Net fee and commission income grew by 19% year-on-year to EUR 159 million in Q1 2015. Net fees were driven by higher Client assets thanks to a favourable stock market performance and the acquired German activities.

Other operating income in Q1 2015 was EUR 17 million higher compared with the same quarter in 2014, mainly due to FX derivatives and several non-recurring results in Q1 2015.

Personnel expenses increased by 12%, or EUR 13 million, coming to EUR 122 million in Q1 2015. The growth of international activities was mainly attributable to the acquired German activities and FX impact. In the Netherlands, personnel expenses increased due mainly to higher pension costs.

Other expenses increased by EUR 9 million compared with Q1 2014 due primarily to higher IT project costs, the acquired German activities and FX impact. Compared with Q4 2014, other expenses decreased by 22% due mainly to the goodwill impairment in Q4.

Operating result was up 40% and amounted to EUR 97 million. The underlying cost/income ratio for Private Banking improved by 5 percentage points to 72% in the first quarter of 2015.

Impairment charges on loans and other receivables came down by EUR 17 million compared with Q1 2014 to a net release of EUR 9 million. Lower impairment charges were driven by a release related to the final settlement on a single file and an improvement of the risk profile of the portfolio.

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	72%	76%	93%
Underlying cost of risk (in bps)[1]	-20	20	-28

	31 March 2015	31 December 2014
Loan-to-Deposit ratio	26%	26%
Loans and receivables - customers (in billions)	17.4	16.7
Due to customers (in billions)	65.8	62.9
Risk exposure amount (in billions)	8.4	8.3
FTEs	3,655	3,599

[1] Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

Loans and receivables - customers increased by EUR 0.6 billion partly due to FX impact.

Due to customers increased by EUR 2.9 billion compared with 31 December 2014. Growth was achieved both in the Netherlands and internationally.

Client Assets

(in billions)	Q1 2015	Q4 2014
Opening balance Client Assets	**190.6**	**187.5**
Net new assets	3.7	0.3
Market performance	14.7	2.7
Divestments/acquisitions		
Other	-0.0	
Closing balance Client Assets	**209.0**	**190.6**
	31 March 2015	31 December 2014
Breakdown by type		
Cash	66.3	63.6
Securities	142.7	127.0
- of which Custody	39.5	31.3
Total	**209.0**	**190.6**
Breakdown by geography (in %)		
The Netherlands	48%	47%
Rest of Europe	43%	44%
Rest of the world	9%	9%

Client assets grew by EUR 18.4 billion in the first quarter to EUR 209.0 billion at 31 March 2015. The increase was primarily due to improved market performance as the stock markets significantly improved. Net new assets were EUR 3.7 billion and also included transfers of Retail Banking and Corporate Banking Clients to Private Banking.

Corporate Banking

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	538	484	11%	545	-1%
Net fee and commission income	192	152	27%	176	9%
Other operating income	73	57	28%	59	23%
Operating income	**803**	**693**	**16%**	**780**	**3%**
Personnel expenses	182	146	24%	158	15%
Other expenses	274	256	7%	329	-17%
Operating expenses	**456**	**402**	**13%**	**487**	**-6%**
Operating result	**347**	**290**	**20%**	**293**	**18%**
Impairment charges on loans and other receivables	229	200	14%	97	135%
Operating profit before taxes	**119**	**90**	**31%**	**196**	**-39%**
Income tax expenses	14	10	36%	52	-73%
Underlying profit/(loss) for the period	**105**	**80**	**31%**	**144**	**-27%**
Special items					
Reported profit/(loss) for the period	**105**	**80**		**144**	

Corporate Banking's **underlying profit** increased by EUR 25 million to EUR 105 million in Q1 2015. The key driver for the improvement was a significant rise in operating income.

Net interest income improved by EUR 54 million to EUR 538 million in Q1 2015. The improvement was seen mainly at Commercial Clients and International Clients.

Commercial Clients posted a rise in net interest income of EUR 28 million to EUR 333 million in Q1 2015. Commercial Clients benefited from higher average deposit volumes at stable margins. Margin improvements on loans were partly offset by lower average volumes.

Net interest income in International Clients increased by EUR 23 million compared with Q1 2014 to EUR 177 million, benefiting from FX rate developments as well as growth in the ECT Clients loan portfolio. This was partly offset by lower margins on deposits.

Apart from the developments in portfolio volumes and margins, the allocated interest expenses for maintaining the liquidity buffer also decreased primarily in Commercial Clients, which was offset by higher allocated capital costs across sub-segments.

Net fee and commission income increased by EUR 40 million compared with Q1 2014 to EUR 192 million. International Clients recorded higher corporate finance fees and Capital Markets Solutions benefited from the volatility in the financial markets as a result of geopolitical developments.

Other operating income was up by EUR 16 million to EUR 73 million in Q1 2015. The increase was mainly driven by improved (revaluation) results on the Equity Participations portfolio on the back of improved market conditions. The impact of CVA/DVA remained virtually stable compared with Q1 2014 (EUR 15 million negative in Q1 2015 versus EUR 17 million negative in Q1 2014). The FVA, adopted for the first time in Q3 2014, amounted to EUR 5 million positive in the first quarter of 2015.

Personnel expenses amounted to EUR 182 million, an increase of EUR 36 million compared with the same period last year. Personnel expenses were impacted by a restructuring provision of EUR 19 million in Q1 2015 following implementation of the revised business segmentation within Corporate Banking in the second half of 2014. In addition, personnel expenses were impacted by higher pension costs and FTE growth mainly within ECT Clients.

Other expenses grew by EUR 18 million compared with Q1 2014. The increase was mainly related to higher project costs. Compared with Q4 2014, other expenses decreased by 17% due mainly to the 2014 full-year bank tax charge.

Operating result was EUR 347 million in Q1 2015, an increase of EUR 57 million compared with the same quarter in 2014. The underlying cost/income ratio slightly improved to 57% in the first quarter of 2015, from 58% in Q1 2014.

Impairment charges on loans and other receivables amounted to EUR 229 million, an increase of EUR 29 million compared with Q1 2014. Higher impairment charges are mainly recorded in Commercial Clients and Capital Markets Solutions.

Loan impairments in Commercial Clients increased by 12%, or EUR 20 million. Loan impairments on small-sized clients (turnover of EUR 1 million to EUR 30 million) continued to decline and were substantially lower than in the same period in 2014. Loan impairments on medium-sized and large clients (turnover of EUR 30 million to EUR 250 million) were up compared with the first quarter of 2014 due to a single large addition.

Loan impairments in International Clients amounted to EUR 34 million, EUR 3 million lower than in Q1 2014.

Loan impairments in Capital Markets Solutions increased EUR 11 million, mainly due to a single file in Clearing Clients.

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	57%	58%	62%
Underlying cost of risk (in bps)[1]	102	98	46

	31 March 2015	31 December 2014
Loan-to-Deposit ratio	129%	143%
Loans and receivables - customers (in billions)	91.0	85.0
Due to customers (in billions)	62.7	54.7
Risk exposure amount (in billions)	57.0	53.5
FTEs	4,996	4,995

[1] Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

Loans and receivables - customers increased to EUR 91.0 billion at 31 March 2014 compared with EUR 85.0 billion at 31 December 2014. The increase was mainly driven by higher margin requirements in Capital Markets Solutions - Clearing Clients. Loans and receivables - customers in ECT Clients increased by EUR 3.2 billion driven largely by FX rate developments offset by a reclassification of EUR 2 billion to loans and receivables - banks.

Due to customers came to EUR 62.7 billion at 31 March 2015, up EUR 8.0 billion from 31 December 2014. Commercial Clients, International Clients and Capital Markets Solutions all contributed to this increase. The increase in deposits within Capital Markets Solutions was mainly related to margin requirements in Clearing Clients.

Corporate Banking - Commercial Clients

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	333	305	9%	345	-3%
Net fee and commission income	53	46	15%	49	7%
Other operating income	9	7	19%	9	-7%
Operating income	**395**	**359**	**10%**	**404**	**-2%**
Operating expenses	**209**	**181**	**15%**	**229**	**-9%**
Operating result	**186**	**177**	**5%**	**175**	**6%**
Impairment charges on loans and other receivables	183	163	12%	99	85%
Operating profit before taxes	**3**	**15**	**-80%**	**76**	**-96%**
Income tax expenses	0	2	-84%	21	-98%
Underlying profit/(loss) for the period	**3**	**12**	**-79%**	**55**	**-95%**
Special items					
Reported profit/(loss) for the period	**3**	**12**		**55**	

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	53%	51%	57%
Underlying cost of risk (in bps)[1]	180	154	96

	31 March 2015	31 December 2014
Loans and receivables - customers (in billions)	37.8	38.1
Due to customers (in billions)	33.4	31.7
Risk exposure amount (in billions)	21.5	20.8

[1] Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

Corporate Banking - International Clients

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	177	154	15%	170	4%
Net fee and commission income	62	53	17%	59	6%
Other operating income	31	21	48%	-8	
Operating income	**270**	**228**	**18%**	**220**	**23%**
Operating expenses	**127**	**111**	**15%**	**118**	**8%**
Operating result	**143**	**118**	**22%**	**103**	**39%**
Impairment charges on loans and other receivables	34	37	-7%	-3	
Operating profit before taxes	**109**	**81**	**35%**	**105**	**3%**
Income tax expenses	11	8	47%	31	-64%
Underlying profit/(loss) for the period	**98**	**73**	**33%**	**74**	**32%**
Special items					
Reported profit/(loss) for the period	**98**	**73**		**74**	

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	47%	48%	53%
Underlying cost of risk (in bps)[1]	42	54	-4

	31 March 2015	31 December 2014
Loans and receivables - customers (in billions)	33.8	32.2
Due to customers (in billions)	20.7	16.7
Risk exposure amount (in billions)	21.2	19.9

