ABN·AMRO

Investor Relations

results Q4 2018

roadshow booklet

13 February 2019

Highlights – solid operational delivery in Q4, good FY2018 net profit

Financials

- Net profit of 316m in Q4, reflecting expense provision and elevated impairments
- NII and fees remained strong in Q4
- Costs in Q4 continue to trend down reflecting benefits from cost saving programmes
- Elevated impairments in corporate loans in Q4. CoR of 24bps in FY2018
- FY2018 net profit at 2,325m, C/I ratio of 58.8% and ROE of 11.4%
- Strong CET1 ratio at 18.4%, leverage ratio at 4.2%. Basel IV CET1 ratio at c.13.5% excluding mitigations
- Total dividend of 1.45 per share with pay-out ratio at 62%, up from 50% [1)]

Strategic

- Well on track to deliver on 2020 financial targets
- CIB refocus progressing well. Cost reduction on track, profitability up
- Acceleration of Client Due Diligence remediation programmes
- Dutch GDP expected to continue to outperform Eurozone in 2019, Investor Day guidance remains in place
- Intention to execute legal merger, subject to approval from depositary receipts holders, shareholders and regulators [2)]

1) Dividend proposal FY2018 includes 12% additional amount above target pay-out ratio of 50% of sustainable profits
2) Please refer to press release of 13 February 2019

Update on strategic pillars

Sustainability

Support transition to sustainable business model

- Sustainable investments at 14bn AuM vs. 2020 target of 16bn
- Renewable energy financing to reach 1.5bn by 2020

Customer experience

Effortless and recognisable customer experience

- Wearables for contactless payments
- ABN AMRO: enhanced web-shop payment experience and security
- Client appreciation of video banking continues to rise
- Tikkie: web-shop module and QR-code for easy payments [1)]
- Share of digital sales/services >70%

Future-proof bank

Continued operational improvements

- CIB refocus progressing well
- Private Banking cost/income ratio strongly improved [2)]
- 84% of identified IT applications migrated to the cloud
- All identified IT applications decommissioned

1) Pay without request introduced on the popular payment app Tikkie which has over 5 million retail users and 3,000 business clients in the Netherlands
2) Reported cost/income ratio of 69.3% for 2018 (2017: 71.1%), adjusted for disclosed incidentals and divestments 71.5% (2017: 78.3%)

Accelerating Client Due Diligence

Our gatekeeper role in preventing financial crime

- Client Due Diligence (CDD) foundation in place
- Workforce tripled to c.1,000 FTEs and costs to c.100m per annum, since 2013 [1)]

Foundation Client Due Diligence (CDD) in place

Client Identification & Verification	Know Your Client	Risk Assessment	Transaction Monitoring
verify client identification details	collect client information	determine client profile	detecting & analysis of unusual transactions

- CDD review of main CIB portfolios completed. Review of Private Bank clients and high risk retail clients largely completed
- Now accelerating on remediation programmes with expense provision of 85m in Commercial Banking (55m) and in ICS (30m), expanding teams by c.400 FTEs

Raising the bar on detecting financial crime

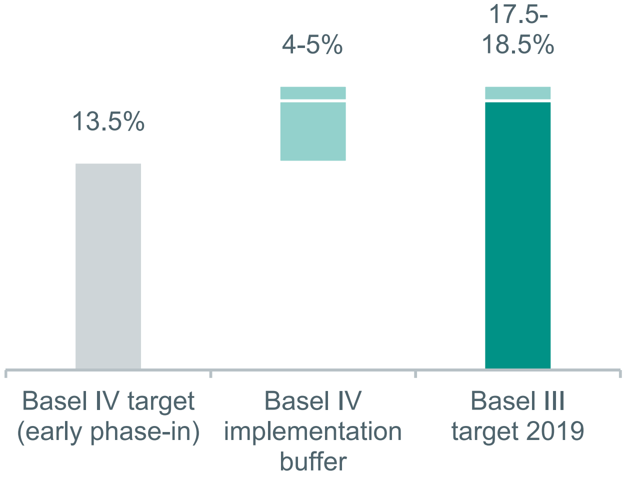
- Regulatory requirements and scrutiny are intensifying further
- Enhance client identification & verification for retail clients
- Further strengthening and enhancement of CDD activities
  - skills, capacity and systems
  - bank-wide governance, centralise selected skills & expertise to enhance control, uniformity and synergies
  - more innovation and use of artificial intelligence, while creating an effortless client experience
  - continue building out public/private partnerships for intelligence, solutions and CDD ecosystem

1) FTEs in both the business and support functions

Strong capital generation and return

Capital target range 2019

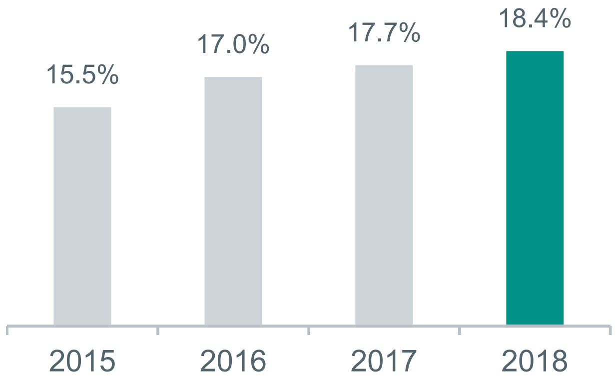
Capital ratio



- SREP at 11.75%, excl. P2G and management buffer [1)]
- Basel IV target remains at >13.5%, early in the phase-in
- Basel III capital target range recon-firmed at 17.5-18.5% for 2019

CET1 remains strong

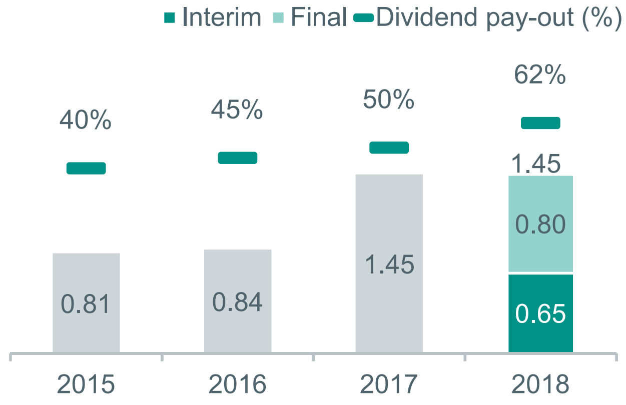
FL CET1 in %, Basel III



- CET1 of 18.4%
- Regulatory headwinds expected, mostly impacting Basel III RWA
- Basel IV CET1 c.13.5% before mitigations and >14% post mitigations [2)]

Final dividend

EUR per share, % pay-out

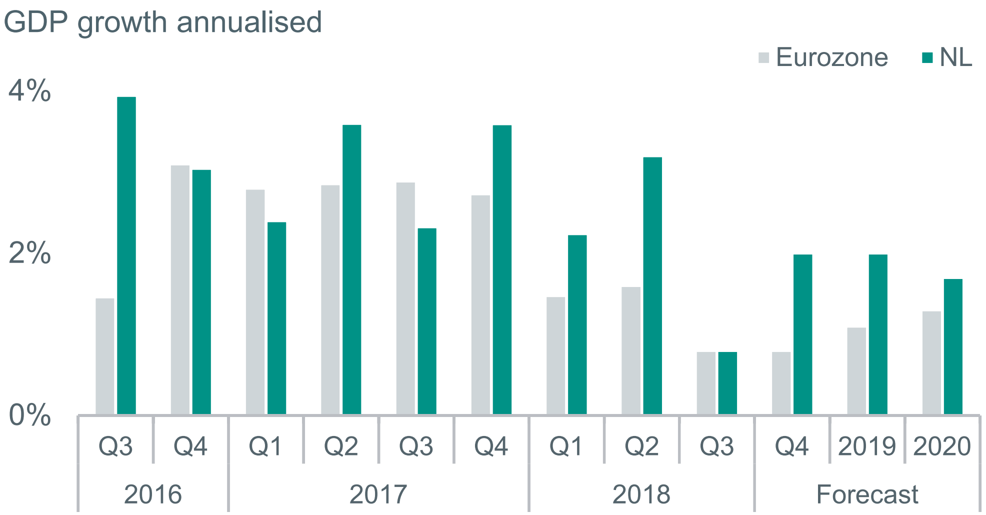


- Dividend proposal of 1.45 per share, o/w 0.80 as final dividend. Total pay-out 62%
- Continue prudent approach to distributions with 2019 dividend determined at YE2019 [3)]

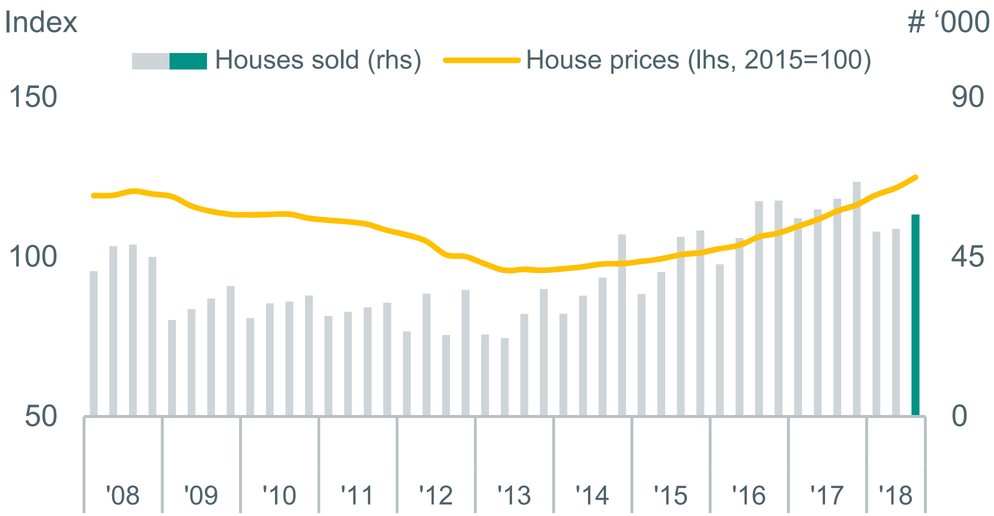
1) Based on 4.5% Pillar 1, 5.5% Combined Buffer Requirement, 1.75% Pillar 2R. Excludes 7bps Counter Cyclical Buffer, Pillar 2G and management buffer
2) Basel IV RWA inflation at c.36% before mitigations. Implementation of mitigations to reduce Basel IV RWA inflation by c.1/5th
3) Dividend policy: 50% pay-out ratio of net sustainable profit, excluding exceptional items that significantly distort profitability. Additional distributions will be considered when capital is within or above target range and will be subject to other circumstances, including regulatory considerations. The combined distribution will amount to at least 50% of sustainable profit.

