ABN·AMRO

IR / Press Release

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ABN AMRO reports first-quarter 2012 underlying profit of EUR 486 million

- **Underlying net profit, which excludes integration and separation-related expenses, was EUR 486 million in Q1 2012, compared with a profit of EUR 583 million in Q1 2011**
- **This decline was mainly the result of an increase in loan impairments and a slight decrease in revenues**
- **Reported net profit amounted to EUR 454 million for Q1 2012 compared with a profit of EUR 539 million in Q1 2011. In Q4 2011, the underlying net loss was EUR 23 million and the reported net loss was EUR 121 million**
- **The underlying cost/income ratio in Q1 2012 and Q1 2011 was 58%. Excluding one-off items the cost/income ratio would have been 60% in both quarters**
- **The remaining integration activities are on track and are expected to be finalised by year-end**
- **The Core Tier 1 ratio was 10.6%, the Tier 1 ratio was 12.9%, and the total capital ratio was 16.5% on 31 March 2012**

Gerrit Zalm, Chairman of ABN AMRO Group, comments:

"Underlying net profit for the first quarter of 2012 was EUR 486 million. This is a 17% decline compared with a strong first quarter in 2011, but a sharp increase from the fourth-quarter 2011 loss of EUR 23 million. Market conditions became more volatile in the course of 2011, and this trend has continued in 2012. Year-on-year revenues showed a slight decline and loan impairments increased, caused by the downturn in the Dutch economy. Both Retail & Private Banking and Commercial & Merchant Banking recorded good performances under these circumstances. Costs were kept under control, resulting in an underlying cost/income ratio of 60% in the first quarter of 2012 if we exclude several positive one-off items (totalling EUR 60 million positive net of tax). All long-term funding maturing in 2012 was refinanced by April 2012.

As the business environment we operate in is still unstable, these first-quarter results cannot be extrapolated for the remainder of the year. Going forward we expect loan impairments to rise, based in part on the weak outlook on the Dutch economy, and continued pressure on interest margins. Bringing the cost/income ratio structurally below 60% by 2014 remains one of our top priorities.

A real concern for the Dutch banking sector is the recent proposal to raise the bank tax further. This increase would come on top of additional regulations designed to make the banking industry more resilient. It is important not to overburden the banking sector and to keep the international playing field level, as this would have an impact on customers and the economy."

Income statement

ABN AMRO Group's reported net profit in the first quarter of 2012 amounted to EUR 454 million and included separation and integration-related costs of EUR 32 million net of tax. The underlying net profit, which excludes these costs, amounted to EUR 486 million.

The analysis presented in this press release is based on underlying results, unless otherwise stated. For a more detailed overview of the separation and integration-related costs as well as a reconciliation of the reported and underlying results, please refer to Annex 1.

First quarter 2012 compared with first quarter 2011

Underlying results

(in EUR millions)	*Q1 2012*	*Q1 2011*	*Change*
Net interest income	*1,237*	*1,264*	*-2%*
Net fee and commission income	*403*	*487*	*-17%*
Other non-interest income	*275*	*281*	*-2%*
Operating income	1,915	2,032	-6%
Personnel expenses	*570*	*617*	*-8%*
Other expenses	*548*	*559*	*-2%*
Operating expenses	1,118	1,176	-5%
Operating result	**797**	**856**	**-7%**
Loan impairments	187	125	50%
Operating profit before taxes	**610**	**731**	**-17%**
Income tax expenses	124	148	-16%
Profit for the period	**486**	**583**	**-17%**

Other indicators

	Q1 2012	*Q1 2011*
Underlying cost/income ratio	58%	58%
Return on average Equity (IFRS)	17%	19%
Return on average RWA (in bps)	160	208
NII / average Total assets (in bps)	122	131
Cost of risk (in bps) *	61	45

* Cost of Risk is calculated as the annualised total loan impairments over the average RWA

The year-on-year decrease in Q1 net profit was due mainly to the economic downturn, which led to higher loan impairments and lower operating income. Retail and Private Banking contributed EUR 202 million and EUR 56 million respectively, and Commercial and Merchant Banking contributed EUR 45 million and EUR 135 million respectively to Q1 2012 underlying net profit.