[1] Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

Corporate Banking - Capital Markets Solutions

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	28	24	13%	30	-9%
Net fee and commission income	77	53	47%	68	14%
Other operating income	33	28	15%	58	-44%
Operating income	**137**	**105**	**30%**	**156**	**-12%**
Operating expenses	**119**	**110**	**8%**	**140**	**-16%**
Operating result	**19**	**-4**		**16**	**20%**
Impairment charges on loans and other receivables	12	1		1	
Operating profit before taxes	**7**	**-5**		**15**	**-52%**
Income tax expenses	3			1	
Underlying profit/(loss) for the period	**4**	**-5**		**14**	**-71%**
Special items					
Reported profit/(loss) for the period	**4**	**-5**		**14**	

Other indicators

	Q1 2015	Q1 2014	Q4 2014
Underlying cost/income ratio	86%	104%	90%
Underlying cost of risk (in bps)[1]	29	2	3

	31 March 2015	31 December 2014
Financial assets held for trading (in billions)	13.4	8.9
Loans and receivables - customers (in billions)	19.4	14.7
Financial liabilities held for trading (in billions)	5.2	3.8
Due to customers (in billions)	8.6	6.3
Risk exposure amount (in billions)	14.2	12.8

[1] Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

Group Functions

Operating results

(in millions)	Q1 2015	Q1 2014	Change	Q4 2014	Change
Net interest income	19	-7		33	-44%
Net fee and commission income	-14	1		-10	-40%
Other operating income	41	52	-22%	17	141%
Operating income	**46**	**46**	**-0%**	**40**	**15%**
Personnel expenses	190	184	3%	182	4%
Other expenses	-164	-154	-6%	-148	-10%
Operating expenses	**26**	**30**	**-13%**	**33**	**-22%**
Operating result	**20**	**16**	**25%**	**7**	
Impairment charges on loans and other receivables	-2	-10	77%	-3	20%
Operating profit before taxes	**22**	**26**	**-15%**	**10**	**129%**
Income tax expenses	9	6	54%	6	38%
Underlying profit/(loss) for the period	**13**	**20**	**-35%**	**3**	
Special items		-67			
Reported profit/(loss) for the period	**13**	**-47**		**3**	

The **underlying profit** of Group Functions was EUR 13 million in the first quarter of 2015. This is a decline of EUR 7 million compared with a EUR 20 million profit in Q1 2014.

Net interest income increased by EUR 26 million compared with the same period last year. The rise was mainly driven by a higher portion of capital costs charged to the business. Lower expenses for maintaining the liquidity buffer were allocated to the commercial segments.

Net fee and commission income decreased by EUR 15 million, mainly driven by higher fees paid to Capital Markets Solutions related to Securities Financing results. Part of the operating income regarding Securities Financing is allocated to Capital Markets Solutions via the net fee and commission income.

Other operating income declined EUR 11 million which was mainly the result of negative revaluation of cross currency swaps due to unfavourable movements in euro basis spreads, partly offset by favourable CVA/DVA results on trading book loans.

Personnel expenses were EUR 190 million in the first quarter of 2015, up EUR 6 million compared with Q1 2014. This increase was mainly driven by higher pension expenses and FTE growth.

Other expenses decreased by EUR 10 million compared with the previous year as Q1 2014 included expenses relating to the Asset Quality Review (AQR). Increased IT project costs are allocated to the commercial segments. Other expenses include the allocation of operating expenses of Group Functions to the business segments as negative expenses.

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	31 March 2015	31 December 2014
Securities financing - assets	36.7	14.5
Loans and receivables - customers (in billions)	4.2	4.2
Securities financing - liabilities	30.9	12.6
Due to customers (in billions)	3.2	2.5
Risk exposure amount (in billions)	11.5	11.0
FTEs	7,435	7,362

Securities financing assets and liabilities increased by EUR 22.2 billion and EUR 18.3 billion respectively compared with 31 December 2014. The increase was related to the cyclicality of the business as clients build up their positions in the first quarter.

additional financial information

Overview of results in the last five quarters

The following table provides an overview of the quarterly results.

Quarterly results

(in millions)	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net interest income	1,545	1,620	1,530	1,441	1,432
Net fee and commission income	470	431	419	420	421
Other operating income	154	95	61	56	129
Operating income	**2,168**	**2,145**	**2,009**	**1,917**	**1,983**
Personnel expenses	619	650	591	591	565
Other expenses	600	748	557	571	577
Operating expenses	**1,219**	**1,397**	**1,147**	**1,162**	**1,143**
Operating result	**949**	**748**	**862**	**755**	**840**
Impairment charges on loans and other receivables	252	181	287	342	361
Operating profit/(loss) before taxes	**697**	**567**	**575**	**413**	**479**
Income tax expenses	154	167	125	91	101
Underlying profit/(loss) for the period	**543**	**400**	**450**	**322**	**378**
Special items			-67	-283	-67
Reported profit/(loss) for the period	**543**	**400**	**383**	**39**	**311**

Difference between underlying and reported results

To provide a better understanding of the underlying results, ABN AMRO has adjusted its reported results for defined special items and material divestments.

Special items are material and non-recurring items which are not related to normal business activities. As of 2014, ABN AMRO has a higher materiality threshold to qualify as a special item.

Adjustments include past results from material divestments as well as the related transaction result. No material divestments took place in the reported periods in this report.

The following table presents the reconciliation from underlying to reported results.

Reconciliation from underlying to reported results

(in millions)	Q1 2015 Underlying	Q1 2015 Special items	Q1 2015 Reported	Q1 2014 Underlying	Q1 2014 Special items	Q1 2014 Reported	Q4 2014 Underlying	Q4 2014 Special items	Q4 2014 Reported
Net interest income	1,545		1,545	1,432		1,432	1,620		1,620
Net fee and commission income	470		470	421		421	431		431
Other operating income	154		154	129		129	95		95
Operating income	**2,168**		**2,168**	**1,983**		**1,983**	**2,145**		**2,145**
Personnel expenses	619		619	565		565	650		650
Other expenses	600		600	577	67	644	748		748
Operating expenses	**1,219**		**1,219**	**1,143**	**67**	**1,210**	**1,397**		**1,397**
Operating result	**949**		**949**	**840**	**-67**	**773**	**748**		**748**
Impairment charges on loans and other receivables	252		252	361		361	181		181
Operating profit/(loss) before taxes	**697**		**697**	**479**	**-67**	**412**	**567**		**567**
Income tax expenses	154		154	101		101	167		167
Profit/(loss) for the period	**543**		**543**	**378**	**-67**	**311**	**400**		**400**

Special items

(in millions)	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Operating income					
Total impact on Operating Income					
Operating expenses					
Pension settlement charge				288	
SNS Levy			67	67	67
Total impact on Operating expenses			**67**	**355**	**67**
Loan impairments					
Total impact on Loan impairments					
Total impact on Income tax expenses				**-72**	
Total impact on result for the period			**-67**	**-283**	**-67**

The SNS levy amounted to a total of EUR 201 million recorded in 2014, spread over the first three quarters of 2014.

Selected financial information

Condensed consolidated income statement

(in millions)	Q1 2015	Q1 2014	Q4 2014
Income			
Interest income	3,413	3,313	3,361
Interest expense	1,868	1,881	1,742
Net interest income	**1,545**	**1,432**	**1,620**
Fee and commission income	761	663	712
Fee and commission expense	291	242	281
Net fee and commission income	**470**	**421**	**431**
Net trading income	64	42	31
Share of result in equity accounted investments	-5	7	3
Other income	94	81	60
Operating income	**2,168**	**1,983**	**2,145**
Expenses			
Personnel expenses	619	565	650
General and administrative expenses	558	603	665
Depreciation and amortisation of tangible and intangible assets	42	41	82
Operating expenses	**1,219**	**1,210**	**1,397**
Impairment charges on loans and other receivables	252	361	181
Total expenses	**1,471**	**1,571**	**1,578**
Operating profit/(loss) before taxation	**697**	**412**	**567**
Income tax expenses	154	101	167
Profit/(loss) for the period	**543**	**311**	**400**
Attributable to:			
Owners of the company	543	311	400
Non-controlling interests	1		

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Consolidated statement of comprehensive income

(in millions)	Q1 2015	Q1 2014	Q4 2014
Profit/(loss) for the period	**543**	**311**	**400**
Other comprehensive income:			
Items that will not be reclassified to the income statement			
Remeasurement gains / (losses) on defined benefit plans	-4	-153	8
Items that will not be reclassified to the income statement before taxation	**-4**	**-153**	**8**
Income tax relating to items that will not be reclassified to the income statement	-1	-38	3
Items that will not be reclassified to the income statement after taxation	**-3**	**-114**	**5**
Items that may be reclassified to the income statement			
Currency translation reserve	165	8	24
Available-for-sale reserve	329	89	102
Cash flow hedge reserve	-333	110	-65
Share of other comprehensive income of associates	5	5	10
Other changes	-1	5	-10
Other comprehensive income for the period before taxation	**165**	**217**	**60**
Income tax relating to components of other comprehensive income	-2	48	7
Other comprehensive income for the period after taxation	**167**	**169**	**52**
Total comprehensive income/(expense) for the period after taxation	**707**	**366**	**458**
Total comprehensive income attributable to:			
Owners of the company	706	366	458
Non-controlling interests	1		

Consolidated statement of financial position

(in millions)	31 March 2015	31 December 2014
Assets		
Cash and balances at central banks	5,864	706
Financial assets held for trading	13,459	9,017
Derivatives	32,389	25,285
Financial investments	44,152	41,466
Securities financing	44,479	18,511
Loans and receivables - banks	20,958	21,680
Residential mortgages	152,210	151,998
Consumer loans	15,379	15,398
Commercial loans	90,811	87,866
Other loans and receivables - customers	10,176	6,648
Equity accounted investments	874	1,136
Property and equipment	1,414	1,412
Goodwill and other intangible assets	264	255
Tax assets	500	504
Other assets	5,173	4,986
Total assets	**438,102**	**386,867**
Liabilities		
Financial liabilities held for trading	5,192	3,759
Derivatives	38,127	30,449
Securities financing	33,752	13,918
Due to banks	20,387	15,744
Demand deposits	115,915	109,753
Saving deposits	89,844	88,655
Time deposits	21,307	17,459
Other due to customers	163	144
Issued debt	82,245	77,131
Subordinated liabilities	8,639	8,328
Provisions	955	1,003
Tax liabilities	270	175
Other liabilities	5,722	5,473
Total liabilities	**422,518**	**371,990**
Equity		
Share capital	940	940
Share premium	12,970	12,970
Other reserves (incl retained earnings/profit for the period)	2,310	1,769
Other components of equity	-649	-814
Equity attributable to the owners of the parent company	**15,571**	**14,865**
Equity attributable to non-controlling interests	13	12
Total equity	**15,584**	**14,877**
Total liabilities and equity	**438,102**	**386,867**