Dutch economy performing well

Dutch economy outperforming Eurozone [1)]



Strong performance Dutch housing market [1)]



- Dutch GDP growth expected at 2.0% in 2019, outperforming Eurozone estimate of 1.1%. Dutch unemployment estimated at 3.6% by YE2019, well below 8.0% for Eurozone [1)]
- Dutch housing market performs well, though shortage in supply continues. Price increase expected to continue until 2021 [2)]
- Infrastructure and contingency plans for no-deal Brexit in place, limited direct UK exposure. Macro-economic impact remains uncertain

1) Source: ABN AMRO Group Economics forecasts of 17 January 2019, CBS Statline
2) ABN AMRO Group Economics expects a 5% decrease in housing transactions per year for 2019, 2020 and 2021 and a 6% house price increase in 2019, 6% in 2020 and 4% in 2021

Solid operational delivery in Q4, good FY2018 net profit

EUR m	2018 Q4	2017 Q4	Delta	2018	2017	Delta
	IFRS9	IAS39		IFRS9	IAS39	
Net interest income	1,642	1,696	-3%	6,593	6,456	2%
Net fee and commission income	426	443	-4%	1,699	1,747	-3%
Other operating income	90	290	-69%	800	1,086	-26%
Operating income	**2,157**	**2,429**	**-11%**	**9,093**	**9,290**	**-2%**
o/w incidentals	*20*	*208*		*185*	*475*	
Operating expenses	1,514	1,653	-8%	5,351	5,582	-4%
o/w incidentals	*158*	*237*		*271*	*405*	
Operating result	**643**	**776**	**-17%**	**3,742**	**3,708**	**1%**
Impairment charges	208	-34		655	-63	
Income tax expenses	119	268	-55%	762	979	-22%
Profit	**316**	**542**	**-42%**	**2,325**	**2,791**	**-17%**

Key points [1,2)]

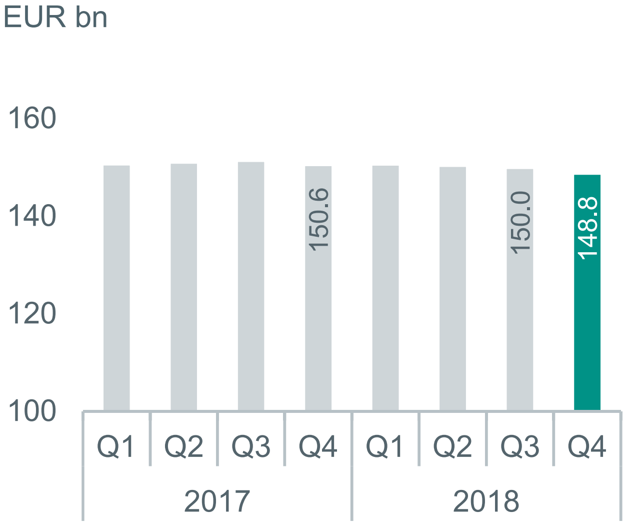
- Net profit of 316m in Q4. FY at 2,325m, reflecting steady progress on strategy execution
- Adjusted for incidentals, strong NII in both Q4 and FY
- Expenses trending down in both Q4 and FY, reflecting cost savings, lower FTEs and lower restructuring costs
- Elevated impairments on specific clients & sectors in CIB and CB throughout 2018

1) In this presentation all 2018 financials are presented in accordance with IFRS9, whereas historic financials are presented in accordance with IAS39
2) FY2017 incidentals include a large contribution from the divestment of PB Asia: 265m proceeds and 56m expenses

Client lending modestly lower reflecting mortgage discipline and CIB refocus

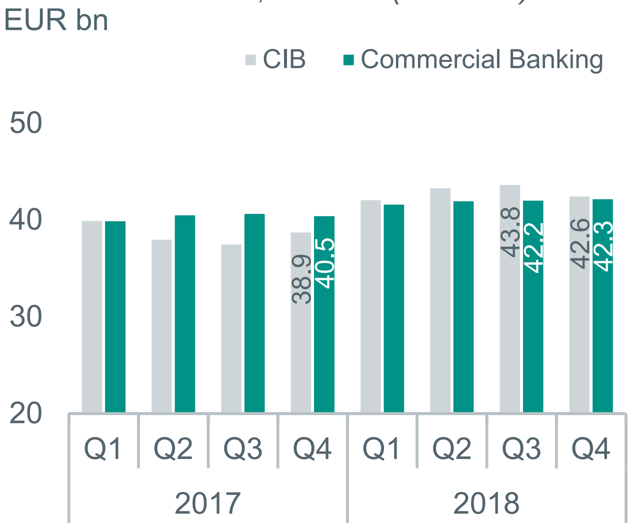
Mortgage client lending

CAGR = -0.7% [1)]



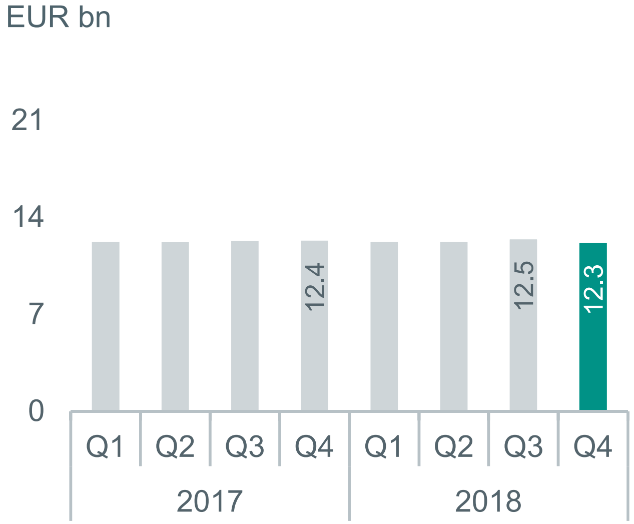
Corporate client lending

CAGR = 4.1% CB, 3.6% CIB (ex reclass) [1,2,3)]



Consumer loans client lending

CAGR = -0.3% [1)]

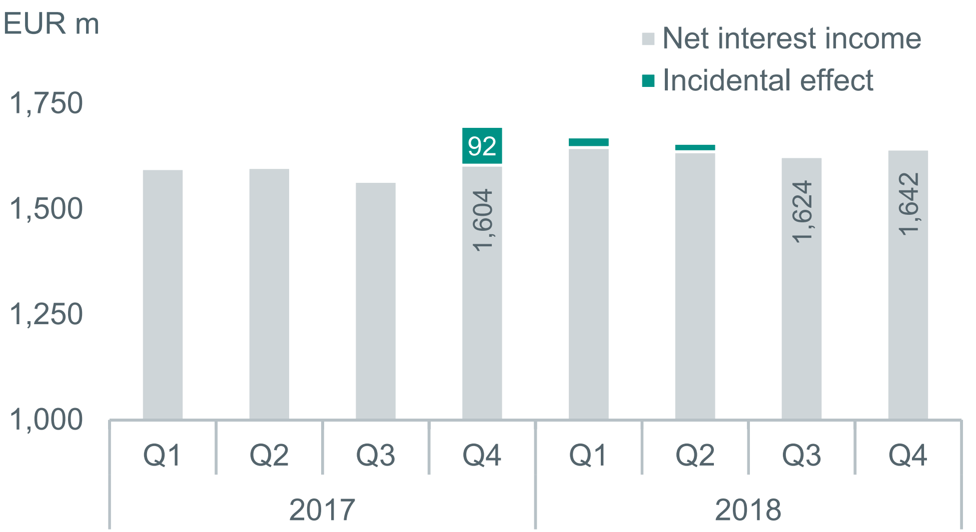


- Lower mortgage volume, reflecting year-end redemptions and lower origination from maintaining pricing discipline in a competitive environment
- Corporate loans down in Q4 reflecting progress CIB refocus (mainly TCF incl. Diamonds, incl. seasonal effects)
- Commercial Banking saw growth in corporate loans

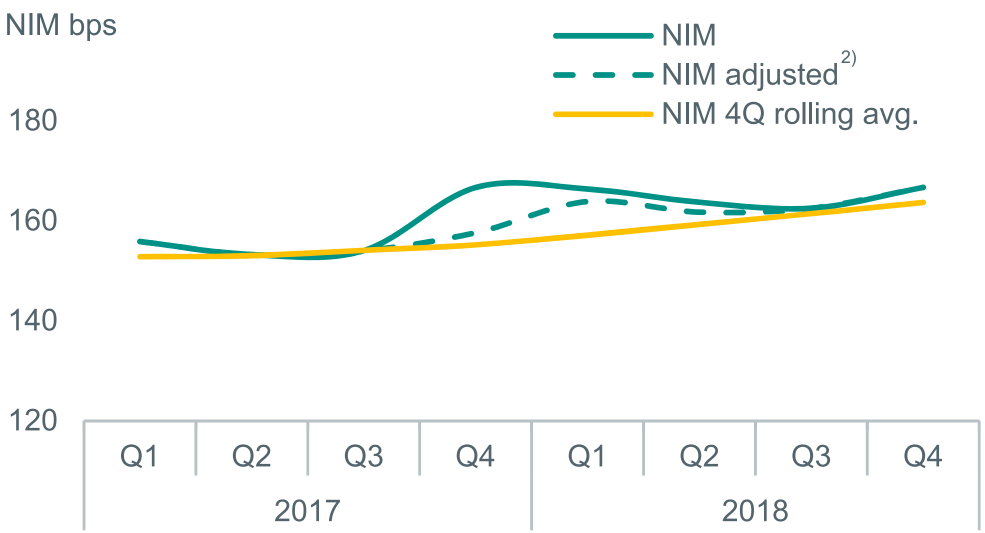
1) CAGR Q1 2017 – Q4 2018
2) In Q1 2018 EUR 1.8bn was reclassified from professional lending to client lending in CIB
3) USD appreciation +0.4bn in CIB client lending vs. Q3 2018; NR = Natural Resources, GTL = Global Transportation and Logistics, TCF = Trade and Commodity Finance (incl. Diamond & Jewellery)

Strong net interest income

Net Interest Income (NII) 1)



Net Interest Margin (NIM)

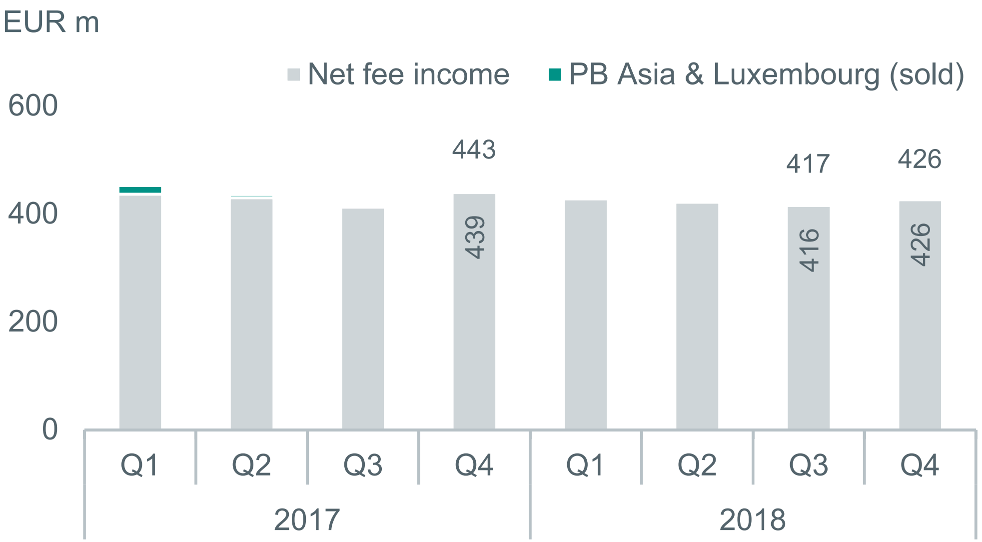


- NII, excluding Q4 2017 incidentals, up 2%, reflecting corporate loan growth, margin discipline, partly offset by lower mortgage loans
- NIM flat vs Q4 last year, up vs Q3 reflecting balance sheet management and higher ALM results
- NII headwinds expected reflecting pressure on deposit margins and funding spreads

