

ABN AMRO Q3 2025 Results Transcript

12 November 2025

Participants: Marguerite Bérard (CEO); Ferdinand Vaandrager (CFO); Serena Fioravanti (CRO)

Operator: Welcome to ABN AMRO's Q3 2025 Analyst and Investor Call. Please note this call is being recorded, and for the duration of the call, your lines will be on listen-only. Analysts will have the opportunity to ask questions after the presentation. This can be done by pressing pound key five on your telephone keypad.

I will now hand the call over to the speakers. Please go ahead.

Marguerite Bérard: Good morning, and welcome to ABN AMRO's Q3 results presentation. I'm joined today by our CFO, Ferdinand Vaandrager, and our CRO, Serena Fioravanti. After our presentation, we will hold a Q&A session to address all your questions.

Let me begin with the highlights of the third quarter on slide two, before moving to the announcement of our intention to acquire NIBC.

The third quarter was another solid quarter for ABN AMRO. Net profit reached €617 million, with a return on equity of 9.5%. The inclusion of HAL contributed €26 million to our results. Across all products we managed to grow this quarter. Our mortgage portfolio increased by €2.1 billion, and corporate loans grew by the same amount.

Net new assets increased by €4.3 billion. Cost discipline remained a priority, with FTEs declining by 700 in Q3 and by almost 1,000 year-to-date, excluding HAL. Credit quality remains strong, with €49 million in net impairment releases, reflecting recoveries and improved macroeconomic variables.

Our CET1 ratio stands at 14.8%, and we finalised a €250 million share buyback in September. We will review our capital position in Q4 to assess the potential for further capital returns.

Now, turning to our other announcement of the day. I'm very pleased to announce that we have reached an agreement to acquire NIBC. This acquisition is fully in line with our strategy and presents a unique opportunity to reinforce our leading position in the Dutch retail market and accelerate our Personal and Business Banking strategy.

NIBC is a well-run, primarily Dutch-focused entrepreneurial bank, with a strong specialisation in mortgage lending and savings products. It serves around 500,000 retail clients and around 175 corporate clients with a high-quality portfolio mortgage and very low arrears. NIBC will add around €28 billion of mortgages, significantly increasing our scale in these markets, further cementing our leading position in the Dutch mortgage market. Around half of the mortgage portfolio will be off-balance, as NIBC has an attractive originate-to-manage franchise with long-dated mortgages.

The acquisition also brings an attractive savings platform serving 300,000 clients across the Netherlands, Germany and Belgium. These savings offer an interesting cross-sell opportunity with our investment platform, BUX. Given NIBC's domestic focus and the overlap of service providers, there is substantial potential for cost synergies with limited execution risk. This transaction is expected to deliver a return on invested capital of around 18% and will improve our group's financial profile.

The capital impact of approximately 70 basis points is anticipated at closing. The acquisition is, of course, subject to regulatory approvals and is expected to be completed during the second half of 2026. We look forward to welcoming NIBC's clients and colleagues and to the opportunities this acquisition will bring to us all.

Now, turning to our third quarter results. I will start with the Dutch economy.

While the Dutch economy continues to perform well, supported by a strong fiscal position and low unemployment. The housing market remains robust, with prices still rising, though at a slower pace than in the first half of the year. Employment continued to rise and is at a record high. The debt-to-GDP ratio of the Netherlands remains very healthy—and that's a French person telling you that—it is significantly lower than other European countries.

The Dutch elections results have been announced, and coalition talks have begun. Ideally, a quick and stable formation process will allow the new government to start addressing important national issues, for example, the housing shortage or the nitrogen issue.

Given this economic context, on the next slide, I will discuss our results.

We again showed a quarter with strong mortgage production growth thanks to a robust housing market. Our mortgage portfolio grew by €2.1 billion in Q3, with our market share in new production rising to 19%. We made some important amendments to our mortgage terms. We now automatically adjust the risk premium after repayments, reviewing it monthly instead of only at the end of a fixed-rate period. This led our mortgage products obtaining the top rating in the

intermediary market, which accounts for nearly 75% of new volume. We observed an immediate increase in new volumes following this.

Today, we also announced a rationalisation of our mortgage brand line-up. Going forward, we will focus on our core labels, namely ABN AMRO and Florius, and we will discontinue the Moneyou brand. This allows us to focus investments in our core labels in technology and innovation to further improve our services.

