



# Q2 2015 results

*investor presentation*

Investor Relations  
21 August 2015

# Q2 2015 highlights

## Another good quarter

- ▶ Underlying net profit at EUR 600m, up 86% vs. Q2 2014
- ▶ Operating income up 11%, driven by all line items, expenses up 7%
- ▶ Improvement in economy and Dutch housing market reflected in very low impairments
- ▶ Realisation of 2017 targets on track
  - ▶ Cost/income at 59%
  - ▶ ROE at 15.3%
  - ▶ Fully-loaded CET1 at 14.0%
- ▶ Including expected levies\* (approx. EUR 250m (pre-tax) to be recorded in Q4) on an annual basis:
  - ▶ Cost/income 62%
  - ▶ ROE 14%
- ▶ Interim dividend of EUR 350m

\* Banking tax, European contribution resolution fund, (European) deposit guarantee scheme

# Table of contents

▪ <b>At a glance</b>	<b>4</b>
▪ <b>Quarterly highlights</b>	<b>8</b>
▪ <b>Economic update</b>	<b>17</b>
▪ <b>ABN AMRO profile</b>	<b>21</b>
▪ Risk management	26
▪ Capital, funding & liquidity	32
▪ Business profiles and segment results	43
▪ <b>Annex</b>	<b>46</b>
▪ <b>Important notice</b>	<b>48</b>

at a glance

# Profile at a glance

## A full service bank with a simple business model and high quality recurring revenue

- **Client driven service and revenue model** embedded in a full service banking model with a stable client base
- Clear client segmentation with distinctive product and service offering for each of these segments
- **Seamless digital and omni channel strategy** bringing enhanced service for clients and improved cost-efficiencies
- Demonstrated **resilient results** with Net Interest Income (NII) and Net Fee & Commission (NFC) make up c. 95% of total revenues

### Retail Banking (RB)

#### Key client segments

- Dutch Mass Retail
- Dutch Mass Affluent
- Dutch small businesses (EUR <1m turnover)

### Private Banking (PB)

#### Key client segments

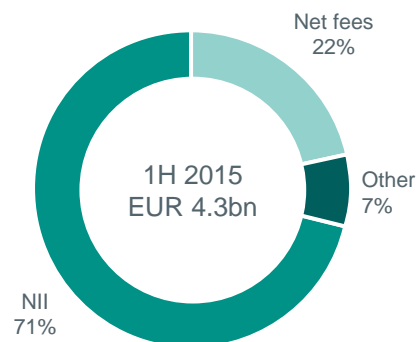
- High net worth Family Money, Institutions & Charities, Entrepreneurs (EUR >1m investible assets)
- Ultra high net worth (EUR >25m investible assets)

### Corporate Banking (CB)

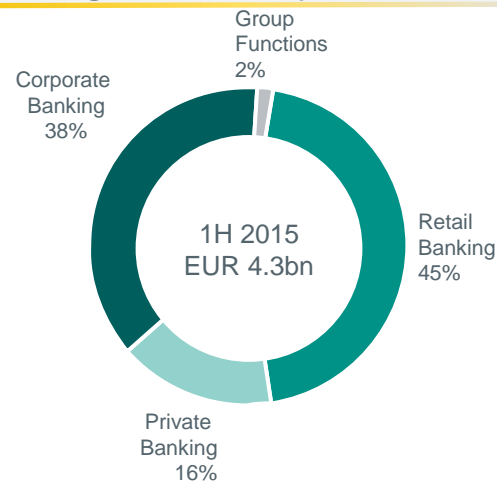
#### Key client segments

- Commercial Clients (EUR 1m-250m turnover)
- International Clients (EUR ≥250m turnover)
- Capital Markets Solutions

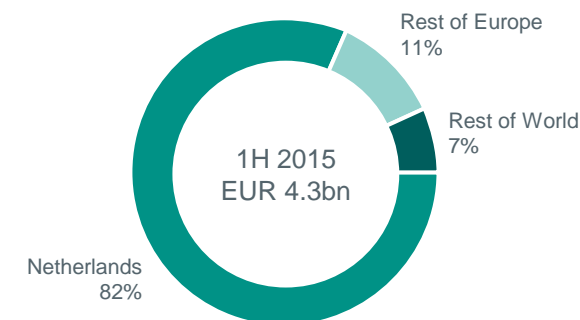
### Operating income by type



### Operating income by business



### Operating income by geography



# Long term strategy focusses on five priorities and three targets for 2017

## Five strategic priorities to grow sustainable profit and prepare for the challenges in the future

### Improve profitability

- Continue focus on containing costs
- Strive for sustainable risk/return
- Improve top line revenues

### Pursue selective international growth

- Capability led
- Fitting moderate risk profile and efficiency focused
- 20-25% of total revenues by 2017



### Enhance client centricity

- Quality and relevance of advice
- Improve clients service with technology
- Continue Customer Excellence

### Invest in our future

- Re-engineer IT systems & optimising processes
- Recognised for: sustainability, transparency & top class employer

### Strongly commit to moderate risk profile

- Strong risk culture
- Optimise balance sheet
- Further diversification
- Strong capital position

### Targets 2017

#### Cost/income ratio

56 - 60%

#### Return on Equity

9 - 12%

#### CET1 ratio

11.5 - 12.5%

# Focus on Dutch clients and selective international growth activities

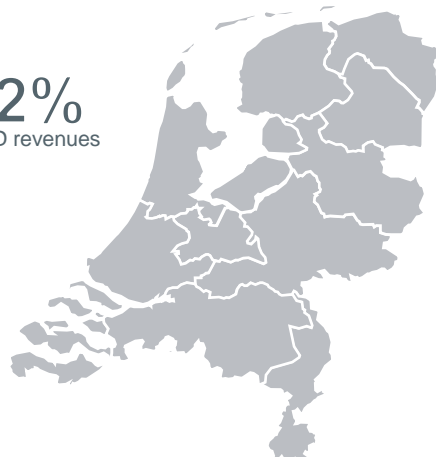
## Focus on Dutch clients and capability driven international activities for selected markets

- A full range of products and services is available to clients in the Netherlands
- International focus on specific and proven expertise with often leading market positions
- Prudent international expansion provides further diversification to risk and income, in line with the moderate risk profile
- Current footprint provides a strong basis for further growth in existing countries and major financial and trading centres

## Full client coverage in Dutch home market

- Retail Banking 285 branches
- Private Banking 21 branches
- Corporate Banking 30 branches, 1 dealing room for Capital Markets Solutions
- Digitalisation 24/7 online and mobile banking, telephone and webcare service

82%  
of YTD revenues



## Selective international growth activities

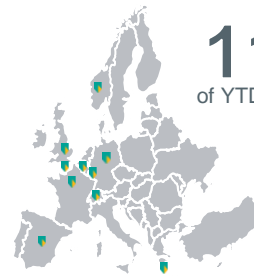
**Selective and focused footprint** defined by areas where ABN AMRO has a differentiated capability:

- **Private Banking clients** in France & Germany, as well as in other European locations and in Asia
- **Corporate Banking clients** mainly for serving Dutch clients abroad and clients of ECT Clients, Asset Based Finance and Clearing Clients

**Partner agreements** for transaction banking services to ensure client servicing where ABN AMRO is not present

ABN AMRO strives to have **20-25% international revenues** by 2017

11%  
of YTD revenues



7%  
of YTD revenues



# quarterly highlights



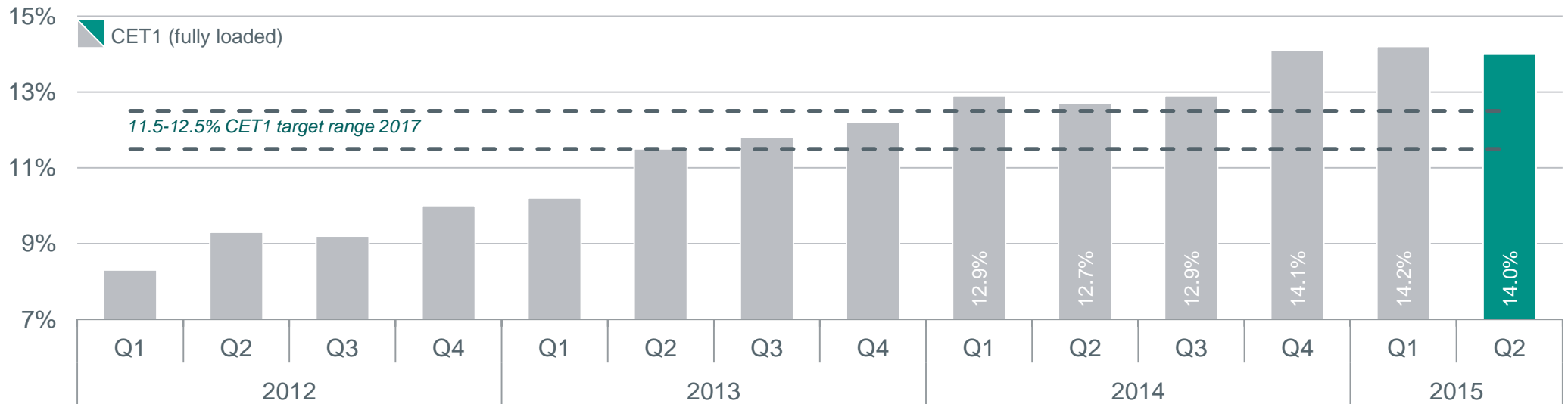
# Results

## Good Q2 2015 result driven by higher income and lower impairments

<i>EUR m</i>	Q2 2015	Q2 2014	Delta	1H 2015	1H 2014	Delta
Net interest income	1,511	1,441	5%	3,056	2,873	6%
Net fee and commission income	456	420	8%	926	842	10%
Other operating income	159	56		312	185	68%
<b>Operating income</b>	<b>2,126</b>	<b>1,917</b>	<b>11%</b>	<b>4,294</b>	<b>3,900</b>	<b>10%</b>
Operating expenses	1,247	1,162	7%	2,465	2,305	7%
<b>Operating result</b>	<b>879</b>	<b>755</b>	<b>16%</b>	<b>1,828</b>	<b>1,595</b>	<b>15%</b>
Impairment charges	34	342	-90%	287	703	-59%
Income tax expenses	244	91		398	192	107%
<b>Underlying profit for the period</b>	<b>600</b>	<b>322</b>	<b>86%</b>	<b>1,144</b>	<b>700</b>	<b>63%</b>
Special items and divestments	-	-283		-	-350	
<b>Reported profit for the period</b>	<b>600</b>	<b>39</b>		<b>1,144</b>	<b>351</b>	
Underlying cost/income ratio (%)	59%	61%		57%	59%	
Underlying return on avg. IFRS equity (%)	15.3%	9.2%		14.7%	10.1%	
Net interest margin (bps)	142	146		145	147	

# CET1 fully loaded capital target

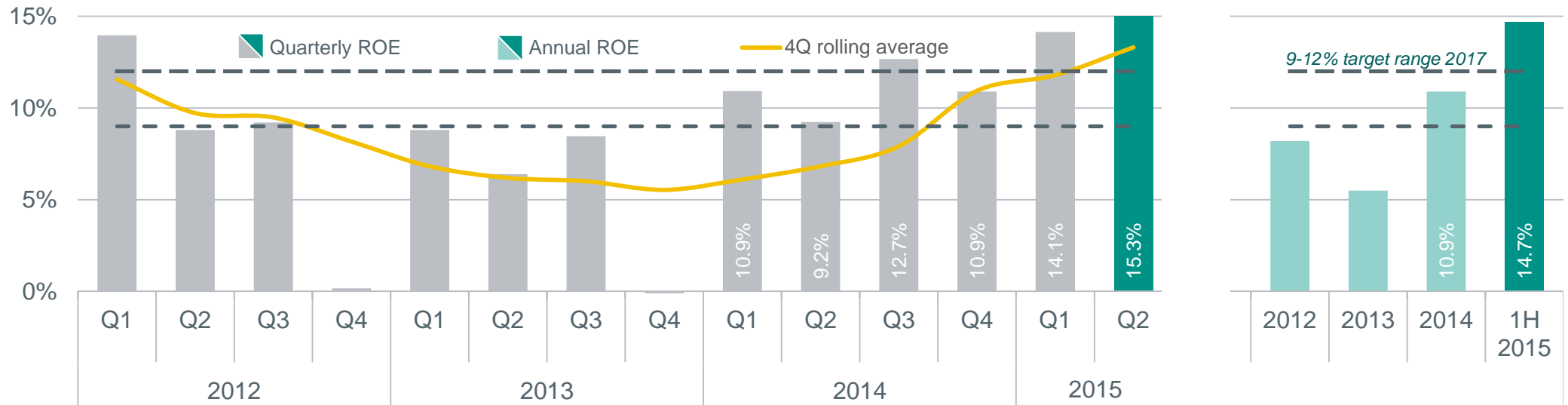
## Strong capital accretion, fully loaded capital position above 2017 target range



- ▶ Fully-loaded CET1 above 2017 target range of 11.5-12.5% provides a cushion for regulatory changes
- ▶ Consistent capital accretion, while dividends paid
- ▶ Q2 fully-loaded CET1 was 14.0%

# Return on Equity target

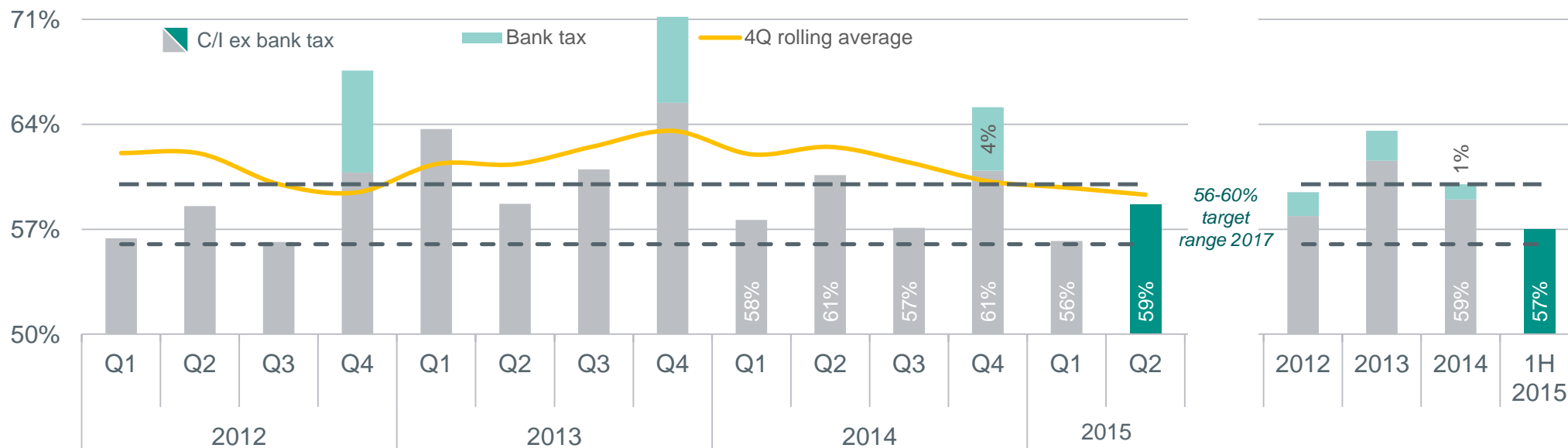
## ROE above target range 2017



- ▶ Clear improvement in ROE both for Q2 as well as 4Q rolling average
- ▶ Adjusted for expected regulatory levies ROE was 14% for Q2 2015 (13% 1H2015)
- ▶ All business segments contributed to the improvement in ROE

# Cost/income target

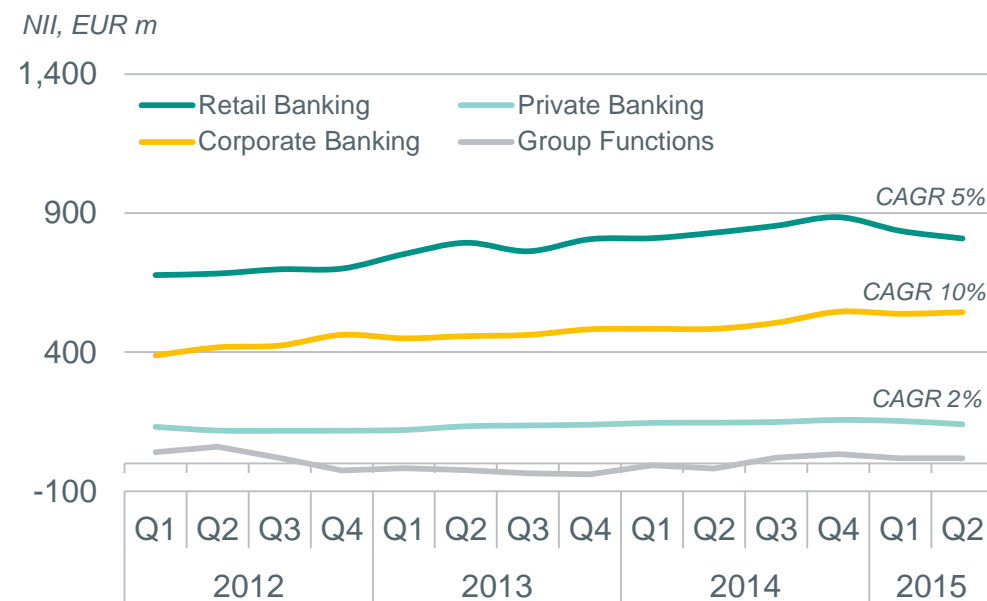
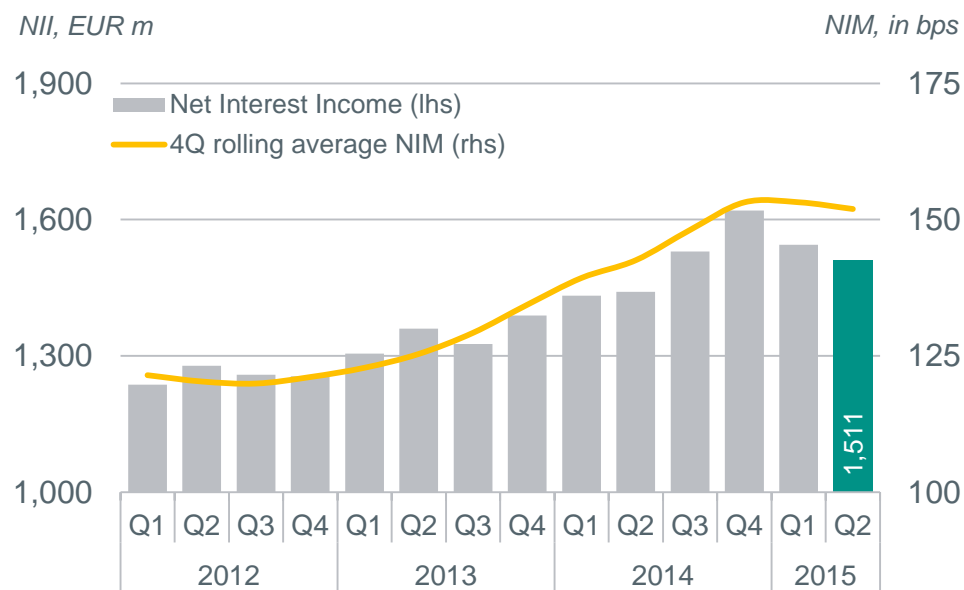
## Cost/income ratio within the 2017 target range



