Quarterly Report first quarter 2014

ABN AMRO Group N.V.

Notes to the reader

Introduction

This Quarterly Report presents ABN AMRO's result for the first quarter of 2014. The report contains our quarterly operating and financial review, an economic update and selected risk, capital, liquidity and funding disclosures.

Presentation of information

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

As of 1 January 2014 capital metrics and risk exposures according to Basel are reported under the Basel III (CRR/CRD IV) framework. Comparative figures as of 2013 are reported according to Basel II. Where applicable, we have provided pro-forma figures for comparison purposes.

As of 1 January 2014, management has adopted a view to provide a better understanding of the underlying trends in financial performance. The statutory results reported in accordance with Group accounting policies have been adjusted for defined special items and divestments.

This Quarterly Report is presented in euros (EUR), which is ABN AMRO's presentation currency, rounded to the nearest million (unless otherwise stated). All annual averages in this Quarterly Report are based on month-end figures. Management does not believe that these month-end averages present trends that are materially different from those that would be presented by daily averages.

Certain figures in this report may not tally exactly due to rounding. In addition, certain percentages in this document have been calculated using rounded figures.

This report can be downloaded from abnamro.com/ir.

For more information, please visit us at abnamro.com/ir or contact us at investorrelations@nl.abnamro.com

Other publications

In addition to this report, ABN AMRO provides the following supplementary documents for its Q1 2014 results on abnamro.com/ir.

- statistical factsheet
- investor call presentation
- road show presentation

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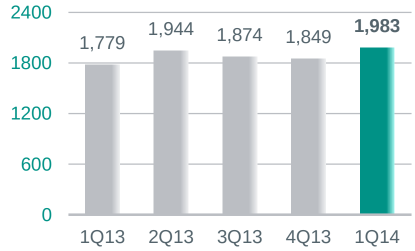
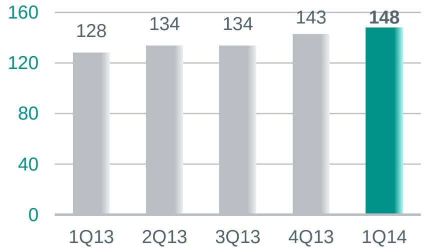
figures at a glance

P&L drivers

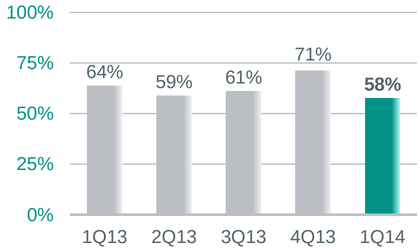
Underlying operating income
(in EUR million)



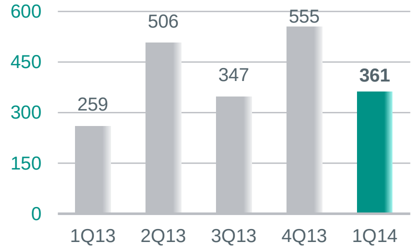
Underlying net interest margin
Underlying net interest income over average total assets (NIM) (NIM in bps)



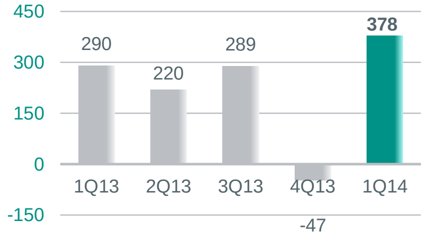
Underlying cost/income ratio
Underlying costs over underlying revenues (in %). 2017 target range is 56-60%



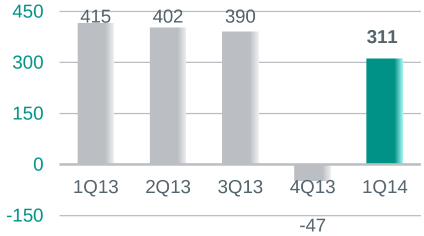
Underlying impairment charges
(in EUR million)



Underlying net profit
(in EUR million)

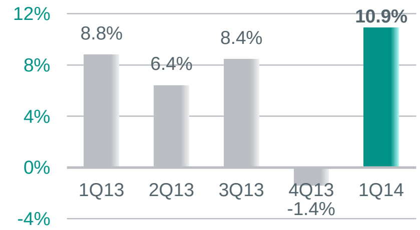


Reported net profit
(in EUR million)

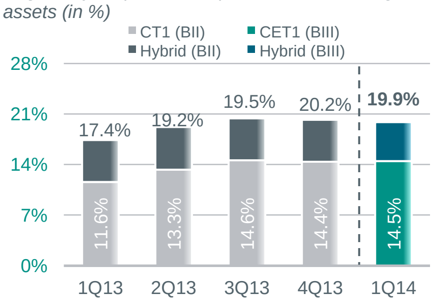


Return on equity & capital

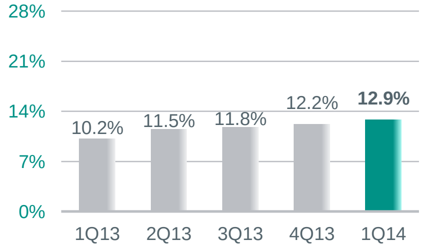
Underlying return on equity
Underlying net profit over average IFRS Equity (in %). 2017 target range is 9-12%



Regulatory capital
Regulatory capital over period-end risk-weighted assets (in %)



Fully-loaded CET1
Regulatory capital over period-end risk-weighted assets (Basel III, in %). 2017 target range is 11.5-12.5%



Chairman of the Managing Board's message

The Dutch economy is showing signs of improvement. The housing sentiment indicator is back to pre-crisis levels and average house prices and transaction levels are on the rise. Even though GDP showed negative growth in the first quarter, heavily impacted by lower energy production, other indicators have made a turn for the better. Sentiment among SMEs, which have been hit particularly hard over the past years, has improved as well as the outcome of surveys measuring realised turnover. The first signs of an improving labour market are also reflected in a rising number of job vacancies and fewer applications for dismissals.

These are promising signs. However, a large proportion of SMEs are still facing financial difficulties as are a significant number of households. It will take time for loan impairments to return to more normal levels as these lag economic developments.

Starting this quarter, we have introduced some reporting changes and switched to describing underlying results excluding special items that distort the underlying trend. Over the first quarter, we excluded the first of three instalments of the levy imposed by the government to contribute to the costs of nationalising SNS in 2012 (EUR 67 million for Q1, EUR 200 million in total).

The first-quarter underlying net profit amounted to EUR 378 million driven by an 11% rise in operating income and almost stable costs, both compared with the first quarter of 2013. The improvement in operating income is mainly due to higher interest income, which rose by 10%, primarily owing to higher margins on deposits.

Costs remained almost stable year-on-year thanks to our ongoing focus on cost control. The cost/income ratio improved to 58%. We recently agreed with the trade unions to freeze salaries for the coming two years and have started modernising of our core IT systems and associated processes. Last year, we focused primarily on planning this multi-year operation and the first projects are now on track. This will lead to additional costs over the next few years but will ultimately lead to a structurally lower cost/income ratio for the bank, one of our five strategic priorities set for 2017.

Our CET1 position improved to 14.5% and on a fully loaded basis amounted to 12.9%. We arrived at an agreement to switch over to a defined contribution pension plan which will come into force in Q2. This will lower the volatility in our regulatory capital and our pension costs. The agreement is expected to have a negative impact on our CET1 ratio and a limited impact on the fully-loaded CET1 ratio.

We are on track with the Asset Quality Review. Having delivered the bulk of the data, we are now in the process of reviewing individual files and working on the stress test. I am grateful for the significant effort many employees are making to carry out this task alongside their regular duties.

All in all, the first quarter was a good start to the year. We expect our full-year loan impairment figures to end slightly below last year's level. However, we caution not to extrapolate the Q1 results to the end of the year, as Q1 is traditionally the best quarter of the year and also because the bank tax is due in the final quarter.

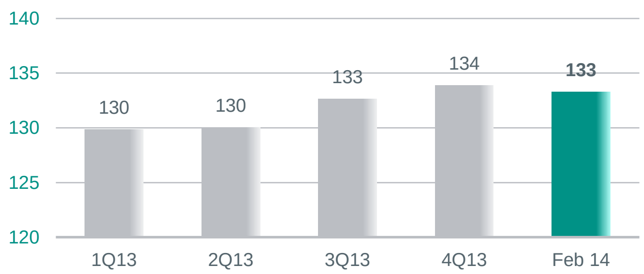
Gerrit Zalm
Chairman of the Managing Board

economic environment

In the first quarter, global economic growth was affected by almost zero growth in the US and modest developments in emerging markets. The eurozone economy showed more growth than in the final quarter of 2013 and we expect further expansion this year. The Dutch economy may grow at the same rate as the eurozone. However, in the first quarter, GDP contracted significantly in response to one-off effects that had strongly boosted growth in the preceding quarter.

World trade index

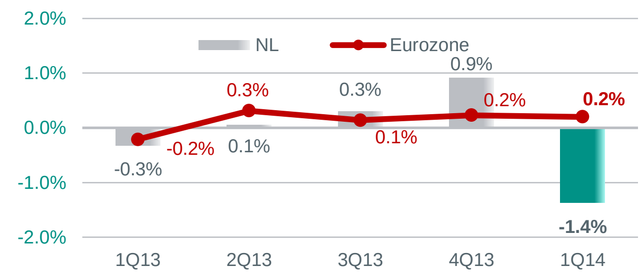
World trade index, 2005= 100, source: CPB World trade monitor



- World trade is on an upward trend
- Expected to rise further owing to US recovery

GDP

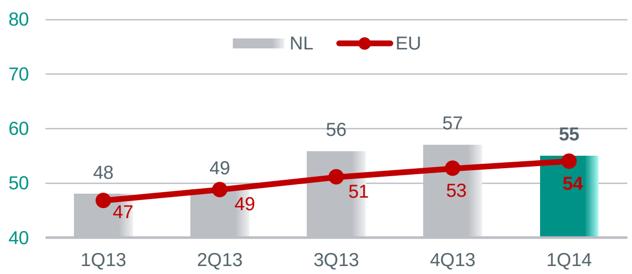
Quarterly development of Gross Domestic Product, in % q-o-q growth, source: Eurostat and CBS



- Strong rise in car sales spurred growth NL in Q4
- Hence, (temporary) pay-back effect in Q1
- Low gas sales strongly affected growth in Q1
- Economic barometers point to further growth

Purchasing managers' indices

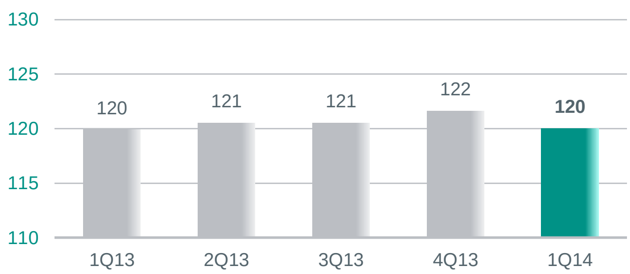
Purchasing Managers' Index, >50: growth, <50: contraction, source: Markit



- Dropped to 53.7 in NL end Q1
- This is still above boom-bust mark (of 50)
- Points to further modest growth

Domestic demand

Level of Dutch domestic demand (consumptions, investments and change in stocks) In EUR billion, source: CBS



- Strong rise in car sales boosted domestic spending in Q4
- Hence strong pay-back effect in Q1
- Low gas sales strongly affected consumption in Q1

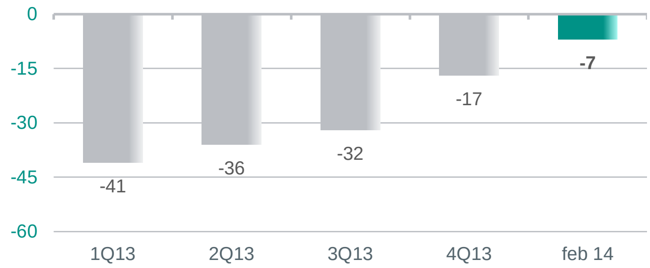
Although the Dutch economy started to recover in the second quarter last year, unemployment continued to rise in Q1 2014.

Employment was still on a downward path, but the rise in unemployment was dampened by the fact that many people turned their backs on the labour market ('discouraged workers'), which responds to economic turnarounds with some delay. Businesses tend to employ the unused capacity in their organisation before proceeding to hire new employees. In addition, extra production is absorbed in part by the self-employed, who temporarily experienced a decrease in assignments and are now set to get more work.

