IR / Persbericht

Amsterdam, 17 mei 2017

ABN AMRO rapporteert EUR 615 miljoen nettowinst over Q1 2017

- **De operationele baten kwamen hoger uit dan in Q1 2016; de netto rentebaten stegen met 3% dankzij aanhoudende groei in kredieten; provisiebaten bleven stabiel en overige operationele baten waren hoog**
- **De kosten stegen met 3% vergeleken met Q1 2016 als gevolg van hogere wettelijke heffingen**
- **De cost/income ratio verbeterde naar 60,2% (Q1 2016: 66,9%)**
- **De kredietvoorzieningen bleven laag**
- **Het rendement op eigen vermogen was 13,2% (Q1 2016: 11,1%)**
- **De fully-loaded CET1 ratio was sterk (16,9%) en de fully-loaded leverage ratio kwam uit op 3,7%**

Kees van Dijkhuizen, CEO:

‘De resultaten over het eerste kwartaal van 2017 zijn goed, met een stijging van de nettowinst naar EUR 615 miljoen. De lage en negatieve rentestanden hebben we kunnen opvangen en de rentebaten zijn toegenomen door groei in de belangrijkste kredietportefeuilles (hypotheken, mkb en zakelijke kredieten) en door de depositorente te verlagen. De provisiebaten bleven stabiel en er was een toename in de overige operationele baten. We boekten verdere vooruitgang met het behalen van onze financiële doelstellingen voor 2020: de cost/income ratio verbeterde van 66,9% in Q1 2016 naar 60,2% in Q1 2017, het rendement op eigen vermogen steeg van 11,1% in Q1 2016 naar 13,2% in Q1 2017, en onze kapitaalpositie bleef sterk, met een fully-loaded CET1 ratio van 16,9% per 31 maart 2017 (31 december 2016: 17,0%).

Een van onze belangrijkste doelstellingen is om onze klanten gemak te bieden door ze te voorzien van innovatieve digitale producten, expertise en nieuwe inzichten. Ook willen we onze producten en diensten snel kunnen leveren. Zo kan ons Florius-label nu, als eerste op de Nederlandse markt, binnen 24 uur een hypotheek aanbieden. Dit versterkt onze positie als marktleider in nieuwe hypotheekproductie. En Commercial Banking-klanten die online een lening tot EUR 1 miljoen aanvragen, ontvangen nu binnen 48 uur een kredietbesluit van de bank.

We willen een betere bank zijn die bijdraagt aan een betere wereld. Met een kredietportefeuille die voor meer dan de helft bestaat uit woningen en vastgoed zijn we goed in staat om een wezenlijke bijdrage te leveren aan de transitie naar duurzame gebouwen in Nederland. In het afgelopen jaar financierden we de herontwikkeling van ruim 200.000 vierkante meter leegstaand vastgoed naar duurzaam vastgoed en introduceerden we eind 2016 een korting op hypotheken voor nieuwe en energiezuinige woningen.’

Kerncijfers en indicatoren

(in EUR miljoen)	*Q1 2017*	*Q1 2016*	*Mutatie*	*Q4 2016*	*Mutatie*
Operationele baten	2.246	1.971	14%	2.195	2%
Operationele lasten	1.353	1.319	3%	1.706	-21%
Operationeel resultaat	**893**	**651**	**37%**	**489**	**83%**
Voorzieningen voor kredieten en overige vorderingen	63	2		35	79%
Belastingen	215	175	23%	120	79%
Onderliggende winst/(verlies) over de periode[1]	**615**	**475**	**30%**	**333**	**85%**
Bijzondere posten					
Gerapporteerde nettowinst/(verlies) over de periode	**615**	**475**		**333**	
Onderliggende cost/income ratio	60,2%	66,9%		77,7%	
Onderliggend rendement op eigen vermogen	13,2%	11,1%		7,3%	
Fully-loaded CET1 ratio	16,9%	15,8%		17,0%	

[1] De onderliggende resultaten zijn exclusief bijzondere posten die de onderliggende trend vertekenen.

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Dit persbericht is een vertaling van het Engelse persbericht. Bij verschillen in vertaling is het Engelse persbericht leidend.

Quarterly Report

First quarter 2017

ABN AMRO Group N.V.

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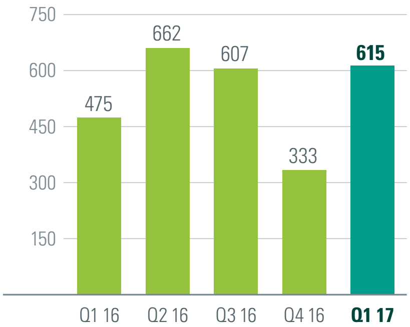
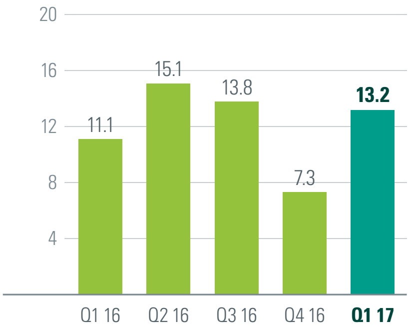
Figures at a glance

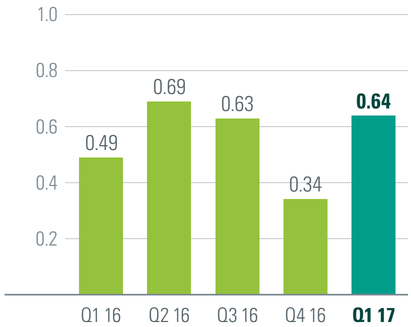
Underlying net profit
(in millions)



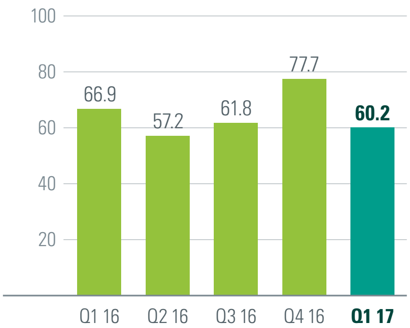
Underlying return on equity
Target range is 10-13 (in %)



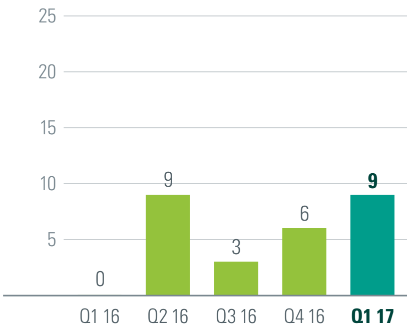
Underlying earnings per share
(in EUR)



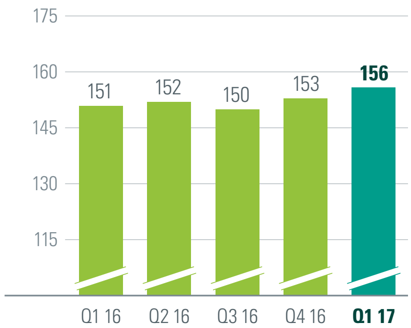
Underlying cost/income ratio
2020 target range is 56-58 (in %)



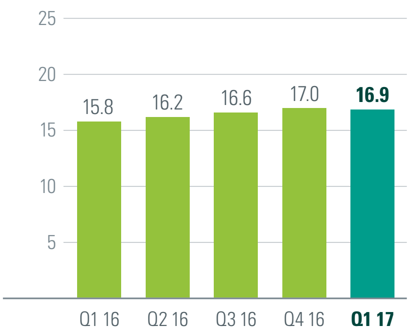
Underlying cost of risk[1]
(in bps)



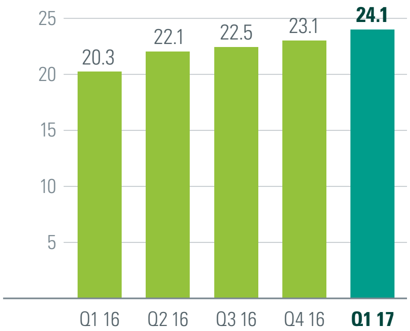
Underlying net interest margin[1]
(in bps)



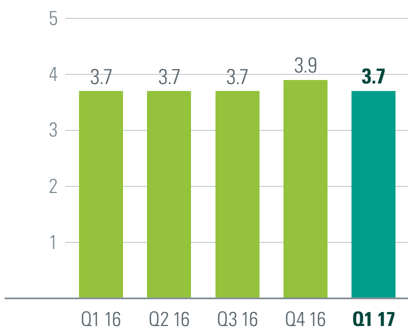
CET1 (fully-loaded)
(end-of-period, in %)
Target range is 11.5-13.5 (in %)



Total capital ratio (fully-loaded)
(end-of-period, in %)



Leverage ratio (fully-loaded, CDR)
(end-of-period, in %)



[1] For management view purposes the historical periods before 31 December 2016 have not been adjusted for the revised accounting relating to the netting. Further details are provided in the Notes to the reader section of this report.

Message from the CEO

The 2017 first-quarter results are good, with net profit coming to EUR 615 million. We have been able to offset the low and negative interest rate environment by growing all major loan books (mortgages, SME and corporate loans) and lowering deposit rates. Fees were stable and other operating income was higher. The cost/income ratio improved to 60.2% (Q1 2016: 66.9%) and the return on equity increased to 13.2% (Q1 2016: 11.1%). Our capital position remained strong with a fully-loaded CET1 ratio of 16.9% at the end of March 2017 (31 December 2016: 17.0%).

I would like to take this opportunity to share some of my priorities as the new CEO of ABN AMRO. The core of our strategy is to be a relationship-driven bank while ranking among the best on the digital front; a bank with a strong position in Northwest Europe and serving selected sectors globally. We are client-driven, we invest in the future, we have a moderate risk profile and we are committed to sustainable growth. One of our main objectives is to deliver convenience to our clients, both by offering innovative products digitally and by bringing them expertise and new insights. We also seek to deliver our products and services fast.

In executing our strategic goals, we need a culture and management structure that makes our bank more client-focused, agile and efficient. Senior management should be able to dedicate more time to the business and have a stronger client focus. I therefore announced in early February a new top management structure for the bank, consisting of a much smaller Executive Board (three people) with a statutory responsibility and an Executive Committee with far greater business responsibility. The former top two levels of the bank (seven Managing Board members and 12 Senior Managing Directors) have been merged into the Executive Committee, a reduction in size of more than 50%. In addition, the management layer below the Executive Committee has been reduced from 90 to 63 people, a decrease of 30%. In total, 29 senior executives (including the Managing Board) have left the bank or will leave in the next twelve months.

With the intended appointments of Mr Clifford Abrahams as CFO and of Ms Tanja Cuppen as future CRO, we are increasing the level of international banking experience in the Executive Board. Furthermore, we are significantly increasing gender diversity at senior management level from 23% of senior management positions filled by women to 40%.

In addition, we have created a group called Challenger 40 (C40), consisting of 40 employees from across the organisation (with an international, digital and/or client focus) who will challenge and support the Executive Committee - solicited and unsolicited - on strategically relevant issues, new developments and culture.

We are committed to creating sustainable value for our clients, for society and for our shareholders. In fact, in the new management structure, Strategy and Sustainability are my direct responsibility. Environmental, social and governance risks are also addressed in our financing and investment services. With over 50% of our loan portfolio in housing and real estate, we are in a good position to make a meaningful contribution to the transition to sustainable properties in the Netherlands. At the end of 2016, we introduced a discount for mortgages for newly built and energy-efficient homes. We are the market leader in this segment in the Netherlands. We have also financed the redevelopment of more than 200,000 square metres of unused commercial real estate into sustainable real estate. All of our branches in the Netherlands are already 'green', and we aim to be a climate-neutral company by 2020.

We are committed to delivering speed and convenience to our clients. Our Florius label can now offer a mortgage loan within 24 hours, and we are the first mortgage provider to do so in the Dutch market. Similarly, Commercial Banking clients who submit a digital application for a loan of up to EUR 1 million can now obtain a credit decision from the bank within 48 hours.

I firmly believe that we are on the right track to achieve our strategic goals and targets.

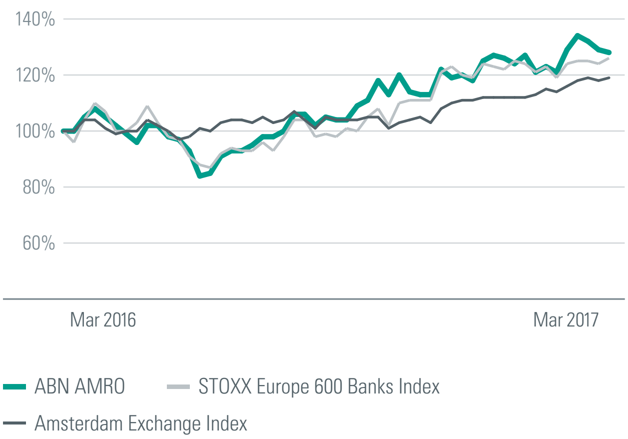
Kees van Dijkhuizen
CEO of ABN AMRO Group N.V.

ABN AMRO shares

Key developments

Between 31 December 2016 and 31 March 2017, ABN AMRO's share price (depositary receipts) rose 8%, in line with the STOXX Europe 600 Bank index.

Share price development
(in %)



Source: S&P Global Market Intelligence.

