IR / Press Release

Amsterdam, 14 November 2014

ABN AMRO reports EUR 450 million underlying net profit in Q3 2014

- Underlying net profit increased by EUR 161 million, or 56%, compared with Q3 2013
- Reported Q3 2014 net profit of EUR 383 million included EUR 67 million levy for SNS Reaal
- The underlying cost/income ratio decreased to 57%
- Underlying loan impairments decreased by EUR 59 million to EUR 287 million
- Underlying return on equity for Q3 was 12.7%
- The CET1 ratio was 13.0% and the fully loaded CET1 ratio was 12.9%
- An interim dividend of EUR 125 million will be paid

Gerrit Zalm, Chairman of the Managing Board, comments:

"The Dutch economy remained on a modest growth path in Q3 and the housing market continued its upward trend as well. This contributed to an underlying net profit of EUR 450 million for Q3 2014. Revenues improved year-on-year and expenses were almost flat resulting in a decline in the underlying cost/income ratio to 57%. Impairment charges for Q3 2014 trended lower, both annually and also compared with the previous quarter. Decreases were recorded in mortgages and SMEs whereas impairments for mid-sized to large corporates increased as these tend to be more sizeable and volatile.

Looking back at the first nine months of this year, we have made good progress in meeting the targets set for 2017: the C/I ratio was three percentage points lower than last year at 58% (target range 56-60%), the ROE was 11.0% (target range 9-12%) and the CET 1 ratio was 13.0% (target range 11.5-12.5%). Given the strong capital ratios we will pay an interim dividend of EUR 125 million.

Looking ahead, Retail Banking is embarking on a programme to further enhance the customer experience. We will invest an additional amount of approximately EUR 150 million until 2018 to accelerate end-to-end digitisation of the key customer processes, which should enable us to attract new clients and conduct more business with existing clients. We will also further concentrate the branch network and upgrade the branches offering a broader range of services at each branch. Consequently, the number of FTEs in Retail Banking is expected to be reduced by 650-1,000 FTEs by 2018, for which a provision of EUR 50-75 million will be booked in Q4 2014.

Overall, we are pleased with the Q3 results and the fact that we comfortably passed the European Central Bank's Asset Quality Review and stress test at the end of October. We remain cautiously optimistic about the recovery of the Dutch economy."

Key figures and indicators

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Operating income	2,009	1,874	7%	1,917	5%	5,910	5,597	6%
Operating expenses	1,147	1,143	0%	1,162	-1%	3,452	3,417	1%
Operating result	**862**	**731**	**18%**	**755**	**14%**	**2,457**	**2,180**	**13%**
Impairment charges on loans and other receivables	287	347	-17%	342	-16%	990	1,112	-11%
Income tax expenses	125	95	31%	91	37%	317	269	18%
Underlying profit/(loss) for the period[1]	**450**	**289**	**56%**	**322**	**40%**	**1,151**	**799**	**44%**
Special items and divestments	- 67	101		- 283		- 417	408	
Reported profit/(loss) for the period	**383**	**390**		**39**		**734**	**1,207**	
Underlying cost/income ratio	57%	61%		61%		58%	61%	
Underlying return on average Equity	12.7%	8.4%		9.2%		11.0%	7.9%	
CET1/CT1 ratio[2]	13.0%	13.7%		12.8%		13.0%	13.7%	

1. Underlying results exclude special items which distort the underlying trend, A detailed explanation of special items is provided in the Quarterly Report.
2. 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.

Quarterly Report third quarter 2014

ABN AMRO Group N.V.

Notes to the reader

Introduction

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

Presentation of information

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

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

As of Q1 2014, management has adopted a view to provide a better understanding of the underlying trends in financial performance. The results reported in accordance with IFRS-EU have been adjusted for defined special items.

ABN AMRO has made a number of changes to its client segmentation in order better cater to changing client needs. As a result, ABN AMRO has amended its business segmentation which will also improve transparency of the business segments. As of the third quarter of 2014, ABN AMRO will present four reporting segments, namely Retail Banking, Private Banking, Corporate Banking (including sub-segment information) and Group Functions. More information can be found in the Results by segment section.