- ▶ Q2 2015 C/I improved to 59% compared to 61% Q2 2014
- ▶ Adjusted for expected regulatory levies C/I was 62% (60% 1H 2015)

# Interest income

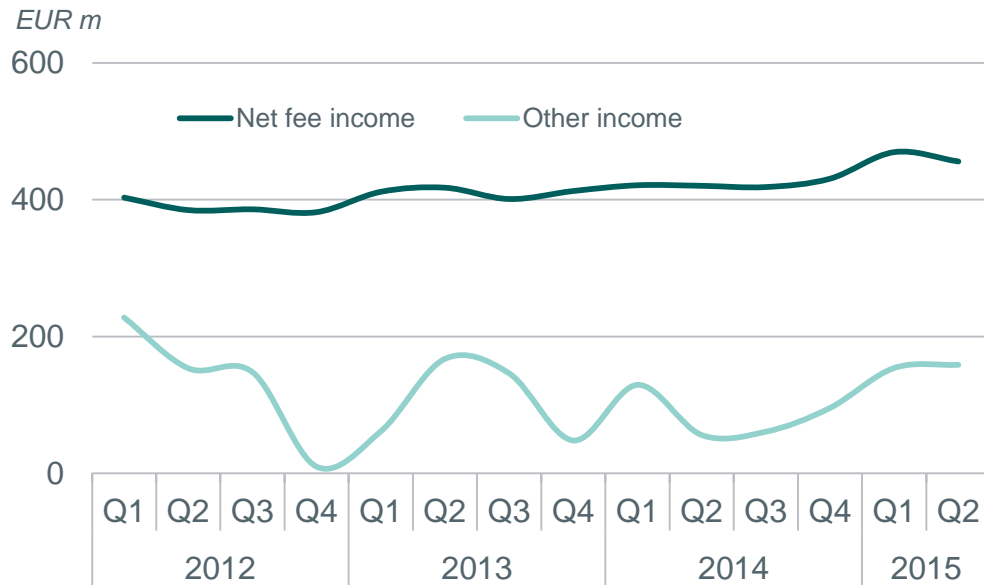
## Interest income levels remained strong



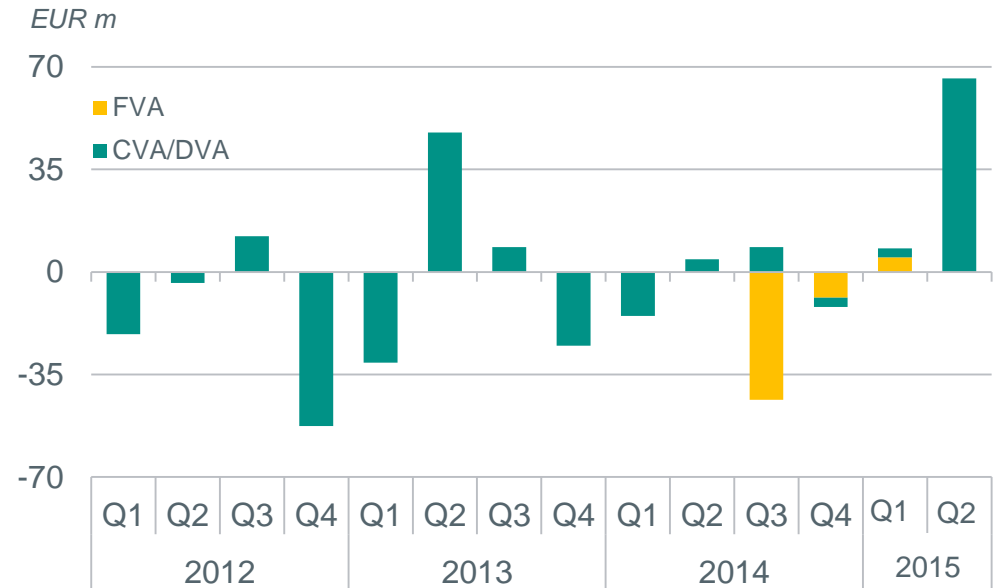
- ▶ NII increased by 5% vs. Q2 2014, driven by higher margins on loans and to a lesser extent growth in corporate loans
- ▶ NII decreased by 2% vs. Q1 2015 because of non-recurring interest provisions

# Net Fee and Other operating income

## Fee income increases over time



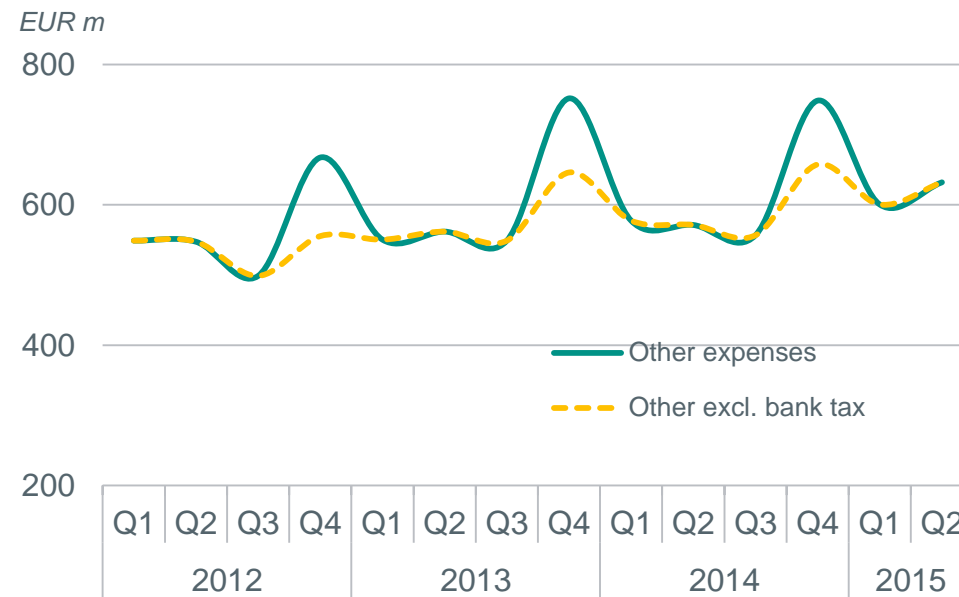
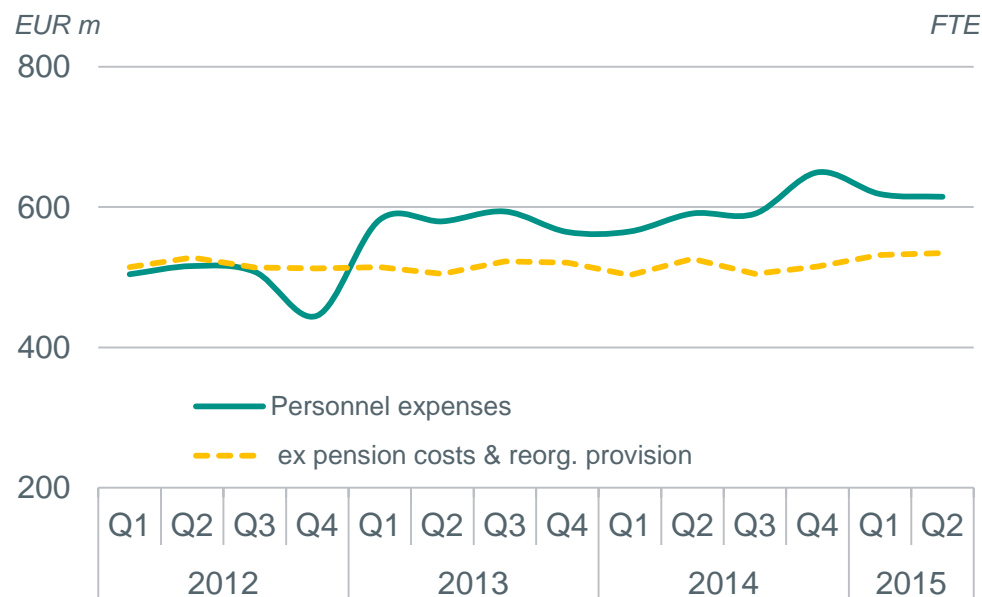
## Volatile CVA, DVA and FVA effects



- ▶ Fee income up 8% vs. Q2 2014, primarily driven by Private Banking
- ▶ Other income increased vs. Q2 2014, primarily due to positive CVA, DVA and FVA effects

# Expenses

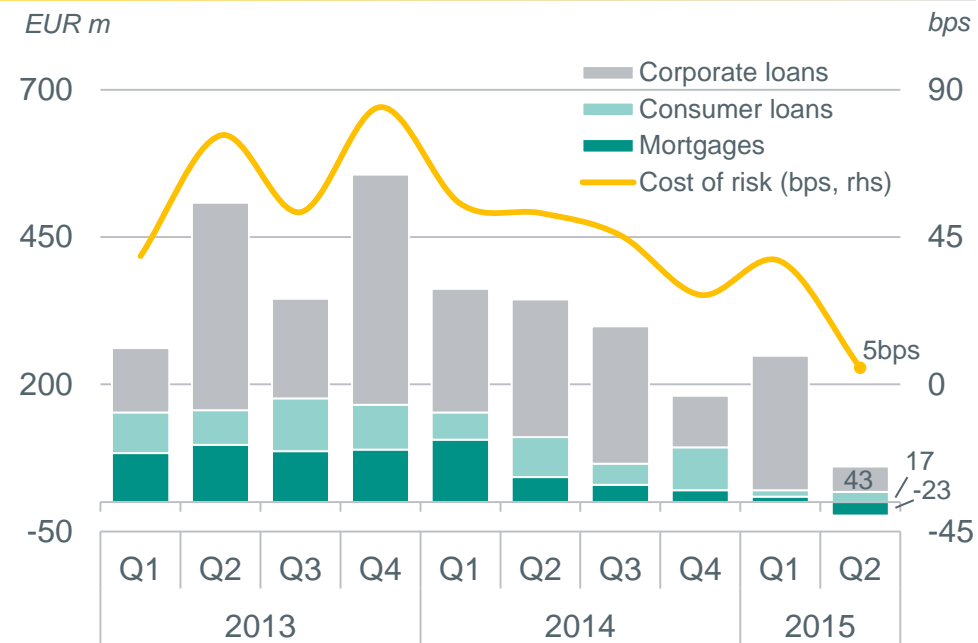
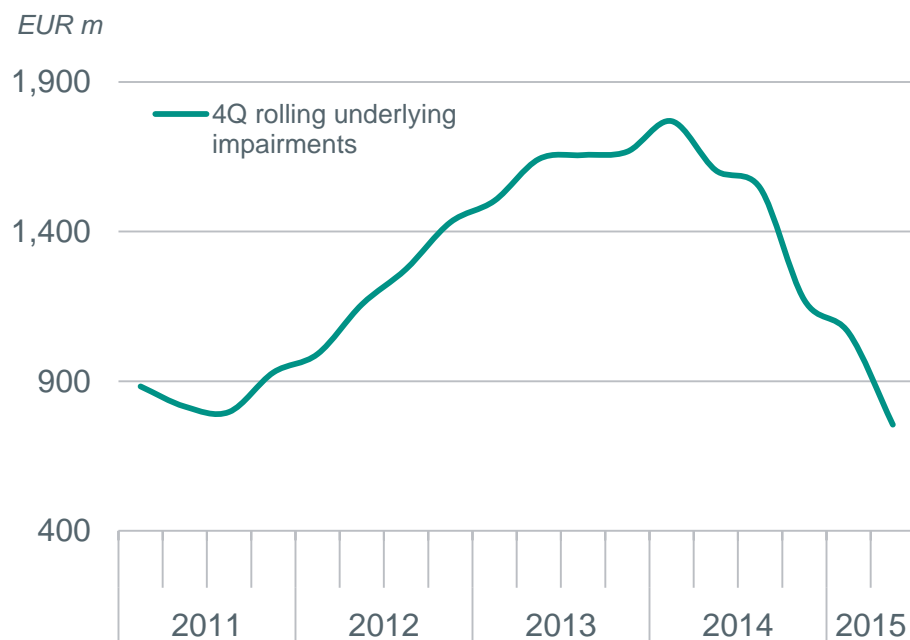
## Expenses increased for several reasons



- ▶ Expenses up 7% vs. Q2 2014 due to
  - ▶ higher project expenses (IT and client-related)
  - ▶ pension costs driven by a low discount rate (EUR 18m higher yoy)
- ▶ Other expenses typically peak in Q4 partly due to the annual charge of Dutch bank tax

# Loan impairments

## Loan impairments continue to trend downwards

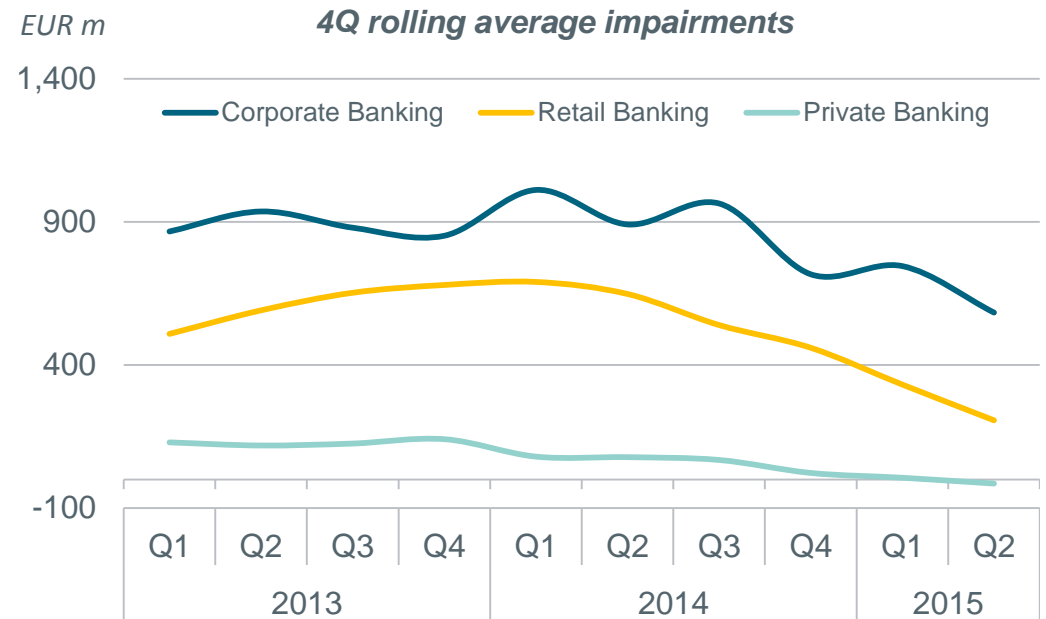
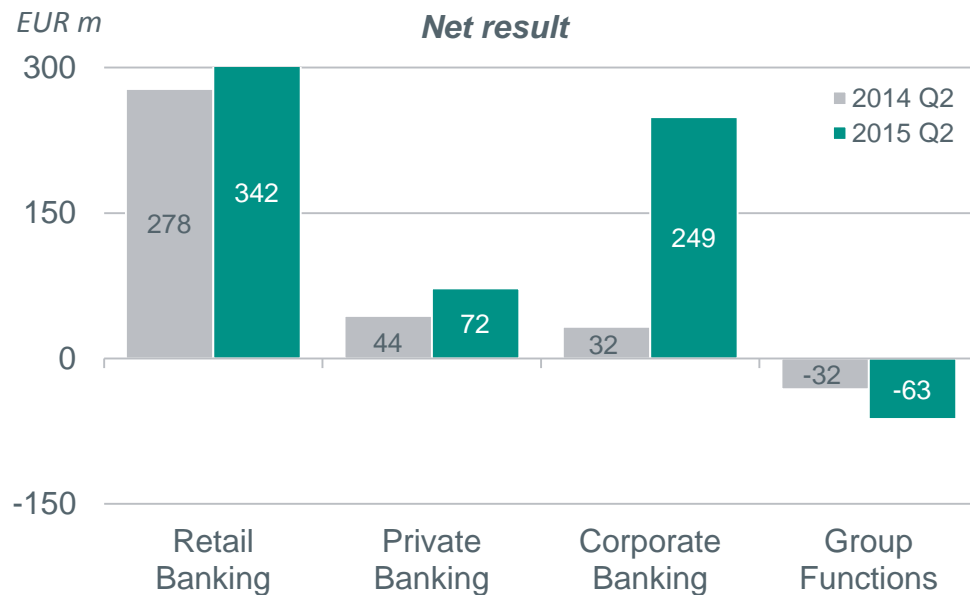