Listing information

A total of 281.2 million shares, or approximately 30% of the total issued share capital of ABN AMRO Group, is currently held by STAK AAG (*'Stichting Administratie-kantoor Continuïteit ABN AMRO Group'*), which subsequently issued depositary receipts representing such shares. The depositary receipts are listed on the Euronext Amsterdam exchange. For more information about STAK AAG, refer to the 'About ABN AMRO' section of abnamro.com. The depositary receipts trade under ISIN code 'NL0011540547', Reuters ticker 'ABNd.AS' and Bloomberg ticker 'ABN:NA'.

Financial calendar[1,2]

- Annual General Meeting – 30 May 2017
- Ex-dividend date final dividend 2016 – 1 June 2017
- Record date final dividend 2016 – 2 June 2017
- Payment date final dividend 2016 – 23 June 2017
- Publication second-quarter 2017 results – 9 August 2017
- Publication third-quarter 2017 results – 8 November 2017

1 All dates may be subject to change. Please refer to abnamro.com/ir for the latest information.
2 Final dividend payment subject to approval at the Annual General Meeting in May 2017.

(in millions)	Q1 2017	Q4 2016	Q1 2016
Share count			
Total shares outstanding/issued and paid-up shares	940	940	940
- of which held by NLFI	659	659	724
- of which listed (in the form of depositary receipts)	281	281	216
- as a percentage of total outstanding shares	30%	30%	23%
Average number of shares	940	940	940
Average diluted number of shares	940	940	940
Key indicators per share (EUR)			
Reported earnings per share[1]	0.64	0.34	0.49
Shareholder's equity per share	19.58	19.08	18.05
Tangible shareholder's equity per share	19.32	18.82	17.77
Share price development (EUR)[2]			
Closing price (end of period)	22.75	21.05	18.01
High (during the period)	24.10	22.12	21.00
Low (during the period)	20.95	18.13	15.23
Market capitalisation (end of period, in billions)	21.39	19.79	16.93
Valuation indicators (end of period)			
Price/Earnings	9.6x	9.5x	9.2x
Price/Tangible book value	1.2x	1.1x	1.0x

1 Reported profit for the period excluding reserved coupons for AT 1 Capital securities (net of tax) and results attributable to non-controlling interests divided by the average outstanding and paid-up ordinary shares.
2 Source: S&P Global Market Intelligence.

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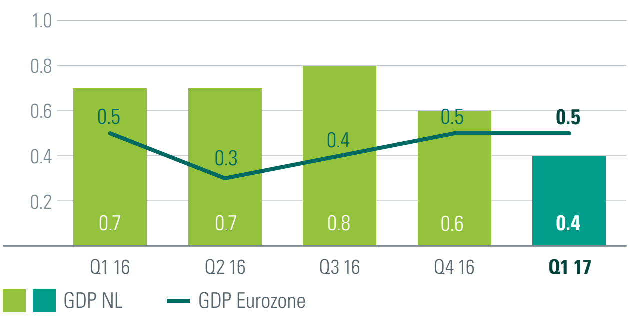
Economic environment

The first quarter saw a remarkable strengthening of economic indicators globally. Nevertheless, economic growth in the US slowed to 0.2% quarter-on-quarter due to temporary factors. Growth in China accelerated slightly (year-on-year). The eurozone economy has been gaining some momentum, with economic growth running at well above trend rates. The eurozone is benefiting from slightly accelerating world trade as well as last year's depreciation of the euro. Growth amounted to 0.5% quarter-on-quarter in Q1.

In 2016, the Dutch economy outperformed that of the eurozone. GDP growth was firm throughout 2016 and in the beginning of this year. Dutch GDP rose by 0.4% quarter-on-quarter in Q1, roughly equal to eurozone growth figure. Recent sentiment indicators suggest that the economy's momentum was still strong at the beginning of Q2.

The economic environment has become more benign for ABN AMRO in recent quarters. However, there are still foreign risks. Elections in several European countries may cause unrest (also after Mr Macron's victory in France), especially if the outcomes are anti-EU. An earlier-than-expected exit from quantitative easing by the ECB may unsettle financial markets, and geo-political developments in North Korea may also seriously harm confidence. As international trade is very important for the Netherlands, the Dutch economy may be hit especially hard.

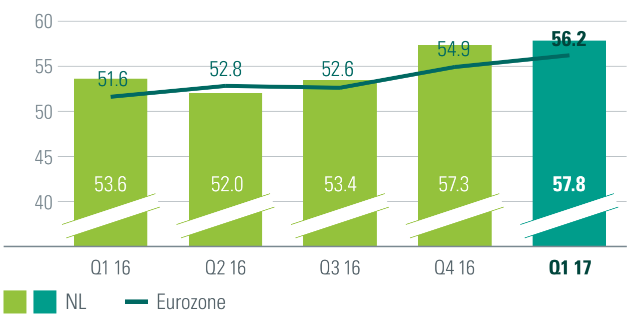
Quarterly development of Gross Domestic Product
(in % q-o-q growth)



Source: Eurostat and CBS.

- Dutch GDP rose 0.4% (quarter-on-quarter) in Q1 (+0.6% in Q4).
- Investment and exports were the main contributors to growth.
- Year-on-year, Dutch GDP growth was 2.8% in Q1 (adjusted for the larger number of working days than in Q1 2016).

Manufacturing Purchasing Managers' Index
(>50: growth, <50: contraction, end-of-period)



Source: Markit

- Dutch manufacturing PMI rose slightly further in Q1, to 57.8.
- This is the highest reading in six years.
- Other sentiment indicators also continued to improve.

Business update

The core of our strategy is to be a relationship-driven bank while ranking among the best on the digital front; a bank with a strong position in Northwest Europe and serving selected sectors globally. In line with our long-term strategic foundation, we are client-driven, we invest in the future, we have a moderate risk profile and we are committed to sustainable growth. Four medium-term priorities – bring expertise, enhance the client experience, innovate & grow, and deliver fast – support us in pursuing our strategy.

Our strategy revolves around our clients, and one of our main objectives is to deliver convenience and ease of use in the products we offer them.

We developed several new products in the first few months of 2017. Our aim is to deliver innovative products fast – in some cases within 24 or 48 hours – and to offer products digitally (mobile and online). All of our products and services are provided in conjunction with our sector knowledge and expertise.

Our Florius label can now deliver a mortgage loan – a key product for many clients – within 24 hours, and we are the first mortgage provider to do so in the Dutch market. This service supports our position as market leader in new mortgage origination. Similarly, Commercial Banking clients who submit a digital application for a loan of up to EUR 1 million can now obtain a credit decision from the bank within 48 hours. And we can now onboard small business clients (part of Retail Banking) via a mobile device in five minutes, including all 'know your customer' procedures.

Our digital offering continues to expand, reaching a growing number of clients. Having introduced mobile banking in 2011, we now have over 2 million active users of our ABN AMRO app and an average of 65 million logins every month. Our Tikkie app - enabling users with a current account at any Dutch bank to send payment requests via WhatsApp – was introduced less than a year ago and now has over 500,000 users. It is now being piloted by corporate clients such as Transavia.

The Grip app - which gives clients insight into their spending and includes a range of financial planning features - has registered over 200,000 users within a year. We developed this app together with the Swedish fintech start-up Tink.

Innovation comes in many forms. ABN AMRO is the first bank in the Netherlands to have launched a mortgage chatbot on Facebook messenger. The chatbot can give clients real-time mortgage advice online; when finished, the client receives a copy of the advice. Another example is the use of artificial intelligence. We have set up a pilot with a select group of corporate clients to forecast their future funding needs by analysing their financial data. If the model predicts a shortage of liquidity in the future, we approach the client. Initial results show that clients appreciate our proactiveness, and the pilot has already resulted in several deals.

We have further expanded our sector focus. For larger and international corporates, we are deepening our sector knowledge, expanding into adjacent sectors such as renewable energy, utilities, and metal & minerals. This has already resulted in several transactions with new clients in these subsectors. Our focus is on controlled growth, from a business point of view as well as from a risk point of view. In natural resources, in addition to collateralised trade financing, we are also focusing on larger clients with a higher credit quality by offering more corporate-style financing. In sectors such as commodities and transportation, we continue to focus on asset-based financing.

Our pledge is to be a better bank contributing to a better world. With well over 50% of our loan portfolio in housing and real estate, we are in a good position to make a meaningful contribution to the transition to sustainable properties in the Netherlands. We encourage all clients to accelerate this change and will facilitate their efforts. In the past twelve months we have financed the redevelopment of more than 200,000 square metres of unused commercial real estate into sustainable real estate, and we also introduced a discount for mortgages for newly built and energy-efficient homes at the end of 2016. Our market share in this part of the mortgage market increased to 27%[1] in the first quarter of this year. We also aim to be a climate-neutral company by 2020. All of our branches in the Netherlands are already 'green', and we are currently building a circular pavilion; we also use our own experience in this field when developing client propositions.

We have set up a Sustainable Finance Desk within Commercial Banking, focusing on financing investments in power generation from wind and solar sources in the Dutch market, and specifically on investments worth between EUR 2.5 million and EUR 25 million. This desk also facilitates knowledge-sharing and provides deal expertise. By launching the Sustainable Finance Desk, we are meeting a growing demand in the area of energy transition in the mid-market segment.

In executing our strategic goals, we need a culture and management structure that makes our bank more client-focused, agile and efficient. A new top management structure for the bank was announced in February, including a much smaller Executive Board and an Executive Committee.

In addition, the management layer below the Executive Committee has been reduced significantly. In total, 29 senior executives (including the Managing Board) have left the bank or will leave in the next twelve months. They will receive a total of EUR 11-12 million in severance payments, based on either the maximum of one year's fixed salary or a contractually agreed amount set and frozen since 2009, as agreed with the Dutch Ministry of Finance[2]. The highest amount paid is EUR 1 million for a senior executive based outside the Netherlands. These severance payments are in addition to the EUR 348 million taken for personnel restructuring in 2016.

We are significantly increasing gender diversity at senior management level from 23% of senior management positions filled by women to 40%.

The new management structure has led to a slightly amended reporting structure. Going forward we will have five reporting segments: Retail Banking, Private Banking, Commercial Banking (formerly Commercial Clients), Corporate & Institutional Banking (a combination of the former International Clients and Capital Market Solutions) and Group Functions.

In addition to introducing a new management structure and as part of a changing culture, we seek an alternative voice and more input from within the organisation on what we need to do differently. We have therefore created a group called Challenger 40 (C40), consisting of 40 employees from across the organisation who will challenge and support the Executive Committee on strategically relevant issues, with whom dilemmas can be shared and who will bring forward topics for discussion on their own initiative.

A strategy focused on innovation and a much broader digital offering also requires more digital talent. More than a year ago we started promoting the bank as a digital employer. As a result, ABN AMRO was nominated as Favourite Employer in the Netherlands in 2017 in the category Banks & Accountants[3]. We recruited almost 400 'digital natives' in 2016 and 110 in Q1 2017.

1 Source: Dutch Land Registry (Kadaster).
2 Kamerbrief FIN/2009/1021.Kamerbrief FIN/2009/1021.
3 Intermediair 2017.

Financial review

Results

Highlights

- Net profit for the period was EUR 615 million, up 30% year-on-year; ROE was 13.2%.
- Net interest income +3%; continued loan growth in corporate loans and residential mortgages.
- Income +14%; operating result +37%; CI was 60.2%.
- Cost increase driven by regulatory levies, up EUR 30 million to EUR 127 million.
- Low impairment charges resulted in a cost of risk of 9bps.

Operating results

(in millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Net interest income	1,596	1,545	3%	1,575	1%
Net fee and commission income	435	435	0%	440	-1%
Other operating income	215	-10		180	20%
Operating income	**2,246**	**1,971**	**14%**	**2,195**	**2%**
Personnel expenses	632	617	2%	777	-19%
Other expenses	721	702	3%	929	-22%
Operating expenses	**1,353**	**1,319**	**3%**	**1,706**	**-21%**
Operating result	**893**	**651**	**37%**	**489**	**83%**
Impairment charges on loans and other receivables	63	2		35	79%
Operating profit/(loss) before taxation	**831**	**650**	**28%**	**454**	**83%**
Income tax expense	215	175	23%	120	79%
Underlying profit/(loss) for the period	**615**	**475**	**30%**	**333**	**85%**
Special items					
Reported profit/(loss) for the period	**615**	**475**	**30%**	**333**	**85%**
Attributable to:					
Owners of the company	601	463		323	
Holders of AT 1 capital securities	11	11		11	
Other non-controlling interests	4	1			

Other indicators

	Q1 2017	Q1 2016	Q4 2016
Net interest margin (NIM) (in bps)[1]	156	151	153
Underlying cost/income ratio	60.2%	66.9%	77.7%
Underlying cost of risk (in bps)[1,2]	9	0	6
Underlying return on average Equity[3]	13.2%	11.1%	7.3%
Underlying earnings per share (in EUR)[4]	0.64	0.49	0.34

1 For management view purposes the historical periods before 31 December 2016 have not been adjusted for the revised accounting relating to the netting. Further details are provided in the Notes to the reader section of this report.
2 Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.
3 Underlying profit for the period excluding reserved coupons for AT 1 Capital securities (net of tax) and results attributable to non-controlling interests divided by the average equity attributable to the owners of the company.
4 Underlying profit for the period excluding reserved coupons for AT 1 Capital securities (net of tax) and results attributable to non-controlling interests divided by the average outstanding and paid-up ordinary shares.