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 Quarterly Report are based on month-end figures. Management does not believe that these month-end averages present trends that are materially different from those that would be presented by daily averages.

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

Other publications

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

- statistical factsheet;
- investor call presentation;
- road show presentation;
- quarterly reports first and second quarter 2014.

For a download of this report or more information, please visit us at abnamro.com/ir or contact us at investorrelations@nl.abnamro.com.

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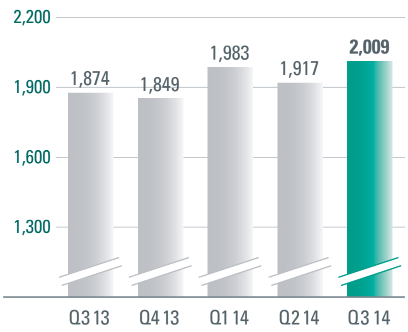
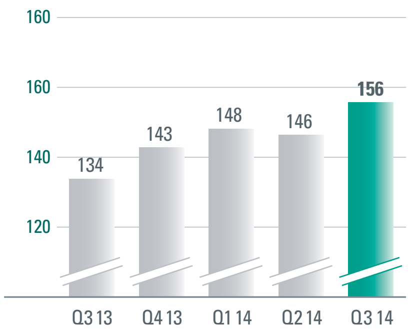
figures at a glance 1

P&L drivers

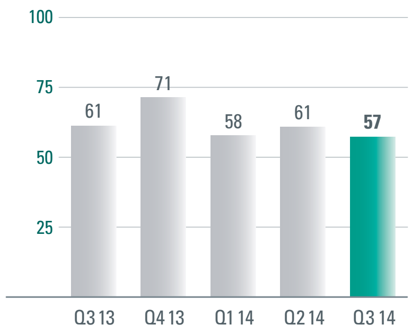
Underlying operating income
(in EUR millions)



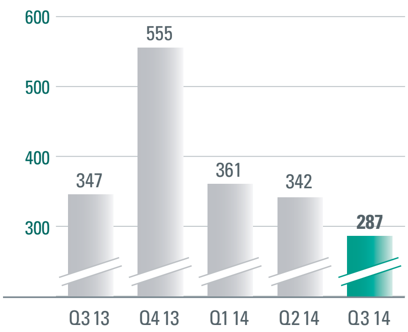
Underlying net interest margin
(in bps)



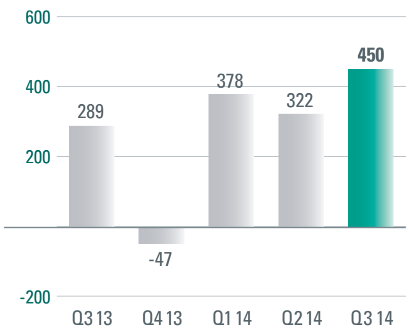
Underlying cost/income ratio
2017 target range is 56-60 (in %)



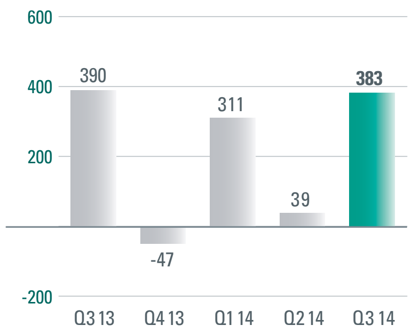
Underlying impairment charges
(in EUR millions)



Underlying net profit
(in EUR millions)

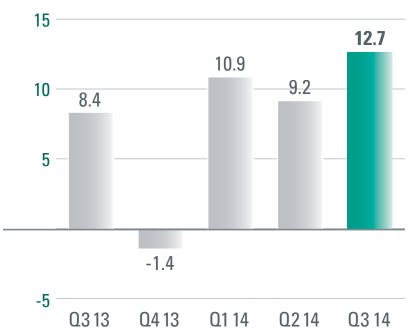


Reported net profit
(in EUR millions)