However, the labour market is improving. Although employment is still falling, the number of applications for dismissal is decreasing. At the same time, both the number of vacancies and hours worked in the temporary employment sector are on the rise. If this trend is sustained, employment may pick up again later this year.

Consumer confidence

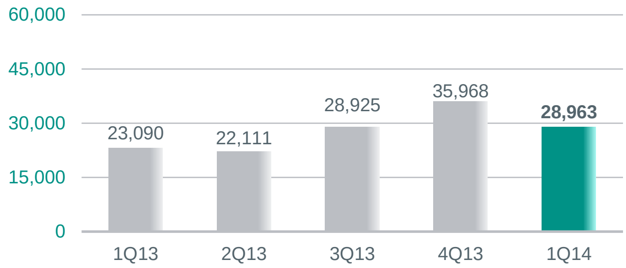
Dutch consumer confidence index, shown as % balance of positive and negative answers, source: CBS



- Confidence on upward trend
- Rose further to -7 during the first quarter
- Now slightly higher than long-term average

Houses sold

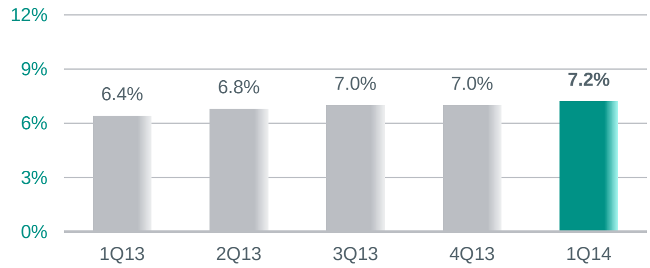
Number of houses sold in the Netherlands, source: CBS



- Transactions rose by 25% y-o-y in Q1
- Q1 always shows seasonal drop

Unemployment

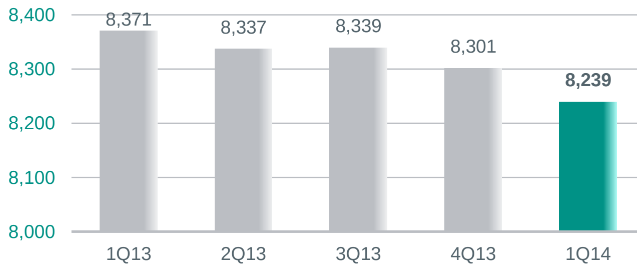
Number of unemployed in % of total labour force, the Netherlands, source: CBS



- Unemployment rose further in Q1
- Rise due to drop in employment
- Rise dampened by 'discouraged workers'

Working labour force

Dutch working labour force (in thousands), source: CBS



- Workforce still declining
- Labour market follows economy recovery with delay

operating and financial review

This operating and financial review includes a discussion and analysis of the results of operations and the financial condition of ABN AMRO Group for the first quarter of 2014 compared with Q1 2013 on the basis of underlying results. For a reconciliation of reported versus underlying results, please refer to the section additional financial information.

First-quarter 2014 results

ABN AMRO's underlying net profit for the first quarter of 2014 amounted to EUR 378 million, an increase of EUR 88 million compared with the first quarter of 2013 due to higher operating results.

The underlying ROE stood at 10.9% over the first quarter. The underlying cost/income ratio improved to 58%, from 64% in the same period last year.

Operating results

(in millions)	1Q14	1Q13	%	4Q13	%
Net interest income	1,432	1,305	10%	1,389	3%
Net fee and commission income	421	412	2%	413	2%
Other non-interest income	129	62	109%	47	
Operating income	**1,983**	**1,779**	**11%**	**1,849**	**7%**
Personnel expenses	565	582	-3%	564	0%
Other expenses	577	551	5%	752	-23%
Operating expenses	**1,143**	**1,133**	**1%**	**1,316**	**-13%**
Operating result	**840**	**646**	**30%**	**533**	**58%**
Impairment charges on loans and receivables	361	259	39%	555	-35%
Operating profit before taxes	**479**	**387**	**24%**	**-22**	
Income tax expenses	101	97	4%	25	
Underlying profit for the period	**378**	**290**	**30%**	**-47**	
Special items and divestments	-67	125		-	
Reported profit for the period	**311**	**415**	**-25%**	**-47**	

Other indicators

	1Q14	1Q13	4Q13
Cost/income ratio (in %)	58%	64%	71%
Return on average equity (in %)	10.9%	8.8%	-1.4%
NIM (NII/ average total assets) (in bps)	148	128	143
Cost of risk (in bps)[1]	124	85	198

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.

	31 Mar 14	31 Dec 13
Assets under Management (in billions)	170.6	168.3
FTEs	22,255	22,289

Income statement

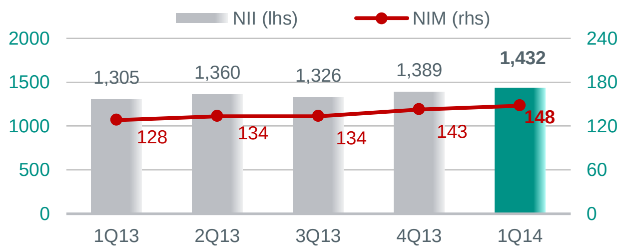
Net profit in the first quarter of 2014 amounted to EUR 378 million.

Operating income increased to EUR 1,983 million and has more than made good the decline in the previous two quarters.

Net interest income continued to increase and amounted to EUR 1,432 million. This was mainly due to an increase in deposit margins. Year-on-year average deposit volumes increased by 3%. Margins for mortgages also improved further due to the gradual re-pricing of the mortgage book at higher margins. The mortgage portfolio decreased somewhat year-on-year. Margins on commercial loans showed limited improvement compared with Q1 2013.

Net interest income

(in EUR million (lhs), in bps (rhs))



Net fee and commission income was EUR 421 million. Fee income has been relatively constant over the last five quarters.

Other non-interest income amounted to EUR 129 million, helped by Private Equity gains.

Personnel expenses amounted to EUR 565 million, 3% lower compared with the first quarter of 2013. We continue to concentrate our services in fewer branches in the Netherlands. This is related to the further increase in mobile and online banking services as well as the clustering of branches within Business Banking with the introduction of our sector approach.

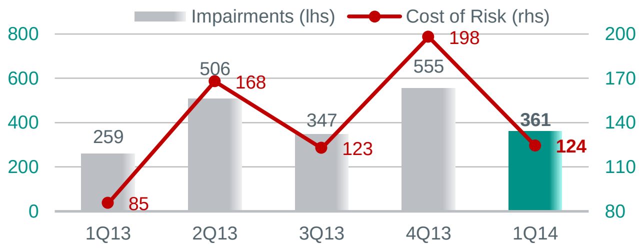
Other expenses showed an increase of EUR 27 million compared with Q1 2013.

Operating result amounted to EUR 840 million. The cost/income ratio was 58%, an improvement of 6 percentage points compared with Q1 2013.

Impairment charges on loans and other receivables remained high and amounted to EUR 361 million, which is below impairments seen in the previous quarter, but above the level seen in Q1 2013.

Impairment charges

(in EUR million (lhs), in bps (rhs))



Q1 2013 included some releases of previously taken impairments. The underlying cost of risk (annualised impairment charges over average RWA) amounted to 124 bps, down from 143 bps over the full year 2013.

Mortgage impairment charges over the total mortgage book were 28 bps (annualised) for the first quarter of 2014, up from 21 bps in the same quarter last year. The increase was due to somewhat higher credit losses and additional provisions taken for mortgages which have been impaired for a longer period.

Domestically focused SMEs and larger corporates in, for instance, the retail and construction industries are still feeling the impact of lower consumer spending levels and impairments in these sectors remained high.

Income tax expenses amounted to EUR 101 million.

Assets under Management in Private Banking grew by EUR 2.3 billion compared with year-end 2013 owing to market performance.

Balance sheet

Condensed statement of financial position

(in millions)	31 Mar 14	31 Dec 13
Cash and balances at central banks	5,492	9,523
Financial assets held for trading	27,656	23,867
Financial investments	31,793	28,111
Loans and receivables - banks	37,207	31,210
Of which securities financing activities	*14,622*	*7,267*
Loans and receivables - customers	276,070	268,147
Of which securities financing activities	*19,833*	*11,119*
Other	12,081	11,164
Total assets	**390,299**	**372,022**
Financial liabilities held for trading	15,753	14,248
Due to banks	16,608	15,833
Of which securities financing activities	*5,979*	*4,207*
Due to customers	229,621	215,643
Of which securities financing activities	*20,589*	*8,059*
Issued debt	89,364	88,682
Subordinated liabilities	7,970	7,917
Other	17,050	16,131
Total liabilities	**376,365**	**358,454**
Equity attributable to the owners of the parent company	13,921	13,555
Equity attributable to non-controlling interests	13	13
Total equity	**13,933**	**13,568**
Total liabilities and equity	**390,299**	**372,022**

Main developments in total assets

Total assets increased to EUR 390.3 billion at 31 March 2014, mainly due to a seasonal increase in securities financing positions. This was partly offset by lower cash positions and deposits with the central bank.

Financial assets held for trading increased by EUR 3.8 billion mainly as a result of increased government bond positions for primary dealerships.

Financial investments increased by EUR 3.7 billion as a result of purchases for the liquidity buffer.

Loans and receivables – banks increased by EUR 6.0 billion mainly as a result of increased client flow for securities financing. This was partly offset by lower interest-bearing deposits.

Loans and receivables – customers increased by EUR 7.9 billion due to an increase within securities financing positions of EUR 8.7 billion. In addition, ECT loans showed growth, the mortgage book remained stable and commercial loans at Commercial Banking declined somewhat, as did client-financing positions within Clearing.

Loans and receivables – customers

(in millions)	31 Mar 14	31 Dec 13
Retail Banking	157,706	157,755
Private Banking	16,891	16,926
Commercial Banking	39,588	40,153
Merchant Banking	58,118	49,407
Group Functions	3,766	3,905
Loans and receivables - customers	**276,070**	**268,147**
Residential mortgages	153,645	153,439
Commercial loans (incl. other commercial loans)	85,994	87,192
Consumer loans	15,484	15,629
Government and official institutions	1,115	768
Securities financing activities	19,833	11,119
Loans and receivables - customers	**276,070**	**268,147**

Main developments in total liabilities

Total liabilities increased by EUR 17.9 billion, mainly due to growth in securities financing volumes and, to a lesser extent, to growth in customer deposits.

Due to customers increased by EUR 14.0 billion mainly due to securities financing. Customer deposits grew by EUR 1.5 billion, which was largely due to further growth in MoneYou Germany and Private Banking Netherlands. Within Commercial Banking, deposits declined as municipalities are now required to hold their cash with a public sector bank. The increase within Merchant Banking may be attributed to Clearing.

Due to customers

(in millions)	31 Mar 14	31 Dec 13
Retail Banking	88,269	87,515
Private Banking	60,208	59,751
Commercial Banking	36,781	37,871
Merchant Banking	41,517	27,456
Group Functions	2,847	3,050
Total Due to customers	**229,621**	**215,643**
Total deposits	208,717	207,237
- Of which: Demand deposits	*80,160*	*79,215*
- Of which: Saving deposits	*87,726*	*87,448*
- Of which: Time deposits	*20,161*	*19,638*
- Of which: Other deposits	*20,670*	*20,936*
Securities financing activities	20,589	8,406
Other borrowings	316	-
Total Due to customers	**229,621**	**215,643**

Issued debt increased slightly to EUR 89.4 billion. In total EUR 5.4 billion of new funding was raised whereas EUR 6.4 billion of debt matured. Total outstanding Commercial Paper and Certificates of Deposit ended EUR 0.6 billion higher at 31 March 2014.

Subordinated liabilities remained virtually unchanged at EUR 8.0 billion.

Total equity increased by EUR 0.4 billion to EUR 13.9 billion. The increase was mainly due to the profit for the period.

Events after the reporting date

On 2 April 2014, ABN AMRO announced that it had reached a negotiated result with the trade unions and the ABN AMRO Pension Fund on a new pension scheme for its employees in the Netherlands as part of the new collective labour agreement (CLA). The new pension scheme will be a Collective Defined Contribution (CDC) Plan. This scheme will cover all existing and future pension obligations of ABN AMRO. With this negotiated result, ABN AMRO removes the volatility in its balance sheet and capital position introduced by the revised pension accounting standard IAS 19.