	31 March 2017	31 December 2016
Client Assets (in billions)	325	323
FTEs	21,381	21,664

First-quarter 2017 results

Net interest income rose to EUR 1,596 million (Q1 2016: EUR 1,545 million). The increase in interest income was predominantly driven by volume growth in corporate loans and residential mortgages. Year-on-year income on residential mortgages benefited from the repricing of (pre-crisis) low-margin mortgages in the past year. Consumer loans yielded somewhat lower volumes and margins. On the liability side, the rate paid on retail savings accounts was 20bps in Q1 2017 (Q1 2016: 50bps). The rate paid on commercial deposits was nil (Q1 2016: 20bps on deposits up to EUR 1 million), while a larger number of professional clients were charged negative interest.

Net fee and commission income amounted to EUR 435 million in Q1 2017, remaining flat compared with Q1 2016. Fee income is higher within Private Banking, driven by positive market sentiment throughout Q1 2017, and within Corporate & Institutional Banking, resulting mainly from higher trade and guarantees volumes. The increase was offset by lower fee income within Retail Banking due to lower fees being charged for payment packages to individual clients (since April 2016) and small businesses (since January 2017).

Other operating income improved to EUR 215 million, up by EUR 225 million versus Q1 2016. The increase was driven mainly by favourable CVA/DVA/FVA (EUR 23 million versus 49 million negative in Q1 2016), positive hedge accounting-related income (EUR 50 million versus EUR 25 million negative in Q1 2016) and results of Equity Participations (EUR 25 million, nil in Q1 2016). Markets activities within Corporate & Institutional Banking posted higher revenues due to low levels of activity in Q1 2016.

Personnel expenses rose to EUR 632 million in Q1 2017 (Q1 2016: EUR 617 million). The increase was partly related to severance payments (approximately EUR 12 million) as a result of the new management structure at ABN AMRO. Higher personnel expenses resulting from wage inflation, pension costs and FX were partly offset by cost savings. The decrease in personnel expenses compared with Q4 2016 was mainly attributable to a restructuring provision of EUR 177 million that had been taken in Q4 2016.

Other expenses increased by EUR 19 million, totalling EUR 721 million in Q1 2017, on account of higher regulatory levies (up EUR 30 million) and partly offset by cost savings). For full-year 2017, regulatory levies are expected to total approximately EUR 295 million, including EUR 127 million booked in the first quarter of 2017. In the remaining quarters, the Deposit Guarantee Scheme (DGS) is estimated at EUR 22 million for each quarter, while the Dutch banking tax will be recorded entirely in Q4 2017 (approximately EUR 100 million, non-tax deductible). Compared with Q4 2016, other expenses decreased, driven mainly by provisions taken in Q4 2016 (ICS, SME derivatives and office space) and lower IT and project-related costs.

Impairment charges amounted to EUR 63 million in Q1 2017 (Q1 2016: EUR 2 million). Q1 2017 includes an IBNI addition of EUR 5 million, compared with a EUR 81 million release in Q1 2016. Impairment charges on corporate loans increased mainly within Commercial Banking (less favourable IBNI releases) and ECT Clients. The overall cost of risk was 9bps in Q1 2017, still well below the through-the-cycle cost of risk of 25-30bps.

Balance sheet

Condensed consolidated statement of financial position

Starting in 2017, individual balance sheet figures are being presented including the impact of netting adjustments.

Since Q4 2016, private banking activities in Asia and the Middle East have been recorded as held for sale (and recorded under other assets and other liabilities).

(in millions)	31 March 2017	31 December 2016
Assets		
Cash and balances at central banks	29,727	21,861
Financial assets held for trading	3,667	1,607
Derivatives	11,888	14,384
Financial investments	43,630	45,497
Securities financing	31,202	17,589
Loans and receivables - banks	11,034	13,485
Loans and receivables - customers	274,366	267,679
Equity accounted investments	772	765
Property and equipment	1,489	1,418
Goodwill and other intangible assets	247	251
Assets held for sale	3,466	3,481
Tax assets	895	415
Other assets	5,415	6,050
Total assets	**417,798**	**394,482**
Liabilities		
Financial liabilities held for trading	1,871	791
Derivatives	11,116	14,526
Securities financing	24,216	11,625
Due to banks	18,830	13,419
Demand deposits	121,557	119,848
Saving deposits	95,423	92,740
Time deposits	19,789	16,169
Issued debt	80,055	81,278
Subordinated liabilities	12,516	11,171
Provisions	1,613	1,672
Liabilities held for sale	5,155	5,667
Tax liabilities	136	134
Other liabilities	6,119	6,503
Total liabilities	**398,394**	**375,544**
Equity		
Share capital	940	940
Share premium	12,970	12,970
Other reserves (incl retained earnings/profit for the period)	4,627	4,037
Other components of equity	-133	-9
Equity attributable to the owners of the company	**18,404**	**17,939**
Capital securities	993	993
Equity attributable to non-controlling interests	6	5
Total equity	**19,404**	**18,937**
Total liabilities and equity	**417,798**	**394,482**
Committed credit facilities	27,811	27,299
Guarantees and other commitments	15,754	15,873

Main developments in total assets compared with 31 December 2016

Total assets grew by EUR 23.3 billion, totalling EUR 418 billion at 31 March 2017, driven mainly by an increase in securities financing assets.

Cash and balances at central banks went up by EUR 7.9 billion, partly due to additional targeted longer-term refinancing operations (TLTRO) funding and the issuance of Tier 2 capital.

Derivative assets were impacted by the European Market Infrastructure Regulation (EMIR), as bilateral derivatives (on balance) are being shifted to central clearing counterparties. This resulted in a decline, as these items are no longer recognised on our balance sheet.

Securities financing assets grew by EUR 13.6 billion. The increase was related to the cyclical nature of the business, with clients winding down their positions towards year-end.

Loans and receivables - customers went up by EUR 6.7 billion. See the table below for a further breakdown.

Client loans increased by EUR 3.4 billion, driven by growth of the corporate loan book (mainly recognised at Corporate & Institutional Banking) and the residential mortgage book on the back of high production levels. Consumer loans declined slightly.

Professional lending (loans to professional counterparties plus other loans) increased by EUR 3.6 billion. This increase was related mainly to the clearing business.

Loans and receivables - customers

(in millions)	31 March 2017	31 December 2016
Residential mortgages	150,705	149,255
Consumer loans	12,337	12,539
Corporate loans to clients[1]	86,498	84,362
Total client loans[2]	**249,540**	**246,155**
Loans to professional counterparties	15,864	12,948
Other loans[3]	8,109	7,448
Total Loans and receivables - customers[2]	**273,513**	**266,551**
Fair value adjustments from hedge accounting	4,333	4,794
Less: loan impairment allowance	3,481	3,666
Total Loans and receivables - customers	**274,366**	**267,679**

1 Corporate loans excluding loans to professional counterparties.
2 Gross carrying amount excluding fair value adjustment from hedge accounting.
3 Other loans consist of loans and receivables to government, official institutions and financial markets parties.

Main developments in total liabilities compared with 31 December 2016

Total liabilities increased by EUR 22.9 billion, totalling EUR 398 billion at 31 March 2017. The increase was mainly related to securities financing volumes and additional TLTRO funding amounting to EUR 4 billion in Q1 2017.

Securities financing volumes increased by EUR 12.6 billion after seasonally low year-end positions.

Due to banks increased by EUR 5.4 billion, relating mainly to the take-up of TLTRO.

Lower (short-term) **issued debt securities** were offset by higher **subordinated liabilities** following the issuance of USD 1.5 billion Tier 2 capital in March 2017.

Due to customers (demand, savings and time deposits) increased by EUR 8.0 billion, predominantly due to a rise in professional deposits (money markets positions relating to currency management and clearing activities) and conversion of client assets - securities into client assets - cash within Private Banking.

Shareholders' equity increased by EUR 0.5 billion, largely due to the inclusion of the profit reported for Q1 2017.

Results by segment

This section includes a discussion and analysis of the financial results of ABN AMRO Group at segment level for Q1 2017 compared with Q1 2016. A large part of the interest expenses and operating expenses incurred by Group Functions are allocated to the business lines through net interest income and other expenses, respectively. Under the new management structure, we now have five reporting segments. Our former Commercial Clients business has been renamed Commercial Banking. Corporate & Institutional Banking is a combination of our former International Clients and Capital Markets Solutions segments. Retail Banking, Private Banking and Group Functions remain unchanged.

Retail Banking

Highlights

- Net profit for the period up 18% to EUR 326 million on loan growth and impairment releases.
- Net interest income up 4%; continued growth of residential mortgage portfolio.
- Operating expenses decreased by EUR 8 million despite a EUR 16 million increase in regulatory levies.
- Operating result improved 10%, leading to a cost/income ratio of 55.7%.
- Loan impairment releases resulted in cost of risk of -1bps.

Operating results

(in millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Net interest income	866	830	4%	819	6%
Net fee and commission income	105	113	-7%	118	-11%
Other operating income	4	3	38%	16	-72%
Operating income	**976**	**946**	**3%**	**953**	**2%**
Personnel expenses	111	119	-6%	112	-1%
Other expenses	432	433	0%	488	-11%
Operating expenses	**543**	**551**	**-1%**	**600**	**-9%**
Operating result	**432**	**394**	**10%**	**353**	**22%**
Impairment charges on loans and other receivables	-4	26		14	
Operating profit/(loss) before taxation	**436**	**369**	**18%**	**339**	**29%**
Income tax expense	110	93	18%	94	17%
Underlying profit/(loss) for the period	**326**	**276**	**18%**	**245**	**33%**
Special items					
Reported profit/(loss) for the period	**326**	**276**	**18%**	**245**	**33%**

Other indicators

	Q1 2017	Q1 2016	Q4 2016
Underlying cost/income ratio	55.7%	58.3%	62.9%
Underlying cost of risk (in bps)[1,2]	-1	7	4

[1] For management view purposes the historical periods before 31 December 2016 have not been adjusted for the revised accounting relating to the netting. Further details are provided in the Notes to the reader section of this report.
[2] Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	31 March 2017	31 December 2016
Loan-to-Deposit ratio	155%	152%
Loans and receivables - customers (in billions)	157.6	156.3
Due to customers (in billions)	101.9	102.7
Risk-weighted assets (risk exposure amount; in billions)	31.1	31.8
FTEs	5,240	5,266
Total Client Assets	116.3	117.9
Of which Cash	101.9	102.8
Of which Securities	14.3	15.1

Net interest income increased 4%, totalling EUR 866 million in Q1 2017. Higher interest income on mortgages and deposits was partly offset by lower interest income on consumer loans. Interest income on residential mortgages improved year-on-year, driven by higher average volumes and the repricing of (pre-crisis) low-margin mortgages in the last year. The increase in the residential mortgage portfolio was mainly due to high production levels in Q4 2016 and Q1 2017. New mortgage production grew on the back of low interest rates and favourable economic conditions. Our market share in new production increased to 25.8%[1] in Q1 2017 (Q1 2016: 17.4% and Q4 2016: 25.6%). New mortgage production primarily has a maturity longer than 10 years. Contractual redemptions showed a gradual rise. Extra redemptions remained fairly stable compared with Q1 2016, although they were lower than in Q4 2016 (seasonally high). Incentives for clients currently making extra repayments are low interest rates on savings and an increased awareness among homeowners of the possibility of residual debt at the end of their loan term.

Interest income on deposits increased, driven mainly by higher average volumes compared with Q1 2016. Compared with Q4 2016, due to customers decreased by EUR 0.8 billion, totalling EUR 101.9 billion. The decline related mainly to the migration of clients with investable assets above EUR 500,000 to Private Banking. Due to continued low interest rates in the eurozone, margins in the retail deposit market are under pressure.

Interest income from consumer loans was under pressure due to a gradual decline in volumes, in line with the overall market. Volumes declined mainly due to customers choosing more products with redeeming characteristics and higher redemptions in connection with the low interest rate environment.

Adjusted for the NII part of the ICS provision (EUR 47 million) in Q4 2016, net interest income remained stable.

Net fee and commission income declined by EUR 8 million compared with Q1 2016, mainly due to lower fees being charged for payment packages to individual clients (since April 2016) and small businesses (since January 2017).

[1] Source: Dutch Land Registry (Kadaster).

Personnel expenses decreased by 6% to EUR 111 million, as the average number of employees was reduced. Internal FTEs decreased to 5,240 (Q1 2016: 5,725) following a further reduction in the number of branches and a transfer of employees (September 2016) and clients to Private Banking after the threshold had been lowered. The number of branches was reduced to 216 in Q1 2017 (Q1 2016: 252) while the volume of mobile banking grew by 12% in the same period.

Other expenses include regulatory levies of EUR 53 million in Q1 2017 (Q1 2016: EUR 37 million). Excluding regulatory levies, other expenses decreased by EUR 17 million. This was attributable to lower allocated costs, mainly resulting from announced saving programmes.

Impairment charges decreased, coming to a EUR 4 million release in Q1 2017 (Q1 2016: EUR 26 million charge). Underlying loan impairments decreased further as a result of the continued improvement of the Dutch economy. An IBNI release of EUR 8 million was recorded in Q1 2017 (Q1 2016: EUR 23 million). Residential mortgages and consumer loans showed small impairment releases in Q1 2017. The cost of risk of residential mortgages improved from 7bps to -1bps, well below the through-the-cycle levels.