Condensed consolidated statement of changes in equity

(in millions)	Share capital	Share premium reserve	Other reserves including retained earnings	Other comprehensive income	Net profit/ (loss) attributable to shareholders	Total	Non-controlling interests	Total equity
Balance at 1 January 2014	**940**	**12,970**	**3,392**	**-4,909**	**1,162**	**13,555**	**13**	**13,568**
Total comprehensive income			5	49	311	366		366
Transfer			1,162		-1,162			
Dividend								
Increase/(decrease) of capital								
Other changes in equity							-1	
Balance at 31 March 2014	940	12,970	4,559	-4,860	311	13,921	13	13,933
Balance at 1 January 2015	**940**	**12,970**	**635**	**-814**	**1,134**	**14,865**	**12**	**14,877**
Total comprehensive income			-1	165	543	706	1	707
Transfer			1,134		-1,134			
Dividend								
Other changes in equity								
Balance at 31 March 2015	**940**	**12,970**	**1,768**	**-649**	**543**	**15,571**	**13**	**15,584**

Specification of other comprehensive income is as follows:

(in millions)	Remeasurement gains / (losses) on post-retirement benefit plans	Currency translation reserve	Available-for-sale reserve	Cash flow hedge reserve	Share of OCI of associates and joint ventures	Total
Balance at 1 January 2014	**-3,502**	**-64**	**59**	**-1,467**	**65**	**-4,909**
Net gains/(losses) arising during the period	-153	8	89	104	5	53
Less: Net realised gains/(losses) included in income statement				-6		-6
Net gains/(losses) in equity	-153	8	89	110	5	59
Related income tax	-38		21	28		10
Balance at 31 March 2014	-3,617	-56	127	-1,385	71	-4,860
Balance at 1 January 2015	**-38**	**36**	**329**	**-1,223**	**82**	**-814**
Net gains/(losses) arising during the period	-4	165	345	-349	5	161
Less: Net realised gains/(losses) included in income statement			16	-17		-1
Net gains/(losses) in equity	**-4**	**165**	**329**	**-333**	**5**	**162**
Related income tax	-1		81	-83		-3
Balance at 31 March 2015	**-42**	**201**	**577**	**-1,472**	**87**	**-649**

risk, funding & capital information

Key risk developments

Key figures

	31 March 2015	31 December 2014
Total assets	438,102	386,867
- of which Residential mortgages	152,210	151,998
- of which Consumer loans	15,379	15,398
- of which Commercial loans	90,811	87,866
Total Exposure at Default	365,039	350,762
Regulatory capital		
Total risk exposure amount	113,407	109,647
- of which Credit risk[1]	91,331	87,667
- of which Operational risk	16,227	16,168
- of which Market risk	5,849	5,811
Fully-loaded CET1 ratio	14.2%	14.1%
Fully-loaded leverage ratio	3.5%	3.7%
Credit quality indicators		
Forbearance ratio	3.3%	3.1%
Past due ratio	1.8%	2.1%
Cost of risk (year to date, in bps) - reported[2]	38	45
Cost of risk (year to date, in bps) - underlying[2]	38	45
Coverage ratio	55.5%	53.6%
Impaired ratio	1.7%	1.8%
Liquidity and funding indicators		
Issued funding (in billions)	1.8	2.5

1 REA for credit value adjustment (CVA) is included in credit risk. CVA per 31 March 2015 amounted to EUR 2.0 billion (31 December 2014 EUR 1.3 billion).
2 Cost of risk consists of annualised impairment charges on Loans and receivables - customers for the period divided by average Loans and receivables - customers.

The Dutch economy continued to recover in the first few months of 2015. Exports, capital expenditure and consumption showed further growth. With a low euro, low oil prices, a low interest rate and positive effects from Quantitative Easing, the forecast for 2015 has improved.

The improved economic conditions combined with strict monitoring and a balanced portfolio intake are reflected in a substantial decline in the impairment charges, lower amounts in arrears and a lower volume of impaired exposures.

Impairment charges declined by EUR 109 million to EUR 252 million in Q1 2015 from EUR 361 million in the same period last year. This decline was primarily driven by lower impairment charges in the Residential mortgages portfolio and to a lesser extent the Consumer loans portfolio. The decline was partly offset by an increase of EUR 20 million in Commercial loans, mainly due to a single large impairment charge within Commercial Clients. The decline in impairment charges is clearly reflected in the decreasing underlying cost of risk ratio compared to full-year 2014.

The Residential mortgages portfolio remained virtually stable compared with year-end 2014. The mortgage portfolio remained fairly stable as a result of lower redemptions, which was offset by a stable production volume. The Commercial loans portfolio increased by EUR 2.9 billion to EUR 90.8 billion in the first quarter compared with year-end 2014. This increase was mainly the result of higher client lending positions within Private Banking International and ECT Clients.

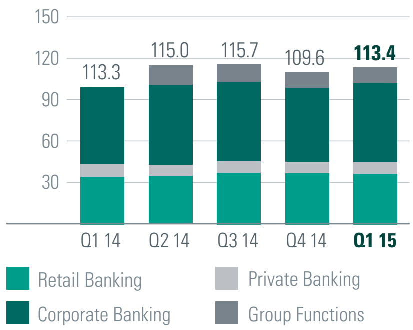
The total risk exposure amount (REA) increased by EUR 3.8 billion to EUR 113.4 at 31 March 2015, compared with EUR 109.7 billion at year-end 2014. The main contributor to this movement was credit risk, rising by EUR 3.7 billion. This increase was mainly the result of higher business volume of EUR 2.0 billion in Corporate Banking, driven by an increase in International Clients and, to a lesser extent, in Capital Markets Solutions. Furthermore, an increase in CVA of EUR 0.7 billion contributed to the total REA increase in the first quarter of 2015.

The Exposure at Default (EAD) increased to EUR 365.0 billion at 31 March 2015 from EUR 350.8 billion at 31 December 2014. This EUR 14.3 billion increase was mainly due to higher business volume within Corporate Banking.

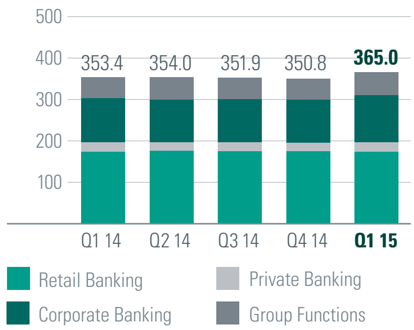
The amount of long-term funding raised in the first quarter of 2015 was EUR 1.8 billion.

Regulatory capital increased due to retained earnings. The Common Equity Tier 1 ratio remained stable at 14.1% as total REA increased as well.

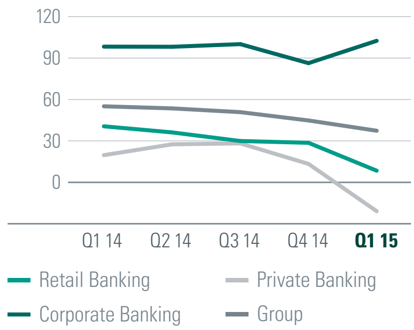
REA per business segment
(end-of-period, in billions)



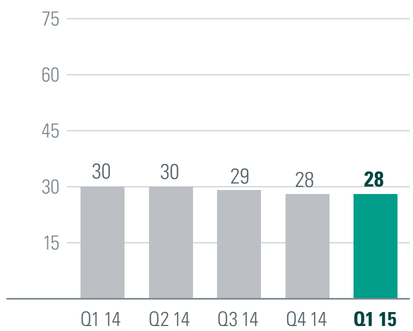
EAD per business segment
(end-of-period, in billions)



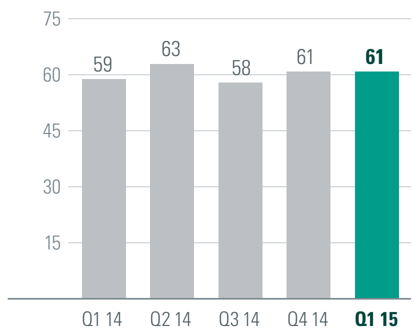
Cost of risk per business segment
(in bps)



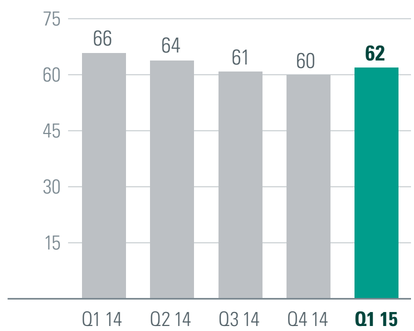
Coverage ratio
Residential mortgages (in %)



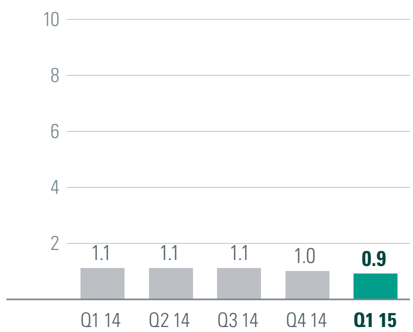
Consumer loans (in %)



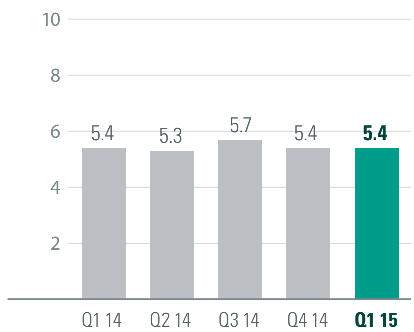
Commercial loans (in %)