As announced on 2 April 2014, settlement will result in a release of the related net pension asset/liability. Furthermore, the regulatory capital filter under the Basel III phased-in approach for the effects stemming from the revised pension accounting standard IAS 19 will be removed. The sum of the compensation payment, a lump sum for a catch-up indexation initiated by the pension fund, the release of the liability, and the effect of the removal of the regulatory capital filter, is expected to have a negative impact on the phased-in Basel III Common Equity Tier 1 (CET1) ratio of approximately 160bps. The impact on the fully loaded Basel III CET1 ratio is expected to be limited.

On 28 April 2014, the CLA including the agreement on the new pension scheme was formally approved by the trade unions and their respective members. Settlement of the agreement is now pending final approval of the pension administration agreement by the Board of the ABN AMRO Pension Fund after advice of its Council of Participants.

results by segment

Retail Banking

Operating results

(in millions)	1Q14	1Q13	%	4Q13	%
Net interest income	765	709	8%	762	0%
Net fee and commission income	114	112	2%	118	-3%
Other non-interest income	7	11	-35%	2	
Operating income	**886**	**832**	**7%**	**882**	**1%**
Personnel expenses	120	125	-4%	125	-4%
Other expenses	330	300	10%	372	-11%
Operating expenses	**450**	**425**	**6%**	**497**	**-9%**
Operating result	**436**	**407**	**7%**	**385**	**13%**
Impairment charges on loans and receivables	150	133	13%	152	-2%
Operating profit before taxes	**287**	**274**	**5%**	**233**	**23%**
Income tax expenses	71	67	7%	70	2%
Underlying profit for the period	**215**	**207**	**4%**	**163**	**32%**
Special items & divestments	-	-		-	
Reported profit for the period	**215**	**207**	**4%**	**163**	**32%**

Retail Banking net profit in the first quarter of 2014 increased by 4% compared with the first quarter in 2013. Improved margins and higher volumes on savings as well as higher margins on mortgages were partly offset by increased impairments on mortgages and higher expenses.

Net interest income increased by 8% compared with Q1 2013 mainly due to an improvement in deposit margins and, to a lesser extent, to an increase in deposit volumes. The margin on mortgages increased as margins on new mortgages (also for interest resets) are above the average margin of the existing portfolio.

Net fees and commission income showed only marginal changes and amounted to EUR 114 million.

Personnel expenses declined by 4% compared with Q1 2013 partly due to fewer FTEs following a further reduction in the number of branches in the Netherlands.

Other expenses rose by EUR 30 million compared with Q1 2013 due a higher allocation of overhead costs and a legal provision.

Operating result increased by 7% and the cost/income remained stable at 51%, both compared with Q1 2013.

Impairment charges on loans and other receivables increased by EUR 17 million. In Q1 2014 loan impairments on mortgages were somewhat higher. However, part of this increase was due to additional provisions taken for mortgages which have been impaired for a longer period.

Loans and receivables – customers remained stable. Consumer loans were slightly lower compared with year-end 2013 levels and the mortgage book was almost unchanged.

Due to customers increased by EUR 0.8 billion, mainly due to an increase in deposits in our online bank label in Germany.

Other indicators

	1Q14	1Q13	4Q13
Cost/income ratio (in %)	51%	51%	56%
Cost of risk (in bps)[1]	182	176	190

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.

	31 Mar 14	31 Dec 13
Loan-to-Deposit ratio (in %)	173%	174%
Loans and receivables customers (in billions)	157.7	157.8
Due to customers (in billions)	88.3	87.5
Risk-weighted assets (in billions)	32.8	32.6
FTEs	6,273	6,227

Private Banking

Operating results

(in millions)	1Q14	1Q13	%	4Q13	%
Net interest income	159	135	17%	153	4%
Net fee and commission income	135	133	2%	139	-3%
Other non-interest income	13	11	16%	13	-2%
Operating income	**307**	**279**	**10%**	**305**	**1%**
Personnel expenses	112	111	1%	109	2%
Other expenses	118	100	18%	123	-4%
Operating expenses	**230**	**211**	**9%**	**232**	**-1%**
Operating result	**77**	**68**	**13%**	**73**	**6%**
Impairment charges on loans and receivables	9	16	-41%	53	-82%
Operating profit before taxes	**68**	**52**	**30%**	**20**	
Income tax expenses	12	17	-32%	9	29%
Underlying profit for the period	**56**	**35**	**60%**	**11**	
Special items & divestments	-	-		-	
Reported profit for the period	**56**	**35**	**60%**	**11**	

Private Banking posted a net profit in Q1 2014 of EUR 56 million, due to an improved operating result and low impairments.

Net interest income amounted to EUR 159 million, an increase of 18% compared with Q1 2013. This was mainly due to improved margins and higher volumes on savings in the Netherlands.

Net fees and commission income remained virtually unchanged at EUR 135 million. Due to the switch to an all-in fee model in the Netherlands, management fees increased while transaction fees declined.

Personnel expenses showed only a marginal increase and amounted to EUR 112 million.

Other expenses increased by EUR 18 million compared with Q1 2013 due to a higher allocation of overhead expenses as well as additional costs related to a recent acquisition in Germany.

Operating result amounted to EUR 77 million. The cost/income ratio for Private Banking stood at 75%.

Impairment charges on loans and other receivables amounted to EUR 9 million.

Loans and receivables – customers remained unchanged. The Netherlands saw a limited decline due to lower volumes in mortgages and other customer loans.

Due to customers increased by EUR 0.4 billion due to higher deposits in the Netherlands.

Assets under Management rose to EUR 170.6 billion mainly due to better market performance, which led to a EUR 2.3 billion increase in AuM.

Assets under Management

(in billions)	1Q14	4Q13
Opening balance AuM	168.3	166.9
Net new assets (excl. sales/acquisitions)	-0.1	-1.6
Market performance	2.3	2.8
Divestments/acquisitions	0.1	-0.1
Other (incl. sales/acquisitions)	-	0.3
Closing balance AuM	**170.6**	**168.3**
Of which:		
Cash	60.9	60.7
Securities	109.7	107.6
Of which:		
The Netherlands (in %)	48%	48%
The rest of Europe (in %)	44%	43%
The rest of the world (in %)	8%	8%

Other indicators

	1Q14	1Q13	4Q13
Cost/income ratio (in %)	75%	76%	76%
Cost of risk (in bps)[1]	39	62	220

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.

	31 Mar 14	31 Dec 13
Loan-to-Deposit ratio (in %)	28%	28%
Loans and receivables customers (in billions)	16.9	16.9
Due to customers (in billions)	60.2	59.8
Risk-weighted assets (in billions)	9.5	9.4
FTEs	3,492	3,523

Commercial Banking

Operating results

(in millions)	1Q14	1Q13	%	4Q13	%
Net interest income	350	337	4%	360	-3%
Net fee and commission income	68	67	2%	70	-2%
Other non-interest income	7	5	50%	6	25%
Operating income	**426**	**409**	**4%**	**436**	**-2%**
Personnel expenses	69	78	-12%	69	0%
Other expenses	143	149	-4%	163	-12%
Operating expenses	**212**	**227**	**-7%**	**232**	**-9%**
Operating result	**214**	**182**	**18%**	**204**	**5%**
Impairment charges on loans and receivables	173	117	48%	245	-29%
Operating profit before taxes	**41**	**65**	**-37%**	**-41**	
Income tax expenses	9	17	-45%	-7	
Underlying profit for the period	**31**	**48**	**-35%**	**-34**	
Special items & divestments	-	-		-	
Reported profit for the period	**31**	**48**	**-35%**	**-34**	

Commercial Banking posted a net profit of EUR 31 million in the first quarter of 2014.

Net interest income improved by 4% compared with Q1 2013 mainly due to higher margins on deposits as well as higher deposit volumes year-on-year. Whereas margins on commercial loans improved, this was offset by lower volumes.

Net fees and commission income remained virtually unchanged at EUR 68 million.

Personnel expenses amounted to EUR 69 million, continuing the downward trend driven by a lower number of FTEs. Business Banking started rolling out a sector approach in 2013. In order to concentrate the resources and benefit from economies of scale, clients are now served from larger but fewer branches.

Other expenses declined by 4% compared with Q1 2013 due to measures aimed at driving down overhead costs.

Operating result amounted to EUR 214 million and the cost/income ratio is continuing its downward trend, with the exception of the fourth quarter, which includes the bank tax. It now stands at 50%.

Impairment charges on loans and other receivables remained high, amounting to EUR 173 million. Although the economy is showing the first positive signs, many SMEs are still facing difficulties and loan impairments are expected to remain high for some time.

Loans and receivables – customers declined by EUR 0.6 billion, mainly within Business Banking.

Due to customers decreased by EUR 1.1 billion, partly due to a new requirement obliging municipalities to hold their cash with a public sector bank.

Other indicators

	1Q14	1Q13	4Q13
Cost/income ratio (in %)	50%	56%	53%
Cost of risk (in bps)[1]	286	161	379

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.

	31 Mar 14	31 Dec 13
Loan-to-Deposit ratio (in %)	108%	106%
Loans and receivables customers (in billions)	39.6	40.2
Due to customers (in billions)	36.8	37.9
Risk-weighted assets (in billions)	23.7	24.7
FTEs	2,964	3,048

Merchant Banking

Operating results

(in millions)	1Q14	1Q13	%	4Q13	%
Net interest income	177	156	13%	174	2%
Net fee and commission income	99	99	0%	88	12%
Other non-interest income	50	64	-22%	38	31%
Operating income	**326**	**319**	**2%**	**300**	**9%**
Personnel expenses	82	78	5%	80	2%
Other expenses	157	143	10%	179	-12%
Operating expenses	**239**	**221**	**8%**	**259**	**-8%**
Operating result	**87**	**98**	**-11%**	**41**	**112%**
Impairment charges on loans and receivables	39	-5		105	-63%
Operating profit before taxes	**48**	**103**	**-53%**	**-64**	
Income tax expenses	-1	24		-2	38%
Underlying profit for the period	**49**	**79**	**-38%**	**-62**	
Special items & divestments	-	-70	-100%	-	
Reported profit for the period	**49**	**9**		**-62**	

Merchant Banking posted a net profit in the first quarter of EUR 49 million, a decline of EUR 30 million compared with Q1 2013. This was due to higher expenses and loan impairments.

Net interest income increased by 13% compared with Q1 2013, mainly due to volume growth within ECT and higher margins on commercial loans.

Net fees and commission income remained flat compared with Q1 2013.

Other non-interest income amounted to EUR 50 million, a decline of EUR 13 million compared with Q1 2013 mainly as a result of lower trading income in Markets, partly offset by an exit gain within private equity.

Personnel expenses amounted to EUR 82 million, up 4% from Q1 2013. This was due in part to a 2% increase in FTEs, mainly due to growth in ECT.

Other expenses amounted to EUR 157 million, an increase of 10% compared with Q1 2013 due to higher costs for foreign offices and a higher allocation of overhead costs.

Operating result amounted to EUR 87 million and the **cost/income ratio** stood at 73%.

Impairment charges on loans and other receivables amounted to EUR 39 million. The first quarter of 2013 was positively impacted by a release.

Loans and receivables – customers increased by EUR 8.7 billion due to an increase of EUR 8.9 billion at securities financing, as well as increased commercial loans at ECT offset by lower volumes at Clearing.

Due to customers increased by EUR 14.0 billion, of which EUR 12.5 billion is due to securities financing. The remainder of the increase may be attributed mainly to higher deposits with Clearing.

Other indicators

	1Q14	1Q13	4Q13
Cost/income ratio (in %)	73%	69%	86%
Cost of risk (in bps)[1]	41	-4	116

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.

	31 Mar 14	31 Dec 13
Loan-to-Deposit ratio (in %)	161%	184%
Financial assets held for trading (in billions)	27.6	23.6
Loans and receivables customers (in billions)	58.1	49.4
Financial liabilities held for trading (in billions)	15.7	14.1
Due to customers (in billions)	41.5	27.5
Risk-weighted assets (in billions)	36.4	34.7
FTEs	2,215	2,204

Group Functions

Operating results

(in millions)	1Q14	1Q13	%	4Q13	%
Net interest income	-18	-32	44%	-60	70%
Net fee and commission income	4	1		-2	
Other non-interest income	52	-29		-12	
Operating income	**38**	**-60**		**-74**	
Personnel expenses	182	190	-4%	181	1%
Other expenses	-170	-141	-21%	-85	-100%
Operating expenses	**12**	**49**	**-75%**	**96**	**-87%**
Operating result	**26**	**-109**		**-170**	
Impairment charges on loans and receivables	-10	-2		-	
Operating profit before taxes	**36**	**-107**		**-170**	
Income tax expenses	10	-28		-45	
Underlying profit for the period	**26**	**-79**		**-125**	
Special items & divestments	-67	195		-	
Reported profit for the period	**-41**	**116**		**-125**	**68%**

The result of Group Functions in the first quarter of 2014 was EUR 26 million, an improvement of EUR 105 million compared with Q1 2013. As from 2014 the costs of the liquidity buffer and a higher proportion of overhead expenses are charged out to the businesses.