Private Banking

Highlights

- Net profit for the period increased by EUR 10 million to EUR 53 million in Q1 2017 (Q1 2016: EUR 43 million) following favourable developments in income and loan impairments.
- Net interest income up 4%.
- Improved stock market sentiment led to 6% higher net fee and commission income and higher levels of client assets.
- Client assets increased by EUR 4 billion, totalling EUR 208.9 billion in Q1 2017.
- Increase in operating expenses is primarily related to higher regulatory levies.
- Operating result up by 12%, with a cost/income ratio of 80.4%.
- Loan impairments recorded a EUR 4 million release, resulting in a cost of risk of -12bps.

Operating Results

(in millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Net interest income	164	158	4%	169	-3%
Net fee and commission income	152	144	6%	151	0%
Other operating income	18	17	7%	17	3%
Operating income	**334**	**318**	**5%**	**338**	**-1%**
Personnel expenses	125	126	-1%	127	-2%
Other expenses	144	134	8%	150	-4%
Operating expenses	**269**	**260**	**3%**	**277**	**-3%**
Operating result	**65**	**59**	**12%**	**61**	**8%**
Impairment charges on loans and other receivables	-4	5		7	
Operating profit/(loss) before taxation	**69**	**54**	**29%**	**54**	**28%**
Income tax expense	16	10	54%	5	
Underlying profit/(loss) for the period	**53**	**43**	**23%**	**49**	**10%**
Special items					
Reported profit/(loss) for the period	**53**	**43**	**23%**	**49**	**10%**

Other indicators

	Q1 2017	Q1 2016	Q4 2016
Underlying cost/income ratio	80.4%	81.6%	82.1%
Underlying cost of risk (in bps)[1]	-12	11	17

[1] Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	31 March 2017	31 December 2016
Loan-to-Deposit ratio	19%	20%
Loans and receivables - customers (in billions)	12.0	12.1
Due to customers (in billions)	64.7	61.8
Risk-weighted assets (risk exposure amount; in billions)	9.5	7.7
FTEs	3,812	3,844

Client assets

(in billions)

Opening balance Client Assets	**204.9**	**198.9**
Net new assets	-0.6	0.2
Market performance	4.6	5.7
Closing Balance Client Assets	**208.9**	**204.9**
	31 March 2017	31 December 2016
Breakdown by type		
Cash	70.1	67.6
Securities	138.8	137.2
-of which Custody	36.5	35.4
Total	**208.9**	**204.9**
Breakdown by geography		
The Netherlands	48%	48%
Rest of Europe	43%	44%
Rest of the world	9%	9%

Net interest income grew by 4%, arriving at EUR 164 million in Q1 2017. The increase was mainly attributable to lower interest rates on saving accounts and higher average deposit volumes. Compared with Q4 2016, deposit volumes increased by EUR 2.9 billion, totalling EUR 64.7 billion in Q1 2017. This was mainly the result of the conversion of securities into cash and clients migrating from Retail Banking as the client threshold for Private Banking in the Netherlands was lowered to EUR 500,000 in investable assets.

Net fee and commission income increased by EUR 8 million, totalling EUR 152 million in Q1 2017. The increase was attributable to improved stock market sentiment as opposed to uncertainty and volatility in the financial markets in Q1 2016. This resulted in higher levels of transaction volumes and an increase in average client assets.

Client assets increased by EUR 4 billion, totalling EUR 208.9 billion in Q1 2017, due to the positive market performance. Total client assets included EUR 17.8 billion relating to the private banking portfolio in Asia and the Middle East (held for sale).

Net new assets[1] amounted to EUR 0.6 billion negative. Outflow in our domestic activities was more than offset by EUR 1.8 billion of internal client transfers from Retail Banking resulting from the lowering of the client threshold for Private Banking in the Netherlands to EUR 500,000 in investable assets. The threshold was lowered to open up services to a broader client group and to increase our market share. Retail clients are gradually being transferred to Private Banking. In our international activities, net new assets were negative due to the outflow of assets of two single clients.

Personnel expenses remained stable at EUR 125 million. Personnel expenses in our domestic activities increased following the transfer of employees and clients from Retail Banking. This was offset by lower personnel expenses in our international activities resulting from a decreasing number of FTEs.

Other expenses increased by EUR 10 million, arriving at EUR 144 million in Q1 2017. The increase was mainly attributable to EUR 12 million in regulatory levies (Q1 2016: EUR 5 million).

Impairment charges recorded a EUR 4 million release in Q1 2017 (Q1 2016: EUR 5 million charge).

[1] Net new assets include client transfers from Retail Banking and referrals from Corporate Banking.

Commercial Banking

Highlights

- Net profit decreased by EUR 41 million, due entirely to lower IBNI impairment releases.
- Continued loan growth offset by margin pressure on deposits.
- Operating result decreased slightly, leading to a cost/income ratio of 57.0%.
- Cost of risk remained favourable at -8bps in Q1 2017 (Q1 2016: -62bps).

Operating results

(in millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Net interest income	335	337	-1%	335	0%
Net fee and commission income	47	50	-7%	51	-8%
Other operating income	11	6	86%	14	-25%
Operating income	**393**	**393**	**0%**	**400**	**-2%**
Personnel expenses	73	68	7%	71	2%
Other expenses	151	154	-2%	158	-4%
Operating expenses	**224**	**222**	**1%**	**229**	**-2%**
Operating result	**169**	**171**	**-2%**	**171**	**-1%**
Impairment charges on loans and other receivables	-8	-58	87%	-27	72%
Operating profit/(loss) before taxation	**176**	**230**	**-23%**	**199**	**-11%**
Income tax expense	44	57	-23%	53	-16%
Underlying profit/(loss) for the period	**132**	**173**	**-23%**	**146**	**-9%**
Special items					
Reported profit/(loss) for the period	**132**	**173**	**-23%**	**146**	**-9%**

Other indicators

	Q1 2017	Q1 2016	Q4 2016
Underlying cost/income ratio	57.0%	56.4%	57.2%
Underlying cost of risk (in bps)[1,2]	-8	-62	-28

1 For management view purposes the historical periods before 31 December 2016 have not been adjusted for the revised accounting relating to the netting. Further details are provided in the Notes to the reader section of this report.
2 Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	31 March 2017	31 December 2016
Loan-to-Deposit ratio	110%	107%
Total client loans (in billions)	39.1	38.6
Due to customers (in billions)	34.6	34.9
Risk-weighted assets (risk exposure amount; in billions)	21.8	20.6
FTEs	2,746	2,751

Net interest income decreased slightly, coming to EUR 335 million in Q1 2017 (Q1 2016: EUR 337 million). The low interest environment is putting pressure on interest income on client deposits. Most client rates are zero, while negative interest rates are charged to a selected group of clients. Interest income on assets improved as client lending grew on the back of improving economic conditions in the Netherlands. Growth in client lending was predominantly driven by asset-based finance and real estate. Part of the real estate growth is related to an ABN AMRO programme helping commercial real estate clients make the transition to sustainable real estate.

Net fee and commission income decreased by EUR 3 million, totalling EUR 47 million in Q1 2017, mainly on account of incidental fee expenses in Q1 2017.

Other operating income increased to EUR 11 million in Q1 2017 (Q1 2016: EUR 6 million) as Q1 2017 included a favourable revaluation result.

Personnel expenses increased by EUR 5 million, attributable to wage inflation and a higher number of FTEs (compared with Q1 2016) to enable growth in asset-based financing and to execute duty of care projects. The number of FTEs declined compared with Q4 2016.

Other expenses decreased by EUR 3 million, despite a EUR 4 million increase in regulatory levies in Q1 2017 (EUR 20 million versus EUR 16 million in Q1 2016). This was attributable to lower allocated costs, partly resulting from the announced savings programmes.

Impairment charges amounted to a release of EUR 8 million in Q1 2017 (Q1 2016: a release of EUR 58 million). Lower impairment releases were the result of a lower IBNI release (EUR 1 million in Q1 2017 versus EUR 61 million in Q1 2016). Apart from IBNI releases, impairment charges decreased slightly due to the ongoing broad improvement of the Dutch economy. The underlying cost of risk was -8bps (Q1 2016: -62bps).

Corporate & Institutional Banking

Highlights

- Net profit for the period increased to EUR 88 million, largely driven by positive CVA/DVA/FVA and Equity Participations results.
- Net interest income up 10%; growth in client lending versus Q1 2016 was driven by US dollar, higher commodity prices and business growth.
- Higher cost levels mainly due to higher FTE levels year-on-year.
- Operating result up by EUR 151 million, leading to a cost/income ratio of 60.1%.
- Cost of risk was 52bps as EUR 77 million impairment charges were recorded (mainly related to ECT Clients).

Operating results

(in millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Net interest income	231	211	10%	256	-10%
Net fee and commission income	143	139	3%	134	6%
Other operating income	103	-35		19	
Operating income	**477**	**315**	**52%**	**410**	**16%**
Personnel expenses	107	94	14%	108	0%
Other expenses	180	182	-1%	248	-28%
Operating expenses	**287**	**276**	**4%**	**356**	**-19%**
Operating result	**190**	**39**		**54**	
Impairment charges on loans and other receivables	77	32		50	55%
Operating profit/(loss) before taxation	**113**	**7**		**4**	
Income tax expense	25	6		1	
Underlying profit/(loss) for the period	**88**	**0**		**4**	
Special items					
Reported profit/(loss) for the period	**88**	**0**		**4**	

Other indicators

	Q1 2017	Q1 2016	Q4 2016
Underlying cost/income ratio	60.1%	87.5%	86.7%
Underlying cost of risk (in bps)[1,2]	52	26	41

1 For management view purposes the historical periods before 31 December 2016 have not been adjusted for the revised accounting relating to the netting. Further details are provided in the Notes to the reader section of this report.

2 Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross carrying amount and excluding the fair value adjustments from hedge accounting.

	31 March 2017	31 December 2016
Loan-to-Deposit ratio	179%	176%
Total client loans (in billions)	40.1	38.3
Due to customers (in billions)	29.6	27.4
Risk-weighted assets (risk exposure amount; in billions)	38.0	34.3
FTEs	2,400	2,387

Net interest income was EUR 231 million in Q1 2017, up 10% (Q1 2016: EUR 211 million). Interest growth was predominantly recorded within ECT Clients on the back of increased client lending. The rise in client loans was driven by a combination of the appreciation of the USD, higher commodity prices and business growth. Compared with Q4 2016, continued loan growth within Commodities was slightly offset by a weakening of the USD and a decrease within Energy. Interest income was down 10% q-o-q, partly due to favourable one-offs (in Q4 2016) in the area of collateral management at Sales & Trading. Net interest income on liabilities remained stable. A larger number of professional parties are being charged negative interest on liabilities.

Net fee and commission income amounted to EUR 143 million in Q1 2017, up 3% (Q1 2016: EUR 139 million). Higher off-balance volumes relating to trade and guarantees within ECT Clients resulted in higher fee income. Corporate Finance fees increased. Clearing reported lower fee levels in Q1 2017 as Q1 2016 was characterised by high volatility in the financial markets (high volumes of cleared transactions).

Other operating income increased by EUR 138 million to EUR 103 million in Q1 2017 (Q1 2016: a loss of EUR 35 million). CVA/DVA/FVA amounted to EUR 23 million in Q1 2017 (Q1 2016: EUR 49 million negative). Equity Participations results amounted to EUR 25 million in Q1 2017 (nil in Q1 2016). Furthermore, other operating income improved as Q1 2016 included a EUR 15 million provision for SME derivative-related issues, while favourable business-as-usual results were recorded at Sales & Trading in Q1 2017.

Personnel expenses increased by EUR 13 million, mainly due to an increase in FTEs (domestic and foreign branches) in line with ambitions to support growth and a stronger USD throughout Q1 2017.

Other expenses amounted to EUR 180 million, remaining flat compared with Q1 2016. Compared with Q4 2016, other expenses decreased significantly, due mainly to EUR 55 million in provision for SME costs recorded in Q4 2016.

Impairment charges amounted to EUR 77 million in Q1 2017 (Q1 2016: EUR 32 million), partly due to a EUR 14 million IBNI charge in Q1 2017 (Q1 2016: EUR 1 million addition). The underlying cost of risk was 52bps (Q1 2016: 26bps). Impairment charges within ECT Clients increased to EUR 59 million (48 million in Q1 2016).

Group Functions

Highlights

- Net profit for the period was EUR 16 million in Q1 2017 (Q1 2016: EUR 18 million loss).
- Improvement in other operating income mainly driven by higher hedge-accounting-related results.
- Lower FTE levels due to execution of restructuring programmes.