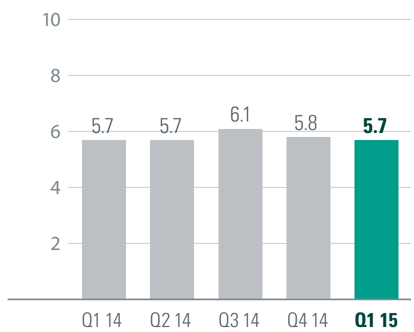
Impaired ratio
Residential mortgages (in %)



Consumer loans (in %)

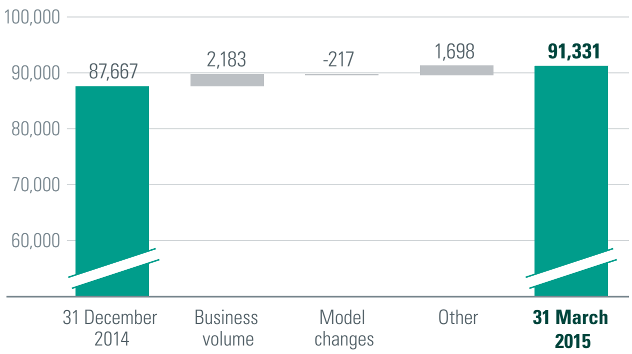


Commercial loans (in %)



Credit risk

REA flow statement credit risk
(in millions)



Credit risk mitigation

Collateral & guarantees received as security

(in millions)	Carrying amount	Collateral received: Master netting agreement[3]	Financial instruments	Property & equipment	Other collateral and guarantees	Total risk mitigation	Surplus collateral[4]	Net exposure[5]
								31 March 2015
Loans and receivables - banks	**20,958**	**12,560**				**12,560**		**8,398**
Loans and receivables - customers								
Residential mortgages[1]	152,210	17	104	206,748	5,044	211,912	72,928	13,225
Consumer loans	15,379	62	4,725	5,320	38	10,145	1,400	6,633
Commercial loans[1]	85,617	2,843	27,760	36,847	8,762	76,211	18,226	27,632
Other loans and receivables - customers[2]	15,370	2,197	4,082	2,899	2,699	11,877	2,317	5,810
Total Loans and receivables - customers	**268,576**	**5,118**	**36,671**	**251,813**	**16,543**	**310,145**	**94,870**	**53,301**
Total Loans and receivables	**289,533**	**17,678**	**36,671**	**251,813**	**16,543**	**322,705**	**94,870**	**61,699**
Other assets	**148,568**	**26,419**	**44,023**	**24**	**163**	**70,628**	**4,335**	**82,275**
Total assets	**438,102**	**44,096**	**80,695**	**251,837**	**16,706**	**393,333**	**99,205**	**143,974**

1 Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
2 Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.
3 The Master netting agreement amount presents legal netting rights and cash collateral. Other assets include Master netting agreements on derivatives not offset in the statement of financial position (EUR 24.7 billion), consisting of EUR 19.4 billion legal netting rights and EUR 5.3 billion cash collateral. Carrying amount of derivatives is EUR 32.4 billion.
4 Surplus collateral is the amount of over-collateralisation, calculated on an individual basis.
5 Net exposure represents the portfolio corrected for the surplus amount and gives a view on the potential shortfall in collateral on the total portfolio.

31 December 2014

(in millions)	Carrying amount	Master netting agreement[3]	Financial instruments	Property & equipment	Other collateral and guarantees	Total risk mitigation	Surplus collateral[4]	Net exposure[5]
		Collateral received						
Loans and receivables - banks	**21,680**	**9,850**				**9,850**		**11,830**
Loans and receivables - customers								
Residential mortgages[1]	151,998	25	98	205,730	5,072	210,925	71,635	12,708
Consumer loans	15,398	139	4,361	5,260	48	9,807	1,422	7,013
Commercial loans[1]	82,860	3,121	26,146	30,749	8,434	68,450	18,083	32,494
Other loans and receivables - customers[2]	11,654	1,585	4,008	2,866	2,488	10,946	2,287	2,994
Total Loans and receivables - customers	**261,910**	**4,870**	**34,613**	**244,605**	**16,041**	**300,129**	**93,427**	**55,208**
Total Loans and receivables	**283,590**	**14,720**	**34,613**	**244,605**	**16,041**	**309,979**	**93,427**	**67,038**
Other assets	**103,277**	**19,538**	**19,833**		**188**	**39,559**	**1,829**	**65,546**
Total assets	**386,867**	**34,258**	**54,446**	**244,605**	**16,229**	**349,538**	**95,256**	**132,585**

1 Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
2 Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.
3 The Master netting agreement amount presents legal netting rights and cash collateral. Other assets include Master netting agreements on derivatives not offset in the statement of financial position (EUR 19.5 billion), consisting of EUR 15.5 billion legal netting rights and EUR 4.0 billion cash collateral. Carrying amount of derivatives is EUR 25.3 billion.
4 Surplus collateral is the amount of over-collateralisation, calculated on an individual basis.
5 Net exposure represents the portfolio corrected for the surplus amount and gives a view on the potential shortfall in collateral on the total portfolio.

Carrying amount of Residential mortgages increased slightly by EUR 0.2 billion in Q1 2015 to EUR 152.2 billion at 31 March 2015 compared with EUR 152.0 billion at 31 December 2014. The total risk mitigation increased by EUR 1.0 billion, mainly due to higher housing prices.

In Commercial loans, the carrying amount increased to EUR 85.6 billion at 31 March 2015, up by EUR 2.8 billion compared with 31 December 2014. Total risk mitigation within Commercial loans increased by EUR 7.8 billion to EUR 76.2 billion, due mainly to an increase of EUR 6.1 billion in Property & equipment caused largely by improved collateral reporting. Furthermore, net exposure declined due to a reclassification of trade bills within credit institutions, for which no collateral is in place, to Loans and receivables – banks.

The net exposure of Other loans and receivables - customers rose by EUR 2.8 billion in Q1 2015, largely due to increased cash collateral deposited at central counterparties.

Management of forborne, past due and impaired loans

Forborne loans

The following table provides an overview of forborne assets, broken down into performing and non-performing assets, specified by type of forbearance measure.

Clients in (potential) financial difficulty, where contract amendments have been made since 1 January 2012 which are considered to be a concession made by the bank, have been identified as forborne assets. A contract that is in a recovery phase at the reporting date is not considered forborne.

Overview forbearance

31 March 2015

(in millions)	Gross carrying amount	Performing assets: Temporary modification	Performing assets: Permanent modification	Performing assets: Refinancing	Performing assets: Total	Non-performing assets: Temporary modification	Non-performing assets: Permanent modification	Non-performing assets: Refinancing	Non-performing assets: Total	Total: Total forborne assets	Total: Forbearance ratio
Loans and receivables - banks	**20,958**										**0.0%**
Loans and receivables - customers											
Residential mortgages[1]	152,688	1,056	28	142	1,226	537		29	566	1,793	1.2%
Consumer loans	16,022	114	70	135	319	90	20	56	166	484	3.0%
Commercial loans[1]	89,212	1,163	1,200	1,772	4,135	783	1,062	1,092	2,938	7,073	7.9%
Other loans and receivables - customers[2]	15,503	59	30		89	158	16	4	177	266	1.7%
Total Loans and receivables - customers	**273,424**	**2,393**	**1,328**	**2,049**	**5,769**	**1,569**	**1,098**	**1,180**	**3,847**	**9,616**	**3.5%**
Total Loans and receivables	**294,382**	**2,393**	**1,328**	**2,049**	**5,769**	**1,569**	**1,098**	**1,180**	**3,847**	**9,616**	**3.3%**

[1] Gross carrying amount includes fair value adjustments from hedge accounting.
[2] Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.

31 December 2014

(in millions)	Gross carrying amount	Performing assets: Temporary modification	Performing assets: Permanent modification	Performing assets: Refinancing	Performing assets: Total	Non-performing assets: Temporary modification	Non-performing assets: Permanent modification	Non-performing assets: Refinancing	Non-performing assets: Total	Total: Total forborne assets	Total: Forbearance ratio
Loans and receivables - banks	**21,680**										**0.0%**
Loans and receivables - customers											
Residential mortgages[1]	152,536	1,027	28	122	1,177	606	3	29	638	1,814	1.2%
Consumer loans	16,052	92	68	126	286	99	32	52	184	470	2.9%
Commercial loans[1]	86,299	1,215	872	1,823	3,910	729	878	1,181	2,788	6,698	7.8%
Other loans and receivables - customers[2]	11,783	23			24	64	4		68	92	0.8%
Total Loans and receivables - customers[1]	**266,670**	**2,358**	**968**	**2,071**	**5,397**	**1,498**	**917**	**1,262**	**3,677**	**9,074**	**3.4%**
Total Loans and receivables	**288,351**	**2,358**	**968**	**2,071**	**5,397**	**1,498**	**917**	**1,262**	**3,677**	**9,074**	**3.1%**

[1] Gross carrying amount includes fair value adjustments from hedge accounting.
[2] Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.

The total forborne exposure increased from EUR 9.1 billion at year-end 2014 to EUR 9.6 billion at 31 March 2015.

The total forborne exposure within Residential mortgages and Consumer loans remained fairly stable compared with Q4 2014.

The total forborne exposure for Commercial loans increased by EUR 0.4 billion to EUR 7.1 billion at 31 March 2015, compared with EUR 6.7 billion at 31 December 2014, which is 7.9% of the total Commercial loans portfolio.

This increase was due to the inflow of some larger forborne clients and is mainly related to permanently adjusted payment arrangements within the performing portfolio. The rise in forborne exposure for Commercial loans was mainly driven by an increase in the food & beverage industry sector and, to a lesser extent, by the retail and industrial goods & services sector.

Within Other loans and receivables – customers, an inflow of some large exposures resulted in an increase of forborne exposure to EUR 0.3 billion at 31 March 2015 from EUR 0.1 billion at 31 December 2014.