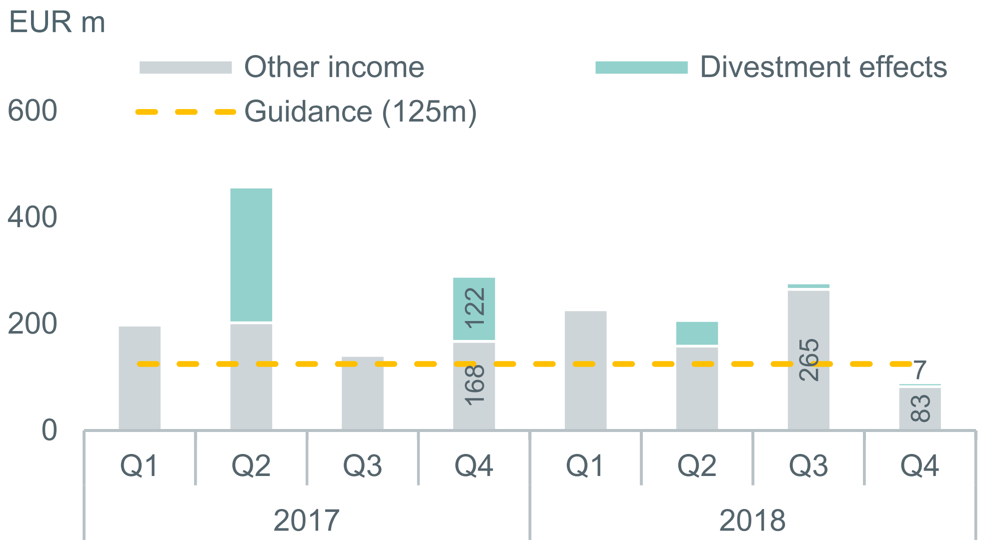
1) Incidental NII effect of 92m in 2017 Q4 reflects NII releases of unearned interest on default recoveries, mortgage penalties, T-LTRO benefit, partly offset by Euribor mortgage provision and ICS provisions
2) NIM adjusted for incidental items and accounting effect of mortgage penalties

Fees flat, low other income

Net fee income



Other operating income



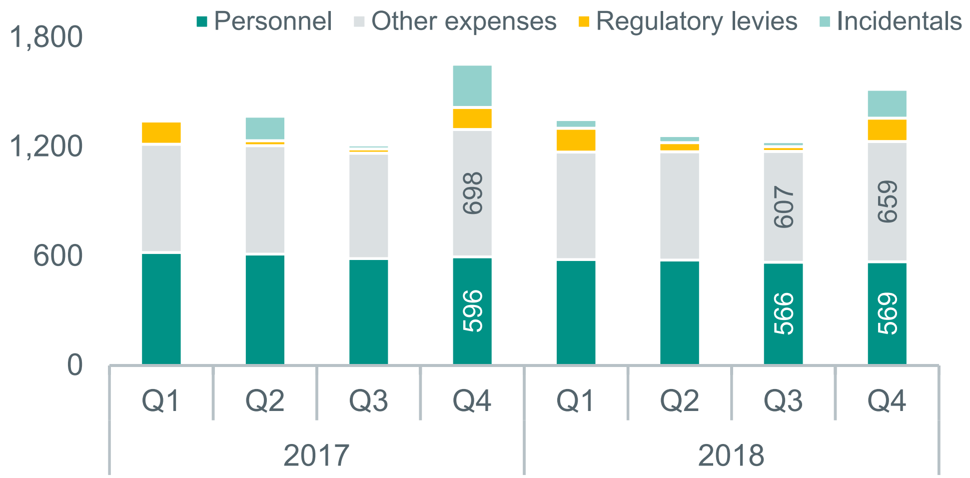
- Fees flat when adjusted for Q4 reclass last year and up vs Q3, mainly in CB and PB [1)]
- Other operating income below 125m guidance, mainly from lower accounting effects, sale of public sector loans, partly offset by higher private equity results
- Accounting effects Q4 2018 (Q4 2017): hedge accounting/RFT -32m (54m), CVA/DVA/FVA -11m (EUR 32m)
- Market volatility was net positive for Other operating income, increase in Clearing largely offset by Markets

1) Reclass of 12m to Fees from NII in Q4 2017 in Commercial Banking

Operating expenses continue to trend down

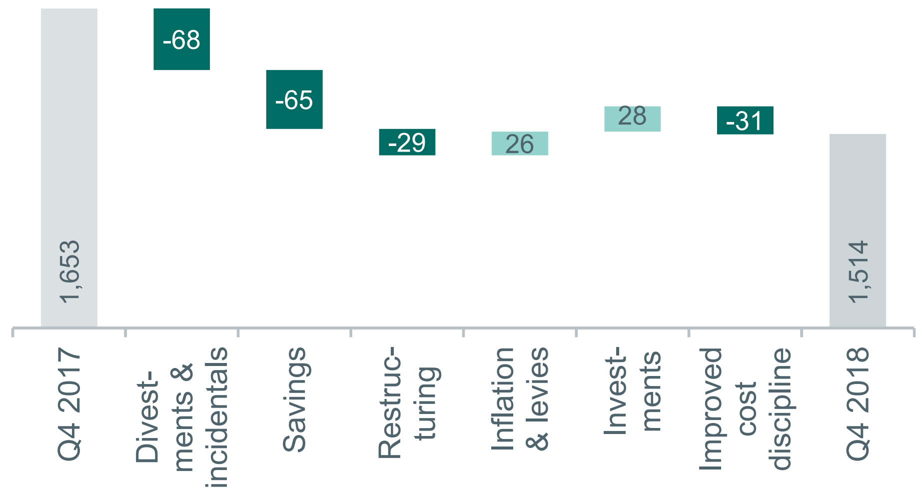
Operating expenses

EUR m



Transition operating expenses 1)

EUR m



- Personnel expenses, excl. restructuring provisions, continue to trend down, reflecting lower FTEs
- Other expenses excl. levies and incidentals down, mainly reflecting branch & ATM reduction and divestments. Cost up vs Q3, mainly reflecting higher I&T costs and consultancy costs
- Cost savings 65m vs. Q4 2017, cumulative cost savings of 695m delivered at YE2018 2)
- Expense provision of 85m for accelerating Client Due Diligence remediation programmes

1) Divestments lowered operating expenses by 18m. Disclosed incidentals (excl. restructuring costs) declined by 50m from: 81m provision for SME derivatives, 36m goodwill impairment, 17m ATM depreciation offset by 85m expense provision for accelerating CDD remediation programmes. Incidentals Q4 2018: 85m for accelerating CDD remediation programmes, 69m restructuring provision for support & control and digitalisation & process optimisation (Q4 2017: 98m), 4m for SME Derivatives. Improved cost discipline resulting in lower costs mainly for I&T, housing and marketing
2) Targeted cumulative cost savings vs. FY2015 cost base on the back of cost savings programmes in total 1.0bn by 2020

Impairment challenges continue in specific sectors

Impairments by industry sector

Industry [1]	Q4	FY	Segment	Comment current quarter
Dutch SMEs	76	253	CB	o/w c. half from model reviews
Natural Resources	43	194	CIB	Oil & Gas: Offshore Services
TCF	78	148	CIB	Diamonds 52m, Food/Agri 26m
GTL	5	53	CIB	Offshore Service Vessels (OSV)
Other	3	6		
Total (EUR m)	208	655		Mainly stage 3 impairments
Cost of risk (bps)	27	24		

Impaired portfolio (stage 3 IFRS9)

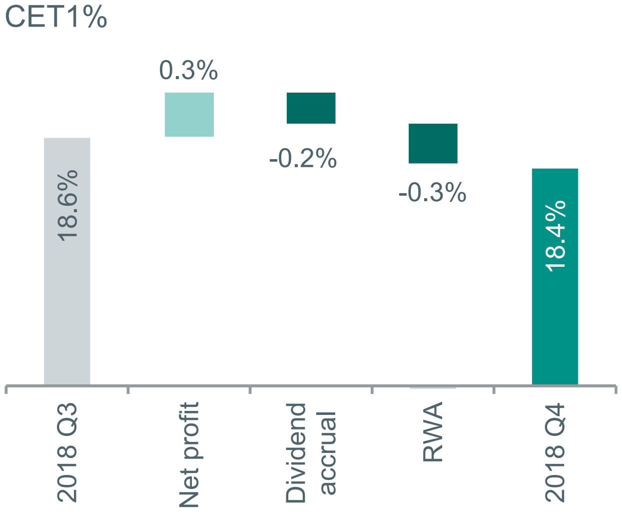
	Impaired loans (EUR m)		Coverage ratio	
	Q4 2018	Q3 2018	Q4 2018	Q3 2018
Mortgages	763	809	10%	11%
Consumer loans	481	485	48%	51%
Corporates	4,335	4,502	35%	33%
Other	308	263	17%	16%
Total	5,887	6,059	32%	31%
Impaired ratio (stage 3)	2.2%	2.2%		

- Impairments elevated: mostly on already impaired corporate loans, primarily in offshore energy and diamonds, and in CB across various industries
- Credit performance of mortgages and consumer loans remained stable
- FY2018 cost of risk at 24bps. Coverage ratios remained solid

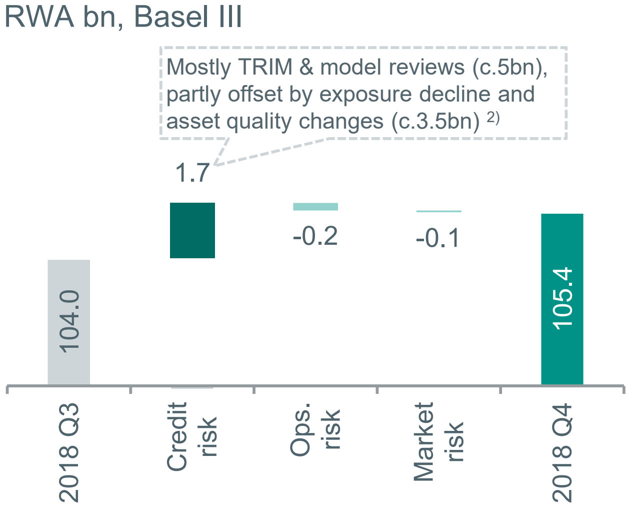
1) Natural Resources, GTL = Global Transportation & Logistics, TCF = Trade & Commodity Finance