Moving to corporate loans, further organic growth and the inclusion of HAL resulted in €2.1 billion loan growth this quarter. Loan growth was partially offset by the wind-down of Asset-Based Finance. This quarter, we sold our UK lease portfolio.

Moving to deposits, HAL added close to €11 billion of client deposits. Within Wealth Management we also have provided targeted offerings starting in Q2, which have resulted in net new assets of over €4 billion this quarter.

Given these positive developments in our lending and deposit franchises, let's now look more closely how these have supported our net interest income.

Our net interest income increase to €1,580 million. HAL's inclusion contributed positively to NII by around €34 million. The inflow of NHG mortgages and the adjustments we made in the mortgage terms I just mentioned before, led to slightly lower margins. However, the strong growth in our mortgage book offset this.

Deposit margins declined partly related to the targeted offerings within Wealth Management at reduced margins. Treasury results increased during Q3, however, the increase was a bit lower than initially expected. Based on last quarter's forward rates, the inflection point of the replicating portfolio yield was expected at the beginning of next year. However, current interest rates have brought this timing forward to this quarter, bringing the decline in the replicating yield to a standstill. In the coming quarters, we expect the deposit margins will start to become a tailwind.

Looking ahead to next quarter and assuming a modest increase in Treasury NII and stable deposit margins, we expect full year NII of at least €6.3 billion including HAL.

Now turning to fees.

Looking at our third quarter fee income, the fee contribution from HAL becomes evident, increasing overall fee income by around 10%. Fees excluding HAL continued to increase, with fee income for the third quarter reaching its highest level in the past two years.

Personal and Business Banking fees increased mainly from higher seasonal payment transactions.

Wealth Management fees rose primarily thanks to higher advisory and mandated business volumes.

Other income is volatile by nature and ended at €28 million for Q3. The decline was caused by a number of factors, all having a negative impact on other income this quarter. Specifically, we booked lower equity participation results, lower other income within Treasury and a negative fair value correction of past bookings related to some mortgages.

Now moving to our operating expenses.

We have further reduced expenses as we worked on right-sizing our cost base. This quarter, FTE showed a significant reduction of 700, half of which related to contractors in Group Functions. Since the beginning of the year, the number of contractors have declined by 1,100. To a limited extent, we onboarded externals for their skills which explains the small increase in internal FTEs over the same period.

The Dutch Collective Labour Agreement increased wages by 3.75% on 1st July, leading to an increase this quarter in personnel expenses.

Thanks to our ongoing cost discipline, our underlying cost base declined this quarter. At the beginning of the year, we projected our underlying costs excluding HAL, to be between €5.3 billion and €5.4 billion, and we are confident now of ending at the lower end of this guidance. Including HAL, this now translates to a full year cost guidance between €5.4 billion to €5.5 billion.

Now turning to our credit quality, which again remained very solid.

Prudent risk management supports our strong financial results. We recorded impairment releases of €49 million this quarter, mainly related to recoveries in corporate loans and improved macroeconomic variables.

We saw some inflow into stage 3 for specific individual files, although this was lower compared to the last few quarters and fully offset by releases. The total Stage 3 ratio decreased slightly to 2%, and our coverage ratio was broadly stable for each of our lending products.

Given the impairments year-to-date, the cost of risk for 2025 will likely end around zero for the full year.

Now moving on to our capital position on the next slide.

Our CET1 ratio remains stable at 14.8%, well above the regulatory requirements of 11.2%. The impact of the consolidation of HAL was offset by the quarterly contribution of our net profit. The total impact of HAL on our CET1 ratio as of Q3 is 40 basis points, 7 basis points of impact were already taken in Q2.

The formal move of certain loan portfolios to the standardised approach had no impact on our capital ratio; while RWAs increased by €1.6 billion, this was offset by lower capital deductions in our CET1 capital.

During Q3, data quality improvements were realised around €1 billion of RWA reductions, mainly from data improvements on real estate collateral. Further progress on data remediation is anticipated, for example, related to the SME support factor, which may result in further reductions in Q4.

Looking ahead, as I mentioned, NIBC will impact our capital ratio by around 70 basis points at closing expected in the course of next year. Our capital position remains robust and our capital generation is strong. In Q4, we will review our capital outlook and incorporate all the relevant capital and RWA developments.

Now to summarise our third quarter results.

For 2025, we expect net interest income of at least €6.3 billion and costs between €5.4 billion and €5.5 billion, both including HAL.