Operating results

(in millions)	Q1 2017	Q1 2016	Change	Q4 2016	Change
Net interest income	-1	10		-5	74%
Net fee and commission income	-12	-11	-15%	-15	15%
Other operating income	80	-1		113	-29%
Operating income	**66**	**-2**		**94**	**-29%**
Personnel expenses	216	211	2%	359	-40%
Other expenses	-186	-200	7%	-115	-62%
Operating expenses	**30**	**11**		**244**	**-88%**
Operating result	**36**	**-12**		**-151**	
Impairment charges on loans and other receivables		-3		-9	
Operating profit/(loss) before taxation	**36**	**-9**		**-142**	
Income tax expense	21	8		-32	
Underlying profit/(loss) for the period	**16**	**-18**		**-110**	
Special items					
Reported profit/(loss) for the period	**16**	**-18**		**-110**	

Other indicators

	Q1 2017	Q4 2016
Securities financing - assets (in billions)	24.0	12.9
Loans and receivables - customers (in billions)	7.3	7.8
Securities financing - liabilities (in billions)	22.1	10.5
Due to customers (in billions)	6.0	1.8
Risk-weighted assets (risk exposure amount; in billions)	6.4	9.8
FTEs	7,183	7,416

Other operating income was EUR 80 million in Q1 2017 (Q1 2016: EUR 1 million loss). The rise in other operating income was mainly driven by hedge accounting-related results (EUR 50 million versus EUR 25 million loss in Q1 2016).

Personnel expenses went up by EUR 5 million. The rise was mainly driven by severance payments (approximately EUR 12 million) as a result of the introduction of the new management structure at ABN AMRO. The number of FTEs decreased by 233, totalling 7,183 FTEs in Q1 2017. The decline in FTEs was due mainly to the existing restructuring programme TOPS 2020 and Retail Digitalisation and the restructuring announced in Q3 2016 relating to the support and control activities.

Other expenses increased by EUR 14 million as fewer costs were allocated to the commercial segments. Expenses incurred directly by Group Functions decreased due to stringent cost control. Compared with Q4 2016, costs decreased mainly due to lower IT and project-related costs.

Due to customers increased significantly, compared with both Q1 2016 and Q4 2016, driven by higher foreign deposits for the purpose of currency management (instead of swaps).

Additional financial information

Selected financial information

Condensed Consolidated income statement

(in millions)	Q1 2017	Q1 2016	Q4 2016
Income			
Interest income	3,154	3,232	3,198
Interest expense	1,558	1,686	1,624
Net interest income	**1,596**	**1,545**	**1,575**
Fee and commission income	791	785	779
Fee and commission expense	356	349	339
Net fee and commission income	**435**	**435**	**440**
Net trading income	99	-16	64
Share of result in equity accounted investments	8	-2	23
Other income	109	7	93
Operating income	**2,246**	**1,971**	**2,195**
Expenses			
Personnel expenses	632	617	777
General and administrative expenses	678	658	859
Depreciation and amortisation of tangible and intangible assets	43	44	70
Operating expenses	**1,353**	**1,319**	**1,706**
Impairment charges on loans and other receivables	63	2	35
Total expenses	**1,415**	**1,321**	**1,741**
Operating profit/(loss) before taxation	**831**	**650**	**454**
Income tax expense	215	175	120
Profit/(loss) for the period	**615**	**475**	**333**
Attributable to:			
Owners of the company	601	463	323
Holders of AT 1 capital securities	11	11	11
Other non-controlling interests	4	1	

Condensed Consolidated statement of comprehensive income

(in millions)	Q1 2017	Q1 2016	Q4 2016
Profit/(loss) for the period	**615**	**475**	**333**
Other comprehensive income:			
Items that will not be reclassified to the income statement			
Remeasurement gains / (losses) on defined benefit plans			49
Items that will not be reclassified to the income statement before taxation	**0**	**0**	**49**
Income tax relating to items that will not be reclassified to the income statement			13
Items that will not be reclassified to the income statement after taxation	**0**	**0**	**36**
Items that may be reclassified to the income statement			
(Un)realised gains/(losses) currency translation	-9	-68	83
(Un)realised gains/(losses) available-for-sale	-87	53	-34
(Un)realised gains/(losses) cash flow hedge	-68	-47	432
Share of other comprehensive income of associates		-1	36
Other changes			
Other comprehensive income for the period before taxation	**-164**	**-63**	**516**
Income tax relating to items that may be reclassified to the income statement	-40		103
Other comprehensive income for the period after taxation	**-124**	**-63**	**413**
Total comprehensive income/(expense) for the period after taxation	**491**	**412**	**783**
Attributable to:			
Owners of the company	476	401	772
Holders of AT 1 capital securities	11	11	11
Other non-controlling interests	4	1	

Condensed Consolidated statement of changes in equity

(in millions)	Share capital	Share premium	Other reserves including retained earnings	Other compre-hensive income	Net profit/ (loss) attributable to shareholders	Total	Capital securities	Non-con-trolling interests	Total equity
Balance at 1 January 2016	**940**	**12,970**	**1,140**	**-394**	**1,919**	**16,575**	**993**	**17**	**17,584**
Total comprehensive income				-63	474	411		1	412
Transfer			1,919		-1,919				
Dividend								-12	-12
Interest AT 1 capital securities			-22			-22			-22
Other changes in equity									
Balance at 31 March 2016	**940**	**12,970**	**3,037**	**-457**	**474**	**16,965**	**993**	**5**	**17,963**
Balance at 1 January 2017	**940**	**12,970**	**2,233**	**-9**	**1,805**	**17,939**	**993**	**5**	**18,937**
Total comprehensive income				-124	611	487		4	491
Transfer			1,805		-1,805				
Dividend								-3	-3
Interest AT 1 capital securities			-22			-22			-22
Other changes in equity									
Balance at 31 March 2017	**940**	**12,970**	**4,016**	**-133**	**611**	**18,404**	**993**	**6**	**19,404**

Specification of other comprehensive income is as follows:

(in millions)	Remeasurement gains / (losses) on post-retirement benefit plans	Currency translation reserve	Available-for-sale reserve	Cash flow hedge reserve	Share of OCI of associates and joint ventures	Total
Balance at 1 January 2016	**-41**	**137**	**473**	**-1,056**	**93**	**-394**
Net gains/(losses) arising during the period		-68	55	-39	-1	-52
Less: Net realised gains/(losses) included in income statement			2	8		10
Net gains/(losses) in equity		-68	53	-47	-1	-63
Related income tax			12	-12		
Balance at 31 March 2016	**-40**	**69**	**514**	**-1,091**	**92**	**-457**
Balance at 1 January 2017	**-13**	**166**	**557**	**-843**	**124**	**-9**
Net gains/(losses) arising during the period		-9	-87	-123		-219
Less: Net realised gains/(losses) included in income statement				-55		-55
Net gains/(losses) in equity	**0**	**-9**	**-87**	**-68**		**-164**
Related income tax			-23	-17		-40
Balance at 31 March 2017	**-13**	**157**	**493**	**-894**	**124**	**-133**

Risk, funding & capital information

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Key developments

Key figures

(in millions)	31 March 2017	31 December 2016
Total loans and receivables, gross excluding fair value adjustments	284,553	280,039
Of which Banks	11,040	13,488
Of which Residential mortgages	150,705	149,255
Of which Consumer loans	12,337	12,539
Of which Corporate loans	95,660	90,920
Of which Other loans and receivables - customers	14,811	13,838
On-balance sheet maximum exposure to credit risk	417,798	394,482
Total Exposure at Default (EAD)	395,624	383,118
Of which Retail Banking	176,648	175,879
Of which Private Banking	23,118	22,752
Of which Commercial Banking	44,191	43,959
Of which Corporate & Institutional Banking	74,674	71,208
Of which Group Functions	76,993	69,320
Credit quality indicators[1]		
Past due ratio	1.3%	1.4%
Impaired ratio	3.2%	3.3%
Coverage ratio	36.7%	38.4%
Regulatory capital		
Total RWA (REA)	106,744	104,215
Of which Credit risk[2]	83,134	83,140
Of which Operational risk	19,982	17,003
Of which Market risk	3,628	4,072
Total RWA (REA)/total EAD	27.0%	27.2%
Liquidity and funding indicators		
Loan-to-Deposit ratio	111.6%	112.7%
LCR	>100%	>100%
NSFR	>100%	>100%
Capital ratio's		
Fully-loaded CET1 ratio	16.9%	17.0%
Fully-loaded leverage ratio	3.7%	3.9%

1 Loans and receivables - customers only.
2 RWA (REA) for credit value adjustment (CVA) is included in credit risk. CVA per 31 March 2017 is EUR 0.7 billion (31 December 2016 EUR 0.8 billion).

	Q1 2017	Q1 2016	Q4 2016
Underlying cost of risk (in bps)[1]	9	0	6
Impairment charges on loans and other receivables	63	2	35

1 Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross carrying amount and excluding fair value adjustment from hedge accounting.

First quarter developments

Economy

The Dutch economy has been performing better than the eurozone economy for several quarters in a row. Dutch GDP growth was firm in all quarters of last year as well as in the beginning of this year. Dutch GDP was up 0.4% quarter-on-quarter in Q1 and again exceeded the eurozone figure. Exports and domestic spending are both likely to have contributed to the further expansion of the economy. Recent sentiment indicators suggest that the economy's momentum is still strong.

Portfolio review

Total loans and receivables increased to EUR 284.5 billion at 31 March 2017 (31 December 2016: EUR 280.0 billion). This increase was mainly attributable to corporate loans (EUR 4.7 billion) on account of client lending related to Corporate & Institutional Banking (C&IB). The combined effect of a 1.6% rise in new mortgage loans following from the continued high demand for houses and a significant drop of 13.6% in extra repayments resulted in a EUR 1.5 billion increase of the residential mortgages portfolio.

Regulatory capital

Exposure at Default (EaD) increased to EUR 395.6 billion at 31 March 2017 (31 December 2016: EUR 383.1 billion). This increase was driven by Group Functions, mainly due to a rise in deposits at central banks. The increase was also driven by Corporate & Institutional Banking and, to a lesser extent, Retail Banking, as a result of higher business volumes.

Total RWA (REA) increased to EUR 106.7 billion at 31 March 2017 (31 December 2016: EUR 104.2 billion). RWA (REA) for credit risk remained fairly stable throughout this period.

Operational risk RWA (REA) increased to EUR 20.0 billion as a result of the implementation of the Advance Measurement Approach (AMA) for the operational risk capital calculation. The most important driver for the increase are add-ons imposed by the regulator until certain conditions with regard to the operational risk framework are fulfilled. We expect that these add-ons (approximately EUR 2-3 billion) will be largely reversed in the second half of 2017 or in Q1 2018, and consequently the RWA (REA) for operational risk will then be lower again.

RWA (REA) for market risk declined by EUR 0.4 billion.

Credit quality indicators

The continued upturn in the economic environment is reflected in modest improvements of our credit quality indicators, despite challenging circumstances in the ECT Clients business.

Liquidity and funding

The bank maintains a strong liquidity buffer and a stable funding base. The Liquidity Coverage Ratio and the Net Stable Funding Ratio both remained above 100% in Q1 2017. The LtD ratio decreased to 112% at 31 March 2017 (31 December 2016: 113%). Main driver was an increase in client deposits, which was partially offset by an increase in client loans.

Cost of risk

Cost of risk increased to 9bps in Q1 2017 (Q1 2016: 0bps). This was the result of higher impairment charges relating to corporate loans. The increase was mainly driven by lower releases in Commercial Banking, due to a lower IBNI release, while ECT Clients was still facing challenging market circumstances which resulted in higher impairment charges. The rise in corporate loans was partly offset by a decrease in impairment charges in the residential mortgage portfolio, which benefited from the continued upturn in the Dutch housing market.

Credit risk

Reporting scope risk

The table below provides an overview of the figures reported in the condensed consolidated balance sheet (net) and the figures reported in the credit risk section (gross).

(in millions)	31 March 2017 Gross carrying amount	Loan impairment allowance	Carrying amount	31 December 2016 Gross carrying amount	Loan impairment allowance	Carrying amount
Loans and receivables - banks	**11,040**	**5**	**11,034**	**13,488**	**3**	**13,485**
Residential mortgages	153,458	233	153,225	152,328	258	152,069
Less: Fair value adjustment from hedge accounting on residential mortgages	2,753		2,753	3,073		3,073
Residential mortgages, excluding fair value adjustments	**150,705**	**233**	**150,472**	**149,255**	**258**	**148,997**
Consumer loans	**12,337**	**409**	**11,928**	**12,539**	**433**	**12,106**
Corporate loans	97,241	2,754	94,487	92,641	2,895	89,746
Less: Fair value adjustment from hedge accounting on corporate loans	1,580		1,580	1,722		1,722
Corporate loans, excluding fair value adjustments	**95,660**	**2,754**	**92,906**	**90,920**	**2,895**	**88,025**
Other loans and receivables - customers[1]	14,811	85	14,726	13,838	81	13,757
Less: Fair value adjustment from hedge accounting on other loans and receivables - customers						
Other loans and receivables - customers, excluding fair value adjustments[1]	**14,811**	**85**	**14,726**	**13,838**	**81**	**13,757**
Total loans and receivables - customers, excluding fair value adjustments	**273,513**	**3,481**	**270,033**	**266,551**	**3,666**	**262,884**
Fair value adjustments on Loans and receivables - customers	4,333		4,333	4,794		4,794
Total loans and receivables - customers	**277,847**	**3,481**	**274,366**	**271,345**	**3,666**	**267,679**
Total loans and receivables, excluding fair value adjustments	**284,553**	**3,486**	**281,067**	**280,039**	**3,669**	**276,369**
Total fair value adjustments on Loans and receivables	4,333		4,333	4,794		4,794
Total loans and receivables	**288,886**	**3,486**	**285,400**	**284,833**	**3,669**	**281,164**
Other			132,398			113,318
Total assets			**417,798**			**394,482**

[1] Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.