Strong capital ratios, further RWA headwinds expected

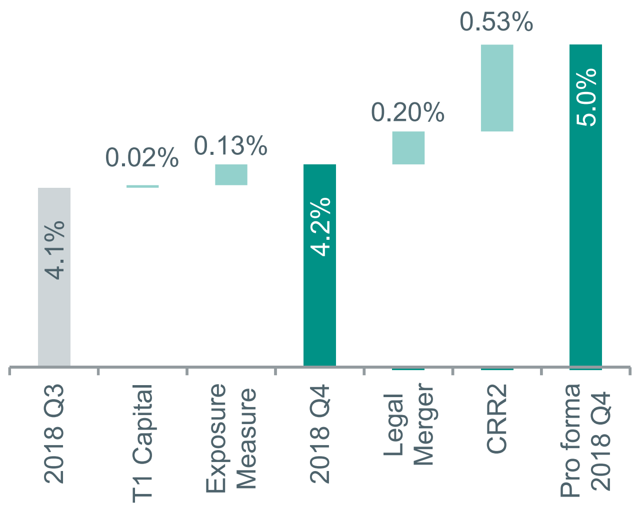
Fully loaded Basel III CET1 capital



Risk weighted assets



Fully loaded leverage ratio [1)]



- CET1 at 18.4%, reflecting dividend accrual and net RWA increase from TRIM & model reviews, no material impact on Basel IV [2)]
- Headwinds expected from industry-wide NPE guidance, model reviews (TRIM), partly offset by CIB refocus. Most impact expected in Basel III and to a lesser extent in Basel IV
- Leverage ratio at 4.2%. Legal Merger expected to result in 0.2% uplift, CRR2 implementation another 0.5% uplift

1) Leverage ratio including CRR2 and after legal merger at 5.0%. CRR2 assumes SA-CCR calculation methodology for clearing guarantees and is estimated to decrease Exposure Measure by c.53bn. Intention to execute legal merger, subject to approval from depositary receipts holders, shareholders and regulators. Implementation expected in the course of 2019 (impact leverage ratio +0.2%)
2) RWA increase from TRIM & model reviews mostly in corporate lending, Clearing and mortgages, partly offset by an exposure decline in the business segments

Financial targets

	2017	2018	Targets
Return on Equity	14.5% [1]	11.4%	10-13%
Cost/Income ratio	60.1% [1]	58.8%	56-58% by 2020 <55% by 2022
CET1 ratio (FL)	17.7%	18.4%	17.5-18.5% (2019)
Dividend - per share (EUR) - pay-out ratio	1.45 50%	1.45 62%	▪ 50% of sustainable profit [2] ▪ Additional distributions will be considered [2] ▪ Combined at least 50%

1) Excluding the gain on PB Asia sale the ROE was 13.4% and C/I was 61.2%
2) Sustainable profit attributable to shareholders excludes exceptional items that significantly distort profitability; examples from the past e.g. book gain on PB Asia divestment (2017) and provision for SME derivatives (2016). Additional distributions will be considered when capital is within or above the target range, and are subject to other circumstances, including regulatory considerations

additional slides
profile

Attractive combination of strong and complementary businesses

Retail Banking

±5m retail clients	135 Branches
Low capital intensity	Funding gap

- Top 3 player in NL
- Prime bank for c.20% of Dutch population
- Top 3 in new mortgage production
- Nr. 2 in Dutch savings [2]
- Leading digital offering, 24/7 Advice and Service Centres and branches

Commercial Banking

±365k Clients [1]	5 Present in countries
Higher capital intensity	Funding balanced

- Leading player in the Netherlands
- Service clients with a turnover up to 250m
- Sector-based offering
- Leading player in leasing and factoring in NW-Europe

Private Banking

±100k clients	5 Present in countries
Low capital intensity	Funding surplus

- Leveraging scale across Europe
- Market leader in the Netherlands
- 3rd in Germany, 5th in France
- Multi-channel client servicing
- Focus on IT, digital banking and operational simplification

Corp. & Inst. Banking

±3k clients	14 Present in countries
Higher capital intensity	Funding gap

- Leading player in the Netherlands
- Sector-based offering to large corporates including ECT, FIs and Clearing
- Capability-led growth for selected businesses and sectors in NW-Europe
- International presence in key financial and logistical hubs

1) c. 300k small enterprises (turnover up to 1m) were transferred from Retail Banking to Commercial Banking as of 1 April 2018
2) Including Private Banking in the Netherlands

Purpose-led organisation to benefit all stakeholders

Societal and banking trends

Continuously changing expectations
- New technology
- Increasing regulation
- Safety and security

Unbundling of value chains
- Digital ecosystems and partnerships
- Disintermediation
- Open Banking

Megatrends
- Climate change
- Sharing economy
- Ageing population

Stakeholder expectations

Clients
- Effortless customer experience
- Proactive and relevant advice
- Safe, stable banking services

Investors
- Attractive returns
- High capital return
- A responsible investment proposition

Employees
- Purpose-led and values-driven culture
- Improving the employee journey

Society
- Integrate societal impact in decisions
- Accelerate the sustainability shift

Banking for better, for generations to come

Build on three pillars to the benefit of all our stakeholders: clients, employees, investors and society

Sustainability

- Clear business opportunity
- Engage with clients to support the transition to sustainable business model
- Maintain strong DJSI score
- Lead by example

Customer experience

- Treasuring the customer relationship
- Customer-focused and data-driven
- Effortless and recognizable customer experience
- Partner to deliver better services and extend to adjacent industries

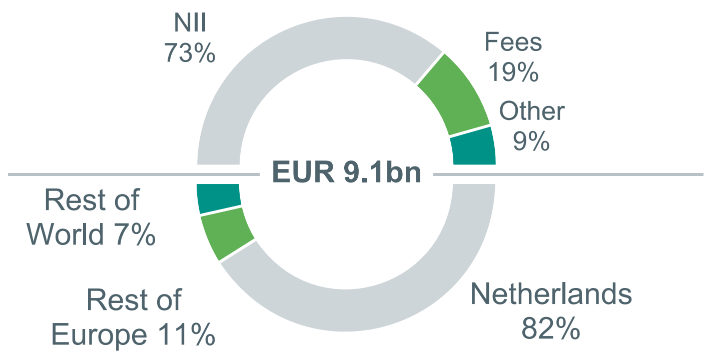
Future-proof bank

- Purpose-led and values-driven culture
- Product and process rationalisation and optimisation
- Continued I&T improvements guided by business needs
- Improving the employee journey

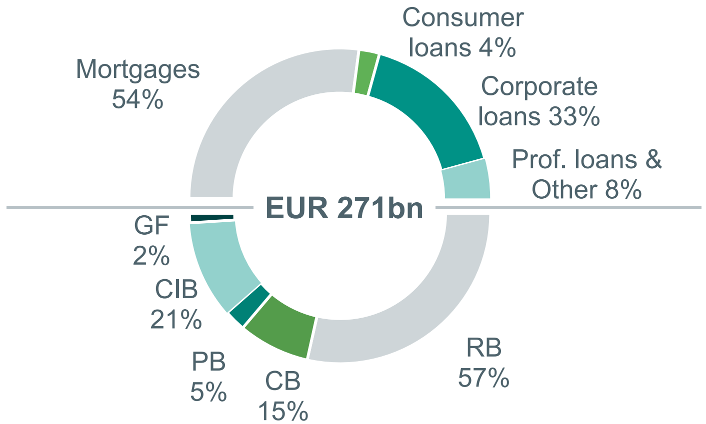
NII largely Dutch based and Dutch state divestment process

Large share of Dutch recurring income

Split of operating income (FY2018)



Majority client loans in Dutch residential mortgages



Dutch state divestment process

- Shares outstanding 940m
- Free float (12 Feb 2019) 44%
- Avg. daily traded shares 2.2m (Q4 2018)

- IPO, 23% EUR 17.75 p.s., Nov 2015
- 2nd placing, 7% EUR 20.40 p.s., Nov 2016
- 3rd placing, 7% EUR 22.75 p.s., Jun 2017
- 4th placing, 7% EUR 23.50 p.s., Sep 2017

Dutch economic indicators strong in European context

Strong fundamentals NL

- International orientation, highly competitive: global rank no. 6 by the World Economic Forum
- Sound financials: gov. debt 53%, budget deficit 0.9%
- Large, persistent external surplus: current account +10.0%
- Major recent reforms (retirement age, housing market); pension fund assets ~190%

Numbers as % GDP (2018)

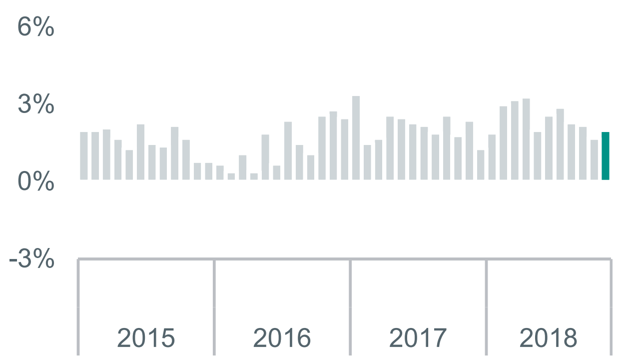
Economic metrics

Economic metrics		2017	2018	2019e	2020e
Netherlands	GDP (% yoy)	3.0%	2.6%	2.0%	1.7%
	Inflation (indexed % yoy)	1.3%	1.6%	2.7%	1.8%
	Unemployment rate (%)	4.9%	3.8%	3.6%	3.6%
	Government debt (% GDP)	57%	53%	49%	47%
Eurozone	GDP (% yoy)	2.5%	1.8%	1.1%	1.3%
	Inflation (indexed % yoy)	1.5%	1.7%	1.0%	1.3%
	Unemployment rate (%)	9.1%	8.3%	8.0%	7.9%
	Government debt (% GDP)	87%	86%	85%	84%