Net interest income increased by EUR 14 million compared with the same period last year. As from Q1 2014, liquidity buffer costs are allocated to the business segments. The mismatch result improved, and costs for external funding decreased due to lower funding levels and high spreads on matured funding.

Other non-interest income amounted to EUR 52 million. The negative result in Q1 2013 was related to CVA/DVA charges.

Personnel expenses showed a decline of 4% compared with Q1 2013.

Other expenses decreased by EUR 29 million compared with Q1 2013 due to a higher proportion of overhead expenses allocated to the business segments starting from Q1 2014.

Impairment charges on loans and other receivables amounted to EUR 10 million negative due to a number of releases.

Other indicators

	31 Mar 14	31 Dec 13
Loans and receivables - customers (in billions)	3.8	3.9
Due to customers (in billions)	2.8	3.0
Risk-weighted assets (in billions)	10.9	7.6
FTEs	7,311	7,287

Focus activities

Energy Commodities Transportation

ECT is part of Merchant Banking. ECT clients are international mid-sized to large corporates globally active in energy (oil and gas industry and offshore services), commodities (trading companies active in energy, agricultural and metals commodities) and transportation (shipping and intermodal). The ECT loan book is predominantly USD-denominated and fully collateralised. ECT employs approximately 400 FTEs.

Underlying operating income over Q1 2014 amounted to EUR 111 million, up from EUR 94 million in Q1 2013. On-balance sheet loans amounted to EUR 17 billion, up EUR 3.4 billion compared with Q1 2013. Off-balance sheet loans amounted to 10.9 billion.

ABN AMRO Clearing

ABN AMRO Clearing is part of Markets in Merchant Banking. ABN AMRO Clearing offers an integrated package of direct market access, clearing and custody services covering futures, options, equities, commodities, energy and fixed income on more than 85 exchanges in 12 international locations. It interacts closely with, for example, ECT for the hedging and clearing of physical commodity assets. Clearing employs approximately 800 FTEs.

Operating income amounted to EUR 71 million, a decline of EUR 9 million compared with Q1 2013. Customer loans (excluding securities financing) amounted to EUR 10 billion in Q1 2014.

Asset-Based Lending

ABN AMRO Lease (AAL) and ABN AMRO Commercial Finance (ACF, factoring services) are part of Commercial Banking. AAL and ACF provide asset-based solutions. AAL's and ACF's approach allows clients to leverage their assets (AAL), debtors and stocks (ACF) to provide additional liquidity, for example to finance growth ambitions. These activities are offered exclusively in a number of Western European countries. Asset-Based Finance employs approximately 700 FTEs.

Operating income amounted to EUR 50 million in Q1 2014, an increase of 10% compared with Q1 2013. Loans and receivables amounted to EUR 5.1 billion.

International results

ABN AMRO aims to selectively grow its international activities and their contribution to operating income. To this end, it seeks to leverage strong capabilities in selective international markets with a higher growth outlook. The ambition is to increase international revenues to 20-25% of total revenue in 2017.

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

The operating income from international activities increased by 7% compared with Q1 2013. The proportion of international operating income now stands at 17%, down from 18% in Q1 2013. This decrease is mainly due to higher results in the Netherlands from improved deposit margins as well as higher results in Group Functions.

risk management

ABN AMRO is a full-service bank in the Netherlands and with a limited international focus on selective markets and client segments. ABN AMRO will continue to strengthen its moderate risk profile. This is one of the most important pillars of the bank's long-term strategy. The moderate risk profile entails maintaining a strong and healthy balance sheet, aiming for strong capital and liquidity ratios and sound governance.

Key developments

Over a broad range, confidence indicators are moving in a positive direction and underlying data increasingly show that the Dutch economy is heading towards recovery. However, consumer demand is still weak and unemployment rates continue to rise.

These positive economic signs are not yet visible in the commercial loan portfolio as both inflow into Financial Restructuring & Recovery and impairments remained high during the first quarter of 2014.

The Loans and receivables portfolio for banks and customers increased to EUR 313.3 billion from EUR 299.4 billion as a result of increased client flow for securities financing transactions. These transactions have a volatile but low risk character. Excluding these transactions, the portfolio for banks and customers remained fairly stable.

Risk Weighted Assets (RWA) increased by EUR 4.3 billion from EUR 109.0 billion according to Basel II calculations in 2013 to EUR 113.3 billion at 31 March 2014 according to Basel III calculations. The Basel III transition effect from Basel II per December 2013 was EUR 6.4 billion. Excluding the RWA transition effect, RWA decreased by EUR 2.2 billion. The movements per risk type are described in the RWA flow statements.

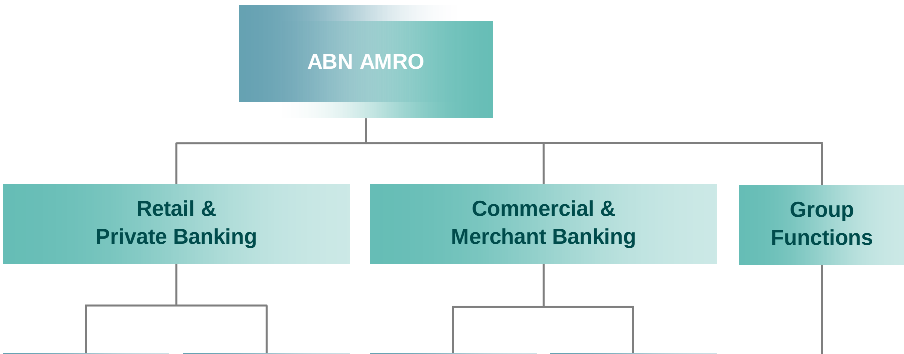
Key figures

(in millions)	31 Mar 14	31 Dec 13
Total assets	390,299	372,022
- Of which: Loans and receivables - banks	*37,207*	*31,210*
- Of which: Loans and receivables - customers	*276,070*	*268,147*
On-balance sheet maximum exposure to credit risk	376,371	358,480
Total Exposure at Default[1]	353,360	349,235
Risk-weighted assets[1]	113,270	109,012
- Of which: Credit risk	*90,939*	*86,201*
- Of which: Market risk	*6,163*	*6,396*
- Of which: Operational risk	*16,168*	*16,415*
Average risk-weighted assets[1]	116,211	116,811
Cost of risk (in bps)[1, 2]	124	84
Total risk-weighted assets/total Exposure at Default[1]	32.1%	31.2%

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework. Under Basel III 2013 pro-forma figures are: EAD (353,856); total RWA (115,442); credit RWA (91,134). No RWA impact from CRR/CRD IV on market and operational risk.
[2] Cost of risk: annualised impairment charges on loans and receivables for the period divided by total average RWA.

The cost of risk increased from 84 bps at 31 December 2013 to 124 bps at 31 March 2014. The cost of risk at 31 December 2013 (excluding special items) was 143 bps compared to which the cost of risk decreased. The cost of risk at 31 March 2013 was 86 bps, compared to which the cost of risk decreased slightly.

Key figures per business line



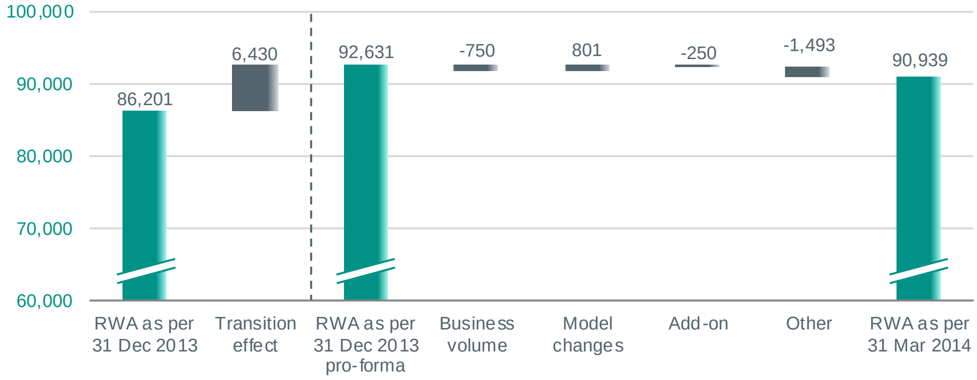
	Retail Banking	Private Banking	Commercial Banking	Merchant Banking	Group Functions
31 Mar 14					
Total assets	158,927	22,367	41,062	112,204	55,739
On-balance sheet maximum exposure to credit risk	158,517	19,325	40,693	104,211	53,625
Total Exposure at Default[1]	174,496	22,203	47,219	59,211	50,231
Risk-weighted assets[1]	32,782	9,566	23,871	36,139	10,912
- Of which: Credit risk	*27,590*	*7,916*	*21,542*	*28,195*	*5,696*
- Of which: Market risk	-	-	-	*6,163*	-
- Of which: Operational risk	*5,192*	*1,650*	*2,329*	*1,781*	*5,216*
Average risk-weighted assets[1]	32,943	9,764	24,277	38,338	10,889
Cost of risk[1, 2]	182	39	286	41	-
Total risk-weighted assets/total Exposure at Default[1]	18.8%	42.7%	50.2%	61.5%	21.8%
31 Dec 13					
Total assets	159,427	22,083	41,640	91,377	57,495
On-balance sheet maximum exposure to credit risk	158,936	19,164	41,245	83,788	55,347
Total Exposure at Default[1]	174,280	22,286	47,746	52,037	52,886
Risk-weighted assets[1]	32,561	9,379	24,714	34,719	7,639
- Of which: Credit risk	*27,410*	*7,736*	*22,380*	*26,130*	*2,545*
- Of which: Market risk	-	-	-	*6,396*	-
- Of which: Operational risk	*5,151*	*1,643*	*2,334*	*2,193*	*5,094*
Average risk-weighted assets[1]	31,016	9,855	27,116	40,619	8,205
Cost of risk[1, 2]	193	115	294	40	-
Total risk-weighted assets/total Exposure at Default[1]	18.7%	42.1%	51.8%	66.7%	14.4%

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework. Under Basel III 2013 pro-forma figures are: EAD (Retail Banking EUR 174,257, Private Banking EUR 22,248, Commercial Banking EUR 47,718, Merchant Banking EUR 56,737, Group 52,896); credit RWA (Retail Banking EUR 27,909, Private Banking EUR 8,327, Commercial Banking EUR 21,203, Merchant Banking EUR 28,427, Group EUR 5,268). No RWA impact from CRR/CRD IV on market and operational risk.
[2] Cost of risk: annualised impairment charges on Loans and receivables for the period divided by total average RWA.

Credit risk

RWA flow statement credit risk

(in millions)



Credit risk mitigation

Collateral & guarantees received as security of total financial assets and commitments

(in millions)									31 Mar 14
		Collateral received							
	Carrying amount	Master netting agreement[3]	Financial instru-ments	Property & equipment	Other collateral and guaran-tees	Total risk mitigation	Surplus collateral	Net exposure
Loans and receivables - banks	**37,207**	**7,842**	**14,973**	**-**	**-**	**22,815**	**1,839**	**16,230**
Loans and receivables - customers	**276,070**	**2,011**	**39,057**	**242,709**	**14,887**	**298,664**	**79,088**	**56,494**
Total consumer loans	***169,128***	***-***	***3,164***	***211,214***	***5,550***	***219,929***	***71,505***	***20,704***
Residential mortgages[1]	*153,645*	*-*	*196*	*205,308*	*5,463*	*210,966*	*70,940*	*13,619*
Other consumer loans	*15,484*	*-*	*2,969*	*5,906*	*88*	*8,963*	*565*	*7,086*
Total commercial loans	***105,826***	***1,300***	***35,870***	***31,495***	***9,182***	***77,847***	***7,583***	***35,562***
Commercial loans[1]	*77,921*	*201*	*12,252*	*29,023*	*9,182*	*50,659*	*4,011*	*31,273*
Other commercial loans[2]	*27,905*	*1,098*	*23,618*	*2,472*	*-*	*27,189*	*3,572*	*4,289*
Government and official institutions	***1,115***	***711***	***23***	***-***	***154***	***888***	***-***	***227***
Total Loans and receivables	**313,276**	**9,853**	**54,031**	**242,709**	**14,887**	**321,479**	**80,927**	**72,724**
Total on- and off-balance sheet financial assets	442,073	19,851	55,863	244,079	17,188	336,981	81,205	186,296

[1] Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
[2] Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.
[3] Master netting agreement includes legal right to nett and cash collateral.