Developments over the first quarter

Highlights

- Limited impairment charges
- Past due exposure continued the declining trend
- Impaired exposures continued to decline

Past due

Total past due exposure on loans and receivables - customers declined slightly, totalling EUR 3.5 billion at 31 March 2017 (31 December 2016: EUR 3.6 billion). Combined with an increased loan portfolio, the past due ratio improved slightly, reaching 1.3% in the first quarter of 2017.

At sub-portfolio level, the past due exposure on residential mortgages increased marginally. This was mainly the result of the alignment of reporting procedures for some of our smaller mortgage labels. Corporate loans past due in C&IB increased (mainly attributable to the <30 days past due category), partly on account of ECT Clients. Consumer loans and other loans and receivables improved in line with the continuous improvement of the Dutch economy.

Coverage and impaired loans

Impaired exposures and allowances for impairments for the loans and receivables - customers portfolio continued to decline. The coverage ratio decreased slightly to 36.7% at 31 March 2017 (31 December 2016: 38.4%). The impaired ratio improved slightly in Q1 2017.

Impaired corporate loans decreased as a combined result of write-offs and clients returning to the performing portfolio within Commercial Banking. The decrease was offset by a rise of the impaired portfolio relating to ECT Clients (mainly Transportation). Overall, the impaired ratio improved to 6.9% at 31 March 2017 (31 December 2016: 7.4%) and the coverage ratio decreased to 39.4% at 31 March 2017 (31 December 2016: 41.2%).

Impaired residential mortgages continued to decline, in line with the improved Dutch economy. Combined with higher collateral values following from the upward trend in housing prices, the allowances for impairments decreased by 11.5%. This resulted in a coverage ratio of 15.6% at 31 March 2017 (31 December 2016: 16.7%).

Other loans and receivables - customers was impacted by several new impaired files, resulting in a coverage ratio of 24.3% and an impaired ratio of 2.0% at the end of Q1 2017.

Impairment charges

At EUR 63 million, impairment charges in Q1 2017 were quite limited. In Q1 2016, the impairment charges benefited from an IBNI release of EUR 81 million (mainly in favour of Commercial Banking and, to lesser extent, Retail Banking), while in Q1 2017 there was a small IBNI addition of EUR 5 million.

The rise in impairment charges was driven by corporate loans, where these charges rose by EUR 93 million, mainly on account of Commercial Banking and ECT Clients. Within Commercial Banking, lower IBNI releases were recorded (EUR 61 million in Q1 2016 as opposed to EUR 1 million in Q1 2017). Excluding IBNI, the Commercial Banking portfolio recorded a release, compared with an addition in Q1 2016, in line with positive developments in the Dutch economy.

The residential mortgage portfolio recorded a small release in Q1 2017, compared with an addition of EUR 25 million in Q1 2016. This is in line with the continuous improvement of the Dutch economy, where the housing market has been positively impacted by housing prices, resulting in faster settlement and lower losses.

Past due loans

(in millions)	31 March 2017 Carrying amount Gross	<= 30 days	> 30 days & <= 90 days	> 90 days	Total past due but not impaired	Past due ratio	31 December 2016 Past due ratio
Loans and receivables - banks	**11,040**						
Loans and receivables - customers							
Residential mortgages[1]	150,705	2,064	194	8	2,266	1.5%	1.4%
Consumer loans	12,337	218	134	56	408	3.3%	3.9%
Corporate loans[1]	95,660	420	157	69	645	0.7%	0.7%
Other loans and receivables - customers[2]	14,811	128	70	4	203	1.4%	2.8%
Total Loans and receivables - customers	**273,513**	**2,830**	**556**	**137**	**3,522**	**1.3%**	**1.4%**
Total Loans and receivables	**284,553**	**2,830**	**556**	**137**	**3,522**	**1.2%**	**1.3%**

1 Gross carrying amount excludes fair value adjustments from hedge accounting.
2 Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.

Impaired loans

(in millions)	31 March 2017 Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk[3]	Coverage ratio	Impaired ratio	31 December 2016 Coverage ratio	Impaired ratio
Loans and receivables - banks	**11,040**						
Loans and receivables - customers							
Residential mortgages[1]	150,705	1,182	-185	15.6%	0.8%	16.7%	0.8%
Consumer loans	12,337	701	-369	52.6%	5.7%	52.4%	5.9%
Corporate loans[1]	95,660	6,624	-2,610	39.4%	6.9%	41.2%	7.4%
Other loans and receivables - customers[2]	14,811	301	-73	24.3%	2.0%	30.7%	1.6%
Total Loans and receivables - customers	**273,513**	**8,808**	**-3,236**	**36.7%**	**3.2%**	**38.4%**	**3.3%**
Total Loans and receivables	**284,553**	**8,808**	**-3,236**	**36.7%**	**3.1%**	**38.4%**	**3.2%**

1 Gross carrying amount excludes fair value adjustments from hedge accounting.
2 Other loans and receivables - customers consists of Government and official institutions, Financial lease receivables and Factoring.
3 Amounts excluding Incurred But Not Identified (IBNI).

Loan impairment charges and allowances

Q1 2017							
(in millions)	Securities financing	Banks	Corporate loans[1]	Residential mortgages	Consumer loans	Other loans	Total
Balance at begin of period		**3**	**2,973**	**258**	**433**	**2**	**3,670**
Impairment charges for the period		3	159	6	33		200
Reversal of impairment allowances no longer required			-85	-2	-29		-116
Recoveries of amounts previously written-off			-5	-7	-10		-22
Total impairment charges on loans and other receivables		**3**	**69**	**-3**	**-7**		**63**
Other adjustments			-206	-22	-17		-246
Balance at end of period		**5**	**2,836**	**233**	**409**	**3**	**3,486**

[1] Corporate loans includes Financial lease receivables and Factoring.

Q1 2016							
(in millions)	Securities financing	Banks	Corporate loans[1]	Residential mortgages	Consumer loans	Other loans	Total
Balance at begin of period	**11**	**2**	**3,470**	**324**	**561**	**1**	**4,368**
Impairment charges for the period		1	158	31	46	1	237
Reversal of impairment allowances no longer required			-176		-38		-213
Recoveries of amounts previously written-off			-7	-6	-10		-22
Total impairment charges on loans and other receivables		**1**	**-24**	**25**	**-1**	**1**	**2**
Other adjustments	-10	10	-173	-38	-37	-1	-249
Balance at end of period	**0**	**14**	**3,273**	**311**	**523**	**1**	**4,121**

[1] Corporate loans includes Financial lease receivables and Factoring.

Total impairment charges on loans and other receivables

(in millions)	Q1 2017	Q1 2016
On-balance sheet	63	2
Off-balance sheet		
Total impairment charges on loans and other receivables	**63**	**2**

Developments in specific portfolios

Residential mortgages

Key residential mortgage indicators

(in millions)	31 March 2017	31 December 2016
Gross carrying amount excl. fair value adjustment from hedge accounting	150,705	149,255
Of which Nationale Hypotheek Garantie (NHG)	39,170	39,293
Exposure at Default[1]	166,453	165,199
Risk-weighted assets/ risk exposure amount[1]	18,579	19,090
RWA (REA)/EAD	11.2%	11.6%
Past due ratio	1.5%	1.4%
Impaired ratio	0.8%	0.8%
Coverage ratio	15.6%	16.7%
Average Loan-to-Market-Value	75%	76%
Average Loan-to-Market-Value - excluding NHG loans	72%	73%

[1] The RWA (REA) and Exposure at Default amounts are based on the exposure class Secured by immovable property. This scope is slightly broader than the residential mortgage portfolio.

Underlying cost of risk

	Q1 2017	Q1 2016	Q4 2016
Underlying cost of risk (in bps)[1]	-1	7	2
Impairment charges on residential mortgages (EUR in million)	-3	25	7

[1] Annualised impairment charges on loans and receivables - customers for the period divided by the average loans and receivables - customers on the basis of gross caarying amount and excluding fair value adjustment from hedge accounting.

Housing market developments

The Dutch housing market continued to improve in the first quarter of 2017. Housing transactions as well as housing prices rose again. The improvement was visible throughout the Netherlands, whereas initially the provinces of Noord-Holland and Utrecht had been the main drivers.

The number of transactions in the Dutch housing market showed a 30% rise in Q1 2017 compared with the first quarter of 2016, according to Statistics Netherlands (CBS). The CBS housing price index also rose 2.0% Q1 2017 as compared with Q4 2016.

Residential mortgage portfolio

The residential mortgage portfolio grew to EUR 150.7 billion at 31 March 2017 (31 December 2016: EUR 149.3 billion). New mortgage production increased, while redemptions decreased. NHG-guaranteed loans accounted for 26% of the residential mortgage portfolio, fairly stable since Q4 2016. The proportion of redeeming mortgages increased to 20% of the residential mortgage portfolio at 31 March 2017 (31 December 2016: 18%).

ABN AMRO's market share in new mortgage production in Q1 2017 was strong at 25.8%[1] (Q4 2016: 25.6%). The continuous improvement of the Dutch housing market is also visible in the bank's new mortgage production, which was higher than in Q4 2016 (+1.7%). The proportion of new mortgage production backed by NHG guarantees decreased further to 15% in Q4 2016, compared with 17% in Q4 2016. Rising housing prices and a steady reduction of the maximum NHG limit in recent years have resulted in fewer mortgages being eligible for an NHG guarantee.

Total redemptions in Q1 2017 amounted to EUR 3.5 billion (Q4 2016: EUR 4.1 billion). Contractual redemptions gradually increased, following current tax regulations. In Q1 2017, extra repayments amounted to EUR 0.6 billion, which was signifi-cantly lower than in Q4 2016 (0.9 billion). This is related to seasonal patterns in extra repayments. Incentives for extra

[1] Source: Dutch Land Registry (Kadaster).

repayments are still the very low interest rates on savings and an increased awareness among home owners that they may ultimately have a residual debt at the end of their loan term.

Regulatory capital

The RWA (REA) for the residential mortgage portfolio declined to 18.6 billion at 31 March 2017, as a result of improved credit quality (higher collaterals and improved client ratings). Exposure at Default (EaD) increased to EUR 166.5 billion at 31 March 2017 (31 December 2016: EUR 165.2 billion) in line with the growing loan portfolio.

Credit quality indicators

Credit quality indicators remained positive and fairly stable compared with 31 December 2016.

Loan to Market Value (LtMV)

Rising housing prices and restrictions on the maximum Loan to Market Value (LtMV) for new mortgages led to further improvement of the average LtMV of 75% at 31 March 2017 (31 December 2016: 76%). The same trend can be noted for the LtMV not guaranteed by NHG. Extra repayments on residential mortgage loans have a minor impact on the highest LtMV categories. Approximately 9% of the extra repayments related to mortgages with an LtMV>100%.

The gross carrying amount of mortgages with an LtMV above 100% decreased to EUR 22.7 billion at 31 March 2017 (31 December 2016: EUR 24.7 billion). Note that LtMVs in excess of 100% do not necessarily indicate that these clients are in financial difficulties. However, ABN AMRO advises clients not to maintain loans at high LtMV levels.

The long-term LtMV of the bank's portfolio is expected to decrease further as a result of the regulatory reduction of the maximum LtMV on mortgage loans, rising housing prices and redemptions.

Residential mortgages to indexed market value

	31 March 2017				31 December 2016			
(in millions)	Gross carrying amount	Percentage of total	- of which guaranteed[2]	- of which unguaranteed	Gross carrying amount	Percentage of total	- of which guaranteed[2]	- of which unguaranteed
LtMV category[1]								
<50%	26,447	17.5%	2.0%	15.6%	26,021	17.4%	1.9%	15.5%
50% - 80%	49,522	32.9%	6.7%	26.2%	47,631	31.9%	6.4%	25.5%
80% - 90%	24,660	16.4%	5.9%	10.5%	23,498	15.7%	5.5%	10.2%
90% - 100%	25,306	16.8%	6.6%	10.2%	25,498	17.1%	7.0%	10.1%
100% - 110%	15,114	10.0%	3.3%	6.8%	15,596	10.4%	3.6%	6.9%
110% - 120%	5,951	3.9%	1.2%	2.8%	6,999	4.7%	1.4%	3.2%
>120%	1,678	1.1%	0.4%	0.7%	2,110	1.4%	0.5%	1.0%
Unclassified	2,028	1.3%			1,904	1.3%		
Total	**150,705**	**100%**			**149,255**	**100%**		

[1] ABN AMRO calculates the Loan-to-Market Value using the indexation of the CBS (Statistics Netherlands).
[2] NHG guarantees.

Breakdown of residential mortgage portfolio by loan type

	31 March 2017		31 December 2016	
(in millions)	Gross carrying amount	Percentage of total	Gross carrying amount	Percentage of total
Interest only (partially)	48,293	32%	47,798	32%
Interest only (100%)	28,886	19%	29,638	20%
Redeeming mortgages (annuity/linear)	29,607	20%	26,883	18%
Savings	20,424	14%	20,860	14%
Life (investment)	14,908	10%	15,451	10%
Other[1]	8,588	6%	8,625	6%
Total	**150,705**	**100%**	**149,255**	**100%**

[1] Other includes hybrid, other and unclassified mortgage types. The hybrid portfolio consists of a combination of savings and investment mortgages.