- ▶ Downward trend of 4Q rolling underlying impairments started in 2014 and continued
- ▶ Impairments down significantly in mortgages as well as corporate loans
- ▶ Cost of Risk declined to 5bps in Q2 2015, from 52bps Q2 2014
- ▶ Q2 is exceptionally low due to releases and not representative for remainder of 2015



# Segment results

## Results improved in all businesses

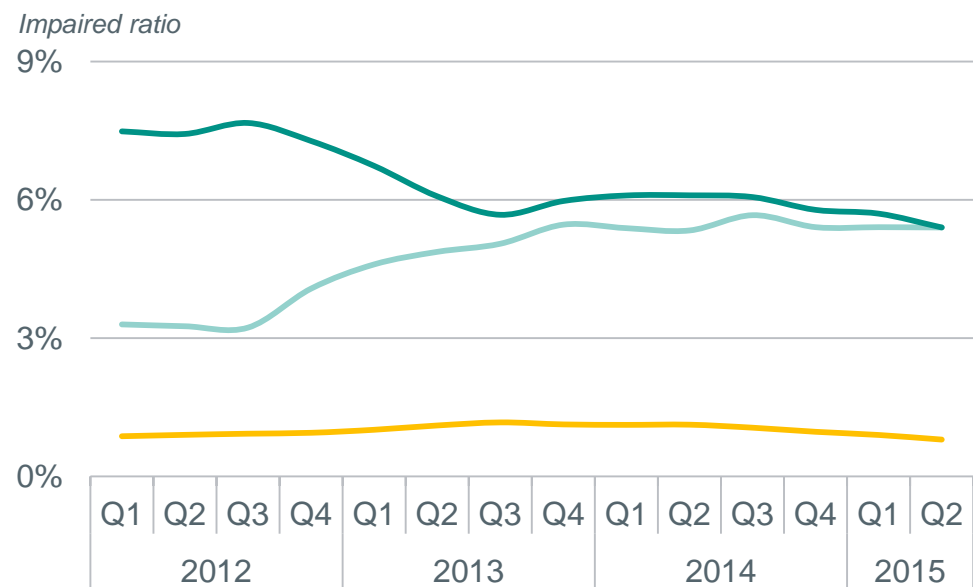


Lower impairments contributed to improvement of net result in all segments:

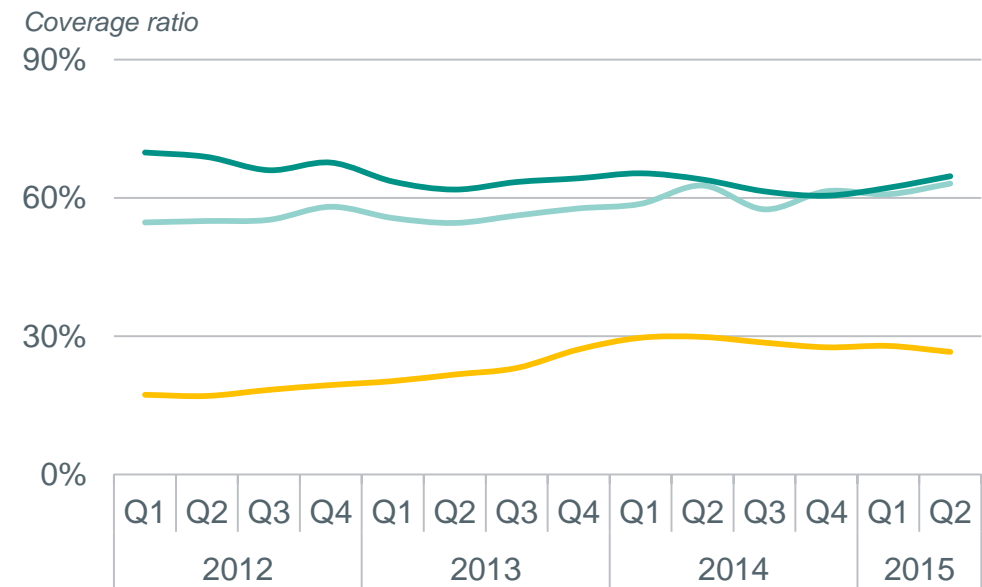
- ▶ Retail Banking up 23% yoy
- ▶ Private Banking improved by 64% in combination with higher operating result
- ▶ Corporate Banking improved to EUR 249m also because of improved operating result

# Risk ratios

## Improving impaired ratio total book



## Coverage ratios more or less stable

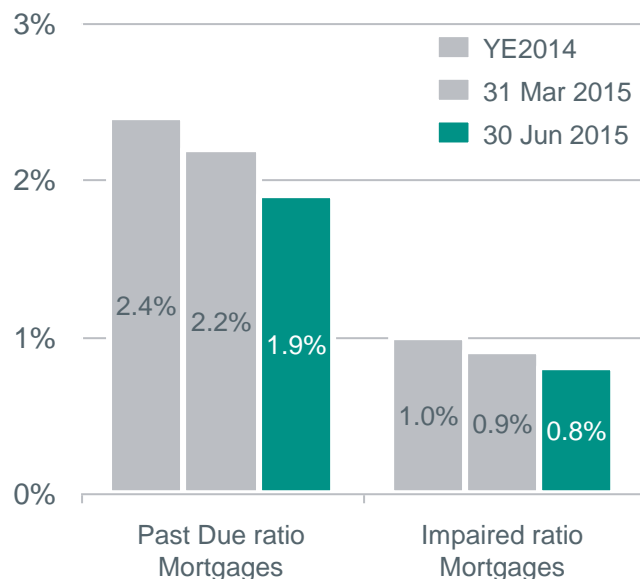


— Mortgages — Consumer loans — Corporate loans

- ▶ In Q2 2015 the impaired ratios improved further for total client loan book to 2.6% (2.8% Q1, 2.9% YE2014), due to improved economic conditions and active management of portfolio
- ▶ Impaired ratios for both mortgages and corporate loans improved while consumer loans remained stable vs. Q1 2015
- ▶ The coverage ratio increased to 57.4% by 30 June 2015 (53.6% YE2014)

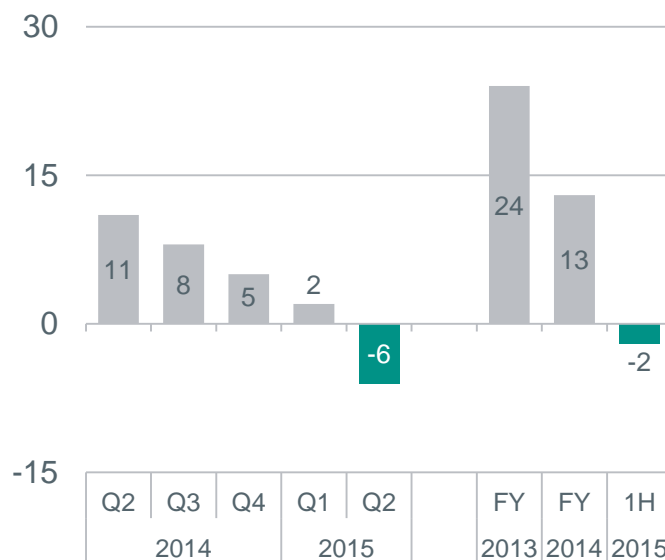
# Mortgage loans

## Asset quality ratios improved

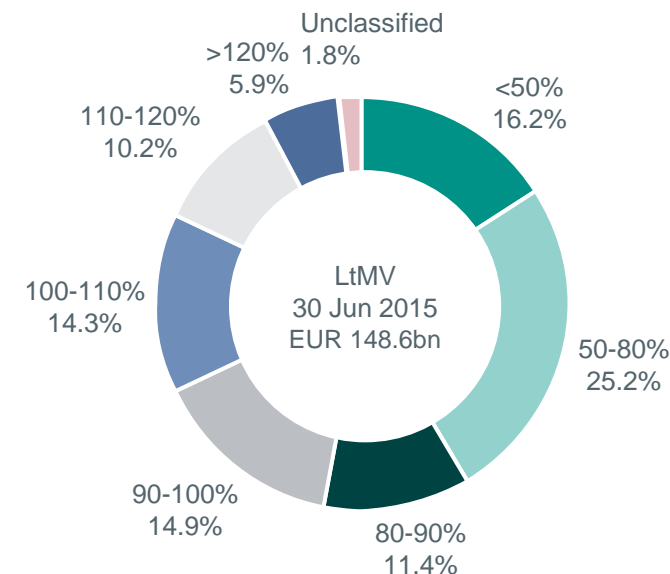


## Impairments down

In bps, impairments over avg. mortgage loans



## Loan to Market Value 82%



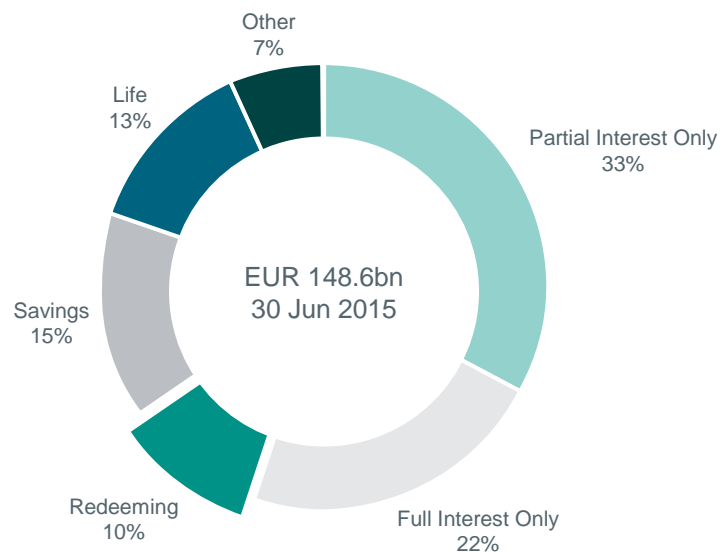
Metrics continued to improve due to recovery housing market and continued active management of portfolio

- ▶ Past due ratio to 1.9%
- ▶ Impaired ratio to 0.8%
- ▶ Q2 cost of risk was a net release of 6bps
- ▶ LtMV at 82% (78% non-NHG), down from 83% at YE2014 (79% non-NHG)
- ▶ LtMV class  $\geq 100\%$  declined by EUR 3.4bn since YE2014

# Mortgage loans

## Loan book composition

Mortgage book by loan type



- ▶ Redeeming mortgages grew to 10% at 30 June 2015 from 2% at YE2012
- ▶ The mortgage portfolio consists of 26% NHG-guaranteed loans

## Portfolio shift triggered

Change in mortgage loan book, since 1 January 2013 (EUR bn)



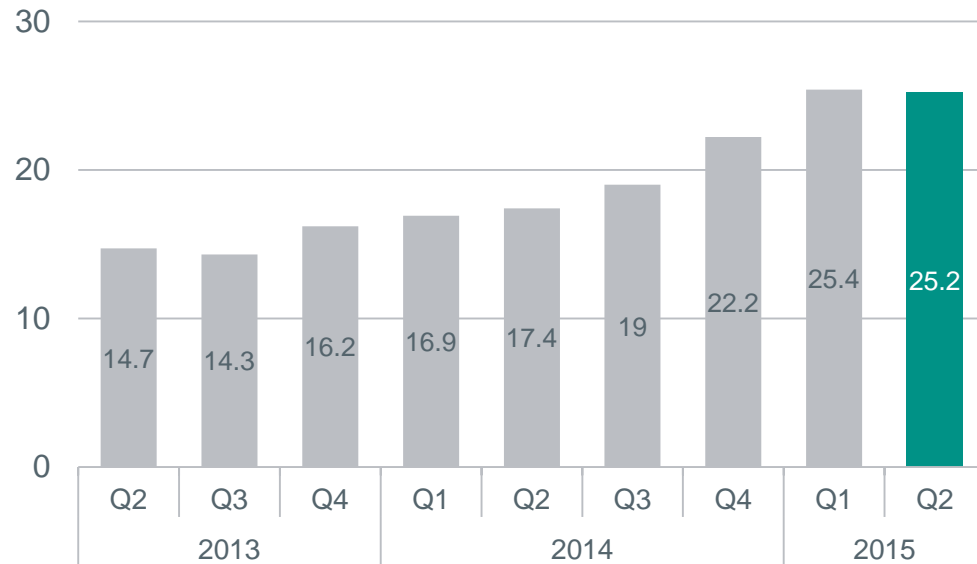
Since the 2013 tax rules apply

- ▶ redeeming mortgages picked up, while Interest Only and Other declined
- ▶ trend expected to continue

# ECT Clients

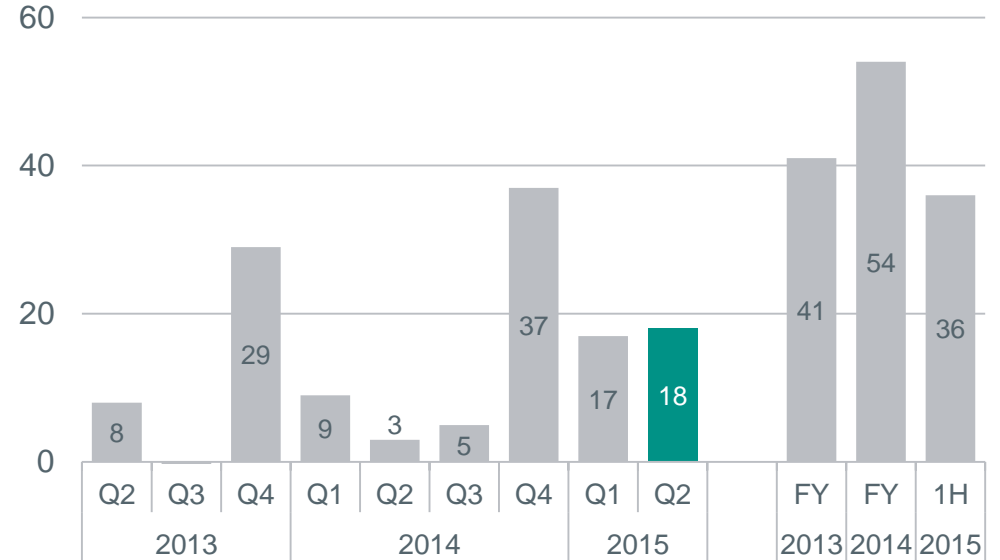
## On-balance outstanding

EUR bn



## Impairment charges

EUR m



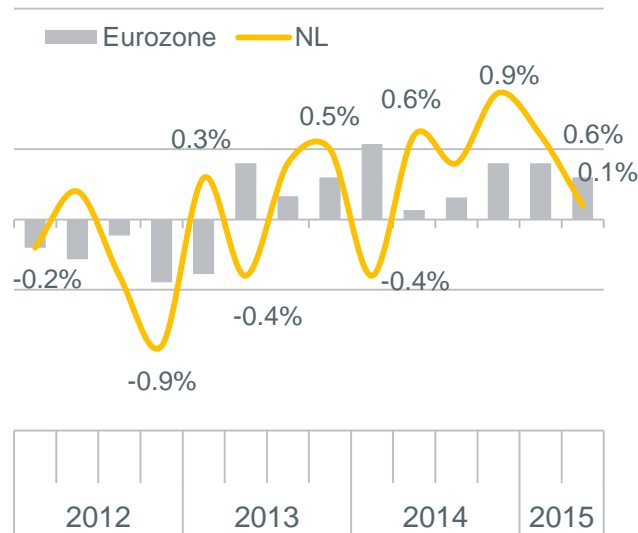
- ▶ On-balance sheet exposures increased over the last years through controlled growth as well as currency effects
- ▶ Portfolio decreased in Q2 by 0.9% primarily due to the USD depreciation
- ▶ Impairment charges increased, but remain at relatively low levels at EUR 18m in Q2

