

IR / Press Release

Amsterdam, 17 May 2017

ABN AMRO reports EUR 615 million net profit for Q1 2017

- Operating income up y-o-y; net interest income increased 3% on the back of continued loan growth; fees and commissions were stable; other operating income was high
- Costs up 3% y-o-y due to higher regulatory levies
- Cost/income ratio improved to 60.2% (Q1 2016: 66.9%)
- Loan impairments remained low
- ROE was 13.2% (Q1 2016: 11.1%)
- Fully-loaded CET1 ratio strong at 16.9% and the fully-loaded leverage ratio was 3.7%

Kees van Dijkhuizen, CEO, comments:

'The 2017 first-quarter results are good, with net profit increasing to EUR 615 million. We have been able to offset the low and negative rate environment and increase net interest income by growing all major loan books (mortgages, SME and corporate loans) and lowering deposit rates. Fees were stable and other operating income was higher. We made further progress in achieving our financial targets set for 2020: the cost/income ratio improved from 66.9% in Q1 2016 to 60.2% in Q1 2017, the Return on Equity increased from 11.1% in Q1 2016 to 13.2% in Q1 2017 and our capital position remained strong, with a fully-loaded CET1 ratio of 16.9% at the end of March 2017 (YE 2016: 17.0%).

One of our main objectives is to deliver convenience to our clients, both by offering innovative products digitally and by bringing them expertise and new insights. We also seek to deliver our products and services fast. For instance, our Florius label can now offer a mortgage loan within 24 hours, and we are the first mortgage provider to do so in the Dutch market, supporting our position as market leader in new mortgage origination. Similarly, Commercial Banking clients who submit a digital application for a loan of up to EUR 1 million can now obtain a credit decision from the bank within 48 hours.

Our pledge is to be a better bank contributing to a better world. With over 50% of our loan portfolio in housing and real estate, we are in a good position to make a meaningful contribution to the transition to sustainable properties in the Netherlands. In the past year we have financed the redevelopment of more than 200,000 square metres of unused commercial real estate into sustainable real estate, and we also introduced a discount for mortgages for newly built and energy-efficient homes at the end of 2016.'

Key figures and indicators

(in EUR millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Operating income	2,246	1,971	14%	2,195	2%
Operating expenses	1,353	1,319	3%	1,706	-21%
Operating result	893	651	37%	489	83%
Impairment charges on loans and other receivables	63	2		35	79%
Income tax expenses	215	175	23%	120	79%
Underlying profit/(loss) for the period¹	615	475	30%	333	85%
Special items					
Reported profit/(loss) for the period	615	475		333	
Underlying cost/income ratio	60.2%	66.9%		77.7%	
Underlying return on average Equity	13.2%	11.1%		7.3%	
Fully-loaded CET1 ratio	16.9%	15.8%		17.0%	

¹ Underlying results exclude special items which distort the underlying trend

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