Source: ABN AMRO Group Economics 17 January 2019

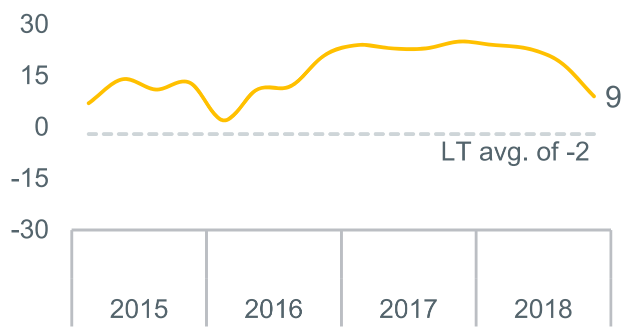
Dutch consumer spending

% change vs. same month a year ago, CBS



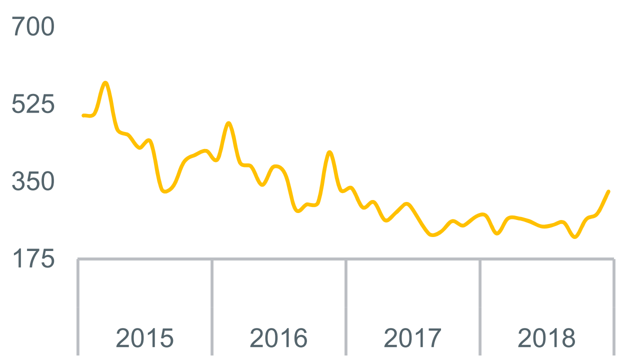
Dutch consumer confidence

Seasonally adjusted confidence (end of period), CBS



Dutch bankruptcies

per month businesses & institutions, CBS



additional slides
segment financials

Leading Retail Bank

Financials and key indicators

EUR m	FY2018	FY2017
Net interest income 1)	3,122	3,233
Net fee and commission income	365	338
Other operating income 1)	31	150
Operating income	**3,517**	**3,721**
Operating expenses 1)	2,028	2,040
Operating result	**1,489**	**1,682**
Loan impairments	-12	-101
Income tax expenses	375	454
Profit for the period	**1,126**	**1,329**
Contribution group operating income	38.7%	40.1%
Cost/income ratio	57.7%	54.8%
Cost of risk (in bps)	-1	-6

EUR bn	YE2018	YE2017
Client lending	154.8	156.7
Client deposits	93.5	94.3
Client assets	103.5	106.4
RWA	27.6	27.6
FTEs (#)	4,445	5,060

Key features

- Leading Retail Bank in NL
- Focus on Dutch, mass affluent clients
- 5m clients, primary bank for 20% of Dutch population
- Strong digital focus: >1bn annual client contacts
- Short-term revenue pressure due to continued low interest rates
- Efficiency drives stable and strong ROE of 30% FY2018 2)

1) FY2018 includes several incidentals: 30m KYC project costs in other expenses, 30m ICS provision in net interest income and a 5m restructuring provision in personnel expenses. FY2017 includes a 42m Euribor mortgage provision in net interest income, a 114m Visa divestment gain in other income and a 8m ICS provision in net interest income
2) Based on 13.5% CET1

Sector oriented Commercial Banking

Financials and key indicators

EUR m	FY2018	FY2017
Net interest income 1)	1,602	1,628
Net fee and commission income	258	270
Other operating income	39	63
Operating income	**1,899**	**1,961**
Operating expenses 1)	1,046	991
Operating result	**853**	**969**
Loan impairments	253	-179
Income tax expenses	153	288
Profit for the period	**448**	**860**
Contribution group operating income	20.9%	21.1%
Cost/income ratio	55.1%	50.6%
Cost of risk (in bps)	60	-44

EUR bn	YE2018	YE2017
Client lending	42.3	40.5
Client deposits	45.0	44.2
RWA	27.3	24.9
FTEs (#)	2,734	2,905

Key features

- Leading market positions and strong brand name
- 365k small-mid sized Dutch clients
- Primary bank for 25% of Dutch enterprises
- FY2018 ROE of 13% 2)
- Sector knowledge as a clear differentiator
- Strict credit risk management and monitoring

1) FY2018 includes several incidentals: 31m restructuring provision in personnel expenses and 55m KYC project costs in other expenses. FY2017 includes a 37m release in unearned interest on defaulted loans in net interest income
2) Based on 13.5% CET1

Private Banking with focus on NW Europe

Financials and key indicators

EUR m	FY2018	FY2017
Net interest income	719	659
Net fee and commission income	509	573
Other operating income [1]	111	307
Operating income	**1,340**	**1,540**
Operating expenses [1]	929	1,095
Operating result	**411**	**444**
Loan impairments	3	-6
Income tax expenses	95	64
Profit for the period	**312**	**386**
Contribution group operating income	14.7%	16.6%
Cost/income ratio	69.3%	71.1%
Cost of risk (in bps)	3	-5

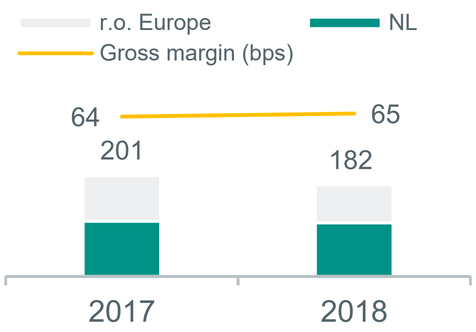
EUR bn	YE2018	YE2017
Client lending	12.6	12.4
Client deposits	66.2	65.0
Client assets	181.7	200.6
RWA	9.8	9.4
FTEs (#)	2,795	3,240

Key features

- Leveraging scale across core countries with focus on onshore in NW Europe through strong local brands
- Focus on Private Wealth Management, Entrepreneurs & Enterprise and LifeCycle segments
- Strong positions: #1 Netherlands, #3 Germany, #5 France
- FY2018 ROE of 22% [3]
- Modern open architecture model

Client assets NL and rest of Europe [2]

EUR bn



- Decline largely driven by negative market performance in Q4
- Announced acquisition in Belgium will improve our market position and client assets (closing expected Q1)

1) FY2018 includes several incidentals in other income: PB Asia divestment 14m, PB Luxembourg divestment 12m, building in Luxembourg 34m, asset management France 7m. FY2017 includes: Goodwill impairment 36m and insurance claim settlement release both in other expenses, PB Asia divestment (other income 263m, personnel expenses 21m, other expenses 35m). Furthermore, 2017 includes 4months results from private banking activities in Asia which were sold on 30 April 2017
2) YE2018 client assets by type: 36% cash and 64% securities (incl. custody 17%)
3) Based on 13.5% CET1

Corporate & Institutional Banking with selective international presence

Financials and key indicators

EUR m	FY2018	FY2017
Net interest income	1,166	975
Net fee and commission income	527	538
Other operating income 1)	423	317
Operating income	**2,116**	**1,830**
Operating expenses 1)	1,189	1,269
Operating result	**927**	**561**
Loan impairments	427	219
Income tax expenses	75	121
Profit for the period	**426**	**221**
Contribution group operating income	23.3%	19.7%
Cost/income ratio	56.2%	69.3%
Cost of risk (in bps)	70	38

EUR bn	YE2018	YE2017
Client lending	42.6	38.9
Client deposits	16.0	18.0
Professional lending	14.9	21.3
Professional deposits	12.0	12.3
RWA	35.0	37.7
FTEs (#)	2,528	2,542

Key features

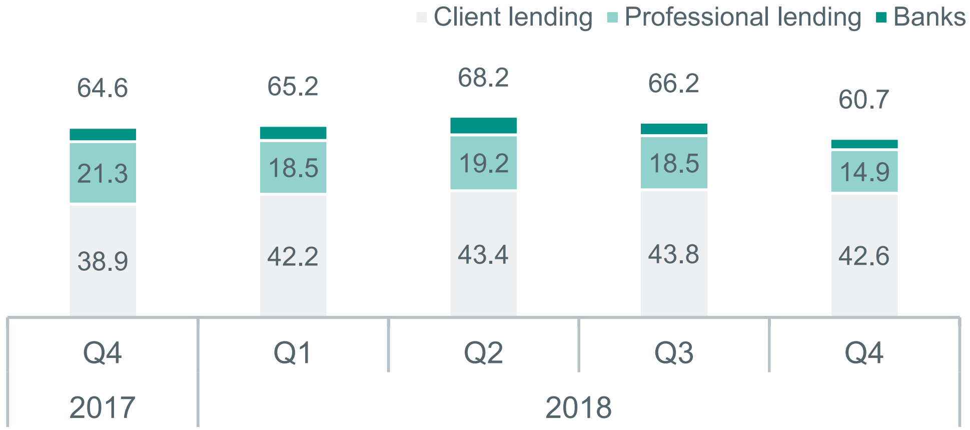
- 3,000 large corporate and financials clients in NW Europe and specific global sectors
- Leading domestic franchise, established positions in selected global sectors
- Sector knowledge leveraged to neighbouring countries
- Strategic update to deliver ROE of at least 10% in 2021 (FY2018 7.5% 2))

1) FY2018 includes several incidentals: restructuring provisions 34m in personnel expenses, SME derivatives project costs 41m in other expenses and divestment effect 15m in other income. FY2017 includes release unearned interest defaulted loans in other income, SME derivatives project costs/provisions -21m in other income, 139m in other expenses, DTA impact US tax reform 24m in income tax expense
2) Based on 13.5% CET1

CIB refocus progressing well

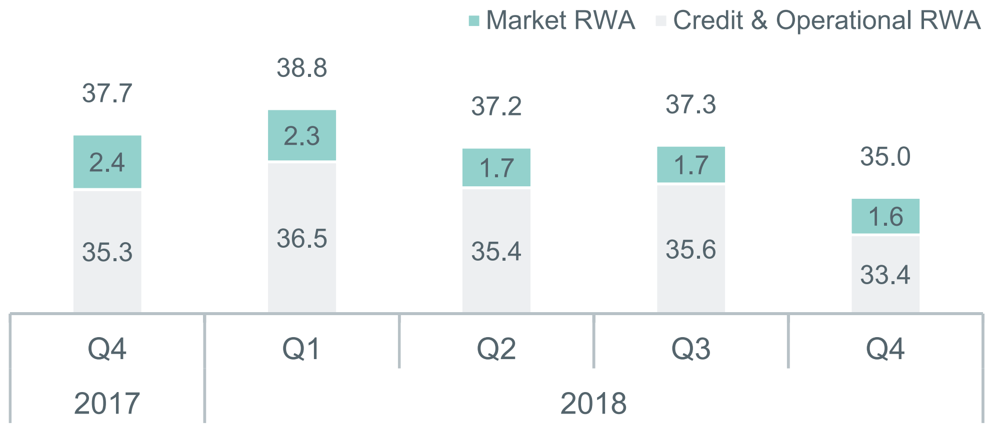
Loans & receivables developments

EUR bn



RWA developments

RWA bn, Basel III



Progressing on CIB refocus

- Reducing exposure to non-core and cyclical clients, supported by seasonal effects
- Down by 1.2bn in Q4, largely in TCF incl. Diamonds and to a lesser extent in Global Transportation & Logistics
- Professional lending low towards year-end 2018

Delivering on RWA reduction

- Mainly in TCF incl. Diamonds
- Further supported by seasonal effects, partly offset by TRIM and model reviews
- Going forward RWA headwinds expected from unwinding of seasonal effects, changes in business mix, further TRIM and model reviews

Group Functions for central support functions

Financials and key indicators

EUR m	FY2018	FY2017
Net interest income 1)	-16	-38
Net fee and commission income	40	28
Other operating income 1)	196	248
Operating income	**220**	**238**
Operating expenses 1)	160	187
Operating result	**60**	**51**
Loan impairments	-16	4
Income tax expenses	64	52
Profit for the period	**13**	**-4**

EUR bn	YE2018	YE2017
Loans & Advances Customers	5.5	6.6
Due to Customers	3.5	2.9
RWA	5.6	6.5
FTEs (#)	6,328	6,206