Collateral & guarantees received as security of total financial assets and commitments

(in millions)								31 Dec 13
		Collateral received						
	Carrying amount	Master netting agreement[3]	Financial instru-ments	Property & equipment	Other collateral and guaran-tees	Total risk mitigation	Surplus collateral	Net exposure
Loans and receivables - banks	**31,210**	**7,198**	**8,383**	**-**	**-**	**15,581**	**1,778**	**17,407**
Loans and receivables - customers	**268,147**	**635**	**32,836**	**245,642**	**14,732**	**293,845**	**81,839**	**56,141**
Total consumer loans	***169,067***	***-***	***2,101***	***214,007***	***5,487***	***221,595***	***73,413***	***20,885***
Residential mortgages[1]	*153,439*	*-*	*212*	*208,018*	*5,410*	*213,640*	*73,178*	*12,977*
Other consumer loans	*15,628*	*-*	*1,889*	*5,989*	*77*	*7,955*	*235*	*7,908*
Total commercial loans	***98,312***	***275***	***30,712***	***31,635***	***9,086***	***71,708***	***8,426***	***35,030***
Commercial loans[1]	*80,659*	*274*	*14,872*	*28,921*	*9,086*	*53,153*	*4,464*	*31,970*
Other commercial loans[2]	*17,653*	*1*	*15,840*	*2,714*	*-*	*18,555*	*3,962*	*3,060*
Government and official institutions	***768***	***360***	***23***	***-***	***159***	***542***	***-***	***226***
Total Loans and receivables	**299,357**	**7,833**	**41,219**	**245,642**		**309,426**	**83,617**	**73,548**
Total on- and off-balance sheet financial assets	422,882	16,862	41,468	247,540	16,938	322,808	83,923	183,997

[1] Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
[2] Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.
[3] Master netting agreement includes legal right to nett and cash collateral.

The total carrying amount of Loans and receivables increased by EUR 13.9 billion to EUR 313.3 billion at 31 March 2014 compared with year-end 2013. The risk mitigation for Loans and receivables increased by EUR 12.1 billion compared with year-end 2013.

This increase was mainly caused by securities financing transactions due to increased client flows and new IFRS netting rules.

Net exposure slightly improved by EUR 0.8 billion to EUR 72.7 billion at 31 March 2014 compared with year-end 2013. This improvement was driven by lower net exposures in favour of loans to banks of EUR 1.2 billion, of which EUR 1.9 billion was due to lower exposures in interest- bearing deposits. The improvement is offset by higher net exposures for securities financing transactions.

Management of past due loans and impaired loans

Past due

Financial assets past due but not impaired

(in millions) 31 Mar 14

			Days past due					
	Gross carrying amount	Carrying amount (not classified as impaired)	≤ 30	> 30 & ≤ 60	> 60 & ≤ 90	> 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**37,231**	**37,208**	**-**	**-**	**-**	**-**	**-**	**0.0%**
Loans and receivables - customers	**281,207**	**273,517**	**5,314**	**1,125**	**454**	**1,043**	**7,936**	**2.8%**
Total consumer loans	***170,396***	***167,802***	***3,924***	***751***	***244***	***216***	***5,136***	***3.0%***
Residential mortgages[1]	*154,291*	*152,564*	*3,518*	*562*	*132*	*-*	*4,212*	*2.7%*
Other consumer loans[2]	*16,105*	*15,238*	*406*	*189*	*112*	*216*	*924*	*5.7%*
Total commercial loans	***109,695***	***104,600***	***1,390***	***374***	***210***	***827***	***2,800***	***2.6%***
Commercial loans[1]	*81,683*	*76,705*	*1,375*	*365*	*207*	*814*	*2,761*	*3.4%*
Other commercial loans[3]	*28,012*	*27,895*	*15*	*9*	*3*	*12*	*39*	*0.1%*
Government and official institutions	***1,115***	***1,115***	***-***	***-***	***-***	***-***	***-***	***0.0%***
Total Loans and receivables	**318,438**	**310,725**	**5,314**	**1,125**	**454**	**1,043**	**7,936**	**2.5%**
Total on-balance sheet financial assets	323,835	316,107	5,415	1,136	456	1,049	8,056	2.5%

31 Dec 13

			Days past due					
	Gross carrying amount	Carrying amount (not classified as impaired)	≤ 30	> 30 & ≤ 60	> 60 & ≤ 90	> 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**31,234**	**31,211**	**-**	**-**	**-**	**-**	**-**	**0.0%**
Loans and receivables - customers	**273,122**	**265,321**	**5,362**	**855**	**364**	**798**	**7,379**	**2.7%**
Total consumer loans	***170,265***	***167,639***	***3,905***	***634***	***223***	***231***	***4,993***	***2.9%***
Residential mortgages[1]	*154,024*	*152,285*	*3,444*	*519*	*145*	*-*	*4,108*	*2.7%*
Other consumer loans[2]	*16,241*	*15,354*	*461*	*115*	*78*	*231*	*885*	*5.4%*
Total commercial loans	***102,089***	***96,914***	***1,457***	***221***	***141***	***567***	***2,386***	***2.3%***
Commercial loans[1]	*84,330*	*79,292*	*1,426*	*219*	*140*	*565*	*2,350*	*2.8%*
Other commercial loans[3]	*17,759*	*17,622*	*31*	*2*	*1*	*2*	*36*	*0.2%*
Government and official institutions	***768***	***768***	***-***	***-***	***-***	***-***	***-***	***0.0%***
Total Loans and receivables	**304,356**	**296,532**	**5,362**	**855**	**364**	**798**	**7,379**	**2.4%**
Total on-balance sheet financial assets	308,967	301,130	5,410	880	371	807	7,468	2.4%

[1] Gross carrying amount includes fair value adjustments from hedge accounting.
[2] Consumer loans in the programme lending portfolio that are more than 90 days past due are immediately impaired.
[3] Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.

The total past due exposure remained fairly stable at 2.5% (year-end 2013: 2.4%). Although the Dutch economy is showing signs of improvement, this did not directly result in fewer days past due exposure.

Whereas the past due exposure on commercial loans increased slightly by 0.6%, the total past due exposure on consumer loans remained stable at 3.0% (year-end 2013: 2.9%).

Impaired loans

Loan impairment charges and allowances

(in millions)					1Q14
	Banks	Commercial loans	Consumer loans - mortgages	Other consumer loans	Total
Balance as at start of period	**24**	**3,778**	**585**	**613**	**4,999**
Impairment charges for the period	-	283	148	76	507
Reversal of impairment allowances no longer required	-	-73	-41	-20	-134
Recoveries of amounts previsouly written off	-	-2	-1	-10	-13
Total impairment charges on loans and other receivables	**-**	**208**	**106**	**46**	**359**
Amount recorded in interest income from unwinding of discounting	-	-11	-5	-3	-18
Currency translation differences	1	-	-	-	1
Amounts written off (net)	-	-119	-49	-36	-204
Reserve for unearned interest accrued in impaired loans	-	16	10	2	28
Other adjustments	-	-3	-	-1	-5
Balance as at 31 March 2014	**24**	**3,869**	**646**	**621**	**5,162**

(in millions)					1Q13
	Banks	Commercial loans	Consumer loans - mortgages	Other consumer loans	Total
Balance as at start of period	**28**	**4,697**	**369**	**446**	**5,540**
Impairment charges for the period	-	257	93	89	439
Reversal of impairment allowances no longer required	-2	-443	-10	-9	-464
Recoveries of amounts previsouly written off	-	-2	-1	-11	-14
Total impairment charges on loans and other receivables	**-2**	**-188**	**82**	**69**	**-39**
Amount recorded in interest income from unwinding of discounting	-	-7	-1	-2	-10
Currency translation differences	-	30	-	1	31
Amounts written off (net)	-	-356	-48	-35	-439
Reserve for unearned interest accrued in impaired loans	-	13	-	1	14
Other adjustments	-	-	2	2	4
Balance as at 31 March 2013	**26**	**4,189**	**404**	**482**	**5,101**

The impairment charges in Q1 2014 increased by EUR 398 million, to EUR 359 million compared with 31 March 2013. Excluding the EUR 297 million reversal of the Greek file, the increase in underlying impairment charges amounted to EUR 101 million. This was mainly due to higher impairments for commercial loans. Within Consumer loans impairment charges remained fairly stable.

Impairment charges for mortgages increased by EUR 24 million due to somewhat higher credit losses and additional provisions taken for mortgages which have been impaired for a longer period in Q1 2014. Impairment charges for Other consumer loans decreased by EUR 23 million mainly as a result of additional charges that were taken in Q1 2013.

Coverage and impaired ratio

(in millions)	31 Mar 14					31 Dec 13				
	Gross carrying amount	Impaired exposures	Allowances for identified credit risk	Coverage ratio	Impaired ratio	Gross carrying amount	Impaired exposures	Allowances for identified credit risk	Coverage ratio	Impaired ratio
Loans and receivables - banks	**37,231**	**23**	**-23**	**100.0%**	**0.1%**	**31,234**	**23**	**-23**	**100.0%**	**0.1%**
Total Loans and receivables - customers	**281,207**	**7,690**	**-4,361**	**56.7%**	**2.7%**	**273,122**	**7,801**	**-4,307**	**55.2%**	**2.9%**
Total consumer loans	**170,396**	**2,594**	**-1,021**	**39.4%**	**1.5%**	**170,265**	**2,626**	**-984**	**37.5%**	**1.5%**
Residential mortgages[1]	154,291	1,727	-512	29.7%	1.1%	154,024	1,739	-472	27.1%	1.1%
Other consumer loans	16,105	867	-509	58.7%	5.4%	16,241	887	-512	57.7%	5.5%
Total commercial loans	**109,695**	**5,095**	**-3,340**	**65.5%**	**4.6%**	**102,089**	**5,175**	**-3,323**	**64.2%**	**5.1%**
Commercial loans[1]	81,683	4,978	-3,252	65.3%	6.1%	84,330	5,038	-3,237	64.3%	6.0%
Other commercial loans[2]	28,012	117	-87	74.4%	0.4%	17,759	137	-86	62.8%	0.8%
Government and official institutions	**1,115**	**-**	**-**			**768**	**-**	**-**		
Total Loans and receivables[3]	**318,438**	**7,713**	**-4,385**	**56.8%**	**2.4%**	**304,356**	**7,824**	**-4,330**	**55.3%**	**2.6%**
Total on- and off-balance sheet financial assets	426,292	7,736	-4,390	56.7%	1.8%	410,492	7,845	-4,335	55.3%	1.9%

[1] Gross carrying amount includes fair value adjustments from hedge accounting.
[2] Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.
[3] Amounts excluding Incurred But Not Identified (IBNI).

While the total impaired ratio (excluding IBNI charges) improved to 2.4% (31 March 2014), the total coverage ratio increased marginally from 55.3% at 31 December 2013 to 56.8% at 31 March 2014.

For Consumer loans, the impaired ratio remained fairly stable at 1.5%. The coverage ratio for the mortgage portfolio increased from 27.1% (31 December 2013) to 29.7% (31 March 2014), mainly due to slightly higher allowances for identified credit risk.

Total commercial loans showed a decrease in the impaired ratio from 5.1% at 31 December 2013 to 4.6% at 31 March 2014. This was mainly due to an increase in gross carrying amount for other commercial loans, from EUR 17.8 billion to EUR 28.0 billion primarily as a result of increased client flow for securities financing transactions, where the impaired exposure slightly decreased. The coverage ratio increased to 65.5% from 64.2% owing to a marginal decrease in impaired exposures, to EUR 5.1 billion, and a slight increase in allowances for identified credit risk.