# economic update

# Dutch economic indicators (1/2)

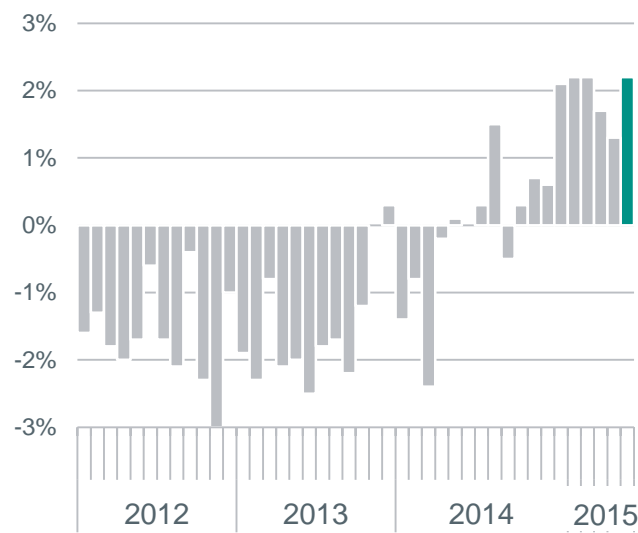
## GDP

Q-o-Q, source Thomson Reuters Datastream, CBS



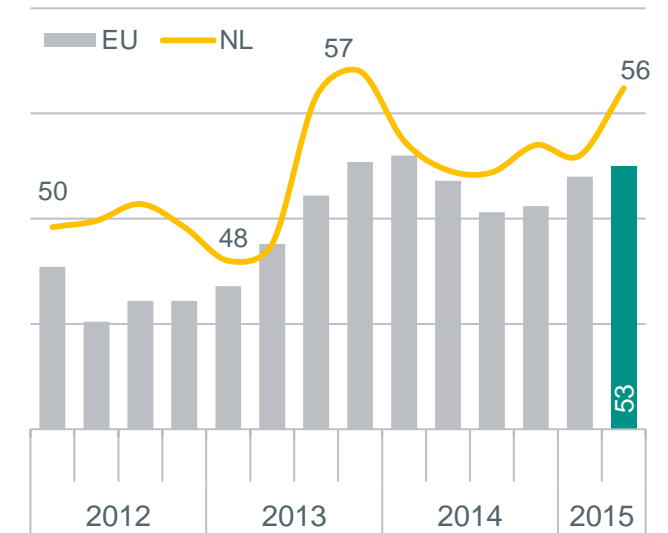
## Consumer spending

% change compared with same month year ago, CBS



## PMI

PMI indices (end of period), source: Markit



- ▶ GDP growth remained on growth path in Q2 2015
  - ▶ 2.0% growth vs. Q2 2014
  - ▶ 0.1% growth vs. Q1 2015
- ▶ Q2 was impacted by lower natural gas revenues

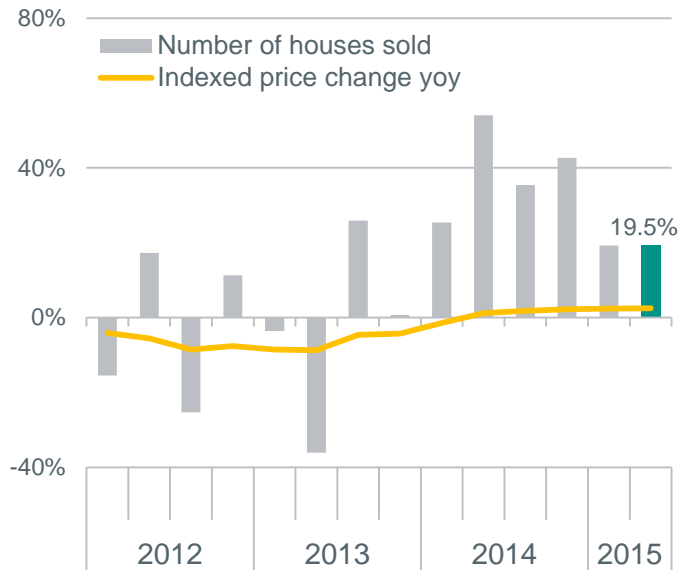
- ▶ Consumer spending clearly picked up
- ▶ June was 2.2% higher compared with same month last year

- ▶ PMI shows expansion since mid 2013 (>50)
- ▶ Firm rise in Q2
- ▶ Dutch PMI improved more than the Eurozone PMI

# Dutch economic indicators (2/2)

## House prices & houses sold

yoy change in avg. price houses sold and no. houses sold, CBS

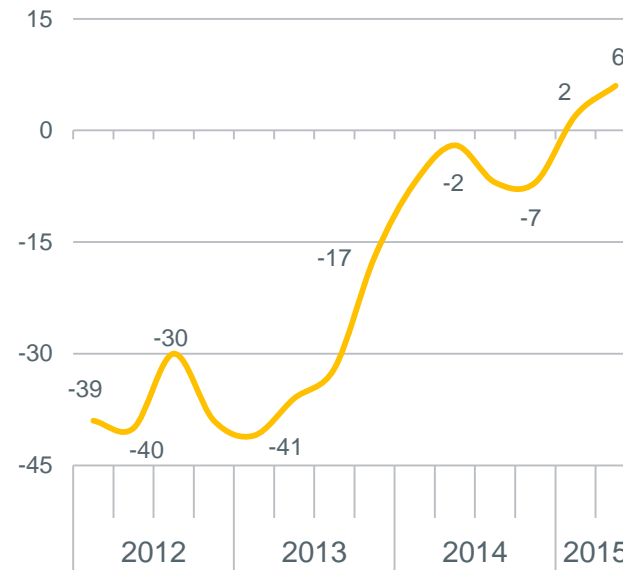


### Housing market recovered

- ▶ Number of houses sold +19.5% vs. Q2 2014
- ▶ Prices up by 2.5% vs. Q2 2014

## Consumer confidence

The Netherlands, seasonally adjusted confidence (end of period) (average over last 25 years was -8.5), source CBS

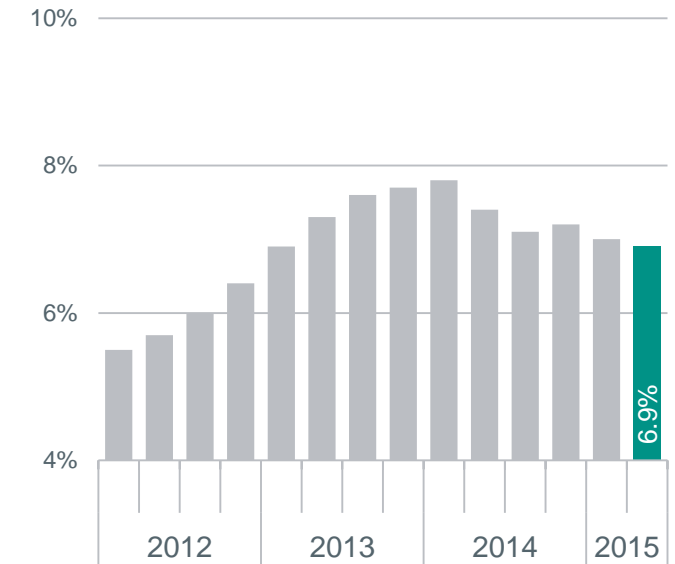


### Dutch consumer confidence

- ▶ Improved significantly and is well above the 25 year average of -8.5
- ▶ Due to a substantially more positive assessment of the economic climate

## Unemployment

The Netherlands (end of period), source: Statistics Netherlands



- ▶ Unemployment further improved due to an increase in number of jobs
- ▶ The number of people (re-)entering the labour market rose



# Economic forecast

## Dutch economy is expected to continue its recovery in 2015

	2013	2014	2015E	2016E
<b>Netherlands</b>				
GDP (% yoy)	-0.4%	1.0%	2.3%	2.4%
Inflation (% yoy)	2.6%	0.3%	0.4%	1.5%
Unemployment rate (%)	7.3%	7.4%	6.9%	6.5%
Government debt (% GDP)	68%	68%	67%	67%
<b>Eurozone</b>				
GDP (% yoy)	-0.3%	0.9%	1.5%	2.2%
Inflation (% yoy)	1.3%	0.5%	0.2%	1.5%
Unemployment rate (%)	12.0%	11.6%	11.1%	10.5%
Government debt (% GDP)	91%	92%	93%	92%

- ▶ GDP forecasted to continue to grow in 2015 to 2.3% from 1.0% in 2014
- ▶ Unemployment is expected to improve further this year to 6.9% for the full year
- ▶ Low inflation (no deflation) forecasted for 2015, 1.5% forecasted for 2016

Source: Thomson Financial, Economist Intelligence Unit, ABN AMRO Group Economics, 18 August 2015

profile

# Moderate risk profile

## A moderate risk profile is part of the corporate strategy

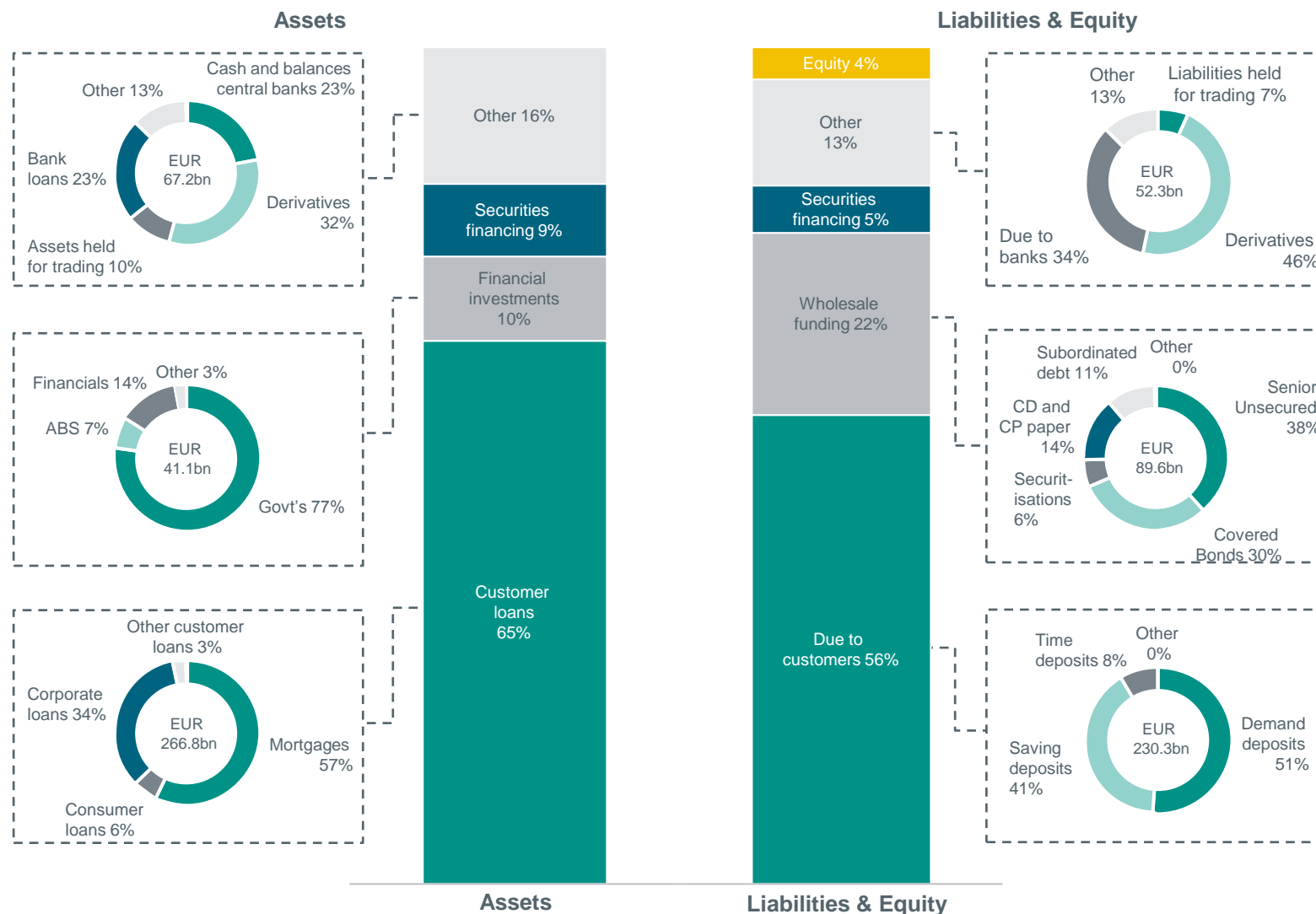
Maintaining a moderate risk profile is reflected in the balance sheet, loan book composition, clients, products and geographies served, and translates in sound capital and liquidity management. In summary the main features in the risk profile are:

<b>A moderate risk profile</b>	<b>Strongly commitment to a moderate risk profile</b> Defined and embedded in the group strategy
<b>Risk Appetite</b>	<b>Moderate risk profile expressed in risk appetite statements and cascaded down to businesses</b>
<b>Embedding in the organisation</b>	<b>Moderate risk profile is embedded in the organisation</b> Strong risk governance, risk management processes and integrated risk management approach
<b>Risk Governance</b>	<b>Governance framework ensures high level of management &amp; managing board involvement</b> <ul style="list-style-type: none"><li>▪ to safeguard and control the risk profile and to steer risk management processes within risk appetite</li><li>▪ based on clear risk strategy, appetite, policies and methods</li><li>▪ Supervisory Board approves risk governance and oversees execution of strategy</li><li>▪ CRO is member of the Managing Board to safeguard accurate monitoring of Risk Appetite</li></ul>
<b>Three Lines of Defence Model</b>	<b>A core discipline for the bank and its employees</b> <ul style="list-style-type: none"><li>▪ 1st Line of Defence: risk ownership, primarily business responsibility</li><li>▪ 2nd Line of Defence: risk control, primarily Group Functions (e.g. Risk Management) responsibility</li><li>▪ 3rd Line of Defence: risk assurance, Group Audit responsibility</li></ul>
<b>Risk Measurement and Reporting</b>	<b>A comprehensive internal risk reporting hierarchy for periodic reporting</b> <ul style="list-style-type: none"><li>▪ Monthly reports provide integrated views on the risk profile, which are discussed in board and risk committees</li><li>▪ Monthly performance benchmarked against risk appetite limits and strategic targets</li><li>▪ Business Line risk reports discussed monthly in appropriate risk committees</li></ul>

# Balance sheet composition

## Balance sheet composition reflects moderate risk profile

- Focus on collateralised lending
- Loan portfolio is matched by deposits, long-term debt and equity
- Limited reliance on short-term debt
- Securities Financing which by nature is a fully collateralised activity: e.g. repo transactions and stock borrowing & lending activities
- Limited market risk and trading portfolios
- No exposure to CDOs or CLOs
- Financial Investments relate to liquidity management activities



Assets

Liabilities & Equity

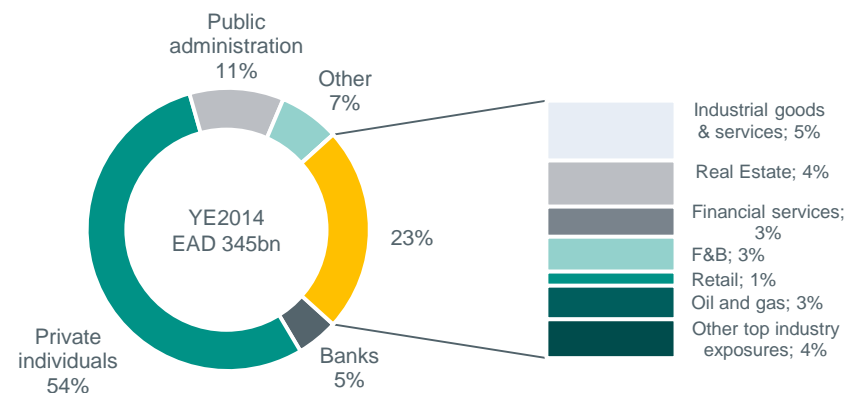
Balance sheet total 30 Jun 2015: EUR 411bn

# Industry concentrations and government exposures

## Exposure at Default

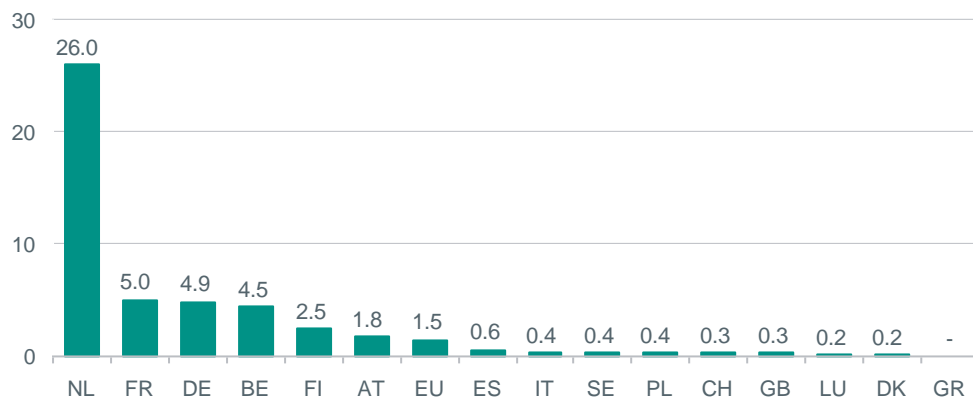
- YE2014 EAD exposure for 75% to Dutch domiciled clients
  - Non-Dutch exposures for a large part corporate sector (46%) and institutions (15%)
  - Asia 4% and RoW 3%: mostly ECT Clients
  - USA 3%: mainly Clearing Clients, ECT Clients and Securities Financing
  - Limited Russian and negligible Ukraine exposure
- Largest industry exposure to Industrial Goods & Services: includes industrial transportation, support services and industrial engineering
- Most government exposures held for liquidity purposes