The results in the first quarter of both 2011 and 2012 included several positive one-off items amounting to approximately EUR 60 million net of tax in both periods. The divestment of activities (Divestments) had a limited impact on net profit. Further details on the one-off itemsItems and Divestments are included in Annex 2.

- **Operating income** was 6% lower at EUR 1,915 million. Operating income excluding Divestments decreased by 2% year-on-year.

  Excluding Divestments, net interest income was 1% lower compared with the same period in 2011. Net interest income in Retail Banking was lower compared with last year due to lower margins on savings products. Interest income from the mortgage portfolio was relatively stable. Even though our market share in new mortgage production increased from around 14% in Q1 2011 to around 20% in Q1 2012, new mortgage production was lower than last year, resulting in a decrease of the mortgage portfolio to EUR 154.9 billion. Private Banking's net interest income benefited from higher savings volumes at stable margins. Net interest income in Commercial Banking was 3% lower. The commercial loan portfolio grew in size, but at lower margins, and commercial deposits decreased. Interest income in Merchant Banking benefited from growth in loans, deposits and securities financing transactions; this was only partly offset by lower loan margins.

Net fee and commission income decreased by 17%, due mainly to Divestments as well as lower transaction volumes resulting from market uncertainty. The reclassification of other expenses to net fee and commission income in 2012 had a small negative impact.

Other non-interest income decreased by 2% due to Divestments. A reclassification in Q1 2012 from other expenses to (negative) other non-interest income and a higher positive impact of one-off items in Q1 2011 compared to Q1 2012 were compensated by higher Merchant Banking income.

- **Operating expenses** decreased by 5% year-on-year. Excluding Divestments, operating expenses were stable.

  The decline in personnel expenses of 8% was largely due to Divestments. Excluding those, personnel expenses were 2% lower due to structurally lower FTE levels, one of the benefits from the integration, and a pension-related release. Other expenses decreased by 2%. Excluding Divestments, other expenses would have risen by 3% due to costs related to the implementation of Customer Excellence and higher IT expenses. The increase was partly offset by lower office accommodation costs as a result of the integration and the abovementioned reclassifications to net fee and commission income and other non-interest income.

- The operating result was EUR 797 million and the **cost/income ratio** was 58%, the same level as in the same period of 2011. Excluding the one-off items, the cost/income ratio would have been 60% in both Q1 2012 and Q1 2011.

- **Loan impairments** increased by EUR 62 million as a result of a deterioration of the economic environment in the Netherlands compared to a year ago. The rise in loan impairments is mainly visible in consumer loans and the commercial real estate sector. Impairments for residential mortgages increased only slightly.

- The underlying effective **tax rate** over the first quarter of 2012 was 20%, in line with the same period in 2011.

First quarter 2012 compared with fourth quarter 2011

Underlying results			
(in EUR millions)	*Q1 2012*	*Q4 2011*	*Change*
Net interest income	*1,237*	*1,191*	*4%*
Net fee and commission income	*403*	*415*	*-3%*
Other non-interest income	*275*	*239*	*15%*
Operating income	1,915	1,845	4%
Personnel expenses	*570*	*563*	*1%*
Other expenses	*548*	*672*	*-18%*
Operating expenses	1,118	1,235	-9%
Operating result	**797**	**610**	**31%**
Loan impairments	187	768	-76%
Operating profit before taxes	**610**	**- 158**	
Income tax expenses	124	- 135	
Profit for the period	**486**	**- 23**	