We are delivering on our cost discipline, improving our data quality and sourcing, and are delivering profitable growth in mortgages and deposits.

The seamless integration of HAL and closing the acquisition of NIBC are important strategic milestones as we build scale in our core markets.

Looking ahead, we are excited to invite you to our Capital Markets Day in just two weeks' time. There, we will present our updated strategy and financial targets with a sharp focus on right-sizing our cost base, optimising our capital allocation, and unlocking profitable growth opportunities. We look forward to sharing our vision for the future and the next chapter in our journey with you.

With that, I would like to ask the operator to open the call for Q&A.

Thank you.

Questions and Answers

Operator: Thank you. If you wish to ask a question, please press pound key five on your telephone keypad. If you wish to withdraw your question, please press pound key six on your telephone keypad.

The next question comes from Giulia Miotto from Morgan Stanley. Please go ahead.

Giulia Miotto (Morgan Stanley): Yes. Hi. Good morning. Thank you for taking my questions. I'll start with the question on NIBC. Why do you think that the execution risk here is low? Like, can you give us any qualitative comments on, for example, do you have the same systems or, you know, anything that can give us confidence on essentially achieving this quite significant synergies? That would be my first comment.

Then secondly, I wanted to ask on the costs. The quarter was very good. Was a beat versus consensus expectations, excluding the one-off, the €55 million. However, the exit rate is actually quite high. If I take the mid-range, if I take basically €5.450 billion, and then I remove the €3.9 billion that you've done so far, underlying would be €1.55 billion for Q4, which is more than what I would expect. And then it's quite a high run-rate for '26. So how should we think about the exit rate and on the cost side? Thank you.

Marguerite Bérard: Thank you very much for your questions. I will start with your first question on NIBC, and Ferdi will take your question on costs.

On NIBC, bear in mind that this is an asset we know very well. We operate in the same market, in the same businesses, mortgages, savings. So this is an asset we know very well indeed. And you're right. We have evident synergies. I'm going to give you just one example. We use, for instance, for mortgages, the same service provider, Stater. So this is an evident synergy just to flag this one.

It is too early to share all the details, of course, of the target operating model. Bear in mind that the transaction will be only closed in the second half of 2026. But we are indeed confident that this is a low execution risk transaction for us.

Now Ferdi, to the cost this quarter and looking forward.

Ferdinand Vaandrager: Yes, Giulia, I think the most important message on cost is that underlying our costs are going down, evidenced by the FTE reductions year-to-date, and this more than offsets the CLA increase. As Marguerite said already earlier, we will end at the low end of the guidance range, excluding Hauck Aufhäuser Lampe. But if you add the cost of Hauck Aufhäuser Lampe, we will end in the range of €5.4 billion-€5.5 billion.

If you look at the exit rate in Q4, we always have some prudence in our guidance specifically for Q4 because, as usual, you can always expect some seasonal cost increases. Last year that was around 4%. So that's what you need to take into account if you look at the exit rate in guidance.

Giulia Miotto: Okay. Thank you. So just to clarify on the Q4 costs. So it will probably be higher than an exit rate for '26, it sounds like. Because there is some in Q4.

Ferdinand Vaandrager: No. There can always be, Giulia, that is the question, underlying we expect the cost trend to continue, as we've seen in the previous quarters, but normally there are some prudence of the seasonal cost increase you can see in Q4.

Giulia Miotto: Understood.

Ferdinand Vaandrager: The guidance is fairly clear between the €5.4 billion and €5.5 billion, including the cost of Hauck Aufhäuser Lampe.

Giulia Miotto: Okay, thanks.

Operator: The next question comes from Namita Samtani from Barclays. Please go ahead.

Namita Samtani (Barclays): Good morning, and thank you for taking my questions. The first one on the NIBC deal. Thanks for the €100 million of post run-rate cost synergies in 2029. But when you speak about further upside from revenue synergies, what are you referring to? Are these funding synergies? And do you have a sense of quantum? And also the legal merger of ABN AMRO, Hypotheken Groep into ABN AMRO. Is that included in the deal maths that you've given today?

My second question on the replicating portfolio. Is it still €165 billion in size? And how should we think about the long end part of the replicating portfolio? Is it more mechanical, for example, just a very simple five-year swap rolling mathematically or in fairly even tranches? It's just that the replicating portfolio slide on page 16, it confuses me a bit, and I can't understand when year-on-year I'm going to see a benefit from the hedge. Is it in 2027? So any colour there helpful. Thank you.