Past due loans

Financial assets past due but not impaired

								31 March 2015
	Carrying amount		Days past due					
(in millions)	Gross	Assets not classified as impaired	< 30	> 30 days & < 60	> 60 days & < 90	> 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**20,958**	**20,958**						**0.0%**
Loans and receivables - customers								
Residential mortgages[1]	152,688	151,352	2,840	417	111		3,367	2.2%
Consumer loans	16,022	15,164	387	129	119	131	766	4.8%
Commercial loans[1]	89,212	84,096	686	175	278	530	1,669	1.9%
Other loans and receivables - customers[2]	15,503	15,259	78	33	5	24	139	0.9%
Total Loans and receivables - customers	**273,424**	**265,871**	**3,990**	**754**	**512**	**685**	**5,941**	**2.2%**
Total Loans and receivables	**294,382**	**286,829**	**3,990**	**754**	**512**	**685**	**5,941**	**2.0%**
Other assets	**46,376**	**46,355**	**113**	**50**	**27**	**85**	**274**	**0.6%**
Total assets	**340,758**	**333,183**	**4,103**	**804**	**539**	**769**	**6,216**	**1.8%**

1 Gross carrying amount includes fair value adjustments from hedge accounting.
2 Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.

31 December 2014

(in millions)	Carrying amount: Gross	Carrying amount: Assets not classified as impaired	Days past due: < 30	Days past due: > 30 days & < 60	Days past due: > 60 days & < 90	Days past due: > 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**21,680**	**21,680**						**0.0%**
Loans and receivables - customers								
Residential mortgages[1]	152,536	151,058	3,057	463	118		3,639	2.4%
Consumer loans	16,052	15,184	335	135	38	125	633	3.9%
Commercial loans[1]	86,299	81,310	924	182	51	590	1,747	2.0%
Other loans and receivables - customers[2]	11,783	11,518	72	8	3	12	94	0.8%
Total Loans and receivables - customers	**266,670**	**259,070**	**4,388**	**788**	**210**	**727**	**6,114**	**2.3%**
Total Loans and receivables	**288,351**	**280,750**	**4,388**	**788**	**210**	**727**	**6,114**	**2.1%**
Other assets	**20,453**	**20,431**	**202**	**19**	**8**	**24**	**253**	**1.2%**
Total assets	**308,804**	**301,181**	**4,590**	**807**	**218**	**750**	**6,366**	**2.1%**

1 Gross carrying amount includes fair value adjustments from hedge accounting.
2 Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.

The total past due exposure on loans and receivables at 31 March 2015 decreased by EUR 0.2 billion to EUR 5.9 billion from EUR 6.1 billion at year-end 2014.

The past due exposure on Residential mortgages decreased to EUR 3.4 billion at 31 March 2015 compared with EUR 3.6 billion at 31 December 2014. This decline, which was mainly visible in the bucket <30 days, is the result of a combination of active management of the portfolio in arrears and further improvement of the Dutch economy.

A continuous focus on stricter monitoring of our clients resulted in a slight improvement of the past due ratio for Commercial loans to 1.9% at 31 March 2015.

Impaired loans

Coverage and impaired ratio

31 March 2015

(in millions)	Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk	Coverage ratio	Impaired ratio
Loans and receivables - banks	**20,958**				**0.0%**
Loans and receivables - customers					
Residential mortgages[1]	152,688	1,336	-373	27.9%	0.9%
Consumer loans	16,022	858	-522	60.8%	5.4%
Commercial loans[1]	89,212	5,116	-3,181	62.2%	5.7%
Other loans and receivables - customers[2]	15,503	243	-119	48.8%	1.6%
Total Loans and receivables - customers	**273,424**	**7,553**	**-4,195**	**55.5%**	**2.8%**
Total Loans and receivables[3]	**294,382**	**7,553**	**-4,195**	**55.5%**	**2.6%**
Securities financing	**44,490**	**10**	**-10**	**100.0%**	**0.0%**
Total on- and off-balance sheet	**458,353**	**7,585**	**-4,211**	**55.5%**	**1.7%**

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

(in millions)	Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk	Coverage ratio	Impaired ratio
					31 December 2014
Loans and receivables - banks	**21,680**				**0.0%**
Loans and receivables - customers					
Residential mortgages[1]	152,536	1,478	-408	27.6%	1.0%
Consumer loans	16,052	868	-533	61.4%	5.4%
Commercial loans[1]	86,299	4,989	-3,017	60.5%	5.8%
Other loans and receivables - customers[2]	11,783	265	-115	43.2%	2.3%
Total Loans and receivables - customers	**266,670**	**7,601**	**-4,073**	**53.6%**	**2.9%**
Total Loans and receivables[3]	**288,351**	**7,601**	**-4,073**	**53.6%**	**2.6%**
Securities financing	**18,521**	**10**	**-10**	**100.0%**	**0.1%**
Total on- and off-balance sheet	**418,815**	**7,632**	**-4,089**	**53.6%**	**1.8%**

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

The impaired ratio for the total loans and receivables portfolio remained fairly stable, at 2.6%, at 31 March 2015 compared with year-end 2014. Slight decreases were noted for Residential mortgages as a result of a lower impaired portfolio. The impaired ratio for the commercial loan portfolio also declined marginally, due to an increase in the size of the portfolio.

The coverage ratio on the total loans and receivables portfolio increased to 55.5% at 31 March 2015 from 53.6% at 31 December 2014. The impaired exposures for the total loans and receivables portfolio remained fairly stable at EUR 7.6 billion.

The coverage ratio for the Residential mortgage portfolio increased slightly to 27.9% at 31 March 2015 compared with 27.6% at 31 December 2014. Allowances for impairments declined slightly less than the impaired exposures.The impaired exposures for Residential mortgages went down as a result of the reduction in the inflow into the impaired portfolio, while outflow from the impaired portfolio continued to increase. Outflow increased as a result of a combination of active management of the portfolio in arrears and improved economic conditions.

In Consumer loans, the coverage ratio decreased slightly to 60.8% at 31 March 2015, compared with 61.4% at 31 December 2014. The impaired exposures and allowances for identified credit risk remained fairly stable.

The coverage ratio for Commercial loans increased marginally to 62.2% at 31 March 2015 compared with 60.5% at 31 December 2014, as allowances for impaiments rose more sharply than the increased impaired exposures. The increase in allowances for impairments and the impaired exposure was due mainly to a single large impairment charge in the Commercial Clients portfolio.

Loan impairment charges and allowances

(in millions)	Securities financing Q1 2015	Commercial loans Q1 2015	Residential mortgages Q1 2015	Consumer loans Q1 2015	Total Q1 2015	Securities financing Q1 2014	Commercial loans Q1 2014	Residential mortgages Q1 2014	Consumer loans Q1 2014	Total Q1 2014
Balance as at begin of period	**11**	**3,568**	**538**	**654**	**4,771**	**24**	**3,778**	**585**	**613**	**4,999**
Impairment charges for the period		333	41	35	410		283	148	76	507
Reversal of impairment allowances no longer required	-1	-103	-29	-13	-146	-0	-73	-41	-20	-134
Recoveries of amounts previously written-off		-2	-3	-11	-16		-2	-1	-10	-13
Total impairment charges on loans and other receivables	**-1**	**228**	**9**	**11**	**248**	**-0**	**208**	**106**	**46**	**359**
Amount recorded in interest income from unwinding of discounting		-12	-18	-3	-33		-11	-5	-3	-18
Currency translation differences	1	73			74	1				1
Amounts written-off (net)		-137	-48	-25	-210		-119	-49	-36	-204
Reserve for unearned interest accrued on impaired loans		8		-1	7		16	10	2	28
Other adjustments		-0	-3	5	2		-3		-1	-4
Balance as at end of period	**11**	**3,728**	**478**	**643**	**4,860**	**24**	**3,869**	**646**	**621**	**5,162**
Reconciliation from reported to underlying impairment charges										
Total reported on-balance sheet impairment charges on loans and other receivables	**-1**	**228**	**9**	**11**	**248**	**-0**	**208**	**106**	**46**	**359**
Total underlying on-balance sheet impairment charges on loans and other receivables	**-1**	**228**	**9**	**11**	**248**	**-0**	**208**	**106**	**46**	**359**

(in millions)	Q1 2015	Q1 2014
On-balance sheet	248	359
Off-Balance sheet	4	2
Total impairment charges on loans and other-receivables	**252**	**361**

On-balance sheet underlying impairment charges decreased by EUR 111 million to 248 million in the first quarter of 2015, compared with EUR 359 million in the same period last year. The decline was primarily driven by lower impairment charges in the Residential mortgages portfolio of EUR 97 million and, to a lesser extent, for Consumer loans, which declined by EUR 35 million, partly offset by an increase of EUR 20 million for Commercial loans.

Overall the reduction in impairment charges was the result of the continued improvement of the Dutch economy.

The increase in impairment charges in the Commercial loans portfolio was mainly driven by a single large impairment charge in Commercial Clients. Excluding this one-off, impairment charges continued to trend down for Commercial Clients and International Clients.

Impairment charges for the Residential mortgages portfolio decreased sharply in the first quarter of 2015 compared with the same period last year. Lower impairment charges were the result of a declining impaired portfolio and improvement of the risk profile.

The decline of EUR 35 million in the Consumer loans portfolio was the result of substantially lower impairment charges and improvements in the risk profile. The risk profile improved especially in the non-programme lending portfolio.

Impaired loans by industry

	31 March 2015		31 December 2014	
(in millions)	Impaired exposures	Allowances for impairments for identified credit risk	Impaired exposures	Allowances for impairments for identified credit risk
Industry sector				
Banks	10	-10	10	-10
Financial services[1]	850	-721	813	-693
Industrial goods and services	1,243	-682	1,328	-703
Real estate	704	-375	793	-390
Oil and gas	172	-91	119	-76
Food and beverage	483	-239	544	-245
Retail	670	-380	630	-355
Basic resources	231	-132	212	-152
Healthcare	214	-149	65	-39
Construction and materials	368	-244	371	-254
Travel and leisure	197	-106	202	-119
Other[2]	260	-177	220	-136
Subtotal Industry Classification Benchmark	**5,404**	**-3,308**	**5,308**	**-3,170**
Private individuals (non-Industry Classification Benchmark)	2,181	-903	2,324	-918
Subtotal non-Industry Classification Benchmark	**2,181**	**-903**	**2,324**	**-918**
Total	**7,585**	**-4,211**	**7,632**	**-4,089**

1 Financial services include asset managers, credit card companies and providers of personal financial services and securities and brokers.
2 Other includes, personal and household goods, media, technology, automobiles and parts, chemicals, telecommunication and insurance, in addition to unclassified.
3 Amounts excluding Incurred But Not Identified (IBNI).