Other indicators			
	Q1 2012	*Q4 2011*	
Underlying cost/income ratio	58%	67%	
Return on average Equity (IFRS)	17%	-1%	
Return on average RWA (in bps)	160	- 8	
NII / average Total assets (in bps)	122	115	
Cost of risk (in bps)*	61	267	
	31 Mar 2012	*31 Dec 2011*	*Change*
RWA / Total Assets	30%	29%	
Assets under Management (in EUR billion)	155.5	146.6	6%
Risk-Weighted Assets (in EUR billion)	121.1	118.3	2%
FTEs	23,997	24,225	-1%

* Cost of Risk is calculated as the total loan impairments over the average RWA

Net profit in the first quarter of 2012 advanced to EUR 486 million, up EUR 509 million on the last quarter of 2011. This increase was due mainly to lower loan impairments, as Q4 2011 included impairments on Greek Government-Guaranteed Corporate Exposures and higher loan impairments in both Commercial and Merchant Banking compared with the first quarter of 2012.

- **Operating income** increased by 4%, or EUR 70 million, quarter-on-quarter.

  Net interest income went up by 4%. This was due mainly to a higher mismatch result combined with an increase in the commercial loan portfolio. Savings margins in Retail Banking were under pressure.

  Net fee and commission income decreased by 3%, mainly as a result of a reclassification from other expenses.

  Other non-interest income advanced by 15%, or EUR 36 million, compared with Q4 2011, due mainly to an increase in client trading as market sentiment improved in the first months of the year. A reassessment of the Credit Umbrella[1] resulted in a release of EUR 48 million in Q1 2012 versus a charge of EUR 44 million in Q4 2011. This impact was offset by a book gain on the sale of the Swiss Private Banking activities in Q4 2011.

[1] Credit Umbrella refers to the financial guarantee that covers part of the financial losses on the EC Remedy assets. Please refer to Annual Financial Statements 2011 for further details.

- **Operating expenses** fell by 9%. The previous quarter included one-off IT costs and impairments of goodwill and software. In addition, Q1 2012 included a reclassification from other expenses to net fee and commission income and other non-interest income.

- The **operating result** grew by 31% and the **cost/income** ratio improved by 9 percentage points to 58%, or 60% excluding the one-off items.

- **Loan impairments** were significantly lower as Q4 2011 included EUR 380 million of impairments on Greek Government-Guaranteed Corporate Exposures and high impairments in both Commercial and Merchant Banking. Loan impairments on the commercial loan book are expected to increase throughout the year and to remain elevated.

- The total number of full-time equivalents excluding temporary staff (**FTEs**) decreased by 228 compared with year-end 2011, reflecting further integration benefits.

- Assets under Management (**AuM**) grew by EUR 8.9 billion predominantly due to a recovery of financial markets from the low levels seen at the end of 2011.

Balance sheet

Statement of condensed financial position		
(in EUR millions)	*31 Mar 2012*	*31 Dec 2011*
Cash and balances at central banks	11,001	7,641
Financial assets held for trading	33,016	29,523
Financial investments	18,613	18,721
Loans and receivables - banks	54,762	61,319
Of which securities financing activities	*32,285*	*27,825*
Loans and receivables - customers	272,383	272,008
Of which securities financing activities	*14,931*	*16,449*
Other	16,345	15,470
Total assets	**406,120**	**404,682**
Financial liabilities held for trading	20,214	22,779
Due to banks	28,503	30,962
Of which securities financing activities	*10,211*	*12,629*
Due to customers	219,648	213,616
Of which securities financing activities	*32,476*	*25,394*
Issued debt	96,832	96,310
Subordinated liabilities	8,683	8,697
Other	20,292	20,898
Total liabilities	**394,172**	**393,262**
Equity attributable to the owners of the parent company	11,928	11,400
Equity attributable to non-controlling interests	20	20
Total equity	**11,948**	**11,420**
Total liabilities and equity	**406,120**	**404,682**

Assets

- **Cash and balances at central banks** grew as a result of an increase in deposits placed at DNB.
- **Financial assets held for trading** advanced due mainly to increased client activity in the Equity Derivatives business, which also led to an increase in securities financing transactions.
- **Loans and receivables – banks** decreased mainly as a result of lower deposits at central banks (liquidity absorbing facility with ECB and mandatory deposit with DNB) which are recorded both in Cash and balances at central banks as well as Loans and receivables – banks. This decrease was partly offset by increased activity in the securities financing business.
- **Loans and receivables – customers** remained almost stable at EUR 272.4 billion. The commercial loan portfolio increased by EUR 1.5 billion in the first quarter of 2012. The mortgage portfolio decreased by EUR 0.3 billion to EUR 154.9 billion and the level of securities financing transactions with non-bank counterparties declined.