Impaired loans by industry

(in millions)	31 Mar 14		31 Dec 13	
	Impaired exposures	Allowances for impairments for identified credit	Impaired exposures	Allowances for impairments for identified credit
Industry sector				
Banks	23	-23	23	-23
Financial services[1]	751	-678	720	-674
Industrial goods and services	1,322	-708	1,374	-721
Real Estate	748	-482	819	-520
Oil and gas	97	-104	105	-104
Food and beverage	419	-255	421	-250
Retail	515	-295	517	-292
Basic Resources	211	-122	208	-121
Healthcare	47	-25	48	-25
Construction and materials	374	-263	381	-271
Travel and leisure	275	-153	272	-139
Other[2]	349	-277	380	-274
Subtotal Industry Classification Benchmark	**5,133**	**-3,384**	**5,268**	**-3,414**
Private individuals (non-Industry Classification Benchmark)	2,585	-994	2,577	-921
Public administration (non-Industry Classification Benchmark)	18	-11	-	-
Subtotal non-Industry Classification Benchmark	**2,603**	**-1,005**	**2,577**	**-921**
Total[3]	**7,736**	**-4,390**	**7,845**	**-4,335**

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

The impaired exposure slightly decreased from EUR 7.8 billion to EUR 7.7 billion. Allowances for impairments at 31 March 2014 are in line with the first quarter of 2013. No major changes took place at individual industry level.

Developments in specific portfolios

Residential mortgages

Confidence is gradually returning to the Dutch housing market. According to Statistics Netherlands (*CBS*), both the transaction volume and numbers have been rising since mid-2013. The improved confidence is also reflected in a more positive development of house prices[1].

Since 1 January 2014 *Nationale Hypotheek Garantie* (*NHG*) allows homeowners to refinance residual debt on existing NHG loans in order to stimulate the housing market. On the other hand, mortgage lending conditions were further tightened in the first quarter of this year. One such condition was the lowering of the maximum LtMV for new mortgages from 105% to 104%.

However, a significant group of homeowners still face potential residual debt. This continues to have an impact on residential mobility.

[1] Source: NVM development housing markets at 31 March 2014.

Key residential mortgage indicators

(in millions)	31 Mar 14	31 Dec 13
Gross carrying amount (excl. fair value adjustment from hedge accounting)	150,580	150,493
-Of which: Nationale Hypotheek Garantie	*36,045*	*35,603*
Fair value adjustment from hedge accounting	3,711	3,531
Gross carrying amount	154,291	154,024
Exposure at Default[1]	159,657	160,165
Risk-weighted assets[1]	18,624	19,823
Risk-weighted assets/Exposure at Default[1]	11.7%	12.4%
Past due but not impaired	4,212	4,108
Past due ratio	2.7%	2.7%
Coverage ratio	29.7%	27.1%
Impaired ratio	1.1%	1.1%
Collateral	210,966	213,640
Collateral/Gross carrying amount	136.7%	138.7%

[1] 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework. Under Basel III 2013 pro-forma figures are: EAD (157,902); RWA (18,840).

The residential mortgage portfolio remained fairly stable compared with year-end 2013. Production for ABN AMRO amounted to EUR 2.0 billion in the first quarter of 2014, an increase of around 30% compared with the fourth quarter of 2013. This increase is a reflection of the fragile upturn in the housing market; 51% of total new mortgage production in the first quarter of 2014 was NHG-guaranteed (2013: 46%).

New production was largely offset by contractual and extra repayments as well as redemptions due to house sales and refinancing, with repayments forming the largest component.

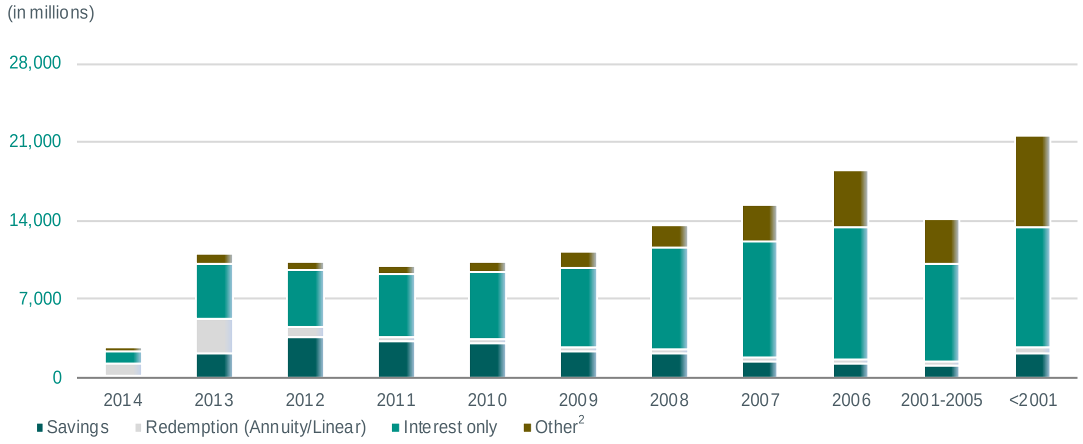
Residential mortgages to indexed market value

(in millions)	31 Mar 14		31 Dec 13	
	Gross carrying amount	%	Gross carrying amount	%
Loan-to-Market Value category[1]				
NHG	36,045	24%	35,603	24%
< 50%	20,814	14%	21,050	14%
50%- 80%	30,538	20%	30,393	20%
80%- 90%	12,128	8%	11,929	8%
90%- 100%	13,675	9%	13,496	9%
100%- 110%	13,816	9%	13,705	9%
> 110%	21,056	14%	22,296	15%
Unclassified[2]	2,508	2%	2,021	1%
Total	**150,580**	**100%**	**150,493**	**100%**

[1] ABN AMRO calculates the Loan-to-Market Value using the indexation of the CBS (Central Bureau of Statistics).
[2] The unclassified portfolio comprises smaller portfolios that are administered by external service providers.

The average LtMV of the mortgage portfolio remained stable at 84% compared with year-end 2013. The LtMV is influenced by extra repayments, slightly positive developments on residential property and new production.

Breakdown of the mortgage portfolio by year of loan production[1]



[1] Production includes the new mortgage production and all mortgages with a modification date.
[2] Other includes universal life, life investment, hybrid, other and unclassified mortgage types. The hybrid portfolio consists of a combination of savings and investment mortgages.

As from January 2013 new mortgages need to be redeemed fully (100%) during the term of the loan based on an annuity or linear scheme in order to be eligible for tax deductibility. This has led to a gradual shift from interest-only to redemption type mortgages, as shown in the chart above.

The mortgage portfolio in arrears (past due up to 90 days) showed a modest increase to EUR 4.2 billion at 31 March 2014, but remains at a high level. One of the reasons for this is that clients are still facing financial difficulties and are having paying their mortgage loans. This is mainly the result of divorce and the economic climate in the Netherlands, with unemployment rates remaining high.

The impaired mortgage portfolio remained stable at EUR 1.7 billion compared with 31 December 2013. The coverage ratio increased to 29.7% (27.1% at 31 December 2013), mainly due to slightly higher allowances for identified credit risk.

In order to prevent losses for both clients and the bank, ABN AMRO continues to closely monitor mortgage portfolio developments and takes measures that focus on the client's ability to pay. For example, the bank actively approaches clients with a high mortgage LtMV. Advice to these clients varies from budget coaching to making (higher) extra repayments on existing mortgages. Additionally, clients may still prepay the part of their mortgage in excess of the market value of their house without having to pay a penalty.

Breakdown of residential mortgage portfolio by loan type

(in millions)	31 Mar 14		31 Dec 13	
	Carrying amount	%	Carrying amount	%
Interest only (mixed)	50,545	34%	50,521	34%
Interest only (100%)	35,674	24%	36,387	24%
Redeming mortgages (annuity/lineair)	8,296	6%	7,020	5%
Savings	24,629	16%	24,674	16%
Life (investment)	21,751	14%	22,248	15%
Other[1]	9,685	6%	9,643	6%
Total	**150,580**	**100%**	**150,493**	**100%**

[1] Other includes hybrid, other and unclassified mortgage types. The hybrid portfolio consists of a combination of savings and investment mortgages. The unclassified portfolio of EUR 2,580 million as at 31 March 2014 consists of bridge loans, flexible loans and tailor made products

The mortgage portfolio breaks down into 58% interest-only mortgages, 24% of which are 100% interest-only. Another 34% of mortgages that are interest-only form part of a mixed mortgage that also includes some form of scheduled redemptions. The interest only share was stable compared with year-end 2013, both for mixed and for 100% interest only.

Pure interest-only mortgages with an LtMV above 100% also remained unchanged at 1.5 % at 31 March 2014 compared with year-end 2013.

As a result of the abovementioned changes in the fiscal regime, the amount of redeeming mortgages (annuity and linear) increased by EUR 1.3 billion to EUR 8.3 billion in the first quarter of 2014 (2013: EUR 7.0 billion).

Other consumer loans

The overall outstanding amount at 31 March 2014 was EUR 16.1 billion and remained stable compared with year-end 2013 (EUR 16.2 billion). The Other consumer loan portfolio represents 5.8% (2013: 6.1%) of the total portfolio of Loans and receivables – customers.

The current economic conditions continue to adversely affect the risk performance of Other consumer loans.

The impairment allowances for identified credit risk on the total consumer loan portfolio remained stable at EUR 0.5 billion.

The past due but not impaired part of the portfolio remained fairly stable compared with 31 December 2013. A further increase was averted by the pro-active recession management programme. This programme, executed by 100 dedicated advisors and independent agents, is designed to prevent payment problems in the near future. The programme started as a special project in 2012 and is currently being embedded in the business-as-usual processes.

Other Consumer loans indicators

(in millions)	31 Mar 14	31 Dec 13
Gross carrying amount	16,105	16,241
Past due but not impaired	924	885
Past due ratio	5.7%	5.4%
Coverage ratio	58.7%	57.7%
Impaired ratio	5.4%	5.5%
Collateral	8,963	7,720
Collateral/Gross carrying amount	55.7%	47.5%

Commercial loans

Commercial loans indicators

(in millions)	31 Mar 14	31 Dec 13
Gross carrying amount	109,695	102,089
Past due but not impaired	2,800	2,386
Past due ratio	2.6%	2.3%
Coverage ratio	65.5%	64.2%
Impaired ratio	4.6%	5.1%
Collateral	76,548	63,007
Collateral/Gross carrying amount	69.8%	61.7%

ECT

The loan portfolio of ABN AMRO's ECT clients is mainly USD-denominated and amounted to the equivalent of EUR 16.9 billion in on-balance sheet exposure (31 December 2013: EUR 16.2 billion). In line with the growth strategy, the on-balance sheet business volume grew by 17.3 % annualised in the first quarter of 2014. The off-balance sheet exposure, mainly consisting of guarantees and short-term letters of credit secured by commodities and including committed credit lines, decreased to EUR 10.9 billion (31 December 2013: EUR 12.2 billion). Uncommitted commodity trade finance facilities grew to EUR 18.1 billion (31 December 2013:16.7 billion).

The composition of the on-balance exposure over the different ECT sectors remained stable compared with year-end 2013. The commodities sector made up 57% of the ECT loan portfolio, while the remainder comprised loans to clients in the transportation (30%) and energy (13%) sectors.

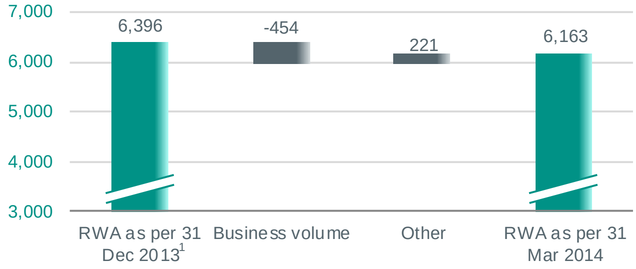
Specific loan impairment charges were negligible over the first quarter of 2014 (31 March 2013: EUR 7 million).

Market risk

Market risk in the trading book

RWA flow statement market risk

(in millions)



[1] No RWA impact from CRR/CRD IV on market risk.

Internal aggregated diversified and undiversified VaR for all trading positions

(in millions)	1Q14		4Q13	
	Diversified	Undiversified	Diversified	Undiversified
VaR at last trading day of period	1.4	2.5	1.4	2.4
Highest VaR	3.8	5.1	5.4	7.1
Lowest VaR	1.2	2.1	0.7	1.6
Average VaR	1.9	3.2	2.0	3.0

Market risk in the banking book

	1Q14	4Q13
NII-at-risk (in %)	5.7	5.4
Duration of equity	3.6	4.3
VaR banking book[1] (in millions)	864.0	956.0

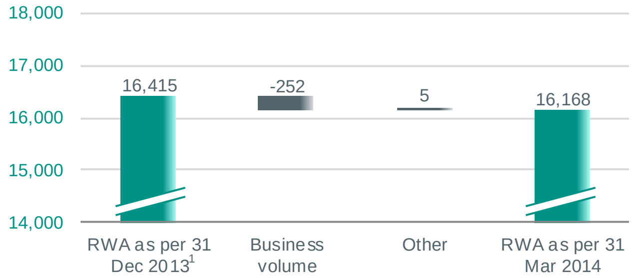
[1] ABN AMRO applies a two-months 99% VaR for the banking book, meaning that a VaR of EUR 1million implies a 1% chance of loss of more than EUR 1million within a two-month period

In line with economic developments and the outlook for interest rate developments, the duration position decreased during the first quarter. The VaR of the banking book decreased in line with the duration development. The NII-at-Risk increased slightly compared with year-end 2013. The increase in NII-at-risk indicates a slightly higher net interest income sensitivity to an upward trend in the yield curve.