The concentration of the impaired portfolio of the industrial goods and services and real estate sectors decreased in Q1 2015 (from 17.4% to 16.4% and from 10.4% to 9.3% respectively). There were a number of smaller changes, distributed over a number of files for these sectors.

Furthermore, there was an increase in the healthcare sector, which was mainly related to one single large impairment file. For food & beverage, a few smaller exposures were written off, resulting in a decrease in impaired loans and allowances for impairments.

Developments in specific portfolios

Residential mortgages

The Dutch housing market further improved in the first quarter of 2015. Tightening of mortgage acceptance regulations and the end of the elevated gift tax exemption were absorbed in the first quarter of 2015. The number of transactions in the Dutch housing market went up by 19% compared with the first quarter of 2014, according to Statistics Netherlands (CBS). The housing price index of the CBS was 2.4% higher in the first quarter of 2015 compared with the same period of the previous year and 0.3 percentage points higher compared with the fourth quarter of 2014.

In 2015, the Dutch government will further constrain the capacity to borrow. This will be reflected in the reduction of the maximum loan amount for government-guaranteed loans (NHG), restricting the maximum LtMV of a mortgage loan and limiting the fiscal regime for homeowners. These tighter mortgage lending conditions are aimed at preventing residual debt problems in the mortgage portfolio.

ABN AMRO's new residential mortgage production volume was EUR 2.5 billion in the first quarter of 2015. This was 25% higher than it was in the first quarter of 2014 (EUR 2.0 billion) and slightly lower than it was in the fourth quarter of 2014 (EUR 2.6 billion). The NHG part of the new mortgage production remained unchanged at 46%.

Total redemptions were significantly lower compared with the fourth quarter of 2014.

Contractual repayments are gradually growing, reflecting the new fiscal regime. Extra repayments, which were extremely high in the last quarter of 2014 due to the ending of the elevated gift tax exemption, have returned to normalised levels. In the first quarter of 2015, extra repayments decreased to EUR 0.6 billion, from EUR 1.2 billion in the fourth quarter of 2014 and EUR 0.7 billion in the first quarter of 2014. Incentives for extra redemptions are the low savings interest rates and increased awareness among homeowners of the possibility of residual debt.

Key residential mortgages indicators

(in millions)	31 March 2015	31 December 2014
Gross carrying amount excl. fair value adjustment from hedge accounting	148,484	148,402
- of which Nationale Hypotheek Garantie (NHG)	38,004	37,540
Gross carrying amount	152,688	152,536
Exposure at Default[1]	161,342	160,291
Risk exposure amount[1]	22,172	22,062
Forbearance ratio	1.2%	1.2%
Past due ratio	2.2%	2.4%
Cost of risk (in bps)	2	13
Coverage ratio	27.9%	27.6%
Impaired ratio	0.9%	1.0%
Average Loan-to-Market-Value	82%	83%
Average Loan-to-Market-Value - excluding NHG	78%	79%
Total risk mitigation	211,912	210,925
Total risk mitigation/carrying amount	138.8%	138.3%

[1] The risk exposure amount and Exposure at Default amounts are based on the exposure class Secured by immovable property. This scope is slightly broader than the residential mortgage portfolio.

The gross carrying amount of the Residential mortgage portfolio excluding the fair value adjustment remained virtually stable, at EUR 148.5 billion at 31 March 2015 and EUR 148.4 billion at 31 December 2014. The portfolio remained relatively stable as a result of lower redemptions offset by a fairly stable production volume compared with the fourth quarter of 2014.

The mortgage portfolio consists of 26% NHG-guaranteed loans. The Exposure at Default increased marginally to EUR 161.3 billion at 31 March 2015 from EUR 160.3 billion at year-end 2014. The risk exposure amount also increased marginally by EUR 0.1 billion to EUR 22.2 billion at 31 March 2015, compared with EUR 22.1 billion at year-end 2014.

The forbearance ratio remained stable at 1.2%.

The past due ratio declined to 2.2% at 31 March 2015, compared with year-end 2014. The number of clients that went into arrears decreased considerably and the number of clients that were able to recover from arrears remained stable. The mortgage portfolio in arrears decreased to EUR 3.4 billion at 31 March 2015 from EUR 3.6 billion at 31 December 2014. This is the result of a combination of active management of the portfolio in arrears, coaching clients that run a higher risk of getting into arrears and the improved economic conditions.

The annualised cost of risk for the period improved substantially to 2bps at 31 March 2015, compared with 13bps for full-year 2014. This decline in the cost of risk is a result of the large decrease in the total impairment charges. The decline in the total impairment charges relates to an improved risk profile of the residential mortgage portfolio, which is a continuation of the trend seen in the past few quarters.

The coverage ratio of the residential mortgages portfolio increased slightly to 27.9% at 31 March 2015 compared with 27.6% at 31 December 2014. This was the result of allowances for credit risks declining slightly less than the impaired exposure. The impaired ratio decreased slightly to 0.9% at 31 March 2015 from 1.0% at 31 December 2014, due to a lower inflow in the impaired portfolio and a continued outflow of the impaired portfolio.

The increase in the residential property value and extra repayments on residential mortgage loans and restrictions on the maximum LtMV for new mortgages resulted in a decrease in the average LtMV of the mortgage portfolio to 82% at 31 March 2015, down from 83% at 31 December 2014.

Residential Mortgages to indexed market value

	31 March 2015				31 December 2014			
(in millions)	Gross carrying amount	Percentage of total	- of which guaranteed	- of which unguaranteed	Gross carrying amount	Percentage of total	- of which guaranteed	- of which unguaranteed
Loan-to-Market Value category[1]								
<50%	23,828	16.1%	1.7%	14.4%	23,707	16.0%	1.7%	14.3%
50% - 80%	36,734	24.7%	4.2%	20.5%	36,927	24.9%	4.2%	20.7%
80% - 90%	16,477	11.1%	2.9%	8.2%	16,488	11.1%	2.8%	8.3%
90% - 100%	21,077	14.2%	4.9%	9.3%	20,396	13.7%	4.5%	9.2%
100% - 110%	21,586	14.5%	5.9%	8.6%	21,455	14.5%	5.8%	8.7%
110% - 120%	15,808	10.7%	3.7%	7.0%	16,280	11.0%	3.8%	7.2%
>120%	10,270	6.9%	2.3%	4.6%	10,885	7.3%	2.5%	4.8%
Unclassified	2,704	1.8%			2,264	1.5%		
Total	**148,484**	**100%**			**148,402**	**100%**		

[1] ABN AMRO calculates the Loan-to-Market Value using the indexation of the CBS (Statistics Netherlands).

The number of clients with an indexed LtMV higher than 100% decreased from 32.8% at year-end 2014 to 32.1% at 31 March 2015. The gross carrying amount of mortgages with an LtMV above 110% decreased to EUR 26.1 billion at 31 March 2015, down by EUR 1.1 billion compared with 31 December 2014. The LtMV buckets above 110% are decreasing as there is no new inflow into these buckets as a result of the current fiscal regime for tax deductions. Furthermore, redemptions and higher house prices also resulted in a decrease of the buckets above 110%.

Note that LtMVs of more than 100% are not necessarily an indicator that these clients are in financial difficulties.

Breakdown of residential mortgage portfolio

	31 March 2015		31 December 2014	
(in millions)	Gross carrying amount	Percentage of total	Gross carrying amount	Percentage of total
Interest only (partially)	48,667	33%	48,936	33%
Interest only (100%)	33,618	23%	34,081	23%
Redeeming mortgages (annuity/linear)	13,472	9%	11,956	8%
Savings	22,842	15%	23,243	16%
Life (investment)	19,744	13%	20,279	14%
Other[1]	10,141	7%	9,908	7%
Total	**148,484**	**100%**	**148,402**	**100%**

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

Historically, residential mortgages in the Netherlands have been composed of different types of mortgages, e.g. a combination of interest-only and savings mortgages. Under the present fiscal regime, new mortgages need to be 100% redeemable in order to be eligible for tax deduction. As a result, new production consists mainly of redemption mortgages. This has led to a gradual shift of the mortgage portfolio to safer redemption types.

Redeeming mortgages increased to 9% of the residential mortgage portfolio, up from 8% at 31 December 2014. Redeeming mortgages is the only category that increased, as new mortgages need to be redeemed fully (100%) on an annuity or linear scheme to be eligible for interest rate tax deduction.

The risk profile of our mortgage portfolio has remained low in recent years and the improvement that set in 2014 continued in Q1 2015. This is evidenced by the relatively low impairments over the average loan book. The long-term LtMV of the bank's portfolio is expected to decrease further, as a result of the regulatory reduction of the maximum LtMV on a mortgage loan, increasing house prices and redemptions. Furthermore, given the improved economic conditions fewer customers are expected to face residual debt.

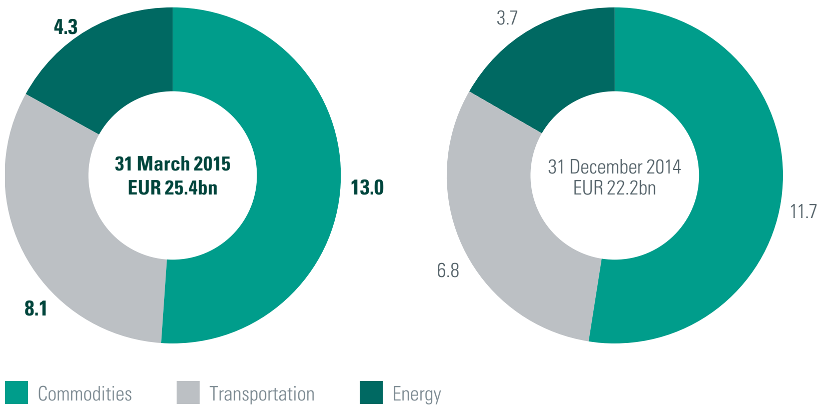
Energy, Commodities & Transportation Clients

ABN AMRO has a long-standing experience with financing in the energy, commodities and transportation sectors and provides financial solutions and support to clients across the entire value chain of the ECT industries. ABN AMRO Bank's Energy, Commodities & Transportation Clients (ECT Clients) business benefits from in-depth sector knowledge and an active approach to risk and portfolio management.