Liabilities

- The decrease in **Due to banks** was due almost entirely to a lower level of securities financing transactions with banks.
- **Due to customers** grew by EUR 6.0 billion in the first quarter of 2012, which was entirely attributable to securities financing.

- **Issued debt** increased by EUR 0.5 billion as newly issued long-term funding was offset by the redemption of both long-term and short-term funding and two securitisations were called.

Total equity increased by EUR 0.5 billion, due mainly to the contribution of the reported profit over the first quarter of 2012.

Capital position

At 31 March 2012, the Basel II capital ratios were 10.6% and 12.9% for Core Tier 1 and Tier 1 respectively and the total capital adequacy ratio was 16.5%.

The capital ratios were down slightly from year-end 2011 levels due to an increase in RWA.

Regulatory capital Basel II

(in EUR millions)	*31 Mar 2012*	*31 Dec 2011*
Total Equity (IFRS)	**11,948**	**11,420**
Participations in financial institutions	*- 311*	*- 299*
Other regulatory adjustments	*1,224*	*1,484*
Core Tier 1 capital	**12,861**	**12,605**
Non-innovative hybrid capital instruments	*1,750*	*1,750*
Innovative hybrid capital instruments	*994*	*994*
Tier 1 Capital	**15,605**	**15,349**
Sub-Debt (Tier 2)	4,799	4,887
Participations in financial institutions	- 311	- 299
Other regulatory adjustments	- 104	- 80
Total Capital	**19,989**	**19,857**
Risk-Weighted Assets	**121,084**	**118,286**
Credit Risk (RWA)	**98,845**	101,609
Operational Risk (RWA)	**15,461**	13,010
Market Risk (RWA)	**6,778**	3,667
Core Tier 1 ratio	**10.6%**	**10.7%**
Tier 1 ratio	**12.9%**	**13.0%**
Total Capital ratio	**16.5%**	**16.8%**

Note: Core Tier 1 ratio is defined as Tier 1 capital excluding all hybrid capital instruments divided by RWA.

Main changes in the capital position

Regulatory capital
The net reported profit attributable to shareholders in Q1 2012 amounted to EUR 454 million, of which EUR 272 million or 60% was accounted for as retained profit and was included in Core Tier 1 capital in accordance with regulations.

In the calculation of regulatory capital, the movements in the special component of equity (EUR 0.1 billion in Q1 2012) are eliminated in the line item Other regulatory adjustments.

Risk-weighted assets
RWA went up by EUR 2.8 billion in the first quarter of 2012 resulting from a decrease in credit risk, offset by increased operational and market risk.

Credit risk RWA decreased as a RWA add-on was released following the completion of the IT migration of around 100,000 clients at the end of 2011. This effect was partly offset by business growth (EUR 2.2 billion).

Operational risk RWA increased due to an annual operational risk assesment (EUR 1.0 billion) and the anticipated transition from the standardised to the advanced approach (EUR 1.5 billion).

The increase in market risk RWA is almost entirely related to the anticipated transition from standardised to advanced approach and did not result from a change in the risk profile.

Basel III /CRD IV

The introduction of Basel III in CRD IV (a European regulation) will translate Basel II-based capital ratios into lower capital ratios as from 2013. Under the new rules, which are not yet final, capital requirements will increase, additional capital deductions will be introduced and prudential filters will be changed. The CRD IV draft stipulates that some of the new rules are to be implemented using a phased-in approach. Applying the draft CRD IV rules to the Basel II capital position of 31 March 2012 would result in a Common Equity Tier 1 ratio of 9.7%, close to ABN AMRO's target CET1 ratio of at least 10% we strive for as from 2013.