Marguerite Bérard: Thank you very much. I will take your question on NIBC, and Ferdi will take your question on the replicating portfolio.

So yes, we see this transaction on NIBC, as you know, very accretive indeed because there are synergies in costs as well as in revenues. Just to give you a few highlights, we are adding 500,000

new retail clients to the ABN AMRO Group. These are clients that are mass affluent clients, so they fit very well our Group. We think that we can bring more products and services to these clients. We also see, as I briefly mentioned, an opportunity in using BUX to serve these clients. Bear in mind that, NIBC has clients, of course, primarily in the Netherlands, but also in Belgium and Germany, so BUX can really help with that.

And yes, in terms of synergies, there are also funding synergies, both on the revenue side as well, I would say, on the cost side, just to hint at a few of the positives we see in the transactions.

Ferdinand Vaandrager: Yeah, maybe come back and to add to that, Marguerite. Indeed, we're prudent in our assessment. So the €100 million is the post-tax cost synergies. Of course, there can be some funding synergies. For example, we can over time refinance the debt securities at lower rates and also potentially reduced LCR targets. But on the other hand, you might also see some dis-synergies from deposit churn.

So overall, if you look at the synergies, it's negligible in our assumption on the revenue and the funding synergies side.

On your question on the replicating portfolio, yes, I can confirm the size is still around to €165 billion. As you have seen some terming in, that means that it has increased somewhat over the past two quarters, and it's also still there around 40% to 45% of the replicating portfolio reprices within one year. And the overall duration is around three years.

If you look at the sensitivity slide in the presentation. It's now an update on a quarterly basis. So the starting point is slightly different from the previous quarters. And there, you can see that we have seen the inflection point already on the income side. But if you purely look at the sensitivity, it does not take into account any changes in volume, and it does not take into account any cost changes, i.e. changes in deposit pricing. So you should just look it as a sensitivity on the replicating income as an 'as is' situation.

Marguerite Bérard: And forgive me because I realised I forgot to answer your question on the legal merger. Of course, yes, the transaction with NIBC is subject to all regulatory approvals. And that of course, includes the legal merger. Let's say we do not anticipate difficulties on that front.

Namita Samtani: Wonderful. Thank you very much.

Operator: The next question comes from Tarik El Mejjad from BofA. Please go ahead.

Tarik El Mejjad (Bank of America): Hi. Good morning, and thanks for taking my questions. Just another question on NIBC and one on cost, please. I mean, I guess you'll share with us more

detailed math on the deal with the synergy expected with some timeframe because, I mean, clearly, usually at least on my M&A model, I mean, revenue synergies is not something I would push too much. And on the cost sounds quite punchy here, but I mean, Marguerite, you gave some indications of what kind of synergies. But, yeah, if you can share more with us, would be helpful.

I mean, this is very important for your capital allocation, I guess. And my question is what's next? Because, I was more expecting a deal on the Wealth Management, to be honest. And in Bloomberg, you mentioned that this is it in terms of deals to be announced. So is this now back to focus on restructuring the bank and costs? Or should we expect more potentially destructive deals to come? So that's number one.

Number two, maybe a question for Ferdinand. On the cost guidance, €5.4 billion, €5.5 billion. Is that excluding incidentals or it's all-in reported guidance? Thank you.

Marguerite Bérard: Thank you. Thank you very much for your questions. A couple of things. Yes, this deal is highly accretive. The 18% return on invested capital, we're very confident it is achievable. And indeed what we primarily factored in this model was primarily cost synergies. So if there are revenue synergies on top of it, it is an upside. But I agree with you, this is not a primary thing that we looked at in this deal.

And looking forward, we will be sharing, yes, more details on the target operating model, but that will come in due course.

Just to clarify the answer I gave to Bloomberg; this was more an answer on saying, well, we're not going to call every morning to announce a new M&A deal. So it's just that - I think the question I got from Sarah there was like, is there something else coming up at the CMD? So no, in the next two weeks, don't expect any other announcement from us.

And as far as our strategy is concerned, organic and inorganic, we will share everything in two weeks when you come to our Capital Markets Day.