Energy, Commodities & Transportation Clients

ECT Clients operates in cyclical market sectors. This cyclicality is reflected in our lending policies, financing structures, advance rates and risk management.
ECT Clients provides financing, generally secured by either commodities for which liquid markets exist, first-priority ship mortgages or pledged contracted project cash flows.

The loan book is subject to continuously and stringent credit monitoring. ABN AMRO periodically performs sensitivity analyses and stress testing exercises to gain insight into the credit performance under different price scenarios, economic scenarios and risk measures.

During the first quarter, the oil price moved between USD 50-55 per barrel. At this price level offshore drilling and other offshore services segments remain vulnerable due to lack of investments by oil majors. Circumstances in a number of shipping markets remain challenging, given structural overcapacity and lower demand.

Loan portfolio

The vast majority of the loan portfolio is USD denominated. The loan portfolio increased by 0.9% in the first quarter of 2017. The increase was the result of growth in Commodities Clients, slightly offset by a 1.3% weakening of the USD and redemptions in Energy.

Impairment charges

The impairment charges remained elevated at EUR 59 million in Q1 2017 (Q1 2016: EUR 48 million). Most of the impairment charges were taken in Transportation Clients, followed by Commodities Clients, and Energy Clients.

Scenario analysis

Scenario analyses are performed on a regular basis. External developments may prompt us to test the resilience of specific portfolios under adverse conditions. These scenarios are monitored and updated periodically and may lead to actions to limit potential impairments and losses.

For the oil & gas related portfolio, for example, we observed that impairment charges were just below the internally developed mild adverse scenario. In the transportation portfolio, the impairment charges were developing above the mild scenario, but well below the severe scenario.

ECT Clients on- and off-balance sheet exposure

	31 March 2017				31 December 2016			
(in billions)	Energy	Commodities	Transpor-tation	Total ECT Clients	Energy	Commodities	Transpor-tation	Total ECT Clients
On-balance sheet exposure	**5.8**	**15.0**	**10.2**	**31.1**	**6.0**	**14.5**	**10.2**	**30.8**
Guarantees and letters of credit	0.9	7.6	0.1	8.5	0.9	7.2	0.2	8.4
Subtotal	**6.7**	**22.5**	**10.3**	**39.6**	**6.9**	**21.8**	**10.4**	**39.1**
Undrawn committed credit facilities	3.0	3.2	1.1	7.3	2.8	2.5	1.1	6.5
Total on- and off-balance sheet exposure	**9.7**	**25.8**	**11.5**	**46.9**	**9.8**	**24.3**	**11.5**	**45.6**

ECT Clients loan impairment charges

(in millions)	Q1 2017	Q1 2016	Q4 2016
Impairments charges ECT Clients	59	48	35
- of which Energy	11	29	2
- of which Commodities	24	13	30
- of which Transportation	25	6	3
Underlying cost of risk ECT (in bps)	81	81	50

Liquidity risk

Liquidity indicators

	31 March 2017	31 December 2016
Survival period (moderate stress)	> 12 months	> 12 months
LCR	>100%	>100%
NSFR	>100%	>100%
Loan-to-Deposit ratio	112%	113%
Available liquidity buffer (in billions)	77.8	78.9

The objective of ABN AMRO's liquidity management is to comply at all times with regulatory, internal and other relevant liquidity requirements. To this effect, the bank maintains a strong liquidity buffer and a stable funding base. The liquidity objectives are measured by several indicators.

The survival period reflects the period that the bank's liquidity position is expected to remain positive in an internally developed (moderate) stress scenario that assumes wholesale funding markets will deteriorate and retail and commercial clients will withdraw part of their deposits. The survival period was consistently >12 months in Q1 2017.

The Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) both remained above 100% in Q1 2017. This is in line with the bank's targeted early compliance with future regulatory requirements.

Loan-to-Deposit ratio

The Loan-to-Deposit (LtD) ratio decreased to 112% at 31 March 2017 (31 December 2016: 113%). Main driver was a EUR 8.0 billion increase in client deposits, partially offset by a EUR 6.5 billion increase in client loans. The rise in client deposits was largely attributable to a EUR 4.2 billion increase in short-term time deposits. These short-term deposits are mainly USD-denominated and serve as an alternative for short-term FX swaps. The increase in client loans was mainly accountable to a EUR 1.4 billion increase in Retail mortgages and a EUR 5.3 billion increase in Commercial Banking and Corporate & Institutional Banking loans.

Liquidity buffer composition

The liquidity buffer remained fairly stable at EUR 77.8 billion at 31 March 2017 (31 December 2016: EUR 78.9 billion). Cash & central banks deposits increased, leading to higher liquidity buffer costs. The increase in cash & central banks deposits was largely offset by lower retained RMBS, which was mainly driven by the TLTRO II participation of EUR 4 billion in March 2017. Retained RMBS were pledged as collateral for this funding.

The liquidity buffer consists largely of cash and deposits at central banks, government bonds and retained residential mortgage-backed securities (RMBS). Most of the securities in the liquidity buffer, with the exception of retained RMBS, qualify for the LCR. Furthermore, both the liquidity buffer and the LCR buffer face haircuts based on their market value. These haircuts are used to determine the liquidity value. Haircuts may differ between these two buffers, as the internal assessment of the liquidity buffer deviates from LCR Delegated Act. This explains the differences between the liquidity values. Government bonds, for example, will be subject to a higher internal haircut than the haircut based on LCR Delegated Act. As a result, the value of government bonds for the liquidity buffer is lower than the value that qualifies for the LCR.

Liquidity buffer composition

(in billions)	31 March 2017 Liquidity buffer	31 March 2017 LCR eligible	31 December 2016 Liquidity buffer	31 December 2016 LCR eligible
Cash & central bank deposits[1]	28.7	28.7	21.5	21.5
Government bonds	32.8	33.5	33.5	34.5
Covered bonds	2.0	1.9	2.2	2.1
Retained RMBS	5.7		11.5	
Third party RMBS	1.1	0.9	1.5	1.3
Other	7.4	8.0	8.8	9.2
Total liquidity buffer	**77.8**	**73.0**	**78.9**	**68.5**
- of which in EUR	91.6%		90.3%	
- of which in other currencies	8.4%		9.7%	

[1] The mandatory cash reserve with the central bank has been deducted from the cash and central bank deposits in the liquidity buffer.

Funding

ABN AMRO's funding strategy aims to optimise and diversify the bank's funding sources. This strategy leads to a diverse, stable and cost-efficient funding base. Client deposits constitute ABN AMRO's main source of funding. This is complemented by a well-diversified portfolio of wholesale funding.

Client deposits increased to EUR 236.0 billion at 31 March 2016 (31 December 2016: EUR 228.0 billion). Total wholesale funding (defined as issued debt plus subordinated liabilities) remained stable at EUR 92.6 billion at 31 March 2017 (31 December 2016: EUR 92.5 billion). Other long-term funding increased by EUR 4.0 billion, due to participation in TLTRO II. ABN AMRO's total TLTRO II participation is EUR 8 billion.

Long-term funding raised

Long-term funding raised in Q1 2017 amounted to EUR 10.3 billion. The main drivers of the amount raised were funds needed in relation to maturing funding and TLTRO II participation. Long-term funding raised included EUR 3.1 billion of covered bonds, EUR 1.4 billion of Tier 2 capital instruments, EUR 1.9 billion of senior unsecured funding, and EUR 4.0 billion TLTRO II.

Unsecured funding issued in Q1 2017 is mainly USD-denominated and supports Commercial Banking and Corporate & Institutional Banking growth plans. Covered bond issuance is in line with the growing volume of mortgages with long-term fixed interest rate periods. Long-term covered bonds mitigate liquidity repricing risk resulting from mortgages with long-term fixed interest rate periods. The average maturity of covered bonds issued in Q1 2017 is 17 years.

The instruments issued are included in the funding overview below. More information on capital instruments is provided in the Capital management section of this report.

Overview of funding types

A key goal of the funding strategy is to diversify funding sources. Our funding programmes allow us to issue various instruments in different currencies and markets, enabling us to diversify our investor base. A description of capital and funding instruments issued by ABN AMRO is provided on our website, abnamro.com/ir. We continuously assess our wholesale funding base in order to optimise the use of funding sources.

Overview of funding types

(in millions)	31 March 2017	31 December 2016
Euro Commercial Paper	2,638	2,501
London Certificates of Deposit	8,114	8,843
French Certificats de Dépôt	232	651
US Commercial Paper	4,616	4,710
Total Commercial Paper/Certificates of Deposit	**15,599**	**16,705**
Senior unsecured (medium-term notes)	31,786	32,815
Covered bonds	30,314	29,355
Securitisations	2,350	2,350
Saving certificates	6	52
Total issued debt	**80,055**	**81,278**
Subordinated liabilities	12,516	11,171
Total wholesale funding	**92,571**	**92,450**
Other long-term funding[1]	9,809	5,843
Total funding instruments[2]	**102,380**	**98,292**
- of which CP/CD matures within one year	15,599	16,705
- of which funding instruments (excl. CP/CD) matures within one year	12,356	14,244
- of which matures after one year	74,425	67,342

[1] Includes long-term repos (recorded in securities financing), TLTRO funding (recorded in due to banks) and funding with the Dutch State as counterparty (recorded in due to customers).
[2] Includes FX effects, fair value adjustments and interest movements.

Maturity calendar

The maturity calendar presented below assumes redemption on the earliest possible call date or the legal maturity date. Early redemption of subordinated instruments is subject to the approval of the regulators. However, this does not mean that the instruments will be called at the earliest possible call date. TLTRO II is recorded at a maturity of four years, but has a voluntary repayment option after two years.

The average remaining maturity of the total outstanding long-term wholesale funding increased to 4.8 years at 31 March 2017 (31 December 2016: 4.7 years).

Maturity calendar

	31 March 2017											
(notional amounts, in billions)	2017[2]	2018	2019	2020	2021	2022	2023	2024	2025	2026	≥ 2027	Total
Senior unsecured	4.8	4.9	8.1	4.8	1.2	3.2	1.2	0.3	1.7	0.1	0.6	31.0
Covered bonds	0.5	1.9	1.8	2.5	2.5	2.7	1.9	1.8	0.5	1.6	10.0	27.8
Securitisations	1.1	0.8	0.5									2.4
Subordinated liabilities	2.2			1.6	1.5	1.6	2.5		1.4	0.9	0.3	12.0
Other long-term funding[1]	1.0			4.1	4.3					0.3	0.2	9.8
Total	**9.6**	**7.6**	**10.5**	**13.1**	**9.5**	**7.5**	**5.6**	**2.1**	**3.6**	**2.9**	**11.1**	**83.0**

[1] Other long-term funding includes TLTRO II, long-term repos and funding with the Dutch State as counterparty.
[2] Includes funding that matures in Q2, Q3 and Q4 2017.

Capital management

ABN AMRO's solid capital position ensures that the bank is compliant with the fully-loaded capital requirements of the Capital Requirements Directive IV (CRD IV) and Capital Requirements Regulation (CRR). The overall capital base increased during Q1 2017 due to accumulated profit and a Tier 2 issuance. The bank strives to optimise its capital structure in anticipation of pending regulatory requirements. The capital structure consists mainly of common equity and loss-absorbing capital to cover unexpected losses. The subordination of the loss-absorbing capital instruments provides further protection to senior creditors.

Developments impacting capital ratios

At 31 March 2017, the fully-loaded Common Equity Tier 1 (CET1), Tier 1 and Total Capital ratios were 16.9%, 17.8% and 24.1% respectively. All capital ratios were well above regulatory minimum requirements and in line with the bank's risk appetite and strategic ambitions.

ABN AMRO's CET1 ratio and Tier 1 ratio decreased slightly during Q1 2017, as a result of higher RWA (REA) partly offset by profit accumulation. ABN AMRO's Total Capital ratio increased due to issuance of a Tier 2 USD 1.5 billion callable instrument in March. This further strengthened the buffer of loss-absorbing instruments and was done in anticipation of the announcement to call two disqualified Tier 2 instruments in full on their prevailing call dates.

The group level RWA (REA) increased to EUR 106.7 billion at 31 March 2017 (31 December 2016: EUR 104.2 billion). More information on RWA (REA) is provided in the Key Developments section of this report.

In 2017, ABN AMRO will be required to meet a minimum CET1 ratio of 9.0% on a consolidated basis, excluding a counter-cyclical buffer, but including a 1.25% capital conservation buffer and a 1.5% systemic risk buffer (SRB). ABN AMRO is comfortably above the 9.0% minimum, with a fully-loaded CET1 ratio amounting to 16.9% at 31 March 2017.

The Maximum Distributable Amount (MDA) trigger level for ABN AMRO Bank N.V. is 9.0% CET1 capital, to be increased by any Additional Tier 1 (AT1) or Tier 2 capital shortfall. At 31 March 2017, the AT1 shortfall was 0.6%, implying an MDA trigger level of 9.6%. Based on full phase-in of the SRB (from 1.5% in 2017 to 3.0% in 2019) and the capital conservation buffer (from 1.25% in 2017 to 2.5% in 2019), the fully-loaded MDA trigger level is expected to increase to 11.75% in 2019, excluding a counter-cyclical buffer and assuming there is no AT1 or Tier 2 capital shortfall.