Regulatory capital Basel III

	Basel II	Basel III phase-in 2013	Basel III full phase-in 2013*
Core Tier 1 / Common Equity Tier 1 ratio	10.6%	9.7%	8.3%
Tier 1 ratio	12.9%	11.5%	10.2%
Total capital ratio	16.5%	13.1%	11.8%

**January 2013 Basel III rules including transitional arrangements for capital instruments combined with the application of full phase-in rules for capital deductions, prudential filters and RWA adjustments. The full-phase in Common Equity Tier 1 capital requirement includes a capital conservation buffer of 2.5%.*

Furthermore, Basel III proposes a leverage ratio of at least 3% by 2018. ABN AMRO's leverage ratio was 3.4% at 31 March 2012 (up from 3.3% at year-end 2011), using current Basel II Tier 1 capital as a basis.

Liquidity Management & Funding

In 2011, an amount of EUR 6.3 billion was raised to pre-finance long-term funding maturing in 2012 (a little over EUR 16 billion in total). Several benchmark and private placement transactions were issued in the first quarter of 2012, successfully raising over EUR 8.1 billion in various currencies and maturities. An additional amount of EUR 1.6 billion was issued in April. Of the total amount issued (but not yet entirely settled) until the end of April 2012, 75% was in Senior Unsecured Bonds, 15% in Covered Bonds and 10% in LT repos. The average original maturity of the newly issued funding is approximately 6.2 years, increasing the average remaining maturity of the long-term funding to 4.1 years. All long-term funding maturing in 2012 was refinanced by April 2012. The majority of the 2012 funding plan, which also aims to prefinance part of the long-term debt maturing in 2013, has already been executed.

Liquidity parameters

	31 Mar 2012	31 Dec 2011
Loan-to-deposit ratio	132%	130%
Stable funding / Non-liquid assets ratio	110%	106%
Available Liquidity buffer (in EUR billion)	52.3	58.5

The loan-to-deposit ratio increased to 132% on 31 March 2012, up from 130% at year-end 2011. The rise is the result of lower deposits and an increase in commercial loans.

Stable funding over non-liquid asset ratio (SF/NLA) shows the extent to which core (non-liquid) assets are covered by stable funding. This ratio improved to 110% at the end of March 2012, up from 106% at year-end 2011. The increase was due to a rise in long-term funding; the level of non-liquid assets was stable.

A liquidity buffer of unencumbered assets is retained as a safety cushion in the event of severe liquidity stress. The liquidity buffer was brought down from the elevated levels at year-end 2011 to EUR 52.3 billion on 31 March 2012. The decrease of EUR 6.2 billion was almost entirely in the cash component of the liquidity buffer. The absolute amounts of the other components of the liquidity buffer remained almost unchanged.

Integration

ABN AMRO made good progress on the integration in 2011, and most integration projects have now been successfully completed. The remaining integration activities, which are much smaller in size, are on track and are expected to be finalised by 2012, as planned and within the original overall budget of EUR 1.6 billion. Integration costs in Q1 2012 amounted to EUR 43 million (EUR 32 million net of tax), bringing total integration costs until the end of March 2012 to EUR 1.3 billion. Integration synergies accounted for approximately EUR 0.8 billion at the end of the first quarter of 2012 and are expected to reach the synergy target of EUR 1.1 billion per annum as from 1 January 2013, as previously communicated.

The integration also includes the divestment of a total of 114 buildings and termination of 144 rental contracts by the end of 2012. By the end of March 2012, 78 buildings had been divested and 126 rental contracts had been terminated.

