

IR / Press Release

Amsterdam, 9 November 2015

ABN AMRO reports EUR 509 million underlying net profit for Q3 2015

- Underlying net profit for Q3 2015 was up 13% compared with Q3 2014, and the underlying 9M 2015 net profit was up 44%
- Underlying cost/income ratio for Q3 was 59% and underlying ROE for Q3 was 12.7%
- Loan impairments were low at EUR 94 million
- Fully-loaded CET1 ratio increased to 14.8% and the fully-loaded leverage ratio improved to 3.5%
- Intention to float announced on 27 October 2015

Gerrit Zalm, Chairman of the Managing Board of ABN AMRO Group, comments:

'In the third quarter of 2015 we raised our financial targets, posted a good set of financial results, successfully raised EUR 1 billion of Additional Tier 1 capital and continued preparing for the bank's intended IPO.

First of all, this past September we announced that we had raised two of the three financial targets and added a new one following a careful review of our financial performance. The current targets are a fully-loaded Common Equity Tier 1 ratio of 11.5-13.5%, a cost/income ratio of 56-60% by 2017, a return on equity of 10-13% in the coming years and, as a new target, a dividend payout ratio as from and over the full year 2017 of 50%.

The Q3 2015 figures show that we are well on track to achieving these revised targets. The third-quarter underlying net profit amounted to EUR 509 million (+13% compared with Q3 2014), bringing the underlying net profit over the first nine months of 2015 to EUR 1,652 million (+44% compared with 9M 2014), resulting in an ROE of 14.0%. The improvement was achieved on an increase in the operating result and sharply lower impairments, a trend also seen in previous quarters. If we had included the regulatory levies, which will all be booked in Q4 2015, equally over the four quarters, the cost/income ratio for the first nine months of 2015 would have been 61% and the return on equity would have been 12.7%. The regulatory levies are expected to be EUR 246 million pre-tax and EUR 210 million net of tax and will have a significant impact on the net profit of the fourth quarter.

In the past quarter we successfully launched an inaugural EUR 1 billion transaction of Additional Tier 1 capital, thereby building up the buffer of loss absorbing instruments. This transaction, as well as active management of our on- and off-balance sheet exposures, resulted in a 0.4 percentage point increase of the fully-loaded leverage ratio to 3.5%. Lastly, on 27 October 2015, NLF and ABN AMRO confirmed their intention to proceed with the next step towards an IPO, the timing of which is subject to market conditions. The approval of the Dutch Parliament and the Declarations of No Objection of DNB and the ECB have been received.

All in all, our performance, the outlook for the Dutch economy and the fact that preparations for the bank's intended IPO are on track give us confidence in the future.'

Key figures and indicators

| (in EUR millions) | Q3 2015 | Q3 2014 | Change | Q2 2015 | Change | 9M 2015 | 9M 2014 | Change |
|--|------------|------------|------------|------------|-------------|--------------|--------------|-------------|
| Operating income | 2,109 | 2,009 | 5% | 2,126 | -1% | 6,403 | 5,910 | 8% |
| Operating expenses | 1,234 | 1,146 | 8% | 1,247 | -1% | 3,700 | 3,452 | 7% |
| Operating result | 875 | 862 | 2% | 879 | 0% | 2,703 | 2,457 | 10% |
| Impairment charges on loans and other receivables | 94 | 287 | -67% | 34 | | 381 | 990 | -62% |
| Income tax expenses | 272 | 125 | 118% | 244 | 11% | 670 | 317 | 111% |
| Underlying profit/(loss) for the period¹ | 509 | 450 | 13% | 600 | -15% | 1,652 | 1,151 | 44% |
| Special items | 0 | - 67 | | | | | - 417 | |
| Reported profit/(loss) for the period | 509 | 383 | 33% | 600 | -15% | 1,652 | 734 | 125% |
| Underlying cost/income ratio | 59% | 57% | | 59% | | 58% | 58% | |
| Underlying return on average Equity | 12.7% | 12.7% | | 15.3% | | 14.0% | 11.0% | |
| Fully-loaded CET1 ratio | 14.8% | 13.0% | | 14.0% | | 14.8% | 13.0% | |

¹ Underlying results exclude special items which distort the underlying trend. A detailed explanation of special items is provided in the Additional financial information section.