- Group Functions supports and controls the businesses
- Through various disciplines: Strategy & Sustainability, Innovation & Technology, Finance incl. ALM & Treasury, Risk Management, Legal, Compliance, Group Audit, Communication and Human Resources

1) FY2018 includes several incidentals: 35m release for securities financing activities (discontinued in 2009) in NII and 29m in other income, 25m release mortgage penalty interest in NII, a 69m positive revaluation related to equensWorldline in other income, 58m restructuring provisions in personnel expenses. FY2017 includes: 74m restructuring provisions in personnel expenses, a 27m release for securities financing activities (discontinued in 2009) in other income, 17m ATM depreciation in other expenses

additional slides
risk management

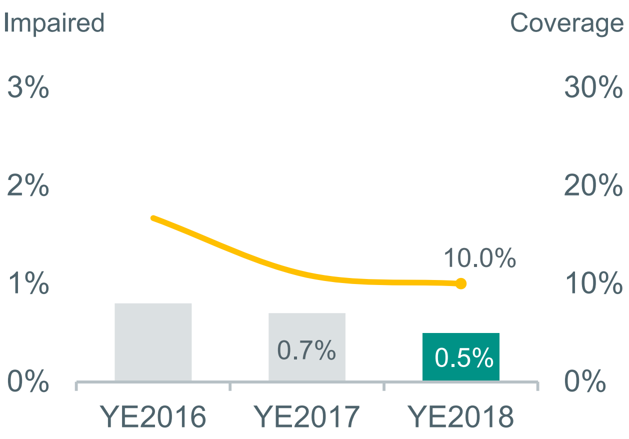
Clean and strong balance sheet reflecting moderate risk profile

Total assets of 381bn at 31 December 2018

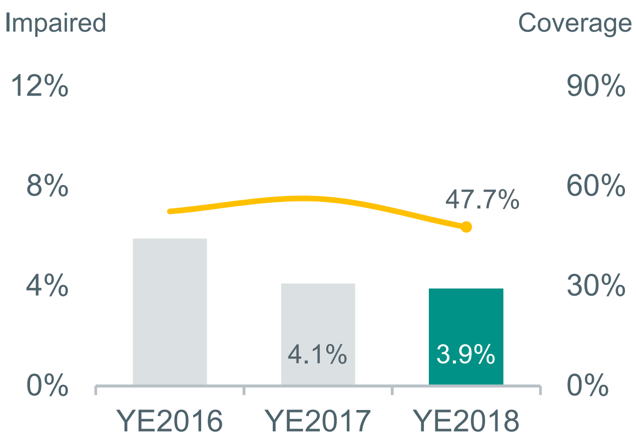
- Strong focus on collateralised lending
- Loan portfolio matched deposits, long-term debt and equity
- Limited reliance on short-term debt
- Limited market risk and trading portfolios
- Off-balance sheet commitments & contingent liabilities 76bn

Risk ratios continue to improve

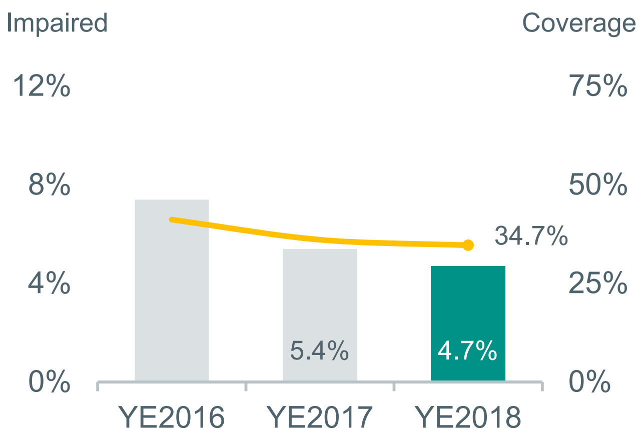
Residential mortgages [1)]



Consumer loans [1)]



Corporate loans [1)]



Impaired ratio (lhs) Coverage ratio (rhs)

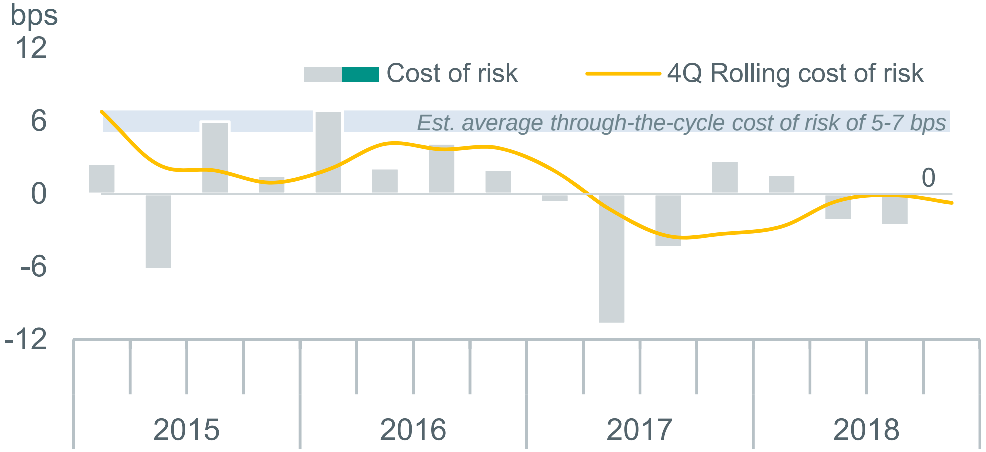
- Strong Dutch economy continues to show low impaired customer loans (2.2% of customer loan book) [2)]
- Impaired ratio continued to improve for all loan books vs. 2017
- Coverage ratio on mortgages and consumer loans benefitting from lower defaulted portfolios. Corporate loans lower largely due to write-off of fully provisioned Madoff files, partly offset by higher allowances

1) As of 2018 impaired and coverage ratio are stage 3 ratios in accordance with IFRS9, historic ratios are in accordance with IAS39. Coverage ratios on mortgages and consumer loans were impacted by a reclass and transfer of impairment allowances from consumer loans to mortgages in Q1 2018
2) Impaired customer loans are total loans and advances customers stage 3 in accordance with IFRS9

Mortgage book benefits from strong housing market and regulatory changes

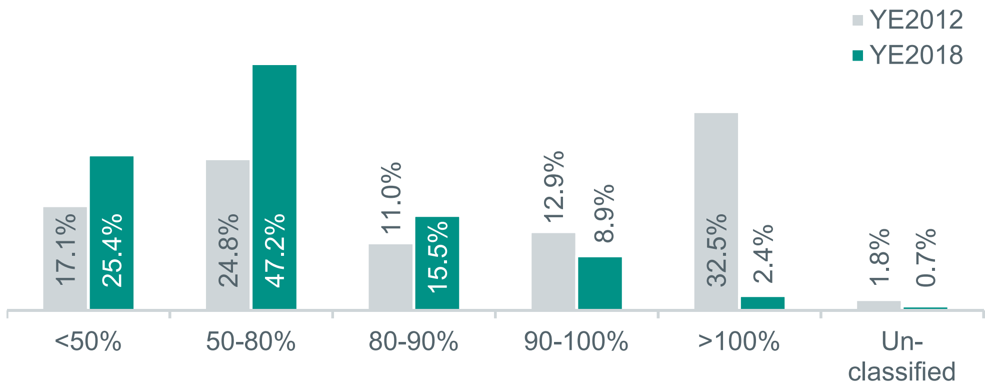
Mortgage impairment releases

Cost of risk nil, driven by strong Dutch housing market

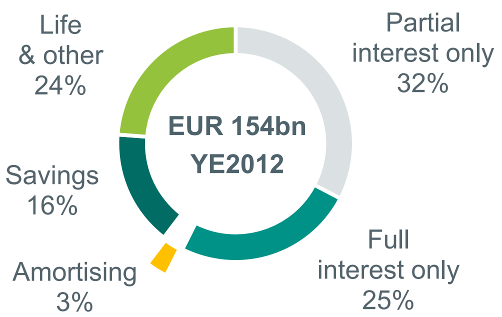


LtMV trending down, '>100%' class down significantly

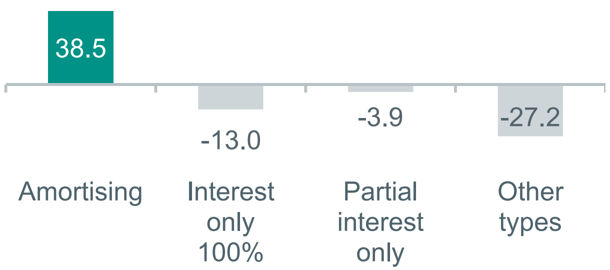
YE2018 avg. indexed LtMV improved to 64% (62% excl. NHG)

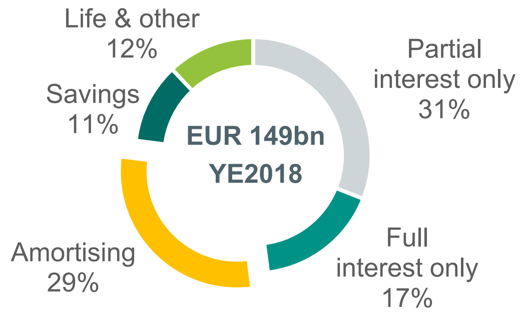


Mortgage book composition changes towards amortising loans



Absolute change in mortgage loan book YE2018 vs. YE2012 (EUR bn) 1)





1) FY2018 production: ~50% in 10-12yrs interest rate maturities, ~35% >12yrs (0% 30yrs), ~5% in 1-9yrs and ~10% floating, totalling 14.2bn. Redemptions were c. 15.5bn in 2018

additional slides
capital, liquidity & funding

ABN·AMRO

Strong capital position

Capital position

CRD IV phase-in capital	YE2018	YE2017
EUR m		
Total Equity (IFRS)	**21,360**	**21,330**
Other regulatory adjustments	-2,014	-2,537
CET1	**19,346**	**18,793**
Capital securities (AT1)	1,988	1,987
Other regulatory adjustments [1]	-1,038	-1,162
Tier 1	**20,296**	**19,618**
Sub-Debt	7,521	7,674
Other regulatory adjustments [1]	-4,431	-4,687
Total capital	**23,386**	**22,605**
o/w IRB Provision shortfall	*136*	*526*
Total RWA	**105,391**	**106,157**
o/w Credit risk	84,701	84,141
o/w Operational risk	19,077	19,626
o/w Market risk	1,612	2,391
CET1 ratio, phase-in	18.4%	17.7%
CET1 ratio, fully loaded	18.4%	17.7%

Key points

- CET1 up to 18.4% and comfortably in the Basel III target range of 17.5-18.5% for 2018 & 2019 [1)]
- Dividend proposal of 1.45 per share, o/w 0.80 as final dividend. Total pay-out 62%
- Continue prudent approach to distributions with 2019 dividend determined at YE2019 [2)]
- Higher credit risk RWAs reflecting TRIM & model reviews, largely offset by business and asset quality developments
- Total RWAs down due to lower operational and market risk RWAs (model updates & lower positions)
- Fully loaded total capital ratio at 22.1% [3)]