Operational risk

RWA flow statement operational risk

(in millions)



[1] No RWA impact from CRR/CRD IV on operational risk.

capital management

Following the introduction of the new regulatory framework (CRD IV/CRR), ABN AMRO remains well capitalised and on track to comply with the more stringent fully-loaded Basel III requirements.

Capital structure

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

Regulatory capital structure

(in millions)

		Basel III	Basel II
	31 Mar 14	31 Dec 13 pro-forma	31 Dec 13
Total equity (IFRS)	**13,933**	**13,568**	**13,568**
Participations in financial institutions >10%	-	-	-336
Cash flow hedge reserve	1,385	1,467	1,467
Other adjustments	1,090	983	999
Common Equity Tier 1 capital/ Core Tier 1 capital	**16,408**	**16,018**	**15,698**
Innovative hybrid capital instruments	800	800	1,000
Other regulatory adjustments	-226	-317	-
Tier 1 capital	**16,982**	**16,501**	**16,698**
Subordinated liabilities Tier 2	5,612	5,607	5,610
Participations in financial institutions >10%	-	-	-336
Other regulatory adjustments	-78	-164	25
Total regulatory capital	**22,516**	**21,944**	**21,997**

Risk-weighted assets and capital ratios

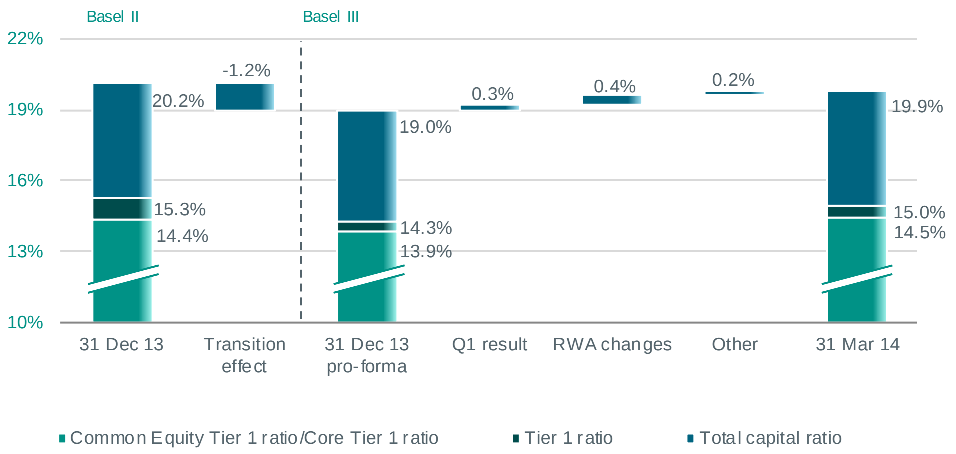
(in millions)

		Basel III	Basel II
	31 Mar 14	31 Dec 13 pro-forma	31 Dec 13
Credit risk (RWA)	90,939	92,631	86,201
Operational risk (RWA)	16,168	16,415	16,415
Market risk (RWA)	6,163	6,396	6,396
Risk-weighted assets	**113,270**	**115,442**	**109,012**
Common Equity Tier 1 ratio/Core Tier 1 ratio (in %)	14.5%	13.9%	14.4%
Tier 1 ratio (in %)	15.0%	14.3%	15.3%
Total capital ratio (in %)	19.9%	19.0%	20.2%

Main changes in capital position
At 31 March 2014 the Basel III Common Equity Tier 1 ratio was 14.5% compared with the Basel II core Tier 1 ratio of 14.4% at year-end 2013. The Basel III total capital ratio was 19.9%, down from 20.2% at year-end 2013.

The adverse impact of the CRD IV phase-in was largely offset by the retained profit for the period, a decrease in RWA and lower capital deductions.

Developments impacting capital ratios in Q1 2014
(in %)



Pension scheme change
As announced on 2 April 2014, ABN AMRO has reached a negotiated result with the trade unions and the ABN AMRO Pension Fund on a new pension scheme for its employees in the Netherlands. More information can be found in events after the reporting date section.

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

Eligibility of capital instruments

(in millions)	31 Mar 14	31 Dec 13
Tier 1 capital instruments	1,000	1,000
Tier 2 capital instruments	6,513	6,517
Total capital instruments	**7,513**	**7,517**
Of which: Basel III phase-in eligible		
Tier 1	800	800
Tier 2	5,612	5,607
Of which: Basel III fully-loaded eligible		
Tier 1	-	-
Tier 2	2,655	2,654

Impact of Basel III on capital ratios

Phase in
CRD IV/CRR phase-in resulted in a decrease in capital ratios, mainly due to the increase in RWA:

- The increase in RWA was driven primarily by additional capital requirements for potential mark-to-market counterparty credit risk losses (credit valuation adjustment), exposure to central counterparties, the deferred tax assets related to temporary differences, along with the risk weighting of participation in financial institutions.
- Common equity capital benefited slightly from lower capital deductions while Tier 1 capital was

adversely impacted by the partial loss of eligibility of hybrid Tier 1 capital instruments and additional capital deductions related to intangible assets and IRB provision shortfall.

Fully-loaded

Under the Basel III fully-loaded rules, the impact on the capital ratios is as follows:

- RWA are equivalent to those under phase-in rules.
- Total capital is expected to decrease by an additional EUR 5.3 billion mainly due to the loss of eligibility of Tier 1 and Tier 2 capital instruments, resulting in an additional decline in the total capital ratio by 4.7 percentage points.

Basel III capital ratios

31 Mar 14	Phase-in	Fully-loaded
Common Equity Tier 1	16,408	14,590
Tier 1	16,982	14,590
Total capital	22,516	17,245
Risk-weighted assets	113,270	113,270
Common Equity Tier 1 ratio (in %)	14.5%	12.9%
Tier 1 ratio (in %)	15.0%	12.9%
Total capital ratio (in %)	19.9%	15.2%

Based on our current interpretation of the Capital Requirements Regulation (CRR), the fully-loaded leverage ratio amounted to 3.6% on 31 March 2014, compared with the year-end 2013 fully loaded equivalent of 3.5%. The leverage ratio is defined as fully-loaded Tier 1 capital divided by IFRS on-balance sheet and off-balance sheet exposures.

liquidity & funding

ABN AMRO raises the majority of its funding through savings and deposits from Retail & Private Banking and Commercial & Merchant Banking clients. Retail Banking savings are generated through the ABN AMRO brand in the Netherlands and MoneYou (the online brand) in the Netherlands, Belgium and Germany. Private Banking deposits from domestic clients and our international network form an important source of funding.

Liquidity risk management

The loan-to-deposit ratio improved to 118.6% on 31 March 2013, down from 120.6% at December 2013, driven mainly by a decrease in commercial loan volumes.

Loan-to-Deposit ratio

(in millions)	31 Mar 14	31 Dec 13
Loans and receivables - customers	276,070	268,147
Net adjustments	-20,747	-10,335
Adjusted loans and receivables - customers	**255,323**	**257,812**
Due to customers	229,621	215,643
Net adjustments	-14,394	-1,947
Adjusted due to customers	**215,227**	**213,696**
Loan-to-deposit ratio (%)	**118.6%**	**120.6%**

Liquidity indicators

	31 Mar 14	31 Dec 13
Loan-to-Deposit ratio (in %)	119%	121%
NSFR ratio (in %)	111%	105%
Survival period (months)	> 12 months	>12 months
LCR ratio (in %)	97%	100%
Available liquidity buffer (in EUR billion)	72.0	75.9

The **Net Stable Funding Ratio** (NSFR) increased to 111% on 31 March 2014, up from 105% on December 2013. In line with our strategy of early compliance, the NSFR is well above the future regulatory requirement of 100%.

The **survival period** indicates for what period the Group's liquidity position is expected to remain positive in a situation in which the wholesale funding markets close down and there is an outflow of deposits from retail and commercial clients. The survival period was >12 months at 31 March 2014.

The **Liquidity Coverage Ratio** (LCR) decreased to 97% on 31 March 2014, down from 100% on 31 December 2013. In 2013, the Basel Committee published updated LCR guidelines, indicating delayed and phased implementation of the LCR ratio. However ABN AMRO targets early compliance with the LCR requirements as of 2014.

A **liquidity buffer** of unencumbered assets has been retained as a safety cushion in the event of severe liquidity stress. The liquidity buffer decreased to EUR 72.0 billion from EUR 75.9 billion at year-end 2013.

The cash position decreased due to redemption on call date of EUR 2 billion of external RMBS. In addition, the composition of the buffer changed mainly due to the purchase of EUR 3.5 billion government bonds and government guaranteed bonds.

Liquidity buffer composition

(in billions, liquidity value)	31 Mar 14		31 Dec 13	
	Liquidity buffer	LCR eligible	Liquidity buffer	LCR eligible
Cash & central bank deposits	10.8	10.8	16.8	16.8
Government bonds	20.0	21.3	18.0	18.8
Covered bonds	2.2	2.0	2.2	1.9
Retained RMBS	31.6	-	33.1	-
Third party RMBS	1.0	0.9	1.1	0.9
Other	6.3	3.6	4.7	2.7
Total liquidity buffer	**72.0**	**38.5**	**75.9**	**41.1**
Of which in EUR (%)	95%		96%	
Of which in non-EUR (%)	5%		4%	

Funding

ABN AMRO's funding strategy aims to continuously optimise and diversify the bank's funding sources, in order to maintain the targeted long-term funding position, liquidity profile and compliance with regulatory requirements. The bank also focuses on optimising net interest income while complying with anticipated regulatory requirements.

Credit spreads slightly tightened in the first quarter of 2014. Tensions over the eurozone seem to have disappeared and investors appetite for return remained high. While there was ample liquidity in the market, banks continued deleveraging and issued fewer bonds.

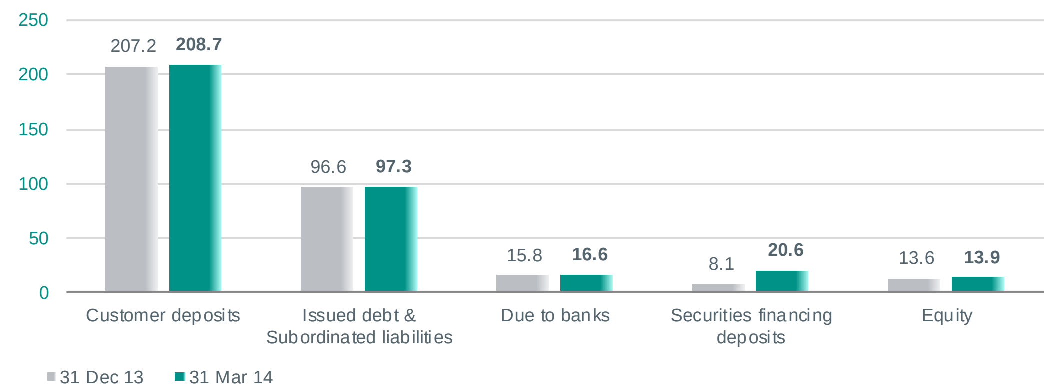
Liability breakdown

Customer deposits comprise a solid and core funding base and serve as the main source of funding, which is complemented by well diversified wholesale funding. Customer deposits grew in Q1 to EUR 209 billion from EUR 207 billion in December 2013. The amount of outstanding wholesale funding (issued debt and subordinated liabilities) remained stable.

The following graph provides an overview of the liabilities on the balance sheet in March 2014 and December 2013.

Liability and equity breakdown

(in billions)



In the first quarter of 2014 EUR 6.4 billion of long-term debt matured. EUR 5.4 billion of long-term, primarily unsecured funding was issued. The average original maturity of funding issued in Q1 was 6.2 years. The average maturity of the outstanding long-term funding (including subordinated liabilities) increased to 4.7 years (from 4.5 years at year-end 2013). To maintain access to the market at attractive pricing levels, the bank issued a EUR 1.5 billion covered bond benchmark transaction in January.