ABN AMRO expects its future CET1 capital target to reach 13.5%, which is at the upper end of the current 11.5-13.5% CET1 target range. This expectation is based on the SREP requirement, the fully-loaded SRB and capital conservation buffer, Pillar 2 capital guidance and the management buffer. It excludes possible implications and consequences of revisions to the calculation of risk-weighted assets (Basel IV). Given this uncertainty, ABN AMRO continues to hold a buffer above the current CET1 target range.

Dividend

Over the full year of 2017, ABN AMRO intends to pay a dividend of 50% of the reported net profit after deduction of AT1 coupon payments. An overview of ABN AMRO's dividend policy is provided on our website, abnamro.com/ir.

Regulatory capital structure

(in millions)	31 March 2017	31 December 2016
Total equity (EU IFRS)	**19,404**	**18,937**
Cash flow hedge reserve	894	843
Dividend reserve	-714	-414
Capital securities	-993	-993
Other regulatory adjustments	-577	-598
Common Equity Tier 1	**18,013**	**17,775**
Capital securities	993	993
Other regulatory adjustments	-85	-164
Tier 1 capital	**18,922**	**18,605**
Subordinated liabilities Tier 2	8,380	7,150
Other regulatory adjustments	-31	-118
Total regulatory capital	**27,271**	**25,637**
Total risk-weighted assets (risk exposure amount)	**106,744**	**104,215**
Common Equity Tier 1 ratio	16.9%	17.1%
Tier 1 ratio	17.7%	17.9%
Total capital ratio	25.5%	24.6%
Common Equity Tier 1 capital (fully-loaded)	17,992	17,761
Common Equity Tier 1 ratio (fully-loaded)	16.9%	17.0%
Tier 1 capital (fully-loaded)	18,980	18,749
Tier 1 ratio (fully-loaded)	17.8%	18.0%
Total capital (fully-loaded)	25,692	24,107
Total capital ratio (fully-loaded)	24.1%	23.1%

Leverage ratio

The CRR introduced a non-risk based leverage ratio which will be monitored until 2017 and further refined and calibrated before becoming a binding measure with effect from 2018. ABN AMRO aims for a leverage ratio of at least 4% by year-end 2018, to be achieved through profit retention, issuance of AT1 instruments and management of the exposure measure.

At 31 March 2017, the Commission Delegated Regulation (CDR) fully-loaded leverage ratio was 3.7% (31 December 2016: 3.9%). The leverage ratio decreased by 0.2 percentage points, primarily as a result of seasonal increase of the balance sheet.

On 6 April 2016, the Basel Committee issued a consultative document on the revision of the Basel III leverage ratio framework. The areas subject to proposed revision include a change in calculation of the derivative exposure and the credit conversion factors for off-balance sheet items. The revised calculation method of derivative exposure was also mentioned in a draft CRR regulation published in November 2016, which could result in a decrease of the exposure measure for clearing guarantees. This decrease would amount to approximately EUR 45-55 billion, or a 35-45bps increase of the fully-loaded leverage ratio, however the timing of this benefit remains uncertain. The proposed adjustment of credit conversion factors for off-balance sheet exposures by the Basel Committee, for example unconditionally cancellable commitments, would partly offset this potential increase.

Leverage ratio

(in millions)	31 March 2017 Phase-in	31 March 2017 Fully-loaded	31 December 2016 Fully-loaded
Tier 1 capital	**18,922**	**18,980**	**18,749**
Exposure measure (under CDR)			
On-balance sheet exposures	417,798	417,798	394,482
Off-balance sheet exposures	32,033	32,033	32,420
On-balance sheet netting	13,990	13,990	13,539
Derivative exposures	59,059	59,059	50,248
Securities financing exposures	3,008	3,008	2,686
Other regulatory measures	-12,026	-11,991	-13,269
Exposure measure	**513,862**	**513,897**	**480,106**
Leverage ratio (CDR)	**3.7%**	**3.7%**	**3.9%**

MREL

ABN AMRO monitors pending regulatory requirements in relation to MREL and aims for its MREL eligible liabilities to represent at least 8% of total assets by year-end 2018 (through profit retention, subordinated debt and potentially non-preferred senior debt). The final MREL terms, as well as bank-specific MREL requirements, will determine exactly what measures we will undertake to comply with these requirements. At 31 March 2017, ABN AMRO's MREL eligible liabilities (solely based on own funds and other subordinated liabilities) represented 7.3% of total assets. The MREL ratio decreased slightly compared to 31 December 2016, as the increase in MREL eligible liabilities was more than offset by an increase in total assets, primarily as a result of seasonal increase of the balance sheet from 31 December 2016 to 31 March 2017.

MREL

(in millions)	31 March 2017	31 December 2016
Regulatory capital	27,271	25,637
Other MREL eligible capital[1]	3,436	3,376
Total assets	417,798	394,482
MREL[2]	7.3%	7.4%

1 Other MREL eligible capital consists of subordinated liabilities that are not included in regulatory capital.
2 MREL is calculated as total regulatory capital plus other MREL eligible subordinated liabilites divided by total IFRS assets.

Regulatory capital developments

CRD IV and CRR constitute the framework for implementation of Basel III in the European Union. CRD IV and CRR have been phased in since 1 January 2014 and will be fully effective by January 2019. Further to this, the European Commission has issued draft texts in November 2016 to amend CRD IV and CRR.

Under what is commonly referred to as Basel IV, the Basel Committee on Banking Supervision has presented two consultative papers on a revision of the Standardised Approach and the design of a capital floor framework based on this revised Standardised Approach. This framework is expected to replace the current transitional floor based on the Basel I standard. The aim of the revised capital floor framework is to enhance the reliability and comparability of risk-weighted capital ratios. Revision of the Standardised Approach for Residential Real Estate and SMEs in combination with revision of the capital floors could lead to a significant increase in risk-weighted assets for ABN AMRO.

Regulatory developments, such as the Basel proposal (especially with respect to risk-weighting of mortgages and corporate loans) and increasingly strict capital requirements set by the regulators, could have a significant impact on the bank's capital position going forward. Hence, ABN AMRO will continue to focus on capital efficiency and will further strengthen its capital position.

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Notes to the reader

Introduction

This Quarterly Report presents ABN AMRO's results for the first quarter of 2017. The report provides an update of ABN AMRO's share performance, an economic update, a quarterly business and financial review, and selected quarterly risk, funding and capital disclosures.

Presentation of information

The financial information contained in this Quarterly Report has been prepared according to the same accounting policies and methods of computation as our most recent financial statements, which were prepared in accordance with EU IFRS. The figures in this document have not been audited or reviewed by our external auditor. Moreover, to provide a better understanding of the underlying results, ABN AMRO has adjusted its reported results for defined special items.

This report is presented in euros (EUR), which is ABN AMRO's presentation currency, rounded to the nearest million (unless otherwise stated). All annual averages in this report are based on month-end figures. Management does not believe that these month-end averages present trends that are materially different from those that would be presented by daily averages. Certain figures in this report may not tally exactly due to rounding. Furthermore, certain percentages in this document have been calculated using rounded figures.

As a result of an IFRIC rejection notice of 6 April 2016, ABN AMRO adjusted its accounting policies for offsetting per Q2 2016. The bank offsets balances if it is legally entitled to set off the recognised amounts and intends to settle on a net basis, or realise the asset and settle the liability simultaneously. The IFRIC rejection notice provides additional offsetting guidance for cash pooling agreements. The adjusted offsetting policy is applied consistently to all assets and liabilities, if applicable. In addition to the offsetting changes on notional cash pooling, ABN AMRO concluded that offsetting would no longer be applied to bank savings mortgages. To ensure a correct historical interpretation of the bank's performance, the comparative figures in the Figures at a glance, as well as the net interest margin (NIM) and cost of risk (CoR) in the Financial review section, are presented excluding the impact of these adjustments and therefore remain in line with previously disclosed figures.

For a download of this report or more information, please visit us at abnamro.com/ir or contact us at investorrelations@nl.abnamro.com. In addition to this report, ABN AMRO provides an analyst and investor call presentation, an investor presentation and a factsheet on the Q1 2017 results.

Enquiries

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Investor call

A conference call will be hosted by the Executive Board for analysts and investors on Wednesday 17 May 2017 at 11:00 am CET (10:00 GMT).

To participate in the conference call, we strongly advise analysts and investors to pre-register for the call using the information provided on the ABN AMRO Investor Relations website.

More information can be found on our website abnamro.com/ir.

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Information on our website does not form part of this Quarterly Report, unless expressly stated otherwise.

Disclaimer & cautionary statements

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

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

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.

Nederlandse vertaling Chairman's Message

Eerste kwartaal 2017

Bijlage kwartaalverslag Q1 2017

ABN AMRO Group N.V.

Bericht van de CEO

De resultaten over het eerste kwartaal van 2017 zijn goed, met een stijging van de nettowinst naar EUR 615 miljoen. De lage en negatieve rentestanden hebben we kunnen opvangen door groei in de belangrijkste kredietportefeuilles (hypotheken, mkb en zakelijke kredieten) en verlaging van de depositorente. De provisiebaten bleven stabiel en er was een toename in de overige operationele baten. De cost/income ratio verbeterde naar 60,2% (Q1 2016: 66,9%) en het rendement op eigen vermogen steeg naar 13,2% (Q1 2016: 11,1%). Onze kapitaalpositie bleef sterk, met een fully-loaded CET1 ratio van 16,9% per 31 maart 2017 (31 december 2016: 17,0%).

Graag maak ik van deze gelegenheid gebruik om een aantal van mijn prioriteiten als nieuwe CEO van ABN AMRO bekend te maken. Het uitgangspunt van onze strategie is dat we een relatiegedreven bank zijn, die op digitaal gebied tot de besten behoort. Een bank die in Noordwest-Europa een sterke positie heeft en actief is in geselecteerde sectoren wereldwijd. We zijn klantgedreven, we investeren in de toekomst, we hebben een gematigd risicoprofiel en we willen duurzame groei. Vooropstaat dat we onze klanten gemak willen bieden door ze te voorzien van innovatieve digitale producten, expertise en nieuwe inzichten. Ook willen we onze producten en diensten snel kunnen leveren.

Voor de uitvoering van onze strategische doelstellingen hebben we een cultuur en organisatiestructuur nodig die ervoor zorgt dat onze bank nog klantgerichter, wendbaarder en efficiënter wordt. Het topmanagement moet zich meer kunnen richten op de business en de klantfocus versterken. Daarom heb ik begin februari een nieuwe topstructuur voor de bank aangekondigd. Deze bestaat uit een veel kleinere Executive Board (drie leden) met statutaire verantwoordelijkheid, en een Executive Committee met veel meer businessgerichte verantwoordelijkheden. De voormalige hoogste twee echelons van de bank (de Raad van Bestuur met zeven leden en 12 algemeen directeurs) zijn samengevoegd tot één Executive Committee; een reductie van meer dan 50%. Bovendien is de managementlaag onder het Executive Committee afgeslankt van 90 naar 63 mensen, een reductie van 30%. In totaal 29 topmanagers (waaronder leden van de Raad van Bestuur) hebben de bank verlaten of vertrekken in de komende 12 maanden.

Met de beoogde benoemingen van Clifford Abrahams als CFO en Tanja Cuppen als toekomstig CRO brengen we meer internationale bankervaring in de Executive Board. Ook verhogen we de genderdiversiteit binnen het topmanagement aanzienlijk; het aantal vrouwen in topmanagementposities stijgt daarmee van 23% naar 40%.

Verder hebben we een zogenoemde Challenger 40 (C40) ingesteld. Dit is een groep van 40 medewerkers uit de hele organisatie (met een internationale, digitale en/of klantfocus) die het Executive Committee gaat challengen en ondersteunen op strategisch relevante onderwerpen, nieuwe ontwikkelingen en cultuur. Zij doen dit zowel op verzoek als op eigen initiatief.

We zetten ons ervoor in om duurzame waarde te creëren voor onze klanten, de samenleving en onze aandeelhouders. In de nieuwe organisatiestructuur valt Strategy & Sustainability daarom rechtstreeks onder mijn verantwoordelijkheid. In onze financierings- en beleggingsdiensten houden we ook rekening met risico's op het gebied van milieu, maatschappij en corporate governance. Met een kredietportefeuille die voor meer dan de helft bestaat uit woningen en vastgoed zijn we goed in staat om een wezenlijke bijdrage te leveren aan de transitie naar duurzame gebouwen in Nederland. Eind 2016 introduceerden we een korting op hypotheken voor nieuwe en energiezuinige woningen, een segment waarin we in Nederland marktleider zijn. Daarnaast financierden we de herontwikkeling van ruim 200.000 vierkante meter leegstaand commercieel vastgoed naar duurzaam vastgoed. Al onze eigen kantoren in Nederland zijn al 'groen' en we willen uiterlijk in 2020 een klimaatneutraal bedrijf zijn.

Vooropstaat dat we onze klanten gemak willen bieden en onze producten en diensten snel willen leveren. Zo kan ons Florius-label nu, als eerste op de Nederlandse markt, binnen 24 uur een hypotheek aanbieden. En Commercial Banking-klanten die online een lening tot EUR 1 miljoen aanvragen, ontvangen nu binnen 48 uur een kredietbesluit van de bank.

Ik ben ervan overtuigd dat we op de goede weg zijn om onze strategische doelstellingen te behalen.

Kees van Dijkhuizen
CEO ABN AMRO Group N.V.