## Top exposures in EAD



## Gross EU government exposures

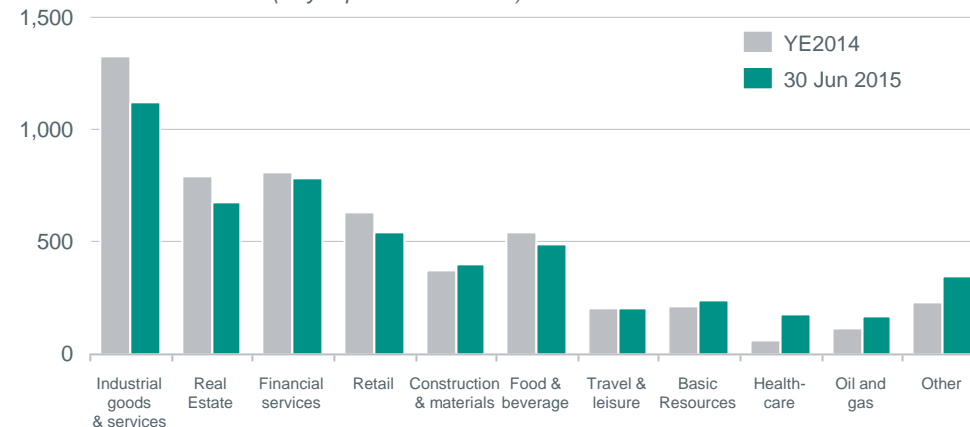
EUR bn, 30 June 2015



## Impaired loans by industry

EUR m

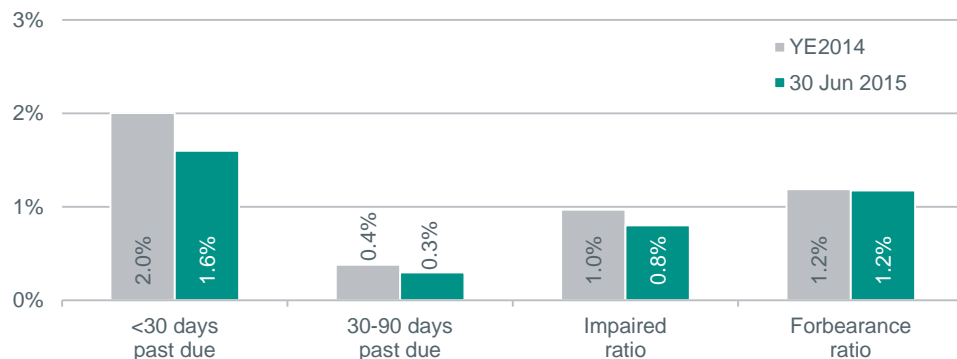
Impaired exposures in Financial Services include the remainder of Madoff (fully impaired EUR 0.5bn)



# Mortgage risk metrics

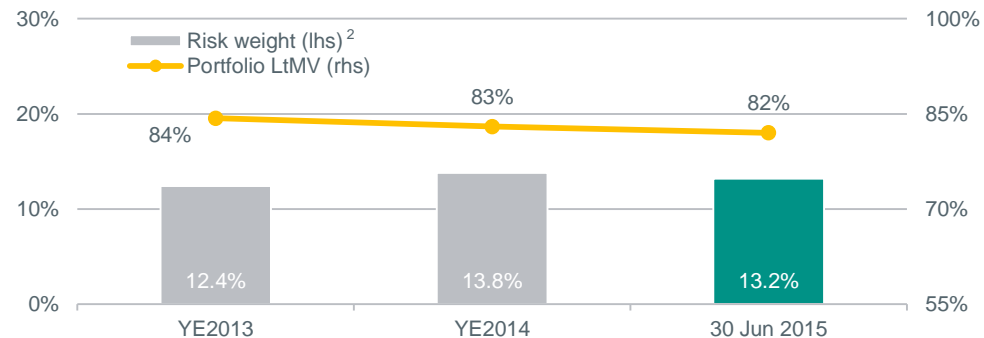
## Risk metrics mortgage book improve

Following the recovery of the Dutch housing market the risk metrics for the mortgage portfolio improved as from 2014



## LtMV slowly decreases

Improved housing market is slowly reflected in improved LtMVs. RWA (REA)<sup>1</sup> increased to 13.2% at 30 Jun 2015 vs. 12.4% at YE2013. Portfolio consists of 26% NHG-guaranteed loans



## New rules: tax and amortisation, LtMV cap

Mortgage type	Tax deduction for mortgage coupons		Full amortisation	Accrual for redemption
	Existing mortgages (≤2012)	New production (≥2013)		
Annuity & Linear	✓	✓	✓	✗
Savings	✓	✗	✗	✓
Interest only	✓	✗	✗	✗
Life, hybrids & investments	✓	✗	✗	✓

- Although new requirements for tax deduction do not apply to 'existing mortgages', all home owners can deduct coupons at a declining tax rate by 0.5% p.a. from max. 52% in 2013 to ultimately 38% (max. 51% in 2015)
- Maximum LTV at origination: 103% in 2015, declines by 1% p.a. to 100% in 2018
- Interest-only mortgage set at max. 50% of LtMV
- Strict regulations for non-compliance

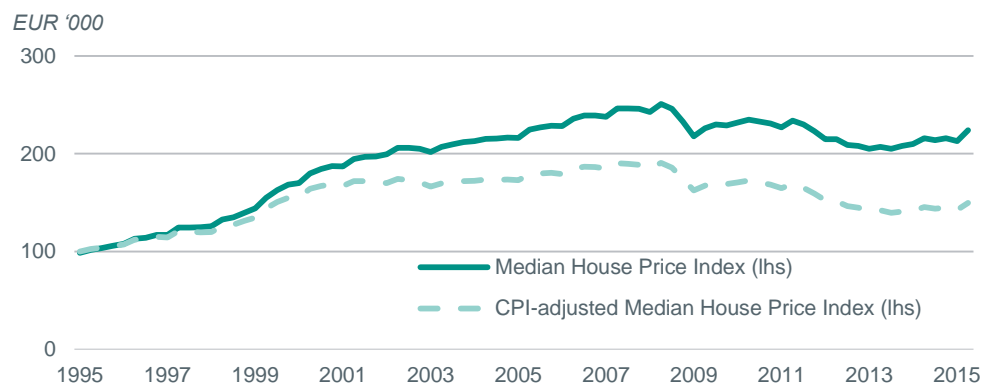
Note(s):  
 1. The risk weighted assets are based on the exposure class Secured by immovable property. This scope is slightly broader than the residential mortgage portfolio  
 2. Risk weight calculated over EAD

# Overview Dutch mortgage market

## Features Dutch market

- Competitive and mature market almost EUR 636bn<sup>1</sup> in total size (Q1 2015), down from the peak of EUR 651bn (Q3 2012)
- House prices still down 18% since peak in August 2008<sup>2</sup>
- New mortgage production EUR 14bn in Q2 2015 up 30% vs Q2 2014
- House sales up 20% in Q2 2015 vs. Q2 2014 (+39% 2014 vs 2013)
- Dutch consumers typically fix interest rates for long term (Q2 production: vast majority 10 years)
- Interest paid on mortgages can be tax-deductible
- Thorough underwriting process: notary involved, credit quality verification, strict code of conduct and duty of care principles
- Full recourse to borrowers upon default
- NHG (guarantee for principal and interest) available to eligible borrowers
- Dutch residential mortgage market historically saw solid performance with very low defaults and foreclosures

## Transaction prices (quarterly, 1995=100)<sup>4</sup>



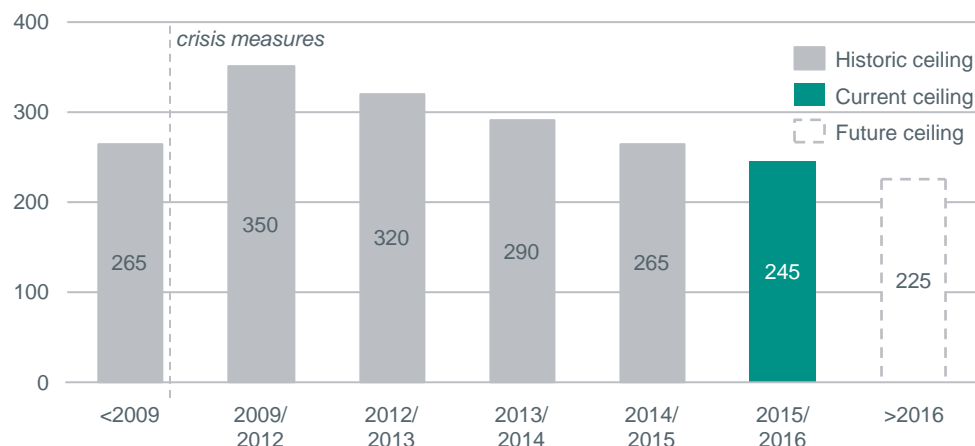
Note(s):

- Source: DNB
- Source: Bureau of Statistics (CBS) and Kadaster (Land Registry)
- Source: Dutch Land Registry Office (Kadaster)

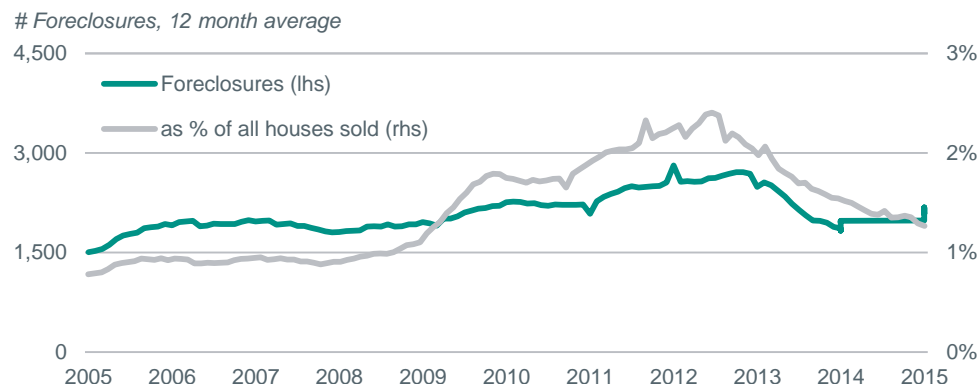
- Source: CBS
- Source: Nationale Hypotheek Garantie (NHG)
- Source Land Registry, foreclosures are execution sales

## Development NHG ceiling<sup>5</sup>

New NHG rules require annuity/linear mortgages with max. 30 years maturity. Over time the NHG criteria become more stringent (EUR '000)



## Foreclosures in Dutch market are low<sup>6</sup>



# Real estate market & portfolio

## Features

**Definition:** 'land and property owned by project developers or investors with the purpose to develop, to trade or to rent'

### Dutch market

- Dutch property market improved due to high demand from investors, which resulted in an increase in investment volume
- Investor demand focused primarily on residential assets sold by housing corporations while in the past more on prime assets (retail and offices)

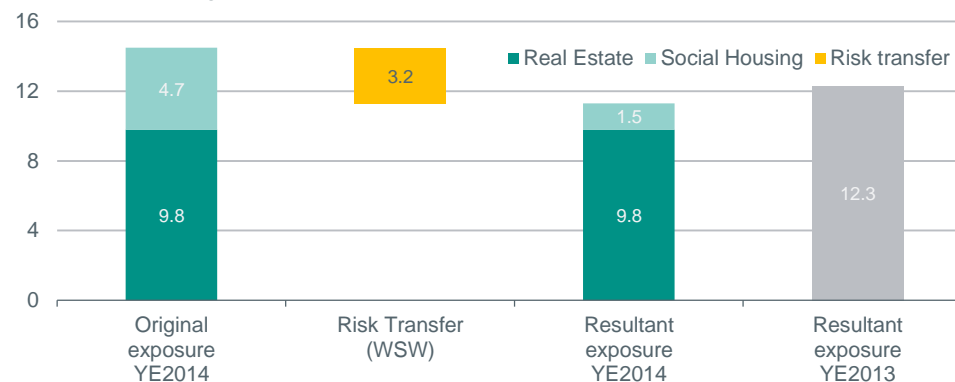
### ABN AMRO Portfolio

- Includes Social Housing, partly guaranteed by WSW<sup>1</sup>, and Private Banking clients (for investment purposes)
- Low loan to values and almost exclusively Dutch property
- The Corporate Banking CRE portfolio consists of:
  - Corporate based real estate: lending to (listed) institutional real estate funds & investment companies, mainly residential/retail
  - Asset based real estate: lending to real estate investment companies or developers. Limited exposures to developers
  - Real estate exposures to SME companies, with fully secured senior loans (assets and guarantees): relatively low LtVs, almost exclusively Dutch properties, mainly investment loans diversified across asset types. Limited exposures to offices and land banks
- Policies do not approve equity stakes nor direct exposure to development risk
- New intake requires 60-65% LtMV in Private Banking and Commercial Clients and 70-75% in International Clients

Note(s):  
 1. 'Waarborgfonds Sociale Woningbouw',  
 2. Based on original obligor

## Real estate portfolio at YE2014

EAD bn *Transfer of Risk is mainly related to the WSW guarantee on part of the social housing portfolio*



## Real estate indicators

	YE2014	YE2013	YE2012
EAD original obligor (EUR bn)	14.5	14.1	14.7
EAD resultant obligor (EUR bn)	11.2	12.3	12.0
Impaired ratio <sup>2</sup>	5.5%	5.8%	4.7%
Coverage ratio	49%	63%	66%

*FY2014 real estate loan impairment charges were EUR 68m, primarily in the area of office investments*



# Basel III capital position

## Capital further strengthened

Basel III capital, EUR m	Jun 2015	Mar 2015	YE2014
Total Equity (IFRS)	15,899	15,584	14,877
Other	382	383	549
<b>CET1</b>	<b>16,281</b>	<b>15,967</b>	<b>15,426</b>
Innovative instruments	700	700	800
Other adjustments	-243	-199	-241
<b>Tier 1</b>	<b>16,738</b>	<b>16,468</b>	<b>15,985</b>
Sub-Debt	4,260	5,992	5,502
Excess T1 recognised as T2	0	300	200
Other adjustments	-8	100	-39
<b>Total capital</b>	<b>20,990</b>	<b>22,860</b>	<b>21,648</b>

### Latest developments

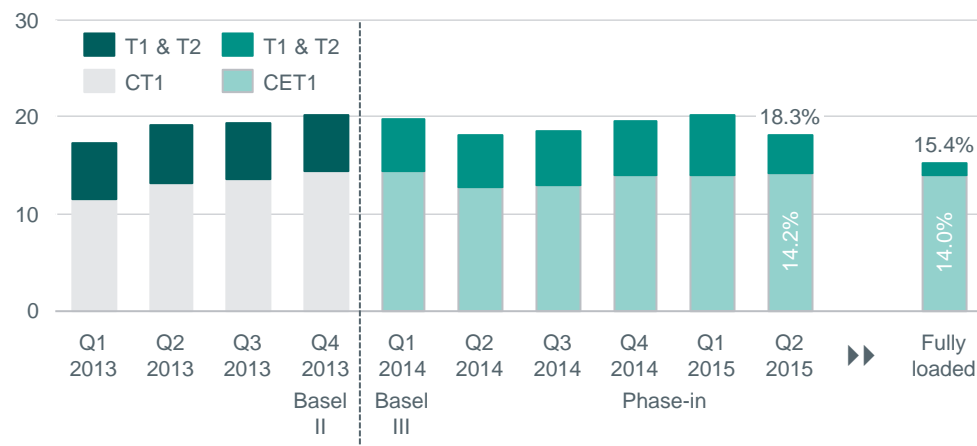
- CRD IV CET 1 and Tier 1 ratios improved slightly because a moderate increase in RWA was outweighed by growth via retained earnings and regulatory adjustments
- Total capital ratio declined following the change in eligibility of certain Tier 2 instruments, driven by a change in view of the ECB
- Decrease in leverage ratio mainly caused by a considerable increase in the exposure measure, due to a revised interpretation of CDR<sup>1</sup> on the calculation of the exposure measure for clearing services<sup>2</sup>

Note(s):

1. Commission Delegated Regulation (EU) 2015/62 (CDR)

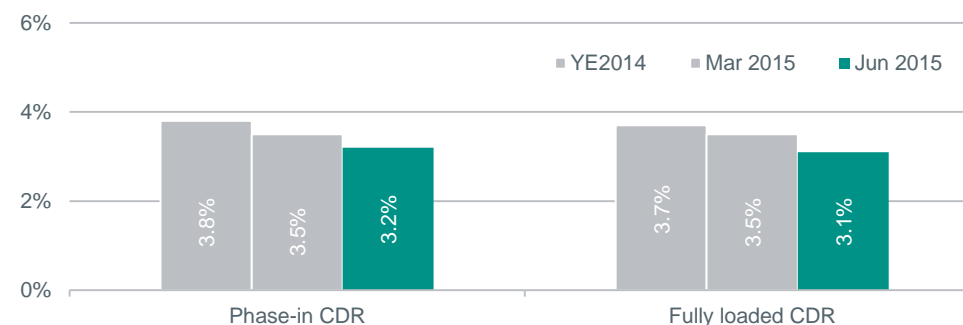
2. The CDR standard specifies that when a clearing member guarantees the exchange traded derivative transactions of clients towards Central Counterparties, it shall include the guarantee in the exposure measure. This can be interpreted in multiple ways. As of Q2 2015 ABN AMRO decided to use a conservative interpretation for which Basel (BCBS) guidelines and EBA guidance were used

## Continued capital accrual



## Leverage ratio

As of 2015 the Commission Delegated Regulation (CDR) rules apply for ABN AMRO



# Capital instruments

## Overview of outstanding OpCo issued loss absorbing instruments

- ABN AMRO recently started to issue new capital instruments to further build up the loss absorbing capacity in view of scheduled amortisations, MREL/TLAC and other regulatory changes
- The following table shows an overview per 21 August 2015