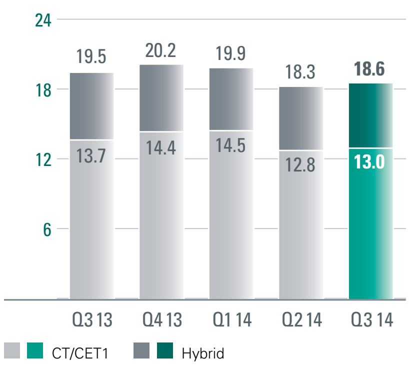


Return on equity & capital

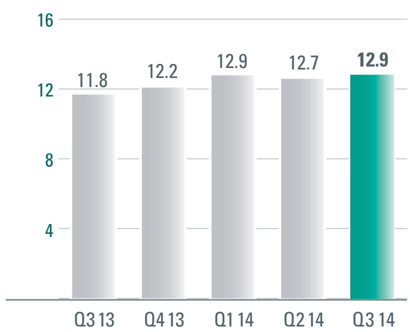
Underlying return on equity
2017 target range is 9-12 (in %)



Regulatory capital
(in %)



Fully-loaded CET1
2017 target range is 11.5-12.5 (in %)



Chairman of the Managing Board's message 2

Even though concerns about the global economic outlook have grown since early summer, leading economic indicators suggest that the Dutch economy remained on a modest growth path in the third quarter, thanks to higher exports and private consumption. Consumption is benefiting from a marked improvement in real disposable income. The housing market continued its upward trend as well, both in the number of housing transactions and in house prices.

These positive developments for the Netherlands contributed to the Q3 2014 underlying net profit which increased year-on-year by EUR 161 million to EUR 450 million. The trend in revenues was similar to the trend seen in the previous quarter: both net interest income and net fee income improved year-on-year and other non-interest income declined year-on-year. Expenses were virtually flat, resulting in an improvement of the underlying cost/income ratio of four percentage points to 57%. Next quarter's cost/income will be higher, as it will include the annual bank tax and a provision for Retail Banking.

Impairment charges for Q3 2014 trended lower, both annually and compared with the previous quarter. Lower charges were recorded particularly for mortgages and SMEs, something we already experienced in the previous quarter. Impairments for mid-sized to large corporates tend to be sizeable and volatile, explaining the increase for these clients compared both with Q3 2013 and with the previous quarter. We expect impairments to increase in the next quarter, but at the same time remain below the level seen in the fourth quarter of last year.

In the first nine months of this year, we made good progress in meeting the targets set for 2017: a C/I ratio of 56-60%, a ROE of 9-12% and a CET 1 ratio of 11.5-12.5%. The underlying net profit of EUR 1,151 million in the first nine months of 2014 results in a ROE of 11.0%, a significant improvement on the 7.9% for the same period in 2013. Compared with the first nine months of 2013, the underlying cost/income ratio decreased by three percentage points to 58%. The CET 1 ratio was 13.0%, and the fully-loaded CET 1 amounted to 12.9% at the end of September 2014. Given these strong capital ratios, we will pay an interim dividend of EUR 125 million, based on the reported net profit over the first six months.

We decided to make a number of changes to the client segmentation to better cater to their needs. These changes will also further improve transparency of the business segments. As from now we will present four reporting segments: Retail Banking, Private Banking, Corporate Banking (including sub-segment information) and Group Functions.

Looking ahead, Retail Banking is embarking on a programme to further enhance the customer experience, driven by technological developments and changing client behaviour. We will invest an additional amount of approximately EUR 150 million until 2018 to accelerate end-to-end digitisation of the key customer processes which should enable us to attract new clients and conduct more business with existing clients. We will also further concentrate the branch network and upgrade the branches offering a broader range of services at each branch.

Consequently, the number of FTEs in Retail Banking is expected to be reduced by 650-1,000 FTE by 2018, for which a provision of EUR 50-75 million will be booked in Q4 2014.

Lastly, we comfortably passed the European Central Bank Asset Quality Review (AQR) and the stress test at the end of October. The results show that ABN AMRO is considered to be generally conservatively provisioned and that the bank is well capitalised and has sufficient buffers to absorb losses in the event of severe economic shocks. The outcome of the AQR will not lead to amendments of the capital position or profitability in the fourth quarter.