1) SREP requirement 2019 excl. a counter-cyclical buffer of 0.07% at 11.75% (Pillar 1 4.5%, Pillar 2 Requirement 1.75%, Capital conservation buffer 2.5% and Systemic risk buffer 3.0%)
2) Dividend policy: 50% pay-out ratio of net sustainable profit, excluding exceptional items that significantly distort profitability. Additional distributions will be considered when capital is within or above target range and will be subject to other circumstances, including regulatory considerations. The combined distribution will amount to at least 50% of sustainable profit
3) EBA Q&A on interpretation of CRR: portion of AT1 & T2 instruments, issued by ABN AMRO Bank (resolution entity) exceeding minimum own funds, can no longer fully contribute to consolidated capital ratios of ABN AMRO Group

Well positioned for Basel III & Basel IV, leverage ratio constrained short-term

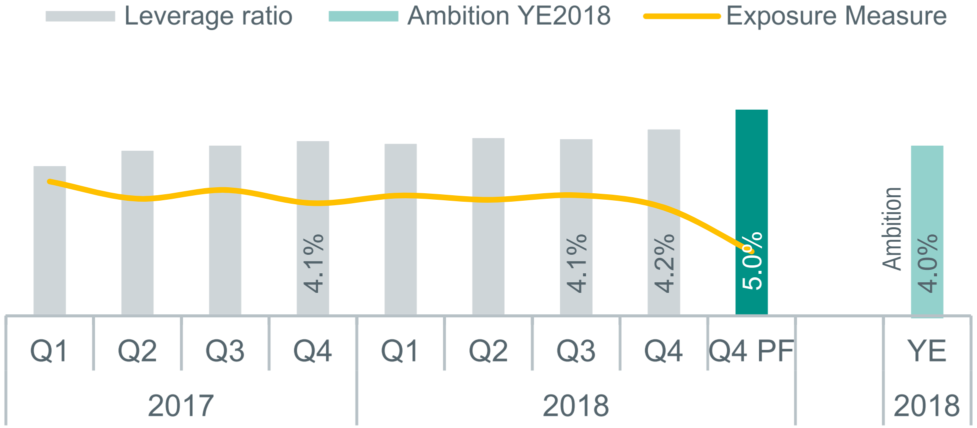
	Basel III	Basel IV	Leverage ratio
Actual	▪ 18.4%	▪ c.13.5% before mitigations [3] ▪ >14% post mitigations	▪ 4.2%
Target	▪ 11.75% SREP (2019) [1] ▪ 17.5-18.5% target	▪ 13.5% early in phase-in period	▪ >4.0% ambition
Status	▪ Well positioned	▪ Well positioned	▪ Constrained short-term
Prospects [2]	▪ Credit and business developments ▪ Model reviews (TRIM) ▪ Capital: provision reviews, industry-wide NPE guidance	▪ EU implementation Basel IV ▪ Mitigation and management response ▪ Capital: provision reviews, industry-wide NPE guidance	▪ Capital: provision reviews, industry-wide NPE guidance ▪ Legal merger and SA-CCR implementation provide relief

1) Excluding a counter-cyclical buffer of 0.07%
2) Non-performing Exposure Guidelines aim to harmonise the impairment approach and treatment of non-performing exposures across European banks
3) Basel IV RWA inflation at c.36% before mitigations. Implementation of mitigations to reduce Basel IV RWA inflation by c.1/5th

Capital ambitions on track

Leverage ratio around ambition level 1)

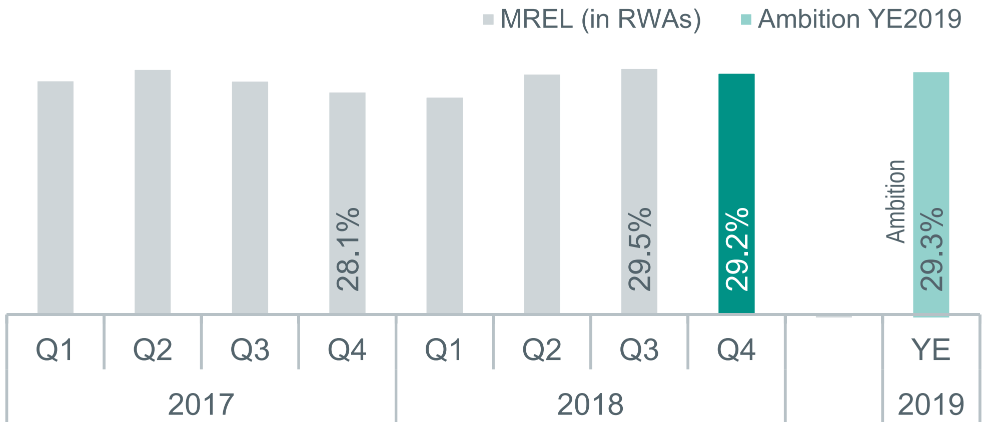
Leverage ratio (FL) based on Tier 1 (CET1 and AT1) capital



- Fully loaded group leverage ratio above 4.0% ambition
- Including CRR2 and the Legal Merger the leverage ratio is expected to increase to 5.0% 1)
- Negative impact EBA Q&A ruling on minority interest of -0.2% from Q4 2017
- Intention to execute legal merger, subject to approval from depositary receipts holders, shareholders and regulators

MREL around ambition level

Based on Own Funds (CET1, AT1, T2), subdebt and SNP 2)



- MREL close to the ambition of YE2019
- Steering through profit retention, sub debt, SNP, balance sheet management and excludes use of senior unsecured
- SNP in Dutch law implemented, inaugural SNP issuance expected towards year-end 2019
- Headwinds expected from industry-wide NPE guidance, model reviews (TRIM), partly offset by CIB refocus

1) Leverage ratio including CRR2 and after legal merger at 5.0%. CRR2 assumes SA-CCR calculation methodology for clearing guarantees and is estimated to decrease Exposure Measure by c.53bn (implementation expected at earliest in 2021). Intention to execute legal merger, subject to approval from depositary receipts holders, shareholders and regulators. Implementation expected in the course of 2019 (impact leverage ratio +0.2%)
2) ABN AMRO Bank appointed as resolution entity: therefore external MREL eligible instruments continue to be issued through ABN AMRO Bank

Capital instruments provide a significant buffer of loss absorbing capacity

Type	Size (m)	Loss absorption	Callable	Maturity	Coupon	ISIN	Eligibility based on current understanding					
							Basel 3 / CRD 4	BRRD MREL	FSB TLAC	S&P ALAC	Moody's LGF	Fitch QJD
Tier 1 : deeply subordinated notes [1]												
OpCo AT1, 9/2015	EUR 1,000	Statutory	Sep 2020	Perpetual	5.75% p.a.	XS1278718686	✓	✓	✓	✓	✓	✓
OpCo AT1, 9/2017	EUR 1,000	Statutory	Sep 2027	Perpetual	4.75% p.a.	XS1693822634	✓	✓	✓	✓	✓	✓
Tier 2: subordinated notes												
OpCo T2, 4/2011	EUR 1,227	Statutory	Bullet	27 Apr 2021	6.375% p.a.	XS0619548216	GF	✓	✓	✓	✓	✓
OpCo T2, 4/2011	USD 595	Statutory	Bullet	27 Apr 2022	6.250% p.a.	XS0619547838	GF	✓	✓	✓	✓	✓
OpCo T2, 6/2011	USD 113	Statutory	Bullet	15 May 2023	7.75% p.a.	144A: US00080QAD79 RegS:USN0028HAP03	GF	✓	✓	✓	✓	✓
OpCo T2, 6/2015	EUR 1,500	Statutory	Jun 2020	30 Jun 2025	2.875% p.a.	XS1253955469	✓	✓	✓	✓	✓	✓
OpCo T2, 7/2015	USD 1,500	Statutory	Bullet	28 Jul 2025	4.750% p.a.	XS1264600310 US00080QAF28	✓	✓	✓	✓	✓	✓
OpCo T2, 4/2016	SGD 450	Statutory	Apr 2021	1 Apr 2026	4.75% p.a.	XS1341466487	✓	✓	✓	✓	✓	✓
OpCo T2, 4/2016	USD 1,000	Statutory	Bullet	18 Apr 2026	4.8% p.a.	XS1392917784/ US00084DAL47	✓	✓	✓	✓	✓	✓
OpCo T2, 1/2016	EUR 1,000	Statutory	Jan 2023	18 Jan 2028	2.875% p.a.	XS1346254573	✓	✓	✓	✓	✓	✓
OpCo T2, 3/2016	USD 300	Statutory	Bullet	8 Apr 2031	5.6% p.a.	XS1385037558	✓	✓	✓	✓	✓	✓
OpCo T2, 3/2017	USD 1,500	Statutory	Mar 2023	27 Mar 2028	4.40% p.a.	XS1586330604	✓	✓	✓	✓	✓	✓
Subordinated notes (pari passu with T2)												
OpCo, 7/2012	EUR 1,000	Statutory	Bullet	6 Jul 2022	7.125% p.a.	XS0802995166	✗	✓	✓	✓	✓	✓
OpCo	EUR 132	Statutory		2018-2025		Various instruments	✗	✓	✓	✓	✓	✓

Overview dated at the date of this presentation. GF = grandfathered instruments, subject to annual amortisation

AT1 disclosures (YE2018)

Triggers	Trigger Levels	CET1 ratio (phase in)	Distr. Items (EUR bn)
- ABN AMRO Group	7.000%	18.4%	n/a
- ABN AMRO Bank	5.125%	18.4%	18,478
- ABN AMRO Bank Solo Consolidated	5.125%	17.2%	n/a

MDA trigger for ABN AMRO Bank at 11.75%, excl. counter-cyclical-buffer (0.07%) and excl. AT1 shortfall of 0.6%; CET1 at 18.4%

1) Following a press release, issued by the Ministry of Finance on 29 June 2018, regarding the loss of tax deductibility of AT1 instruments as from 1 January 2019, ABN AMRO announced, on 2 July 2018, it has no intention to exercise the tax call in the EUR 1,000m 5.75%, perpetual AT1 (XS1278718686) and the EUR 1,000m, 4.75%, perpetual AT1 (XS1693822634) instruments

Liquidity ratios and liquidity buffer actively managed

Solid ratios and strong buffer

Funding primarily through client deposits

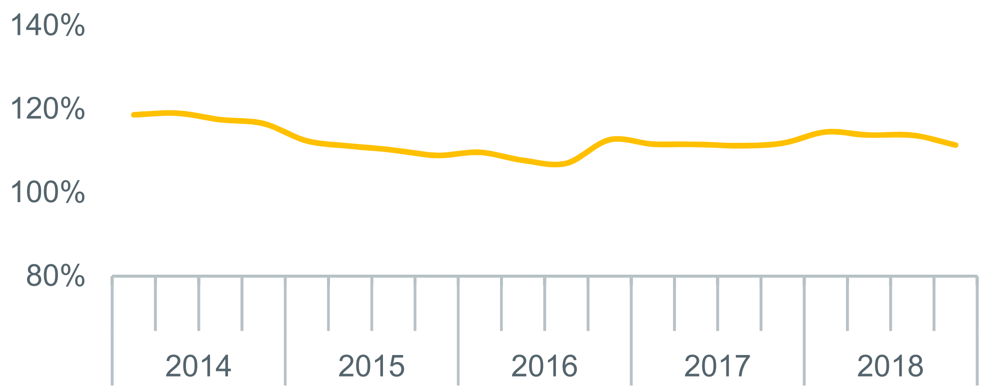
- Largest part of Dutch consumer savings is with pension and life insurance industry
- LtD ratio improved over the recent years