Type <sup>(1)</sup>	Size (m)	Loss absorption	Maturity	Callable	Coupon	ISIN	Eligibility based on current understanding				
							Basel III	BRRD MREL	FSB TLAC	S&P ALAC	Moody's LGF
<b>Tier 1 : deeply subordinated notes</b>											
OpCo T1 Perpetual Bermudan Callable	EUR 1,000m	Statutory	Perpetual	Mar 2016	4.31%, step up	XS0246487457	GF	✓	✓	✓	✓
<b>Tier 2: subordinated notes</b>											
OpCo T2	EUR 1,227m	Statutory	27 Apr 2021	Bullet	6.375% p.a.	XS0619548216	GF	✓	✓	✓	✓
OpCo T2	USD 595m	Statutory	27 Apr 2022	Bullet	6.250% p.a.	XS0619547838	GF	✓	✓	✓	✓
OpCo T2	USD 113m	Statutory	15 May 2023	Bullet	7.75% p.a.	144A: US00080QAD79 RegS:USN0028HAP03	GF	✓	✓	✓	✓
OpCo Perpetual Upper T2	GBP 150m, was GBP 750m	Statutory	Perpetual	Feb 2016	5.0%, step up	XS0244754254	GF	✓	✓	✓	✓
OpCo T2	EUR 1,500m	Statutory	30 Jun 2025	Jun 2020	2.875% p.a.	XS1253955469	✓	✓	✓	✓	✓
OpCo T2	USD1,500m	Statutory	28 Jul 2025	Bullet	4.750% p.a.	XS1264600310	✓	✓	✓	✓	✓
<b>Subordinated notes</b>											
OpCo	USD 1,500m	Statutory	13 Sep 2022	Sep 2017	6.25% p.a.	XS0827817650	✗	✓	✓	✓	✓
OpCo	SGD 1,000m	Statutory	25 Oct 2022	Oct 2017	4.70% p.a.	XS0848055991	✗	✓	✓	✓	✓
OpCo	EUR 1,000m	Statutory	6 Jul 2022	Bullet	7.125% p.a.	XS0802995166	✗	✓	✓	✓	✓
OpCo	EUR 217m various instruments	Statutory					✗	✓	✓	✓	✓

GF = grandfathered instruments, subject to annual amortisation

# Capital ambitions

## Pending regulations require close monitoring and capital planning

Based on current understanding of applicable and/or pending regulations and respective implementation dates, the following ambitions apply:

### We aim for a Leverage Ratio $\geq 4\%$ by 2018

- Retained earnings
- Manage the Exposure Measure
- AT1 issuance up to  $\sim 1.5\%$  of RWA

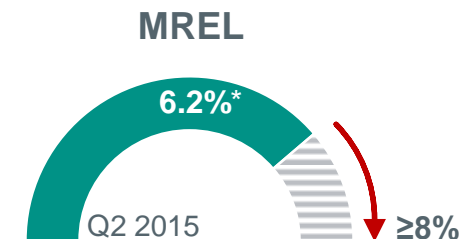
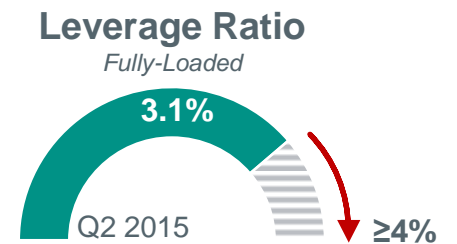
### We aim for MREL $\geq 8\%$ by 2018 and pre-position for TLAC

- MREL  $\geq 8\%$  through subordinated debt and capital retention
- Finalisation of regulation (including TLAC) will determine exact route to meet target

### For now, continue to further build out the buffer of loss absorbing instruments

Notwithstanding changes in rules and regulations, additional issuance of AT1 and T2 are a no-regret option, while keeping an eye on regulatory developments

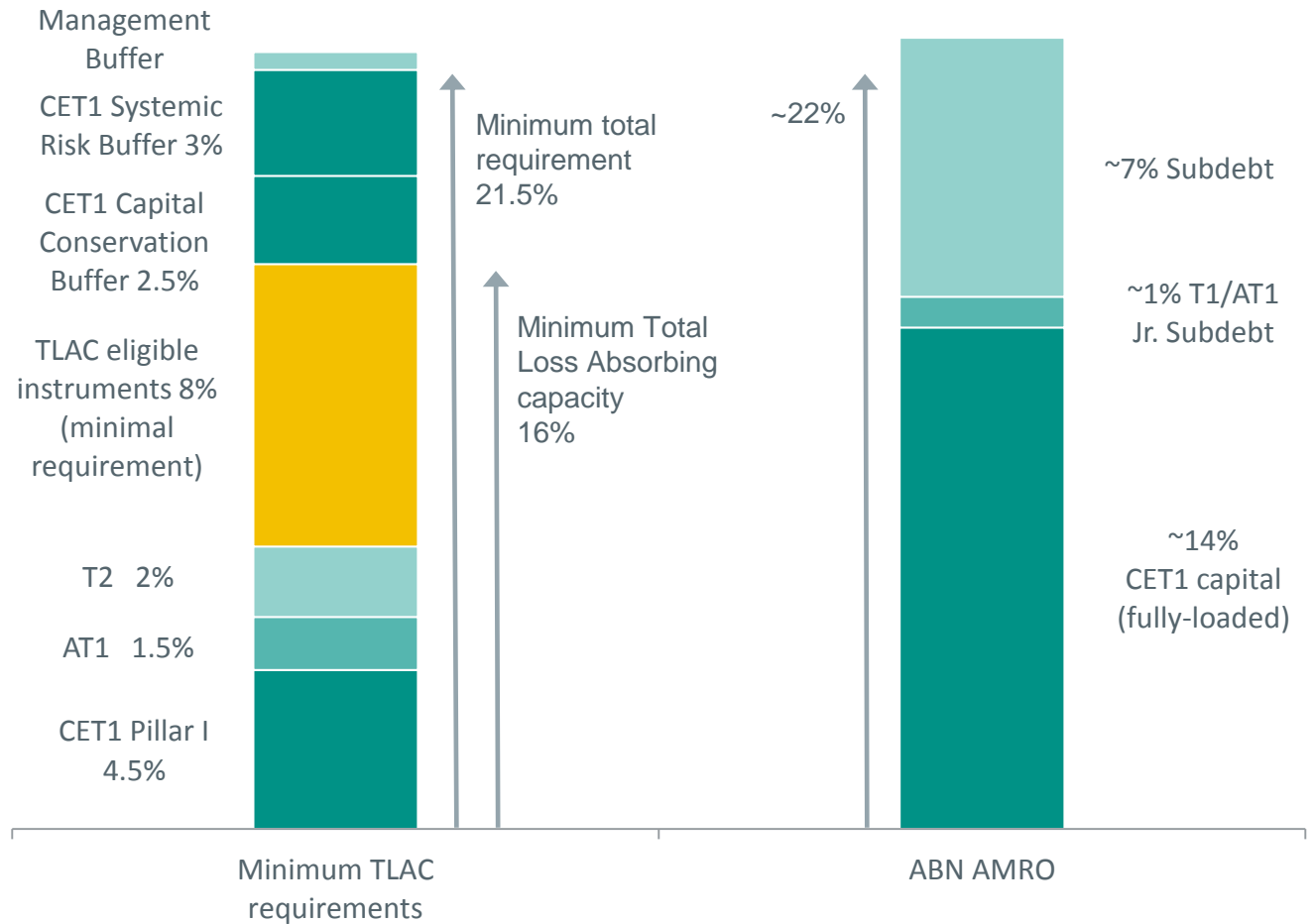
\* Solely based on equity and loss absorbing instruments



## Strong loss absorbing buffers give ABN AMRO good position for TLAC compliance

### The Financial Stability Board's TLAC proposals

- TLAC proposal for G-SIBs not yet final (expected November 2015)
- ABN AMRO expects the regulator will enforce similar requirements on D-SIBs
- Assuming 8% eligible TLAC instruments, ABN AMRO is well positioned requiring only a limited amount of additional TLAC eligible funding



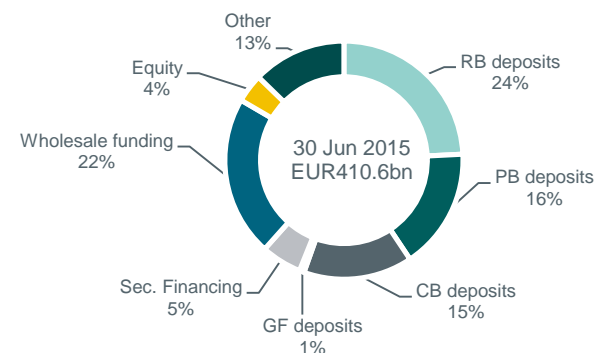
# Liquidity management

## Liquidity actively managed

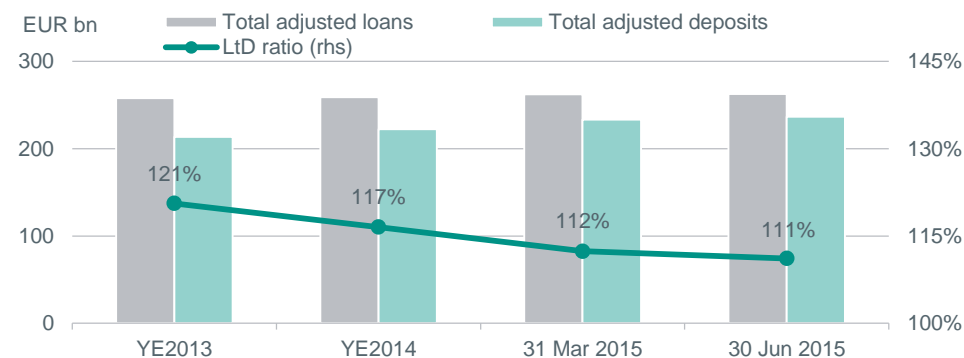
- Funding is primarily raised through savings and deposits from retail, private and corporate clients
- At 30 June 2015, client deposits represented 90% of client loans. ABN AMRO meets remaining funding needs through wholesale funding
- Substantial part of Dutch consumer savings is locked in pension and life insurance products, mostly unavailable to Dutch banks
- The LtD ratio continued to improve to 111% at 30 June 2015, due to an increase in demand and (short-term) time deposits and partially offset by higher commercial loan volumes
- Both the LCR and NSFR ratios remained above 100% in Q2 2015, in line with the bank's preferred early compliance with future regulatory requirements

## Liability breakdown

RB: Retail Banking, PB: Private Banking, CB: Corporate Banking, GF: Group Functions



## Loan-to-deposit ratio continues improving



# Liquidity buffer

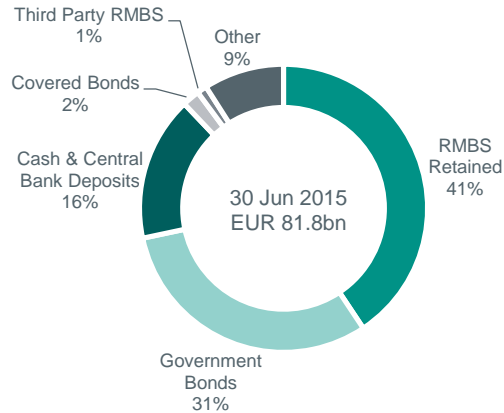
## Liquidity buffer framework and policy to keep the bank safe

### Drivers of Size

**Regulatory requirements** and a mix of stress assumptions regarding wholesale and retail funding for a 1 month period, rating triggers and off balance requirements

**Internal metrics**, depending on risk appetite (e.g. desired survival period, stress test results) or Basel III metrics (e.g. LCR)

**Encumbered assets** to support ongoing payment capacity and collateral obligations



### Drivers of Composition

**Regulations** such as new and pending Basel III developments

**Internal risk appetite** (e.g. split into maturities, countries, instruments)

Drivers influenced by **ECB eligibility criteria** (e.g. ratings, currency, haircuts), **market circumstances** and **operational capabilities** (e.g. time to execute, contingency plans)

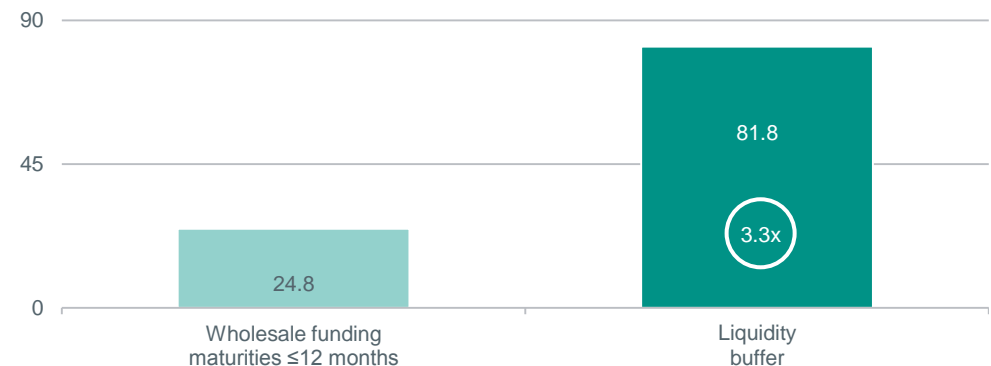
**Organisational drivers:** balance sheet composition and business activities. Part of the buffers held outside the Netherlands as a result of local requirements

## Liquidity buffer

- Liquidity buffer functions as safety cushion in case of severe liquidity stress and is retained for e.g. daily payment capacity and collateralisation
- Buffer regularly reviewed for size and stress events
- Buffer consists of unencumbered assets at liquidity value
- Close to 60% of buffer eligible for LCR (retained RMBS not)
- Liquidity buffer size is in anticipation of LCR guidelines and regulatory focus on strengthening buffers in general
- Going forward: focus on optimising buffer composition and negative carry of maintaining a liquidity buffer

## Wholesale funding vs. liquidity buffer

EUR bn, 30 June 2015



# Composition of wholesale funding

## Funding focus

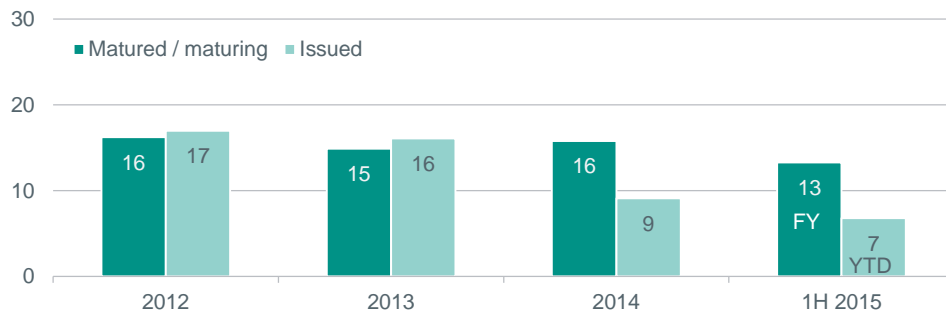
Successful implementation of the funding strategy through

- lowering the secured funding dependency
- reducing the refinance risk by smoothening the wholesale funding maturity profile
- lowering the short term wholesale funding dependency
- lengthening the average maturity over the last years
- diversifying funding sources
- steering towards more foreign currencies

## Maturing vs. issued term funding<sup>1</sup>

EUR 13.3bn of long term wholesale funding will mature in FY2015. EUR 6.9bn was issued in H1 2015

EUR bn

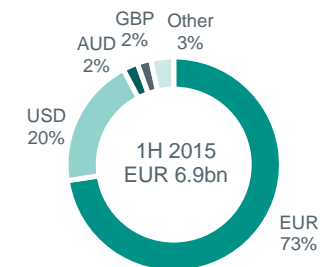


Note(s):

1. For 2015 the figure for matured funding shows the total amount of wholesale funding maturing in 2015

## Diversification issued term funding

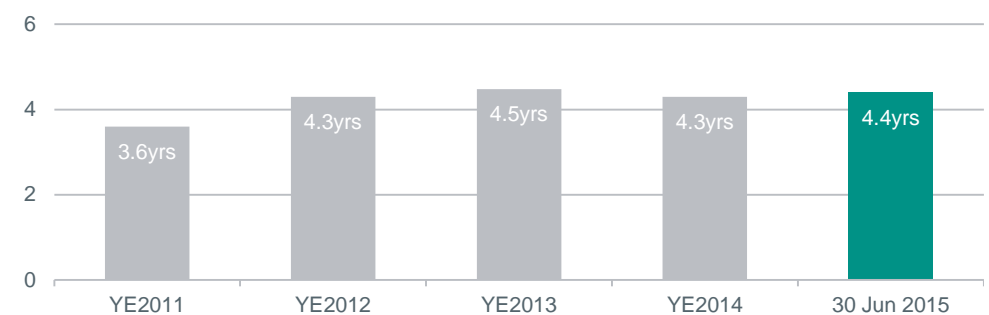
27% of long-term funding was raised in non-EUR currencies



## Risk mitigation by lengthening maturities

The avg. maturity in years of outstanding LT funding (incl. subordinated debt) was 4.4yrs at end of Q2 2015 vs. 3.6yrs YE2011

Years



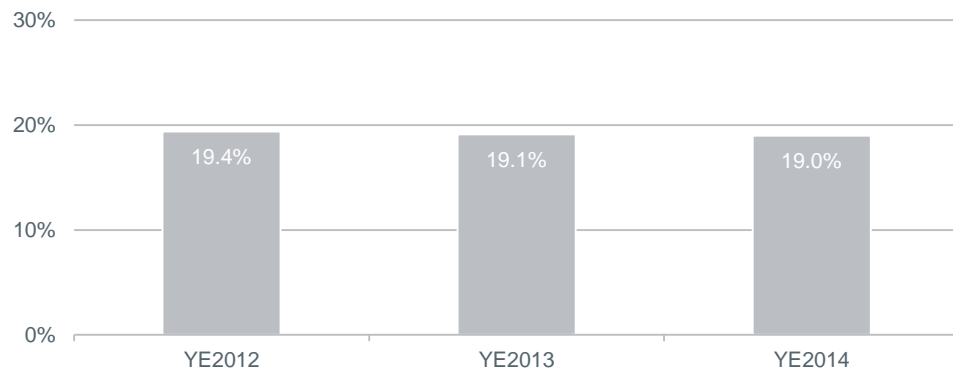
# Maturity calendar and funding profile

## Funding profile strengthened

- Last few years the profile changed from senior secured to senior unsecured funding
- Use of RMBS declined strongly, while use of covered bonds declined slightly
- Smooth and controlled redemption profile in term wholesale funding
- Outstanding amount of wholesale funding, as percentage of total assets is stable at 22% end of Q2 2015 (YE2014 23%)
- Asset encumbrance trending down