Meeting specific investor needs, 51% of the combined secured and unsecured long-term wholesale funding raised in Q1 2014 was attracted through private placements. At the same time the bank continued to pursue its strategy of currency diversification, raising 31% of its funding in non-euro currencies.

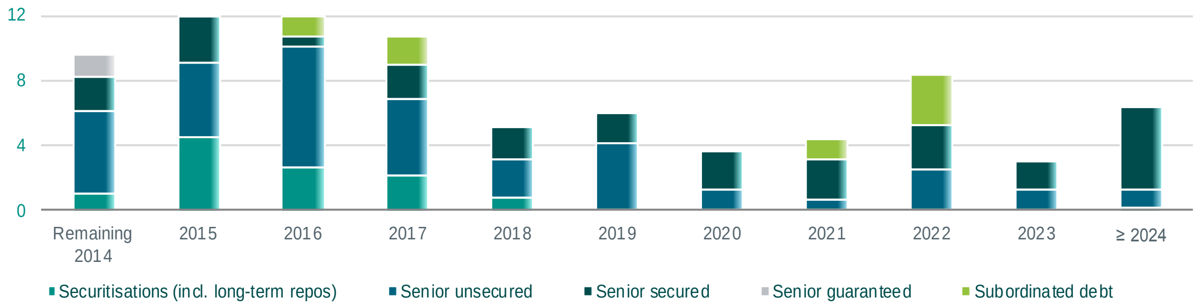
Overview of funding instruments

(in millions)	31 Mar 14	31 Dec 13
Saving certificates	277	352
Commercial Paper/Certificates of Deposit		
Euro Commercial Paper	3,039	2,054
London Certificates of Deposit	5,132	5,258
French Certificats de Dépôt	4,444	4,668
US Commercial paper	3,611	3,630
Total Commercial Paper/Certificates of Deposit	**16,227**	**15,610**
Senior Guaranteed[1]		
Dutch State guaranteed medium-term notes	1,430	1,423
Senior Unsecured		
Unsecured medium-term notes	33,208	33,089
Senior Secured		
Covered Bonds	27,970	25,913
Securitisations[2]		
Residential Mortgage Backed Securities (Dutch)	10,081	12,122
Other Asset-backed securities	172	173
Total securitisations	**10,253**	**12,295**
Total issued debt	**89,364**	**88,682**
Subordinated liabilities	7,970	7,917
Total funding instruments	**97,334**	**96,599**
Of which matures ≤ 12 months	32,270	30,812
Of which matures > 12 months	65,064	65,787

1. The Dutch State guaranteed medium-term notes will mature in May 2014.
2. Excluding long-term repos.

Maturity calendar at 31 March 2014

(in billions)



additional financial information

Overview of results in the last five quarters

The following table provides an overview of the quarterly results.

Quarterly results

(in millions)	1Q14	4Q13	3Q13	2Q13	1Q13
Net interest income	1,432	1,389	1,326	1,360	1,305
Net fee and commission income	421	413	401	417	412
Other non-interest income	129	47	147	167	62
Operating income	**1,983**	**1,849**	**1,874**	**1,944**	**1,779**
Personnel expenses	565	564	594	580	582
Other expenses	577	752	549	561	551
Operating expenses	**1,143**	**1,316**	**1,143**	**1,141**	**1,133**
Operating result	**840**	**533**	**731**	**803**	**646**
Impairment charges	361	555	347	506	259
Operating profit before taxes	**479**	**-22**	**385**	**296**	**387**
Income tax expenses	101	25	95	77	97
Underlying profit for the period	**378**	**-47**	**289**	**220**	**290**
Special items & divestments	-67	-	101	182	125
Reported profit for the period	**311**	**-47**	**390**	**402**	**415**

Difference between underlying and reported results

Special items are material and non-recurring items which are not related to normal business activities. A divestment is the sale of a (part of a) business to a third party. Adjustments include past results as well as the relating transaction result.

To provide a consistent comparison with earlier periods, special items and divestments are adjusted on previous financial periods, where applicable.

In the "operating and financial review" as well as the "results by segment" sections the impact of special items and divestments on profit for the period is disclosed. The following table presents the reconciliation from underlying to reported results.

Reconciliation from underlying to reported results

(in millions)	1Q14			1Q13			4Q13		
	Under-lying	Special items	Reported	Under-lying	Special items	Reported	Under-lying	Special items	Reported
Net interest income	1,432	-	1,432	1,305	-	1,305	1,389	-	1,389
Net fee and commission income	421	-	421	412	-	412	413	-	413
Other non-interest income	129	-	129	62	-70	-8	47	-	47
Operating income	**1,983**	**-**	**1,983**	**1,779**	**-70**	**1,709**	**1,849**	**-**	**1,849**
Personnel expenses	565	-	565	582	37	619	564	-	564
Other expenses	577	67	644	551	-	551	752	-	752
Operating expenses	**1,143**	**67**	**1,210**	**1,133**	**37**	**1,170**	**1,316**	**-**	**1,316**
Operating result	**840**	**-67**	**773**	**646**	**-107**	**539**	**533**	**-**	**533**
Impairment charges on loans and other receivables	361	-	361	259	-297	-38	*555*	-	**555**
Operating profit before taxes	**479**	**-67**	**412**	**387**	**190**	**577**	**-22**	**-**	**-22**
Income taxes	101	-	**101**	97	65	162	*25*	-	**25**
Profit for the year	**378**	**-67**	**311**	**290**	**125**	**415**	**-47**	**-**	**-47**

The following table shows all special items and divestments per period.

(in millions)	1Q14	1Q13	4Q13
Underlying profit for the period	**378**	**290**	**-47**
Impact of special items:			
SNS levy	-67	-	-
Reassessment discontinued securities financing activities	-	-70	-
Restructuring provision	-	-37	-
Greek loan impairment releases	-	297	-
Impact of divestments	-	-	-
Impact of special items & divestments on income tax	-	65	-
Reported profit for the period	**311**	**415**	**-47**

Selected financial information

Condensed consolidated income statement

(in millions)	1Q14	1Q13	4Q13
Income			
Interest income	2,947	2,939	2,654
Interest expense	1,515	1,634	1,265
Net interest income	**1,432**	**1,305**	**1,389**
Fee and commission income	663	640	670
Fee and commission expense	242	228	257
Net fee and commission income	**421**	**412**	**413**
Net trading income	42	-46	31
Results from financial transactions	36	-2	-16
Share of result in equity accounted investments	7	15	1
Other income	44	25	31
Operating income	**1,983**	**1,709**	**1,849**
Expenses			
Personnel expenses	565	619	564
General and administrative expenses	603	501	648
Depreciation and amortisation of tangible and intangible assets	41	50	104
Operating expenses	**1,210**	**1,170**	**1,316**
Impairment charges on loans and other receivables	361	-38	555
Operating profit / (loss) before taxation	**412**	**577**	**-22**
Income tax expense	101	162	25
Profit / (loss) for the period	**311**	**415**	**-47**
Attributable to:			
Owners of the company	311	415	-46
Non-controlling interests	-	-	-1

Consolidated statement of comprehensive income

(in millions)	1Q14	1Q13	4Q13
Profit / (loss) for the year	311	415	-47
Other comprehensive income:			
Items that will not be reclassified to the income statement			
Remeasurement gains / (losses) on defined benefit plans	-153	798	-318
Items that will not be reclassified to the income statement before taxation	**-153**	**798**	**-318**
Income tax relating to items that will not be reclassified to the income statement	-38	199	-78
Items that will not be reclassified to the income statement after taxation	**-114**	**599**	**-239**
Items that may be reclassidied to the income statement:			
Currency translation reserve	8	16	-25
Available-for-sale reserve	89	34	-9
Cash flow hedge reserve	110	144	371
Share of other comprehensive income of associates	5	1	3
Other changes	5	-	-1
Other comprehensive income for the period before taxation	**217**	**195**	**338**
Income tax relating to components of other comprehensive income	48	46	89
Other comprehensive income for the period after taxation	**169**	**149**	**249**
Total comprehensive income / (expenses) for the period after taxation	**366**	**1,163**	**-37**
Total comprehensive income attributable to:			
Owners of the company	366	1,162	-36
Non-controlling interests	-	1	-1

Condensed consolidated statement of financial position

(in millions)	31 Mar 14	31 Dec 13
Cash and balances at central banks	5,492	9,523
Financial assets held for trading	27,656	23,867
Financial investments	31,793	28,111
Loans and receivables – banks	37,207	31,210
Loans and receivables - customers	276,070	268,147
Equity accounted investments	1,159	1,082
Property and equipment	1,424	1,426
Goodwill and other intangible assets	189	195
Assets held for sale	25	29
Accrued income and prepaid expenses	629	722
Current tax assets	181	165
Deferred tax assets	691	745
Other assets	7,783	6,800
Total assets	**390,299**	**372,022**
Financial liabilities held for trading	15,753	14,248
Due to banks	16,608	15,833
Due to customers	229,621	215,643
Issued debt	89,364	88,682
Subordinated liabilities	7,970	7,917
Provisions	1,580	1,550
Accrued expenses and deferred income	1,192	1,303
Current tax liabilities	104	69
Deferred tax liabilities	21	21
Other liabilities	14,152	13,188
Total liabilities	**376,365**	**358,454**
Equity		
Share capital	940	940
Share premium	12,970	12,970
Other reserves (incl. retained earnings/ profit for the period)	4,870	4,554
Other comprehensive income	-4,860	-4,909
Equity attributable to the owners of the parent company	**13,921**	**13,555**
Equity attributable to non-controlling interests	13	13
Total equity	**13,933**	**13,568**
Total liabilities and equity	**390,299**	**372,022**

Condensed consolidated statement of changes in equity

(in millions)	Share capital	Share premium reserve	Other reserves including retained earnings	Other compre-hensive income	Net profit attributable to shareholders	Total	Non-controlling interests	Total equity
Balance at 1 January 2013	**1,015**	**13,105**	**2,658**	**-5,067**	**1,153**	**12,864**	**19**	**12,883**
Total comprehensive income	-	-	-1	748	414	1,161	1	1,162
Transfer	-	-	1,153	-	-1,153	-	-	-
Dividend	-	-	-262	-	-	-262	-	-262
Increase / (decrease) of capital	-75	-135	-3	-	-	-213	-	-213
Other changes in equity	-	-	-	1	-	1	-	1
Balance at 31 March 2013	**940**	**12,970**	**3,545**	**-4,318**	**414**	**13,551**	**20**	**13,571**
Balance at 1 January 2014	**940**	**12,970**	**3,392**	**-4,909**	**1,162**	**13,555**	**13**	**13,568**
Total comprehensive income	-	-	5	49	311	366	-	366
Transfer	-	-	1,162	-	-1,162	-	-	-
Dividend	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	-	-	-1	-
Balance at 31 March 2014	**940**	**12,970**	**4,559**	**-4,860**	**311**	**13,921**	**13**	**13,933**

Specification of other comprehensive income is as follows:

(in millions)	Remeasurement gains / (losses) on post-retirement benefit plans	Currency translation reserve	Availiable-for-sale reserve	Cash flow hedge reserve	Share of OCI in associates and joint ventures	Total
Balance at 31 December 2012	**-3,284**	**5**	**24**	**-1,873**	**61**	**-5,067**
Net gains / (losses) arising during the period	797	16	34	148	1	**996**
Less: Net realised gains / (losses) included in income statement	-	-	-	4	-	**4**
Net gains / (losses) in equity	797	16	34	144	1	**992**
Related income tax	198	2	8	35	-	243
Balance at 31 March 2013	**-2,685**	**19**	**50**	**-1,764**	**62**	**-4,318**
Balance at 31 December 2013	**-3,502**	**-64**	**59**	**-1,467**	**65**	**-4,909**
Net gains / (losses) arising during the period	-153	8	89	104	5	53
Less: Net realised gains / (losses) included in income statement	-	-	-	-6	-	**-6**
Net gains / (losses) in equity	-153	8	89	110	5	59
Related income tax	-38	-	21	28	-	10
Balance at 31 March 2014	**-3,617**	**-56**	**127**	**-1,385**	**71**	**-4,860**

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Investor call
Kees van Dijkhuizen, CFO, and Wietze Reehoorn, CRO, will host a conference call for analysts and investors at 14.00 CET on Friday 16 May 2014.

To participate in the conference call, please refer to the investor relations website (www.abnamro.com/ir) for dial-in information. No pre-registration is required. The investor presentation, as published on our site, will be used during the call. The audio replay is expected to be available after a few business days.

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

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

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