Government and Government-Guaranteed Exposures

ABN AMRO's position in Government and Government-Guaranteed Exposures did not change materially compared with year-end 2011. Total exposure to GIIPS governments amounted to EUR 0.4 billion in total (Italy EUR 0.3 billion, Spain EUR 0.1 billion) on 31 March 2012; GIIPS government-guaranteed exposures amounted to gross EUR 1.2 billion (EUR 0.4 billion net of impairments) in total. The GIIPS government-guaranteed exposures are Greek Government-Guaranteed Corporate Exposures, which were allocated to ABN AMRO during the separation process and are the result of transactions entered into around 2000.

On 24 February 2012 the Ministry of Finance of Greece issued a press release regarding the revised Private Sector Involvement (PSI) programme. The majority of the exposures held by ABN AMRO appeared on this list. ABN AMRO's exposures fall into the category 'Foreign Law Guaranteed Titles' as these were issued by Greek corporates with a guarantee provided by the Greek government and are governed by UK law. Following the announcement in February, the exposures included on the list were impaired to 25% of notional value (impact recorded in 2011 results). ABN AMRO decided not to participate in the PSI programme, as, amongst other things, there seems to be no consistency in the corporate government-guaranteed loans and notes appearing on the list.

Update since 1 April 2012

On 12 April 2012, ABN AMRO announced that it had reached agreement with Aon about the sale of its commercial insurance broker activities for corporate clients. Its insurance operations for small and medium-sized businesses will be transferred to ABN AMRO Verzekeringen. ABN AMRO Verzekeringen is a joint venture between ABN AMRO Bank N.V. (49% stake) and Delta Lloyd Group (51% stake).

On 1 May 2012, ABN AMRO completed the announced acquisition of part of the merchant banking activities of RBS Netherlands in the Netherlands, i.e. mergers & acquisitions, sector advisory, equity brokerage and capital structuring. The transaction aims to accelerate ABN AMRO's strategy of being the leading commercial and merchant bank for Dutch clients. As part of the acquisition, 62 former RBS Netherlands employees have joined ABN AMRO.

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Annex 1: Reconciliation from reported to underlying results

The reported figures for 2011 and 2012 were impacted by several items related to the separation of ABN AMRO Bank from RBS N.V. and Fortis Bank Nederland N.V. (FBN) from Fortis Bank SA/NV and the integration of ABN AMRO Bank and FBN. To ensure a better understanding of the underlying trends, the 2012 and 2011 figures have been adjusted for these items.

Income Statement

	Reported		*Separation & integration-related costs*		*Underlying*	
(in EUR millions)	*Q1 2012*	*Q1 2011*	*Q1 2012*	*Q1 2011*	*Q1 2012*	*Q1 2011*
Net interest income	*1,237*	*1,264*	*-*	*-*	*1,237*	*1,264*
Net fee and commission income	*403*	*487*	*-*	*-*	*403*	*487*
Other non-interest income	*275*	*281*	*-*	*-*	*275*	*281*
Operating income	1,915	2,032	-	-	1,915	2,032
Operating expenses	1,161	1,236	43	60	1,118	1,176
Operating result	**754**	**796**	**- 43**	**- 60**	**797**	**856**
Loan impairments	187	125	-	-	187	125
Operating profit before taxes	**567**	**671**	**- 43**	**- 60**	**610**	**731**
Income tax	113	132	- 11	- 16	124	148
Profit for the period	**454**	**539**	**- 32**	**- 44**	**486**	**583**

Annex 2: One-off items and divestments

Impact of one-off items

Several positive one-off items were recorded in Q1 2011 (totalling approximately EUR 60 million after tax), including items resulting from a further integration of systems and methodologies and gains on sales of participating interests and buildings.

Several positive one-off items were recorded in Q1 2012 (totalling approximately EUR 60 million after tax), which include a revaluation of the Credit Umbrella and a release of a provision related to the sale of the private bank in Switzerland.

Impact of divestments

A number of divestments were completed in the course of 2011. The results of these entities and the transaction results are included in the financial results up to the completion date of the sale and transfer.