Ferdinand Vaandrager: Yeah. Tarik, to come back to your question on the guidance. Initially, the guidance was equal to last year. We expect to end up at the lower end of that range. Hauck Aufhäuser Lampe adds between the €130 million and €140 million. So this translates in the updated guidance. And clearly, the updated guidance is excluding the incidentals as announced today.

Tarik El Mejjad: Okay. Thank you very much.

Operator: The next question comes from Benoît Pétrarque from Kepler Cheuvreux. Please go ahead.

Benoît Pétrarque (Kepler Cheuvreux): Yes. Good morning. So just to come back on NIBC. Sorry for that. Now, just again, the strategic rationale, because it sounds like very financially attractive deal and it seems that, yeah, from a strategic point of view, that was the main reason behind this deal. I was also a bit expecting a bit more other type of deals, let's say. And maybe I miss it, but do you see kind of any franchise value in NIBC, or you see it just purely 100% as a financial attractive deal with 10% accretion by '29? Just wanted to clarify that, because I also see a very low fee base at NIBC and I was also expecting a bit more fee business as targets. And I was also wondering if you could provide some timing on the €140 million pre-tax synergies, whether we'll start to see some positive effect from that in '27 or that will be more back-end loaded?

And just second question on NII. So your guidance of more than €6.3 billion implies roughly €50 million quarter-on-quarter on NII in Q4. And I was just wondering if you could provide the moving parts, deposit margin, lending margin, Treasury income. What will drive this improvement in the fourth quarter? Thank you very much.

Marguerite Bérard: Thank you very much for your questions. So, on NIBC, it is indeed both a financially sound deal, an accretive deal, and also a strategic deal. I think it's a good way of proving how we look at M&A. The M&A strategy will always be disciplined and we will only pursue it if we find it shareholder accretive. This is one of our criterion.

You see it with this deal and the 18% of return on invested capital that it brings to the bank. This being said, we see a natural strategic fit with NIBC. It brings us scale in our domestic markets, in mortgages and in savings. The NIBC brand is a very good brand in the Netherlands. This is a brand that has been existing for 80 years. It has an entrepreneurial flavour. It appeals to a client base that's also slightly different from the clients we already have at ABN AMRO. So it is a great way for us to keep growing and strengthen our position in our domestic market.

To your question of when will we see the full benefit of the synergies we mentioned. We express it as 2029 just because, as I said, we do expect the closing of the transaction to only happen in the second half of 2026. So we do expect the full benefit of the synergies to be there in 2029, but it does not all happen in the last year, of course.

Ferdinand Vaandrager: Yeah. And Benoît, maybe on your NII. Arguably, you could say NII for this quarter is slightly lower but I want to reiterate here that is mainly by our own decisions. So it was a targeted wealth management campaign. And there, you see a very good NNA growth of almost €4.3 billion. So now it's key that we start transferring that in valuable assets.

Number two is an acceleration in the ABF wind down specifically portfolio sale in the UK which is ahead of plan, and what Marguerite already said, that is the implementation of what we call here ARNA. And that has clearly a positive impact on our position with the intermediaries. Also, if you look at our market share now up till 19%. So for Q4, we expect a modest improvement in the Treasury results as well as stable deposit margins.

And if you look at the update on the sensitivity slide, what we discussed earlier, the inflection point of the replicating portfolio is already reached this quarter, or I should say, start of Q4. So that brings the decline in the replicating yields to a standstill, but if you look at the sensitivity, the tailwind will be very limited initially and will be more pronounced in the second half of next year.

Benoît Pétrarque: Great. Thank you very much for that.

Operator: The next question comes from Benjamin Goy from Deutsche Bank. Please go ahead.

Benjamin Goy (Deutsche Bank): Yes. Hi. Good morning. Two questions please. So first on NIBC again, which over the last six, seven years have built up a significant off-balance sheet mortgage book. Just wondering your thoughts on that part of the business, because you very much rely on on-balance sheet growth.

And then secondly, you also call it a low execution risk. Just wondering, so when you look at capital return going forward, do you basically take your current capital ratio minus 70 or would you include a buffer, given the uncertainties and execution risks? Thank you.

Marguerite Bérard: Thank you very much. On your question of the originate-to-manage portfolio that NIBC has and that represents roughly half its portfolio, we see it as actually an interesting and value-added opportunity for ABN AMRO because it's not something we were doing already and we see opportunities with that. So we welcome that addition in our business model. And I confirm that we've been thoroughly assessing the CET1 impact of this transaction that amounts to 70 basis points. And this takes into account a very prudent approach to the transaction, including all form of day one provisioning and so on that may be needed, so I would say it's a fully loaded 70 basis points.