ECT Clients' controlled growth strategy is based on this sector knowledge and focuses on monitoring and managing the credit risk profile of the largely collateralised portfolio in line with respective market sentiment, trends and the economic cycles. This has led to a portfolio characterised by low historic losses.

ECT Clients portfolio composition

On-balance sheet exposure (in billions)



The on-balance sheet exposure of the ECT Clients portfolio grew by 14.5% in the first quarter of 2015 primarily due to the continuous appreciation of the US dollar by 13% in the first quarter. The growth in exposure was offset by a lower utilisation of facilities in the commodities sector due to low commodity prices, especially oil.

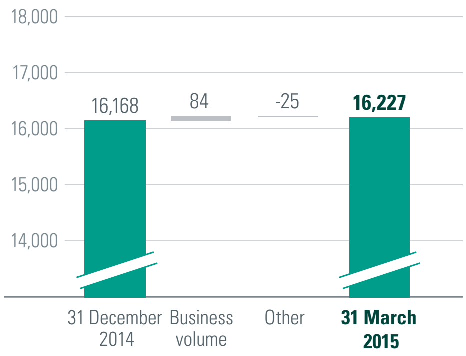
ECT Clients' total loan portfolio amounted to an equivalent of EUR 25.4 billion on-balance sheet exposure at 31 March 2015 compared with EUR 22.2 billion at 31 December 2014. The off-balance sheet exposure, consisting mainly of short-term letters of credit secured by commodities, guarantees and committed credit lines, decreased slightly to EUR 12.2 billion compared with EUR 12.8 billion at year-end 2014. Uncommitted commodity trade finance lines increased to EUR 25.1 billion from EUR 21.2 billion at year-end 2014.

The composition of the ECT Clients sectors in terms of on-balance sheet exposure remains stable in the first quarter. The Commodities Clients sector accounted for 51% of the ECT Clients loan portfolio (versus 52% at year-end 2014), while the remainder consisted of loans to clients in the Transportation Clients sector (32% versus 31%) and Energy Clients sector (17% versus 17%).

Net impairment charges amounted to EUR 17 million in the first quarter of 2015 compared with EUR 9 million in the same period in 2014.

Operational risk

REA flow statement operational risk
(in millions)



The risk exposure amount for operational risk for Q1 2015 was calculated based on the Standardised Approach (TSA). To calculate the required capital, once a year the gross income is multiplied by a percentage (predefined by the directives).

As a result of the yearly revised calculation, REA increased slightly by EUR 59 million to EUR 16.2 billion in the first quarter of 2015 compared with Q4 2014.

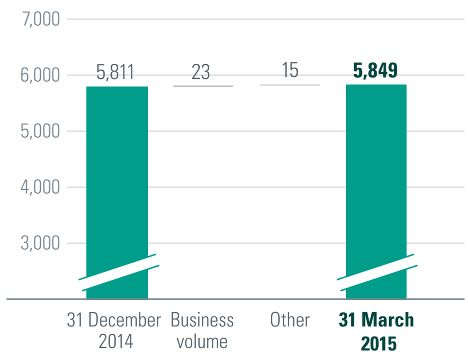
Market risk

ABN AMRO is exposed to market risk in its trading book and banking book.

Market risk in the trading book

ABN AMRO has limited exposures in the trading book.

REA flow statement market risk
(in millions)



REA for market risk remained fairly stable in the first quarter of 2015 compared with the fourth quarter of 2014.

Internal aggregated diversified and undiverisified VaR for all trading positions

	Q1 2015		Q1 2014		Q4 2014	
(in millions)	Diversified	Undiversi-fied	Diversified	Undiversi-fied	Diversified	Undiversi-fied
VaR at last trading day of period	6.0	7.2	1.4	2.5	1.4	2.5
Highest VaR	6.0	7.2	3.8	5.1	1.8	2.8
Lowest VaR	1.1	2.1	1.2	2.1	0.8	1.6
Average VaR	3.9	4.9	1.9	3.2	1.2	2.3

The table above shows the average, maximum and minimum Value-at-Risk (VaR) (with a 99% confidence level and a one-day holding period) of our trading units for the specified periods.

The average diversified VaR observed in the first quarter of 2015 compared with the same period in the previous year increased by EUR 2.0 million. The increase was, among other things, due to a particularly low interest rate environment and an increase of interest rate risk positions in the trading book.

The fourth quarter of 2014 to first quarter of 2015 diversified VaR at last trading day of period increased by EUR 4.6 million. This increase was due to higher market volatility within one year of historical market data, used in the calculation during the first quarter of 2015.

Market risk in the banking book

ABN AMRO manages interest rate risk in the banking book in accordance with its moderate risk profile.

Interest rate risk metrics

	31 March 2015	31 December 2014
NII-at-risk (in %)	3.1	2.2
Duration of equity (in years)	2.7	4.0
VaR banking book at last trading day of period[1] (in millions)	770	959

1 ABN AMRO applies a two-months 99% VaR for the banking book, meaning that a VaR of EUR 1 million implies a 1% chance of loss of more than EUR 1 million within a two-month period.

In a persistently low interest rate environment characterised by a flattening curve and decreasing long-term rates, the duration of equity reduced during the first quarter from 4.0 years to 2.7 years. The VaR of the banking book decreased in line with the development of duration.

The NII-at-Risk increased during the quarter, reflecting changes in net interest income sensitivity to a potential upward yield curve shift. The short-term sensitivity of the net interest income towards a further change in the yield curve remains limited.

Liquidity risk

Liquidity indicators

	31 March 2015	31 December 2014
Loan-to-deposit ratio (in %)	112%	117%
LCR ratio (in %)	>100%	>100%
NSFR ratio (in %)	>100%	>100%
Survival period (months)	>12 months	>12 months
Available Liquidity buffer (in billions)	69.4	73.9

The Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) both remained above 100% in Q1 2015. This is in line with the bank's preferred early compliance with future regulatory requirements.

The survival period reflects the period that the bank's liquidity position is expected to remain positive in a stress scenario in which wholesale funding markets close down and retail and commercial clients withdraw a proportion of their deposits. The survival period based on moderate stress was consistently >12 months in Q1 2015.

Loan-to-Deposit ratio

(in millions)	31 March 2015	31 December 2014
Loans and receivables - customers	268,576	261,910
Net adjustments	-6,329	-2,975
Adjusted loans and receivables - customers	**262,247**	**258,935**
Due to customers	227,229	216,011
Net adjustments	6,120	6,196
Adjusted due to customers	**233,349**	**222,207**
Loan-to-Deposit ratio	**112,4%**	**116,5%**

The Loan-to-Deposit ratio improved to 112% at 31 March 2015 compared with 117% at 31 December 2014, mainly due to an increase in demand and (short-term) time deposits that are only partially offset by higher commercial loan volumes.

Liquidity buffer composition

	31 March 2015		31 December 2014	
(in billions)	Liquidity buffer	of which LCR eligible	Liquidity buffer	of which LCR eligible
Cash & central bank deposits	4.0	4.0	5.3	5.3
Government bonds	28.3	29.4	27.3	28.3
Covered bonds	1.9	1.7	2.0	1.8
Retained RMBS	26.7		31.8	
Third party RMBS	0.9	0.8	1.0	0.8
Other	7.6	4.7	6.5	3.7
Total liquidity buffer	**69.4**	**40.5**	**73.9**	**40.0**
- of which in EUR (in %)	90.8%		92.7%	
- of which in other currencies (in %)	9.2%		7.3%	

A liquidity buffer of unencumbered assets is retained as a safety cushion in the event of severe liquidity stress. The liquidity buffer amounted to EUR 69.4 billion in Q1 2015. This is a decrease of EUR 4.5 billion compared with 31 December 2014, mainly due to retained RMBS maturing in March. New notes have been reissued and will be included in the liquidity buffer if earmarked as eligible by DNB. The timing effect causes a temporary drop in the liquidity buffer.

Cash & central bank deposits do not include the mandatory reserve with the central bank.

Funding

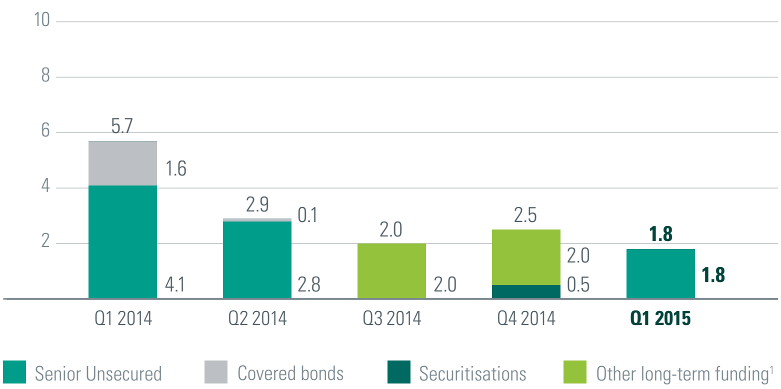
ABN AMRO's funding strategy is based on the bank's moderate risk profile. It aims to optimise and diversify the bank's funding sources in order to maintain the targeted long-term funding position, liquidity profile and compliance with regulatory requirements. We aim to strike a balance between the need to have sufficient funding and the costs involved, thereby ensuring that the balance sheet has a diverse, stable and cost-efficient funding base.

Funding raised

Client deposits comprise a sound core funding base and serve as the main source of funding, complemented by wholesale funding. Client deposits increased by EUR 11.2 billion, rising from EUR 216.0 billion on 31 December 2014 to EUR 227.2 billion on 31 March 2015. Client loans increased by EUR 6.7 billion, resulting in a net deposit growth of EUR 4.5 billion.