## Asset encumbrance<sup>2</sup>

Total encumbered assets as % of total assets

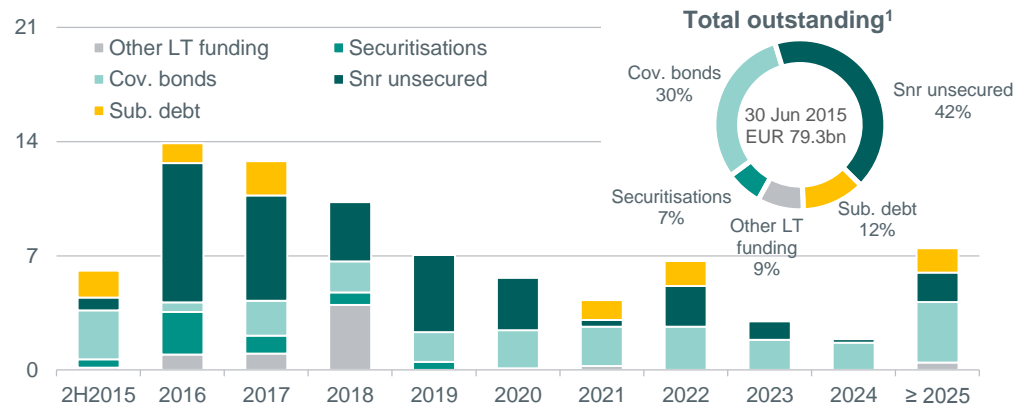


Note(s):

1. Based on notional value. Securitisation = Residential Mortgage Backed Securities, other Asset Backed Securities and long-term repos. Other LT funding = other LT funding not classified as issued debt which includes long-term repos, TLTRO funding and funding with the Dutch State as counterparty

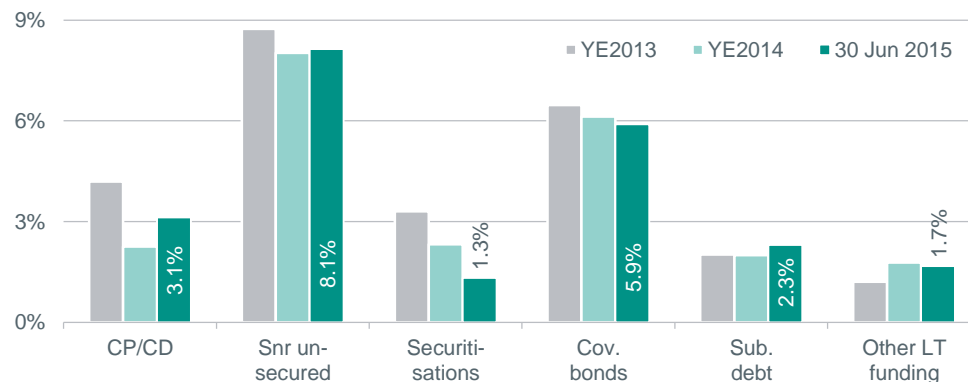
2. Calculation is aligned with the EBA definition. The EBA provided new guidance in 2014 that cash receivable securities borrowing and reverse repurchase transactions are not encumbered. Therefore also 2013 and 2012 figures have been adjusted to reflect a correct trend

## Maturity calendar LT funding at 30 Jun 2015<sup>1</sup>



## Funding structure by funding type<sup>1</sup>

% of balance sheet





# Proven access to global capital markets

## Funding strategy

- Maintain excellent market access, long-term funding position and liquidity profile
- Be active in core funding markets in Europe, the US and the Asian-Pacific region
- Build & maintain strong relationships with investor base through active marketing
- Strike an optimum balance between private placements and (public) benchmark deals
- Continuously monitor attractive investment opportunities for investors
- Build, maintain and manage credit curves in different funding markets and currencies
- Decrease funding costs within the targets set for volumes and maturities

## Geographic focus



## Targeting institutional investors

<i>Long term programmes</i>	<b>Europe</b>	<b>US/Canada</b>	<b>Asia / Rest of the world</b>
<b>Unsecured</b>	Euro MTN	144A MTN programme	Euro MTN AUD Note Issuance
<b>Secured</b>	Covered Bond Securitisation	Covered Bond	Covered Bond Securitisation
<i>Short term programme</i>	<b>Europe</b>	<b>US</b>	<b>Asia / Rest of the world</b>
<b>Unsecured</b>	European CP French CD London CD	US CP	-

# Wholesale funding benchmark transactions

## Recent benchmark transactions

Type <sup>1</sup>	Size (m)	Maturity	Spread (coupon) <sup>2</sup>	Pricing	Maturity	ISIN
<b>2015 YTD: three benchmarks</b>						
T2	USD 1,500	10yrs	T+245 (4.75%)	21.07.15	28.07.25	XS1264600310/US00080QAF28
T2	EUR 1,500	10yrs	m/s+235 (2.875%)	23.06.15	30.06.25	XS1253955469
Sr Un	EUR 1,250	10yrs	m/s+58 (1.00%)	09.04.'15	16.04.'25	XS1218821756
<b>2014: four benchmarks</b>						
RMBS	EUR 500	4.9yrs	3me+37	15.10.'14	28.09.'19	XS1117961653
Sr Un	AUD100	3yrs	3mBBSW +135	29.01.'14	05.02.'17	AU3FN0021994
Sr Un	AUD400	5yrs	ASW+135 (4.75%)	29.01.'14	05.02.'19	AU3CB0218345
CB	EUR1,500	10yrs	m/s+34 (2.375%)	16.01.'14	23.01.'24	XS1020769748
<b>2013: eight benchmarks</b>						
Sr Un	EUR750	7yrs	m/s+75 (2.125%)	19.11.'13	26.11.'20	XS0997342562
RMBS	EUR750	5yrs	3me+85	15.10.'13	28.10.'18	XS0977073161
Sr Un	USD1,500	3yrs	3mL+80	23.10.'13	30.10.'16	XS0987211348/US00084DAH35
Sr Un	USD1,000	5yrs	T+127 (2.534%)	23.10.'13	30.10.'18	XS0987211181/US00084DAG51
CB	EUR1,500	10yrs	m/s+37 (2.50%)	29.08.'13	05.09.'23	XS0968926757
Sr Un	EUR1,000	3yrs	3me+58	24.07.'13	01.08.'16	XS0956253636
Sr Un	EUR1,000	10.5yrs	m/s+90 (2.50%)	22.05.'13	29.11.'23	XS0937858271
<b>2012: twelve benchmarks</b>						
LT2	SGD1,000	10yrs	4.70%	17.10.'12	25.10.'22	XS0848055991
LT2	USD1,500	10yrs	6.25%	06.09.'12	13.09.'22	XS0827817650
Sr Un	CNY500	2yrs	3.50%	05.09.'12	05.09.'14	XS0825401994
CB	EUR1,500	7yrs	m/s+52 (1.875%)	24.07.'12	31.07.'19	XS0810731637
LT2	EUR1,000	10yrs	m/s+525 (7.125%)	06.07.'12	06.07.'22	XS0802995166
Sr Un	EUR1,250	10yrs	m/s + 180 (4.125%)	21.03.'12	28.03.'22	XS0765299572
Sr Un	USD1,500	5yrs	T+355 (4.20%)	30.01.'12	02.02.'17	US00084DAE04 / XS0741962681
CB	EUR1,000	10yrs	m/s+120 (3.50%)	11.01.'12	18.01.'22	XS0732631824
Sr Un	CHF250	2yrs	m/s+148 (1.50%)	11.01.'12	10.02.'14	CH0147304601
Sr Un	GBP250	7yrs	G+345 (4.875%)	09.01.'12	16.01.'19	XS0731583208
Sr Un	EUR1,000	7yrs	m/s+275 (4.75%)	04.01.'12	11.01.'19	XS0729213131
Sr Un	EUR1,250	2yrs	3me+150	04.01.'12	10.01.'14	XS0729216662

Note(s):

1. Sr Un = Senior Unsecured, CB = Covered Bond, RMBS = Residential Mortgage Backed Security, (L)T2 = (Lower) Tier 2

2. 3me = three months Euribor, T= US Treasuries, 3mL= three months US Libor, G=Gilt

# Covered bond & RMBS programme

## CB: dual recourse to issuer and the cover pool

<b>Issuer</b>	ABN AMRO Bank N.V.
<b>Programme Size<sup>(1)</sup></b>	Up to EUR 30bn, EUR 23.6bn of bonds outstanding
<b>Ratings</b>	AAA (S&P), Aaa (Moody's), AAA (Fitch)
<b>Format</b>	Legislative Covered Bonds , UCITS/CRD compliant (10% risk weighting)
<b>Redemption type</b>	Soft and hard bullet <sup>(2)</sup>
<b>Asset percentage</b>	Required overcollateralisation (OC) from rating agencies = 30.6%
<b>Currency</b>	Any
<b>Collateral</b>	Dynamic pool of EUR 32.4bn Dutch Standard Prime Residential Mortgages (all owner occupied)
<b>Weighed average (indexed) LtV</b>	79.6%
<b>Pool Status</b>	100% performing loans, no arrears > 90 days or defaults
<b>Guarantor</b>	Bankruptcy remote Covered Bond Company (CBC)
<b>Governing law</b>	Dutch law
<b>Regulatory &amp; industry compliance</b>	ECBC Covered Bond label

## Main RMBS programme: Dolphin Master Issuer

<b>Issuer</b>	Dolphin Master Issuer B.V.
<b>Programme Size<sup>(1)</sup></b>	Up to EUR 50bn, EUR 30.4bn of bonds outstanding (of which EUR 4.4bn externally)
<b>Ratings class A notes</b>	AAA (S&P), Aaa (Moody's), AAA (DBRS)
<b>Format</b>	Dutch Standard Prime Residential Mortgage Backed notes
<b>Redemption type</b>	Soft bullet <sup>(3)</sup>
<b>AAA Credit Enhancement</b>	9.1% class A subordination
<b>Currency</b>	Multiple (currently only EUR outstanding)
<b>Collateral</b>	Revolving pool of EUR 30.1bn Dutch Standard Prime Residential Mortgages (all owner occupied)
<b>Weighed average (indexed) LtV</b>	76.9%
<b>Pool Status</b>	97.7% performing loans, 0.6% arrears>90 days
<b>Asset purchaser swap counterparty</b>	ABN AMRO
<b>Governing law</b>	Dutch law
<b>Regulatory &amp; industry compliance</b>	Loan level data at EDWIN, DSA and PCS compliant

Note(s):

• Figures as of March 2015

1. Investor reports to be found on [www.abnamro.com/investor-relations/debt-investors](http://www.abnamro.com/investor-relations/debt-investors)

2. The programme allows for issuance of hard & soft bullet bonds, currently only soft bullets are issued

3. The programme allows for issuance of pass-through notes, currently only soft bullet notes are issued

## Credit ratings ABN AMRO Bank

- Ratings of ABN AMRO Bank NV dated 20 August 2015
- ABN AMRO provides this slide for information purposes only
- ABN AMRO does not endorse Moody's, Fitch Ratings, Standard & Poor's ratings or views and does not accept any responsibility for their accuracy
- For more information please visit:
  - [www.abnamro.com/ratings](http://www.abnamro.com/ratings) or
  - [www.standardandpoors.com](http://www.standardandpoors.com)
  - [www.moodys.com](http://www.moodys.com)
  - [www.fitchratings.com](http://www.fitchratings.com)
- DBRS provides an unsolicited rating. For more information please visit [www.dbrs.com](http://www.dbrs.com)

### Hybrid ratings

S&P/Moody's/Fitch

- T1: BBB-/Ba2(hyb)/BB+
- UT2: BBB-/Ba1(hyb)/BBB-
- LT2: BBB/Baa3/BBB+

### Standard & Poor's

Rating structure			
▪ Anchor	BICRA 3	bbb+	
▪ Business position	Adequate	+0	
▪ Capital & earnings	Adequate	+0	
▪ Risk position	Adequate	+0	
▪ Funding Liquidity	Average Adequate	+0	
<b>SACP</b>		<b>bbb+</b>	
▪ Sovereign support	Mod. high	+2	
<b>Issuer Credit Rating</b>		<b>A/Neg</b>	

**4/11/2014:** "The negative outlook indicates that we may lower the ratings ... by year-end 2015 if we believe there is a greater likelihood that senior unsecured liabilities may incur losses if the bank fails. Specifically, we may lower the long-term counterparty credit rating by up to two notches if we consider that extraordinary government support is less predictable under the new EU legislative framework."

"In addition ..., we will review other relevant rating factors in making any rating actions. These include potential changes in the SACP and any steps the bank might take to mitigate bail-in risks to senior unsecured creditors, such as building a large buffer of subordinated instruments."

### Moody's

Rating structure	
Macro Score	Strong +
▪ Solvency Score	baa2
▪ Liquidity Score	baa2
Financial Profile	baa2
▪ Adjustments	+0
<b>Assigned adj. BCA</b>	<b>Baa2</b>
▪ Loss Given Default notching	+2
▪ Government Support	+1
<b>Senior Unsecured Rating</b>	<b>A2/St</b>

**17/07/2015:** "On 28 May, we affirmed ... ABN AMRO's long-term deposit rating and senior unsecured debt rating of A2 with a stable outlook."

"ABN AMRO's baseline credit assessment (BCA) of baa2 reflects the bank's overall good financial fundamentals including solid capitalization and comfortable liquidity position. It further captures the bank's strong franchise in the Dutch market and its balanced business mix..."

"The outlook ... is stable. While we recognize that the Dutch operating environment seems to be stabilizing and that the likelihood of a further significant deterioration has abated, we only anticipate a progressive return to the pre-crisis levels of bad debts and higher levels of profitability, and our BCA anticipates a slight improvement."

"Upward pressure on the bank's BCA could develop if the bank were to (1) improve its asset quality profile; (2) significantly improve its nominal leverage ratio; and/or (3) improve its profitability. A positive change in the bank's BCA would likely affect all ratings."

### Fitch Ratings

Rating structure	
▪ Viability Rating	A
▪ Support Rating Floor	No floor
<b>Issuer Default Rating</b>	<b>A/St</b>

**19/05/2015:** "ABN AMRO's VR reflects the bank's strong Dutch franchise, complemented by its growing international private banking and energy, commodities and transportation franchises, providing it with resilient revenue generation. The VR also takes into account the bank's continued focus on maintaining a moderate risk profile, and expected gradual improvements of asset quality. Reliance on wholesale funding markets is also factored into the ratings."

"Fitch expects profitability to improve somewhat in 2015 as continued cost focus and LICs fall as the economy recovers, mitigating pressures from low interest rates."

"Downward pressure on ABN AMRO's VR, while not expected, would most likely result from a material deterioration in the bank's earnings generation or asset quality, affecting its capital or access to/cost of wholesale funding. Given the current high rating, particularly considering the limited geographical diversification, upside potential is limited."