Benjamin Goy: Thank you.

Operator: The next question comes from Chris Hallam from Goldman Sachs International. Please go ahead.

Chris Hallam (Goldman Sachs): Good morning, everybody. Just a couple of follow ups. Sorry about this. So first, just on funding synergies. Ferdi, I think you said those would be negligible, i.e.

not particularly incremental to the 18%, but I'm just wondering how that works, given their funding mix, which is much less skewed to deposit funding than your own and their own deposit funding costs, which is higher than yours. So just is there a reason why either you wouldn't fully change the funding mix, or why you would expect to see a very high level of deposit attrition?

And then second, acknowledge we've got the CMD coming up very soon. But just looking specifically into 2026, as you're going through the year-end budgeting process, what are the key items you're focused on for the cost side of the business? Are there any specific items or challenges for ABN AMRO that we should consider for 2026 in particular? Both for ABN, I guess on the one side, but also for the industry more broadly. Thank you.

Marguerite Bérard: Ferdi, I'll let you take that.

Ferdinand Vaandrager: Yeah, Chris, I'll start with the first one. So absolutely, there is a potential. But again, the argument here that we try to be prudent and specifically look at cost synergies, of course, there can be some revenue synergies, but also the funding synergies here. It's too early to start communicating on the potential here, and some of the funding synergies arguably will be further out also beyond the indicated 2029. But for sure, this provides potential on top of the indicated cost synergies.

Marguerite Bérard: And on your question. Well, '26 happens to be the first year of our strategic plans. So I promise we will share everything on '26 as well as for the following years at our CMD in two weeks. This being said, I believe in discipline and I believe in saying what we do and doing what we say. We've been very clear from the beginning that right sizing our cost base, steering on capital and pursuing profitable growth are all three priorities. And so 2026 will look like that.

Chris Hallam: Perfect. Thank you both. Cheers.

Operator: The next question comes from Farquhar Murray from Autonomous. Please go ahead.

Farquhar Murray (Autonomous Research): Good morning, all. Just two questions, if I may. Firstly, more broadly on M&A. You now have kind of two integrations with HAL and NIBC. Do you think there's sufficient management room kind of bandwidth for another deal in the near term?

And then maybe coming back a little bit to HAL actually, as an integration, given it's come on board post-closing. I just wondered if you could give us an update on how that business is performing as compared to the original expectations of acquisition. In particular, I'm thinking about the cost synergy target of €60 million there. Thanks.

Marguerite Bérard: Thank you very much. So I'll take your first question on bandwidth. And I will let Ferdi comment on the HAL integration. I think that was your second question.

So do we have the bandwidth? Yes, we do. We are moving at pace, we have a very strong management team. I'm very happy with our Executive Board, and basically, Choy, who is in charge of Wealth is very much involved in the integration of HAL and making it a success. We have colleagues that have been very much involved in the due diligence regarding NIBC and who will be, in due time, fully ready also to be there for the integration. So we're very confident that we have all it takes to make these integrations a success.

With M&A, you don't necessarily plan in advance, but we will know how to be opportunistic, if needs be, as I said, always with discipline and only if it's shareholder accretive.

Ferdinand Vaandrager: Yeah. Maybe just on Hauck Aufhäuser Lampe, as indicated earlier, cost synergies, year 3, €60 million. Also, if we look at the first quarter after consolidation, we're confident we're going to reach that, so no unexpected surprises in here. We've also said that we need around one-off costs of around €90 million, one-third integration cost and two thirds restructuring cost.

We booked so far this year around €8 million in integration costs. The integration is fully on track, so the legal merger between HAL AG and ABN AMRO is to be completed by the end of 2026, and that will really simplify the further integration. So, the bottom line is here, of the results what we see now is in line with expectations, and we're very confident we're going to reach the €60 million run-rate synergies in year 3, which is 2028.

Farquhar Murray: Okay.

Operator: The next question comes from Delphine Lee from JP Morgan. Please go ahead.

Delphine Lee (JP Morgan): Hi. Good morning. Thank you for taking my questions. My first question is, just going back to NIBC and just your thoughts about M&A in general? I mean, just wanted to understand kind of what areas of priorities you would have? Because is the intention in the long run to continue to strengthen your position in the Netherlands? Or would it mean more to kind of diversify a little bit away from your mortgage book to private banking or corporate banking? Just trying to understand a little bit kind of where your focus is, M&A wise.