- The sale of Prime Fund Solutions (PFS) was completed on 2 May 2011. The sale did not materially impact earnings or regulatory capital. The results of PFS were recorded in Group Functions.
- The sale of the international division of Fortis Commercial Finance to BNP Paribas Fortis was completed on 3 October 2011. The sale led to a small book loss and did not have a material impact on earnings or on regulatory capital. The results of the international division of Fortis Commercial Finance were recorded in Commercial Banking.
- The sale of the Swiss Private Banking activities to Union Bancaire Privée SA was finalised on 31 October 2011. The sale of these activities led to a book gain in Q4 2011.

Annex 3: Quarterly results

Quarterly results

(in EUR millions)	*Q1 2012*	*Q4 2011*	*Q3 2011*	*Q2 2011*	*Q1 2011*
Net interest income	*1,237*	*1,191*	*1,241*	*1,302*	*1,264*
Net fee and commission income	*403*	*415*	*423*	*486*	*487*
Other non-interest income	*275*	*239*	*175*	*290*	*281*
Operating income	1,915	1,845	1,839	2,078	2,032
Operating expenses	1,118	1,235	1,162	1,422	1,176
Operating result	**797**	**610**	**677**	**656**	**856**
Loan impairments	187	768	679	185	125
Operating profit before taxes	**610**	**- 158**	**- 2**	**471**	**731**
Income taxes	124	- 135	- 11	80	148
Underlying profit for the period	**486**	**- 23**	**9**	**391**	**583**
Separation and integration costs (net of tax)	32	98	63	66	44
Reported profit for the period	**454**	**- 121**	**- 54**	**325**	**539**
Attributable to:					
Non-controlling interests	-	-	16	2	6
Owners of the company	454	- 121	- 70	323	533

Cautionary statement on forward-looking statements

We have included in this press release, and from time to time may make certain statements in our public filings, press releases or other public statements that may constitute "forward-looking statements" within the meaning of the safe harbour provisions of the United States Private Securities Litigation Reform Act of 1995. 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, this document includes forward-looking statements relating, but not limited, to ABN AMRO Group's potential exposures to various types of market risk, such as counterparty risk, interest rate risk, foreign exchange rate risk and commodity and equity price risk. Such statements are subject to risks and uncertainties. These forward-looking statements are not historical facts and represent only ABN AMRO Group's beliefs regarding future events, many of which, by their nature, are inherently uncertain and beyond our control.

Other factors that could cause actual results to differ materially from those anticipated by the forward-looking statements contained in this document include, but are not limited to:

- the extent and nature of future developments and continued volatility in the credit markets and their impact on the financial industry in general and ABN AMRO Group in particular;
- the effect on ABN AMRO Group 's capital of write-downs in respect of credit exposures;
- risks related to ABN AMRO Group's merger, separation and integration process;
- general economic, social and political conditions in the Netherlands and in other countries in which ABN AMRO Group has significant business activities or investments, including the impact of recessionary economic conditions on ABN AMRO Group 's revenues, liquidity and balance sheet;
- actions taken by governments and their agencies to support individual banks and the banking system;
- monetary and interest rate policies of the European Central Bank and G-20 central banks;
- inflation or deflation;
- unanticipated turbulence in interest rates, foreign currency exchange rates, commodity prices and equity prices;
- potential losses associated with an increase in the level of substandard loans or non-performance by counterparties to other types of financial instruments;
- changes in Dutch and foreign laws, regulations and taxes;
- changes in competition and pricing environments;
- inability to hedge certain risks economically;
- adequacy of loss reserves;
- technological changes;
- changes in consumer spending, investment and saving habits; and
- the success of ABN AMRO Group in managing the risks involved in the foregoing.

The forward-looking statements made in this press release are only applicable as at the date of publication of this document. ABN AMRO Group does not intend to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this report, and ABN AMRO Group does not assume any responsibility to do so. The reader should, however, take into account any further disclosures of a forward-looking nature that ABN AMRO Group may make in ABN AMRO Group's reports.