# Retail Banking profile

## Business proposition

- Proposition**
- Provides full range of straightforward and transparent retail banking products and high quality services to consumer clients and small business clients
  - Small business clients have easy access to standard business banking products such as cash management, deposits and loans
- Clients & channels**
- 5m consumer clients and 300k small business clients (<EUR 1m turnover)
  - Primary bank for ~21% of the Dutch population<sup>1</sup>
  - Omni-channel access, best in class internet & mobile banking: 285 branches, 24/7 online banking, telephone and web care
- Market position<sup>2</sup>**
- Top 3 player in Netherlands with ABN AMRO brand and brands like MoneYou, Florius, ICS
  - ~23% market share in savings (incl. Private Banking), ~22% in new mortgage production<sup>2</sup>
- Retail to accelerate digitisation**
- Launched a programme to further enhance the customer experience
  - To this end, it will invest an amount of ca. EUR 150m from 2014 until and including 2018, e.g. digitisation of key customer processes
  - In light of current speed of digitisation and trend of customer preference for mobile/online banking, number of FTEs in Retail Banking is expected to be reduced by 650-1,000 FTEs by 2018 (announced November 2014)

Note(s):

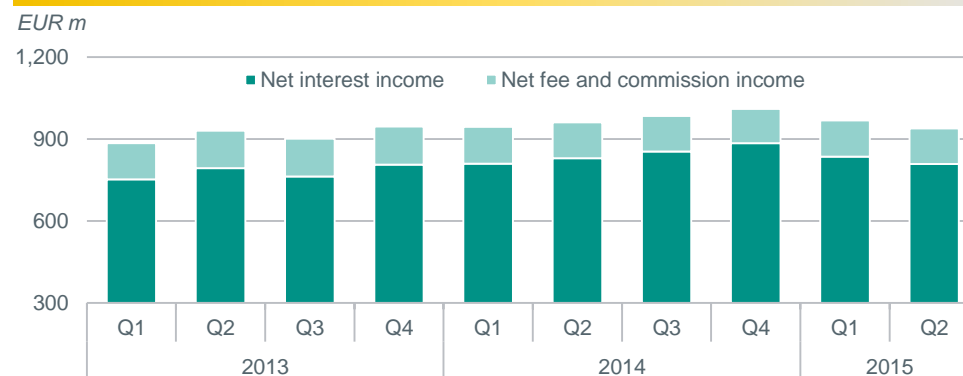
1. Source: GfK (research company) online tracker

2. For the first half of 2015. Sources: CBS (Dutch Statistical Office), Kadaster (Dutch Land Registry) and DNB (Dutch central bank)

## Financials and key indicators

EUR m	1H 2015	1H 2014
Net interest income	1,645	1,639
Net fee and commission income	262	267
Other operating income	17	18
<b>Operating income</b>	<b>1,924</b>	<b>1,924</b>
Personnel expenses	246	251
Other expenses	734	711
<b>Operating expenses</b>	<b>980</b>	<b>962</b>
<b>Operating result</b>	<b>944</b>	<b>962</b>
Loan impairments	38	291
<b>Operating profit before taxes</b>	<b>906</b>	<b>671</b>
Income tax expenses	226	166
<b>Underlying profit for the period</b>	<b>680</b>	<b>504</b>
Underlying cost/income ratio	51%	50%
Cost of risk (in bps)	5	36
	<b>Jun 2015</b>	<b>Dec 2014</b>
Loan-to-deposit ratio	153%	158%
Loans & receivables customers (EUR bn)	156	156
Due to customers (in EUR bn)	99	96
RWA (REA, bn)	36	37
FTEs	5,986	6,258

## Net interest and net fee income



# Private Banking profile

## Business proposition

- Proposition**
- Fully integrated financial advise and broad range of services focussed on wealth protection, management, structuring and transfer
  - Open investment architecture
  - Strong position in sustainable investments
  - Seamless offering across wealth bands

- Key client segments**
- High net worth: EUR >1m investible assets
  - Ultra high net worth: EUR >25m investible assets
  - Specific segments for selected target client groups: Private Wealth Management, Family Money, Entrepreneurs, Institutions & Charities
  - Relevant value propositions per client segment and dedicated client service teams

- Market position**
- No. 1 in the Netherlands<sup>1</sup>
  - No. 3 in Germany and Eurozone<sup>2</sup>, no. 4 in France
  - Attractive franchise in Asia

- Strong distribution channels and local brand names**
- Dedicated and strong network in the Netherlands, Germany and France
  - Strong local brands
    - in the Netherlands
    - in Germany
    - in France
  - Access to growth markets in Asia through offices in Hong Kong, Singapore and Dubai

Note(s):

1. Source: Euromoney

2. Source: Scorpio Private Banking Benchmark report 2013

## Financials and key indicators

EUR m	1H 2015	1H 2014
Net interest income	293	292
Net fee and commission income	322	265
Other operating income	63	30
<b>Operating income</b>	<b>678</b>	<b>588</b>
Personnel expenses	249	221
Other expenses	253	231
<b>Operating expenses</b>	<b>501</b>	<b>453</b>
<b>Operating result</b>	<b>176</b>	<b>135</b>
Loan impairments	-15	22
<b>Operating profit before taxes</b>	<b>191</b>	<b>113</b>
Income tax expenses	32	17
<b>Underlying profit for the period</b>	<b>159</b>	<b>95</b>
Underlying cost/income ratio	74%	77%
Cost of risk (in bps)	-17	28
	<b>Jun 2015</b>	<b>Dec 2014</b>
Loan-to-deposit ratio	25%	26%
Loans & receivables customers (EUR bn)	17	17
Due to customers (in EUR bn)	68	63
RWA (REA, bn)	9	8
FTEs	3,671	3,599

## Client assets continue to grow

Client assets declined to EUR 206bn by end Q2 2015, primarily due to lower market performance

EUR bn	Q2 2015	Q1 2015
<b>Opening balance</b>	209.0	190.6
Net new assets (incl. internal feed)	1.5	3.7
Market Performance	-4.4	14.7
Divestments / acquisitions	-	-
Other (incl. sales/acquisitions)	-	-0.0
<b>Closing balance</b>	<b>206.1</b>	<b>209.0</b>

# Corporate Banking profile

## Business proposition

### Proposition

- Relationship driven model with in-depth client knowledge and dedicated sector approach
- Dutch clients: corporates with EUR >1m turnover
- Serve the Dutch client base in neighbouring countries through local Dutch Desks
- International clients: ECT Clients, Clearing Clients, Financial Institutions and D&J Clients
- Selective and focused international network consistent with its clients' financial needs abroad<sup>1</sup> and in major logistical and financial hubs<sup>2</sup>
- By cooperation with partner banks, Corporate Banking extends its international cash management offering to over 50 countries
- Strong lease and commercial finance capabilities in the Netherlands and surrounding countries
- Earnings model is mainly based on lending, cash management and trade finance

### Sub-segments

- **Commercial Clients:** Dutch based corporates with turnover EUR 1m-250m (incl. Real Estate & Public Sector Clients), and Lease and Commercial Finance
- **International Clients:** large corporates with turnover EUR >250m, ECT Clients, FIs and D&J Clients
- **Capital Markets Solutions:** Sales & Trading (products and services) related to our clients' needs, and ABN AMRO Clearing Bank

### Market position

- Top player in the Dutch corporate banking market
- Leading market position in majority of Corporate Banking's client segments

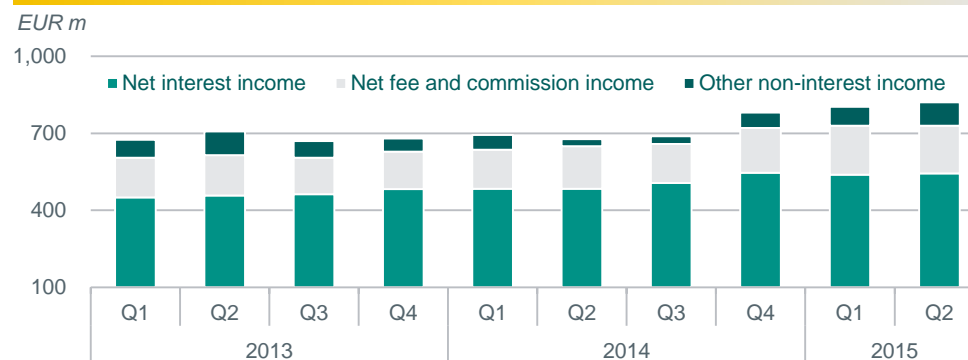
#### Notes

1. Local Dutch Desks in selective markets (i.e. Belgium, France, Germany, the United Kingdom, Hong Kong, Singapore and the United States).
2. Major logistical and financial hubs (i.e. Amsterdam, Rotterdam, Athens, Moscow, Oslo, Dallas, New York, Sao Paolo, Dubai, Hong Kong, Shanghai and Singapore)

## Financials and key indicators

EUR m	1H 2015	1H 2014
Net interest income	1,081	968
Net fee and commission income	378	318
Other operating income	164	84
<b>Operating income</b>	<b>1,623</b>	<b>1,370</b>
Personnel expenses	344	304
Other expenses	563	518
<b>Operating expenses</b>	<b>907</b>	<b>823</b>
<b>Operating result</b>	<b>716</b>	<b>547</b>
Loan impairments	268	402
<b>Operating profit before taxes</b>	<b>448</b>	<b>145</b>
Income tax expenses	94	33
<b>Underlying profit for the period</b>	<b>354</b>	<b>113</b>
Underlying cost/income ratio	56%	60%
Cost of risk (in bps)	58	98
	Jun 2015	Dec 2014
Loan-to-deposit ratio	135%	143%
Loans & receivables customers (EUR bn)	90	85
Due to customers (in EUR bn)	61	55
RWA (REA, bn)	59	54
FTEs	5,008	4,995

## Net interest and net fee income



# Energy, Commodities & Transportation Clients

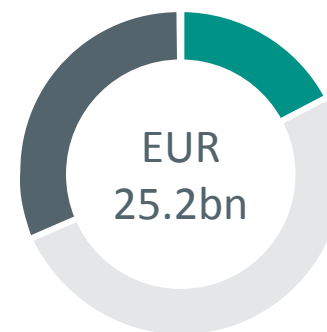
## ECT Clients

Full-service client organisation (no proprietary trading) with longstanding track record, active out of 12 locations in 10 countries

- Clients are internationally operating mid-sized to large corporate clients active in ECT sectors
  - **Energy:** client base in the US in up- and midstream oil and gas sectors and worldwide off-shore services industries, typically long-term contracts with large oil companies
  - **Commodities:** client base active in the physical flow of commodity goods. ABN AMRO does not trade commodities, nor takes commodity price risk
  - **Transportation:** supporting international shipping clients (ocean going vessels) and financing of container boxes



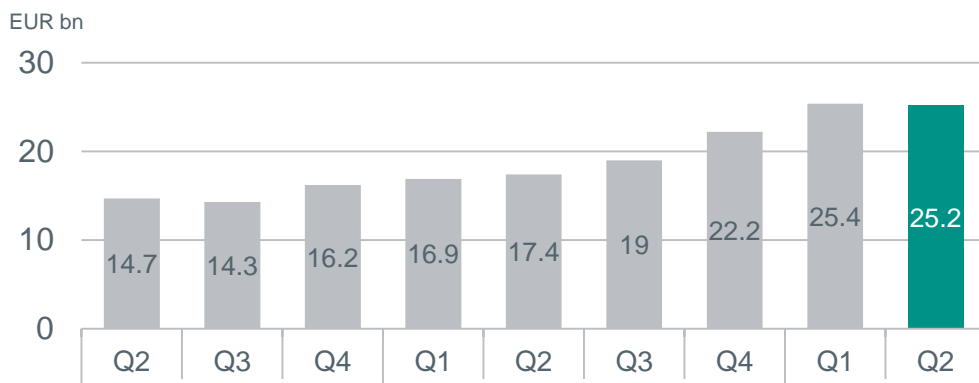
## On-balance client portfolio



ECT Clients on-balance loan book: EUR 25.2bn (28% of EUR 90bn Corporate Banking total)

- Energy Clients
- Commodities Clients
- Transportation Clients

## Growth in a controlled and sustainable way



Off-balance sheet exposure EUR 14bn, uncommitted credit lines EUR 24.2bn at 30 June 2015

- Strategy going forward:
  - Steadily grow lending book by new transactions and selectively adding new clients
  - Further leverage our global connectivity, sector knowledge and client intimacy to drive and monetise strategic corporate events
- Structuring capabilities and continuing risk awareness are key to limit impairment levels
- Impairment charges were EUR 36m for the first half of 2015 (EUR 18m in Q2 2015), which is relatively high from a historical point of view but should be seen in light of economic circumstances



# Corporate Banking sub-segment results

## Corporate Banking sub segments

EUR m	Commercial Clients			International Clients			Capital Markets Solutions		
	1H 2015	1H 2014	%	1H 2015	1H 2014	%	1H 2015	1H 2014	%
Net interest income	660	614	8%	361	312	16%	60	42	43%
Net fee and commission income	103	97	6%	112	109	3%	163	111	46%
Other operating income	15	12	32%	53	-0		96	73	31%
<b>Operating income</b>	<b>778</b>	<b>722</b>	<b>8%</b>	<b>526</b>	<b>421</b>	<b>25%</b>	<b>319</b>	<b>227</b>	<b>41%</b>
Operating expenses	412	371	11%	245	225	9%	251	227	10%
<b>Operating result</b>	<b>367</b>	<b>352</b>	<b>4%</b>	<b>281</b>	<b>196</b>	<b>44%</b>	<b>69</b>	<b>-0</b>	
Loan impairments	227	339	-33%	30	64	-53%	11	-1	
<b>Operating profit before taxes</b>	<b>139</b>	<b>12</b>		<b>251</b>	<b>132</b>	<b>90%</b>	<b>58</b>	<b>1</b>	
Income tax expenses	34	1		42	28	49%	19	3	
<b>Underlying profit for the period</b>	<b>105</b>	<b>11</b>		<b>210</b>	<b>104</b>	<b>101%</b>	<b>39</b>	<b>-2</b>	
Underlying cost/income ratio	53%	51%		46%	53%		78%	100%	
Cost of risk (in bps)	112	161		18	47		12	-2	
	<b>Jun 2015</b>	<b>Dec 2014</b>		<b>Jun 2015</b>	<b>Dec 2014</b>		<b>Jun 2015</b>	<b>Dec 2014</b>	
Loans & receivables customers (EUR bn)	38	38		34	32		18	15	
Due to customers (EUR bn)	33	32		19	17		9	6	
RWA (REA bn)	22	21		24	20		13	13	

# TOPS - re-engineer and upgrade IT landscape

## Programme targets to enhance business strategy and addressing three key goals



▶ **Reduce complexity** – by reducing and standardizing applications, interfaces, IT infrastructure, products and processes



▶ **Improve our agility & time-to-market** – by aligning the organization along end-to-end value chains and implementing Agile/SCRUM way of working



▶ **Enable business strategy** – by delivering fast introduction of new products and managing the digital agenda for ABN AMRO in The Netherlands and internationally

## Focus for 2015-2016

- ▶ Finalise the installation of the **on premise (in-house) dedicated cloud**, which makes ABN AMRO frontrunner in the industry and **move** applications to the on premise dedicated cloud environment
- ▶ **Efficient and simplified** processes and products, further improving straight-through-processing and enabling digitization
- ▶ **Decommissioning** of over 800 redundant applications in order to clean up our IT landscape
- ▶ Roll-out of **Agile/SCRUM** project management tooling
- ▶ Implementing the renewal of our **Information Security Access Control** environment

annex

# Reconciliation quarterly results

## Overview of reconciled underlying & reported quarterly results

<i>EUR m</i>	Quarterly Results									
	2015		2014				2013			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest income	1,511	1,545	1,620	1,530	1,441	1,432	1,389	1,326	1,360	1,305
Net fee and commission income	456	470	431	419	420	421	413	401	417	412
Other operating income	159	154	95	61	56	129	47	147	167	62
<b>Operating income</b>	<b>2,126</b>	<b>2,168</b>	<b>2,145</b>	<b>2,009</b>	<b>1,917</b>	<b>1,983</b>	<b>1,849</b>	<b>1,874</b>	<b>1,944</b>	<b>1,779</b>
Operating expenses	1,247	1,219	1,397	1,147	1,162	1,143	1,316	1,143	1,141	1,133
<b>Operating result</b>	<b>879</b>	<b>949</b>	<b>748</b>	<b>862</b>	<b>755</b>	<b>840</b>	<b>533</b>	<b>731</b>	<b>803</b>	<b>646</b>
Impairment charges	34	252	181	287	342	361	555	347	506	259
<b>Operating profit before taxes</b>	<b>845</b>	<b>697</b>	<b>567</b>	<b>575</b>	<b>413</b>	<b>479</b>	<b>-22</b>	<b>385</b>	<b>296</b>	<b>387</b>
Income taxes	244	154	167	125	91	101	25	95	77	97
<b>Underlying profit for the period</b>	<b>600</b>	<b>543</b>	<b>400</b>	<b>450</b>	<b>322</b>	<b>378</b>	<b>-47</b>	<b>289</b>	<b>220</b>	<b>290</b>
Special items and divestments	-	-	-	-67	-283	-67	-	101	182	125
<b>Profit for the period</b>	<b>600</b>	<b>543</b>	<b>400</b>	<b>383</b>	<b>39</b>	<b>311</b>	<b>-47</b>	<b>390</b>	<b>402</b>	<b>415</b>
FTE	22,151	22,224	22,215	22,242	22,019	22,255	22,289	22,632	22,788	22,926

# Important notice

*For the purposes of this disclaimer ABN AMRO Group N.V. and its consolidated subsidiaries are referred to as "ABN AMRO". This document (the "Presentation") has been prepared by ABN AMRO. For purposes of this notice, the Presentation shall include any document that follows and relates to any oral briefings by ABN AMRO and any question-and-answer session that follows such briefings. The Presentation is informative in nature and is solely intended to provide financial and general information about ABN AMRO following the publication of its most recent financial figures. This Presentation has been prepared with care and must be read in connection with the relevant Financial Documents (latest Quarterly Report and Annual Financial Statements, "Financial Documents"). In case of any difference between the Financial Documents and this Presentation the Financial Documents are leading. The Presentation does not constitute an offer of securities or a solicitation to make such an offer, and may not be used for such purposes, in any jurisdiction (including the member states of the European Union and the United States) nor does it constitute investment advice or an investment recommendation in respect of any financial instrument. Any securities referred to in the Presentation have not been and will not be registered under the US Securities Act of 1933. The information in the Presentation is, unless expressly stated otherwise, not intended for residents of the United States or any "U.S. person" (as defined in Regulation S of the US Securities Act 1933). No reliance may be placed on the information contained in the Presentation. No representation or warranty, express or implied, is given by or on behalf of ABN AMRO, or any of its directors or employees as to the accuracy or completeness of the information contained in the Presentation. ABN AMRO accepts no liability for any loss arising, directly or indirectly, from the use of such information. Nothing contained herein shall form the basis of any commitment whatsoever. ABN AMRO has included in this Presentation, 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 Presentation 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. Any forward-looking statements made by ABN AMRO are current views as at the date they are made. Subject to statutory obligations, ABN AMRO does not intend to publicly update or revise forward-looking statements to reflect events or circumstances after the date the statements were made, and ABN AMRO assumes no obligation to do so.*

>> **Address**  
Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands

>> **Website**  
[www.abnamro.com/ir](http://www.abnamro.com/ir)

>> **Questions**  
[investorrelations@nl.abnamro.com](mailto:investorrelations@nl.abnamro.com)