And my second question is, just in terms of excess capital and the usage and how you allocate capital, more generally speaking, is the intention over the long run to sort of manage it to kind of increase the payout? Do you still think there is room with the transaction further down the line?

Just trying to think about how you manage your capital with buybacks and what we should expect? Thank you very much.

Marguerite Bérard: Thank you very much. You are anticipating on what we are going to share in two weeks. But I will only reiterate that we only consider M&A when it is disciplined, when it is shareholder accretive. We think that adding scale in our home market is a smart, strategic move, and back to HAL acquisition that the bank recently completed and Ferdi was commenting on, this is also a strong strategic fit for us as we grow in Wealth in northwestern Europe, which is part of our strategy. But we will describe all of this at our CMD.

In terms of our capital position and our capital usage. Again, this will be the topic of our CMD in two weeks. But basically, in a nutshell, we will continue to optimise our RWA, both in data and from steering, more to come on that.

The outcome of our capital assessment will be communicated with our Q4 results, including potential capital distributions. But we have a strong balance sheet and a strong capital position. And I think, yeah, the rest will come. Bear with us for two more weeks.

Delphine Lee: Great. Thank you very much.

Operator: The next question comes from Juan Pablo López Cobo from Santander. Please go ahead.

Juan Pablo López Cobo (Banco Santander): Yes. Good morning. Thank you for taking my questions. First one is regarding NIBC. Probably I missed some of the KPIs, but you mentioned that the deal is highly accretive. Regarding EPS accretion, if we assume, let's say, €100 million net income coming from NIBC and the €100 million synergies lower post-tax, is it fair to assume an EPS accretion of around 7% to 8%? Does it sound reasonable for you? That's my first question.

My second question is regarding the deposits campaign. If you could share some colour on this deposit campaign? Volume, can we assume around €3 billion, cost probably around 2% or slightly above 2%, and maybe duration, if I got it right. I don't know if we can assume the NII impact in this Q coming from the deposit campaign could be something around €15 million, €20 million. So it will be interesting to know, to listen the duration and what percentage of these deposits you think will stay in the bank? Thank you.

Marguerite Bérard: Thank you. Thank you very much. I will let Ferdi answer both your questions. Maybe just a clarification, because I'm not sure that we fully agreed on the figure, but when we mentioned cost synergies, it's €100 million post-tax. So basically, pre-tax, it's higher, just to clarify that point.

Ferdi, I'll let you go into the EPS accretion.

Ferdinand Vaandrager: No, I think if you look at the underlying, how you come to your calculation fully synergised profit of around €200 million, indeed, you would come in 2029 to around 7% EPS accretion. And then again, if you look at the overall deposits, yes, we assume some outflow, but we expect it to be limited from the overall deposit campaign.

And the most important part of the targeted deposit campaign is an increase our net new assets. It had an impact on overall margins, but now it should really translate into valuable assets. So that is a transfer into either discretionary portfolio management, either in advisory or private markets.

Marguerite Bérard: But usually what we observe is that it takes usually six months for bankers to actually transform into more valuable assets.

Ferdinand Vaandrager: Yeah.

Juan Pablo López Cobo: Okay. Thank you.

Operator: As a reminder, if you wish to ask a question, please dial pound key five on your telephone keypad.

The next question comes from Anke Reingen from RBC. Please go ahead.

Anke Reingen (RBC Capital Markets): Yeah. Thank you very much for taking my questions. It's just two number questions, please. Firstly, on the other income that was quite weak this quarter, and I just wonder if it's sort of like a run-rate. I mean, a number of banks talked about NII and other income of their value result, like mix effect. Should we see that the Q3 other income could be a run-rate going forward?

And then on the deposit costs. Is there sort of like a change in trend? While in the past we were talking about cuts in savings rates, we are now talking about some selective campaigns on higher deposits with a benefit to volume. Would you say the trend has changed here? Thank you.

Marguerite Bérard: Thanks. Ferdi, on these two questions.

Ferdinand Vaandrager: Now, let me start on other income. It was a low this quarter at €28 million, so also quarter-on-quarter significantly down. We explained that the main impact here is, number one, equity participation. You're always dependent when the revaluation is done. And in Q2, we had a successful exit of the portfolio.