LCR and NSFR ratios comply with future requirements: each >100% in Q4 2018

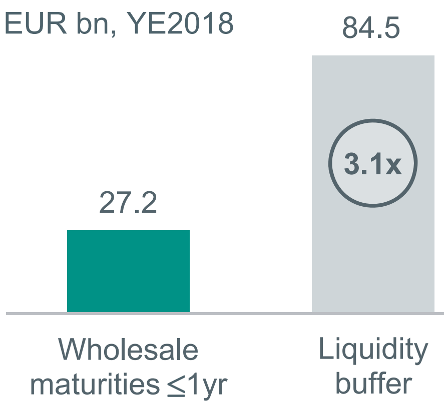
Drivers liquidity buffer

- Safety cushion in case of severe liquidity stress
- Regularly reviewed for size and stress
- Size in anticipation of LCR guidelines and regulatory focus on strengthening buffers
- Unencumbered and valued at liquidity value
- Focus is on optimising composition and negative carry

Loan-to-deposit ratio improved over time



Composition liquidity buffer



Buffer composition	EUR bn	%	LCR
Government Bonds	35.9	42%	✓
Cash/Central Bank Deposits	33.7	40%	✓
Covered Bonds	3.0	4%	✓
Retained issuances	4.3	5%	✗
Other	7.6	9%	✓

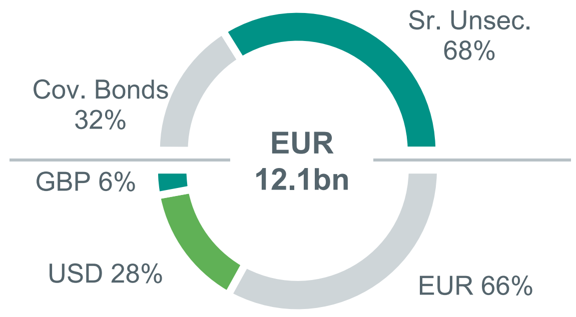
96% of the liquidity buffer is LCR eligible

Well diversified mix of wholesale funding

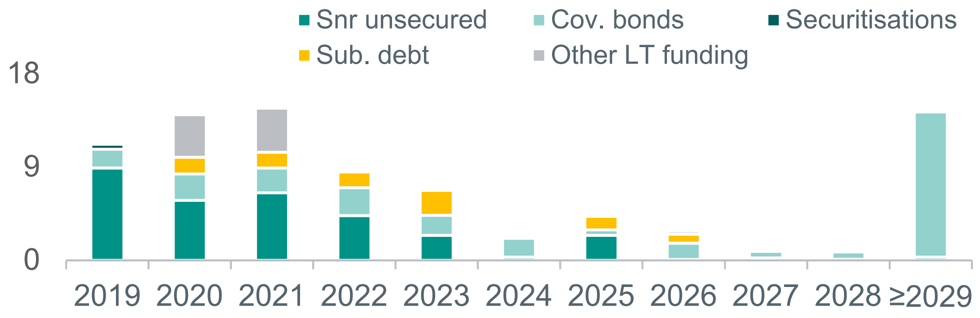
Funding focus

- Diversifying funding sources, steered towards a mix of funding types, maturity buckets and currencies
- Strategic use of secured funding: long dated covered bonds to compete in mortgage market
- Asset encumbrance 16.7% at YE2017 (19.1% YE2013)
- Avg. maturity of 5.2yrs at YE2018

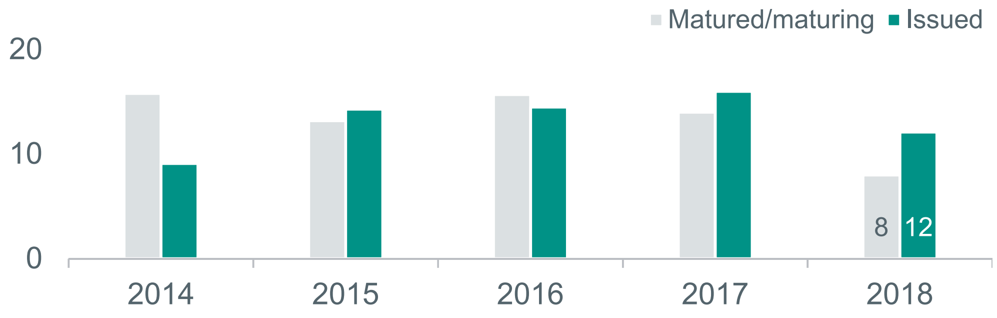
Diversification issued term funding (2018)



Maturity calendar term funding 1)



Matured vs. issued term funding 2)



1) Based on notional amounts. Other LT funding not classified as issued debt includes T-LTRO II, LT repos and funding with the Dutch State as counterparty
2) Issued and matured funding includes the repayment of T-LTRO I in 2016 and the participation of T-LTRO II

Recent wholesale funding benchmark transactions

Type [1]	Size (m)	Maturity	Spread (coupon) [2]	Issue date	Maturity date	ISIN
YTD2019 benchmarks						
Sr Un	EUR 1,500	5yrs	m/s+78 (0.875%)	08.01.'19	15.01.'24	XS1935139995
Sr Un	EUR 1,000	2yrs	3mE+30	08.01.'19	15.01.'21	XS1935134095
CB	EUR 750	15yrs	m/s+26 (1.375%)	03.01.'19	10.01.'34	XS1933815455
2018 benchmarks						
Sr Un	EUR 750	3yrs	3mE+40	26.11.'18	03.12.'21	XS1917574755
Sr Un	EUR 1,250	3yrs	m/s+35 (0.25%)	26.11.'18	03.12.'21	XS1917577931
Sr Un (144A)	USD 1,000	3yrs	T+75 (3.40%)	28.08.'18	27.08.'21	XS1871116171/US00084DAT72
Sr Un (144A)	USD 1,000	3yrs	3m$L+57	28.08.'18	27.08.'21	XS1871116338/US00084DAS99
Sr Un	EUR 1,250	5yrs	m/s+35 (0.50%)	09.07.'18	17.07.'23	XS1856791873
Sr Un	GBP 450	2yrs	3m£L+35	22.05.'18	29.05.'20	XS1827629897
Sr Un Green	EUR 750	7yrs	m/s+28 (0.875%)	11.04.'18	04.22.'25	XS1808739459
CB	EUR 1,250	20yrs	m/s+8 (1.45%)	04.04.'18	04.12.'38	XS1805353734
CB	EUR 2,000	15yrs	m/s+2 (1.25%)	03.01.'18	10.01.'33	XS1747670922
Sr Un (144A)	USD 1,100	3yrs	T+60 (2.65%)	09.01.'18	19.01.'21	XS1743726835/US00084DAQ34
Sr Un (144A)	USD 750	3yrs	3m$L+41	09.01.'18	19.01.'21	XS1743726918/US00084DAR17
2017 benchmarks						
Sr Un	GBP 600	4.5yrs	G+80 (1.375%)	11.10.'17 (incl. tap)	07.06.'22	XS1701271709
AT1	EUR 1,000	PNC10	4.75%	27.09.'17	22.09.'27	XS1693822634
Sr Un	GBP 550	3yrs	G+80 (1.00%)	07.07.'17 (incl. tap)	30.06.'20	XS1646904828
Sr Un Formosa	USD 450	5yrs	3m$L+80	19.07.'17	19.07.'22	XS1645476125
T2	USD 1,500	11NC6	T+240 (4.40%)	20.03.'17	27.03.'28	XS1586330604
Sr Un (144A)	USD 1,350	2yrs	3m$L+64	11.01.'17 (incl. tap)	18.01.'19	XS1549579446/US00084DAP50
Sr Un (144A)	USD 1,650	2yrs	T+93 (2.10%)	11.01.'17 (incl. tap)	18.01.'19	XS1549579529/US00084DAN03
CB	EUR 2,000	15yrs	m/s+15 (1.125%)	04.01.'17	12.01.'32	XS1548458014
CB	EUR 2,250	20yrs	m/s+20 (1.375%)	04.01.'17 (incl. tap)	12.01.'37	XS1548493946

1) Sr Un = Senior Unsecured, Sr Un Green = Senior Unsecured Green Bonds, CB = Covered Bond, AT1 = Additional Tier 1 , T2 = Tier 2
2) 3m£L = 3 months £ Libor , T= US Treasuries, 3m$L= 3 months US Libor, G=Gilt

Credit ratings

S&P

Rating structure		
▪ Anchor	BICRA 3 (pos)	bbb+
▪ Business position	Adequate	+0
▪ Capital & earnings	Strong	+1
▪ Risk position	Adequate	+0
▪ Funding Liquidity	Average Adequate	+0
SACP		**a-**
▪ ALAC		+1
Issuer Credit Rating		**A/Pos**

10/10/2018
“ The positive outlook on ABN AMRO stems from the positive economic trend we see for banks operating in the Netherlands“

Moody’s

Rating structure	
Macro Score	Strong +
▪ Solvency Score	a3
▪ Liquidity Score	baa2
Financial Profile	baa1
▪ Adjustments	+0
Assigned adj. BCA	**baa1**
▪ LGF	+2
▪ Government Support	+1
Senior Unsecured Rating	**A1/St**

21/12/2018
“ABN AMRO's baseline credit assessment (BCA) of baa1 reflects the bank's overall good financial fundamentals including sound profitability and asset quality, solid capitalization and a robust liquidity position. The BCA further captures the bank's strong footprint in the Dutch market, its balanced business mix between retail and commercial banking, and its private banking activity undertaken across Europe.”

Fitch

Rating structure	
▪ Viability Rating	A
▪ Qualifying Junior Debt	+1
▪ Support Rating Floor	No floor
Issuer Default Rating	**A+/St**

13/11/2018
“ABN AMRO’s VR reflects a domestic franchise complemented by the bank’s international private banking and corporate & institutional banking (CIB) franchises, which provide the bank with a degree of revenue diversification. The VR is underpinned by the bank’s strong risk-weighted capital ratios and robust funding and liquidity profile, and take into account its sound earnings and asset quality.”

- Ratings of ABN AMRO Bank NV dated 12 February 2019. ABN AMRO provides this slide for information purposes only. ABN AMRO does not endorse Moody’s, Fitch or Standard & Poor’s ratings or views and does not accept any responsibility for their accuracy
- Capital ratings are (S&P/Moody’s/Fitch): AT1: BB+ / not rated / BB+, T2: BBB / Baa2 / A-, SNP: BBB+/nr/nr
- DBRS provides unsolicited ratings for ABN AMRO Bank: A(high)/R-1(middle)/Stable

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