Long-term funding raised in 2014 and 2015

(in billions)



[1] Other long-term funding includes long-term repos, T-LTRO funding and funding with the Dutch State as counterparty.

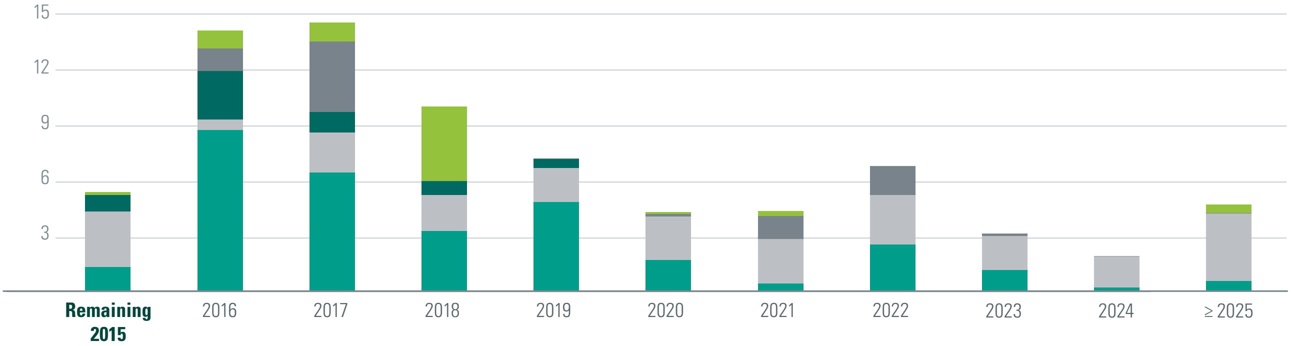
Total wholesale funding (issued debt and subordinated liabilities) increased from EUR 85.5 billion on 31 December 2014 to EUR 90.9 billion on 31 March 2015. FX developments accounted for EUR 1.8 billion of the increase (EUR 0.3 billion short-term and EUR 1.5 billion long-term). Apart from the FX effect, short-term funding increased by EUR 7.6 billion, mainly due to increased net securities financing positions. Long-term funding excluding the FX effect decreased by EUR 4.3 billion.

An amount of EUR 6.4 billion in long-term funding was redeemed in the first quarter. This amount included EUR 3 billion of externally placed RMBS transactions that were called and will be retained to enhance the liquidity buffer.

The amount of long-term funding raised during the first quarter of 2015 was EUR 1.8 billion. Of this amount, 20% was attracted in non-euro currencies.

Maturity calendar

Maturity calendar at 31 March 2015
(in billions)



[1] Other long-term funding includes long-term repos, T-LTRO funding and funding with the Dutch State as counterparty.

Maturity calendar

(in billions)	Remaining 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	≥ 2025
											31 March 2015
Senior unsecured	1.3	8.7	6.4	3.3	4.8	1.7	0.4	2.5	1.1	0.2	0.5
Covered bonds	3.0	0.6	2.1	1.9	1.8	2.3	2.4	2.7	1.8	1.7	3.7
Securitisations	0.9	2.6	1.1	0.8	0.5						
Subordinated debt		1.2	3.8			0.1	1.2	1.6	0.1		
Other long-term funding	0.2	1.0	1.0	4.0		0.1	0.3				0.5
Total	**5.3**	**14.0**	**14.4**	**9.9**	**7.1**	**4.2**	**4.3**	**6.7**	**3.1**	**1.9**	**4.7**

[1] Other long-term funding includes long-term repos, T-LTROfunding and funding with the Dutch State as counterparty.

The remaining maturity of the total outstanding long-term wholesale funding remained stable at 4.3 years.

Capital management

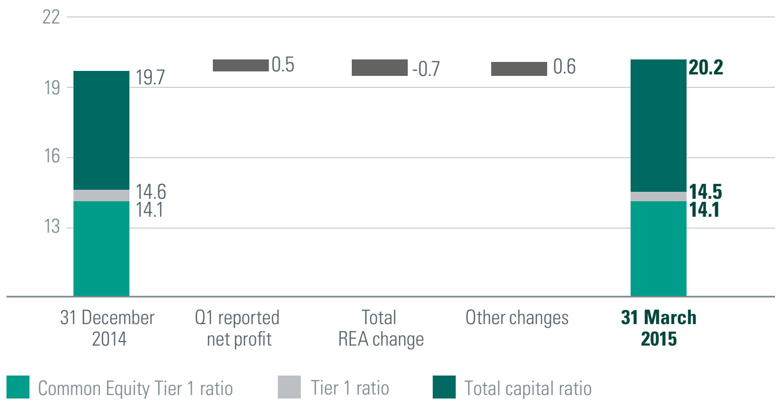
ABN AMRO remains well capitalised and is already compliant with the more stringent fully-loaded Basel III capital requirements. The capital adequacy position remained relatively stable in the first quarter of 2015 since the positive impact of retained earnings was effectively offset by an increase in the risk exposure amount.
The bank strives to further optimise its capital structure in anticipation of upcoming regulatory requirements.

The capital structure consists mainly of highly loss-absorbing capital to cover unexpected losses.
The subordination in specific capital elements provides further protection to senior creditors.

Regulatory capital structure

(in millions)	31 March 2015	31 December 2014
Total equity (EU IFRS)	**15,584**	**14,877**
Cash flow hedge reserve	1,472	1,223
Dividend reserve	-217	-275
Other regulatory adjustments	-872	-399
Common Equity Tier 1	**15,967**	**15,426**
Innovative hybrid capital instruments	700	800
Other regulatory adjustments	-199	-241
Tier 1 capital	**16,468**	**15,985**
Subordinated liabilities Tier 2	5,992	5,502
Excess Tier 1 capital recognised as Tier 2 capital	300	200
Other regulatory adjustments	100	-39
Total regulatory capital	**22,860**	**21,648**
Total risk exposure amount	**113,407**	**109,647**
Common Equity Tier 1 ratio	14.1%	14.1%
Tier 1 ratio	14.5%	14.6%
Total capital ratio	20.2%	19.7%
Common Equity Tier 1 ratio (fully-loaded)	14.2%	14.1%
Tier 1 ratio (fully-loaded)	14.2%	14.1%
Total capital ratio (fully-loaded)	19.5%	18.9%

Developments impacting capital ratios in Q1 2015
(in %)



The CRD IV Common Equity Tier 1 and Tier 1 ratios were 14.1% and 14.5% respectively on 31 March 2015, while the total capital ratio was 20.2%. All capital ratios were well above the regulatory minimum requirements and in line with the risk appetite and strategic ambitions of the bank.

The capital ratios remained relatively stable in the first quarter of 2015 as an increase in REA fully countered the positive effect of retained earnings. Net profit after dividend allocation is included in Common Equity Tier 1 capital, in accordance with regulations and ABN AMRO's dividend policy. REA increased by EUR 3.8 billion in the first quarter of 2015, due mainly to new business volumes.

The fully-loaded Common Equity Tier 1 ratio improved to 14.2% on 31 March 2015 compared with 14.1% on 31 December 2014. Compared with 31 March 2014, the fully-loaded Common Equity Tier 1 ratio improved by 1.3 percentage points.

Leverage ratio

	31 March 2015		31 December 2014
	Phase-in	Fully-loaded	Fully-loaded
Tier 1 capital	**16,468**	**16,150**	**15,435**
Exposure measure (under CDR)			
On-balance sheet exposures	438,102	438,102	386,867
Off-balance sheet items	28,534	28,534	26,702
On-balance sheet netting	39,942	39,942	37,709
Derivative exposure	-16,025	-16,025	-11,783
Securities financing exposures	1,633	1,633	1,078
Other regulatory measures	-27,082	-26,701	-19,262
Exposure measure	**465,103**	**465,484**	**421,311**
Leverage ratio (CDR)	**3.5%**	**3.5%**	**3.7%**

The Capital Requirements Regulation (CRR) introduced a non-risk based leverage ratio to be monitored until 2017 and to be further refined and calibrated before becoming a binding measure as from 2018. The Commission Delegated Regulation (CDR), applicable since 1 January 2015, amended the leverage ratio definition to enhance comparability of the leverage ratio disclosures.

The fully-loaded CDR leverage ratio was 3.5% on 31 March 2015, down from 3.7% on 31 December 2014 and up from 3.2% on 31 March 2014. The leverage ratio is reported gross of netting for notional cash pooling structures. The decrease in the leverage ratio in the first quarter of 2015 was mainly caused by the increase in IFRS assets and securities financing exposures.

Regulatory developments

The Capital Requirements Directive IV (CRD IV) and the Capital Requirements Regulation (CRR) set the framework for the implementation of Basel III in the European Union. CRD IV and CRR were phased in on 1 January 2014 and will be fully effective by January 2019.

The Bank Recovery and Resolution Directive (BRRD) provides authorities with more comprehensive and effective measures to deal with failing banks. The enforcement of BRRD in the European Union already started in 2015 and the bail-in framework will be introduced as of January 2016. The implementation of the bail-in framework results in the introduction of additional loss absorbing measures such as the Minimum Requirement for own funds and Eligible Liabilities (MREL) and Total Loss Absorbing Capacity (TLAC).

The Basel Committee on Banking Supervision has presented two consultative documents on a revision of the standardised approach and the design of a capital floor framework based on this revised standardised approach. This framework will replace the current transitional floor based on the Basel I standard. The aim of the revised capital floor framework is to enhance the reliability and comparability of risk-weighted capital ratios.

ABN AMRO constantly assesses the impact of upcoming regulatory requirements and undertakes initiatives to effectively comply with them.

other

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Investor call

Kees van Dijkhuizen, CFO, and Wietze Reehoorn, CRO and head of Strategy & Corporate Development, will host a conference call for analysts and investors on Wednesday 13 May 2015 at 14:00 CET (13:00 UK time).

To participate in the conference call, you can either pre-register for the call using the information below or dial in directly to the call and register with an operator. The investor presentation, as published on our website at 07:00 CET, will be used during the call.

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

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

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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 on 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 on future events, many of which, by their nature, are inherently uncertain and beyond our control. Factors that could cause actual results to differ 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.

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