ALM results is always volatile in this quarter. It always depends on your economic hedges and hedge ineffectiveness. But the main driver this quarter was lower fair value revaluation under IFRS 17. And that was specifically related to one-off correction of past bookings in the mortgage book, and that impact was roughly €30 million. So, if you look for the coming years, other income is volatile by nature. It also includes XVAs, ALM results and private equity revaluations. But overall, excluding incidentals in the past years, it was around €450 million. And if you would also exclude volatile items around the €400 million.

Then if you look at changes on pricing. No, the deposit campaign was very targeted at Wealth Management. So we really target the specific client group, and as said earlier already, we are willing to do that at very low margins because there we see the opportunity to transfer that in valuable assets. So it's absolutely not a change broader how you should look at our prices.

Anke Reingen: Okay. Thank you.

Operator: The next question comes from Jason Kalamboussis from ING. Please go ahead.

Jason Kalamboussis (ING): Yes. Good morning. I'm coming back to what Tarik mentioned. While the deal is good value for money, strategically and from a higher level, it looks like it distracts to what I thought was a clearer focus on Wealth Management. So, if you have any additional thoughts, welcome there.

So, moving on to Wealth. Could you please provide a split year-to-date of the inflows in custody and the rest? And is it something that we could see, provided on a quarterly basis?

The second thing is on HAL. How does the AUM that you brought in split again into - can you split out the custody and cash element, if possible?

And my third question is, is the reasonable assumption to - when I'm looking at your AUMs to assume that most of the custody and cash assets above 75% are in the Netherlands? That would be very useful. Thank you very much.

Marguerite Bérard: Thank you very much. I'll take your first question, and will let Ferdi answer the two others.

In terms of strategy, we believe that it is a perfect strategic fit to actually keep growing and add scale in our home markets. We have the platform for that. We already have 5 million clients in the Netherlands. NIBC adds, you know, roughly 500,000 new retail clients. We do believe in scale and in using our platform both in mortgages and savings in the Netherlands.

This being said, we also do believe that Wealth Management is an extremely good business of ABN AMRO. I mean, we have a strong #1 position in the Netherlands with the market share of about 35%. We have now a strong #3 position in Germany. We also are present in France, and to a lesser extent, in Belgium.

So, we will share our strategy for three businesses at our CMD. But indeed, we do like very much the Wealth Management business.

Ferdi, on the two other questions?

Ferdinand Vaandrager: Yeah, Jason. Number one is the split between custody. Overall, you should see that there's the difference between core and net new assets and total net new assets. So overall, core net new assets, we had a very strong quarter, as discussed earlier, mainly reflecting the cash inflow from targeted offerings. And indeed, the majority of this was Wealth Management in the Netherlands.

Total NNA plus €4.3 billion. So the custody is included in here for this quarter was plus €1 billion, more or less. If you look at the total custody within Wealth Management, of course, that was also a question. I think that is around the €50 billion today.

Then I also think but I didn't hear you that well this, the client asset inclusion of Hauck Aufhäuser Lampe. So in total this was around €26 billion. And the split there was around €23 billion in securities and €4 billion in cash. The majority of that inclusion is in securities.

Jason Kalamboussis: Thank you very much. That's very useful.

Just a quick follow up. I mean, on the NIBC deal, what I'm a bit surprised is that the fee element is quite small, so you have less than 10% that's coming in fees. So that was a bit the sense of my question is that, yes, I understand the scale. And also it's a good deal financially. But on the other hand, I would have thought that your focus would have been towards increasing the fee side within your income, whereas this goes a bit the other way. But again, if you have any comment, that would be great. Thanks.

Marguerite Bérard: I understand your question. As I said, it adds scales, which is, I think a very positive strategic move. And it's also financially very accretive. So we saw it as two very good reasons to pursue this acquisition.

Ferdinand Vaandrager: Yeah. Maybe to add there, it's also the addition of the savings account to the BUX platform that might provide at least the investment propositions there where we are absolutely focusing on transferring NII into fees.

Jason Kalamboussis: Very clear. Thank you very much.

Operator: There are no more questions at this time. I will now hand the word back to the speakers for any closing remarks.

Marguerite Bérard: Well, I thank you very much all for your questions this morning, and we look forward to welcoming you at our Capital Markets Day on November 25th, and for the time on, goodbye, and thanks again. Have a great day.