Overall, we are pleased with the Q3 results and remain cautiously optimistic about the recovery of the Dutch economy. Consumer spending and domestic investments are expected to increase further in combination with stronger exports, helped by a lower euro, declining lending rates and lower oil prices.

Gerrit Zalm
Chairman of the Managing Board

economic environment 3

Concerns about the global economic outlook have grown since the early summer, especially for the eurozone, due to geopolitical tensions and disappointing economic indicators. However, we expect a further recovery in the eurozone. The US economy is staging a robust recovery and most indicators suggest this momentum will be sustained. The eurozone recovery usually follows with a time lag this time benefitting from the lower euro, fallen borrowing costs and lower oil prices. Dutch leading indicators and hard data suggest that the Dutch economy remained on a modest growth path in Q3, owing to higher exports and private consumption.

The recovery of the Dutch economy usually starts abroad (exports), investment subsequently picks up and finally private consumption starts to rise.

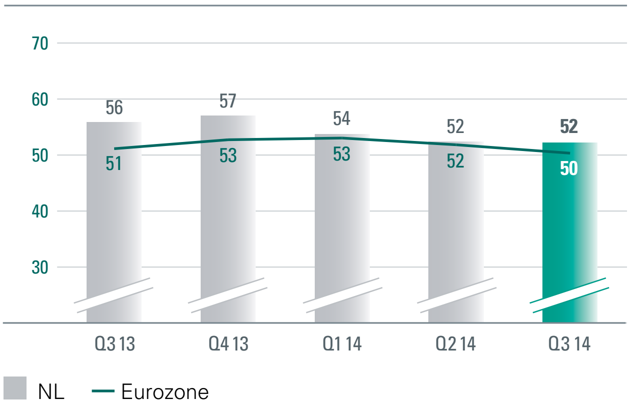
The Dutch economy has performed poorly in recent years -- worse than the eurozone average. On the positive side, exports have continued to expand. Thanks to solid Dutch competitiveness, exports have benefited from further world trade growth. On the negative side, domestic spending has dropped on average in the past five years. Private consumption in particular has performed badly. Hence, it has taken longer for the economy to recover, despite the pick-up in investment in 2013. Weak consumer spending was driven mainly by lower real disposable income, the drop in house prices (lower housing wealth) and very low consumer confidence. Disposable income was affected by declining real wages (due to high inflation), pension measures and government austerity measures. The housing market and pension problems were typically domestic 'growth inhibitors'.

As the latter burdens have largely disappeared, real disposable income is showing a marked improvement this year. Moreover, unemployment has been declining since last spring. As a result, consumption has finally started to recover, rising in Q2 and most likely also in Q3. Despite this, on average, consumption may fail to increase this year as households are likely to opt to further restore their financial positions. Going forward, we expect this last effect to be smaller. In addition, we expect real disposable income to rise further (albeit less than this year). Consequently, consumption should show a modest increase again. Hence, the recovery is becoming more broadly based and might not lag behind that of the eurozone anymore.

The government's deficit has dropped significantly below the 3% limit, roughly equalling the eurozone average deficit. The debt figure, however, has been well below the eurozone average. Moreover, it has been lowered as a result of the significant upward revision of the GDP level earlier this year. This also holds true for the eurozone average.

Purchasing Managers' Index

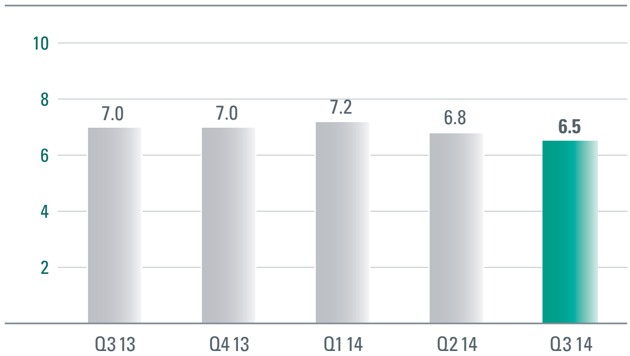
Purchasing Managers' Index, >50: growth, <50: contraction, source: Markit



- Remained stable in Q3;
- The PMI was above 50, which points to further modest growth.

Unemployment

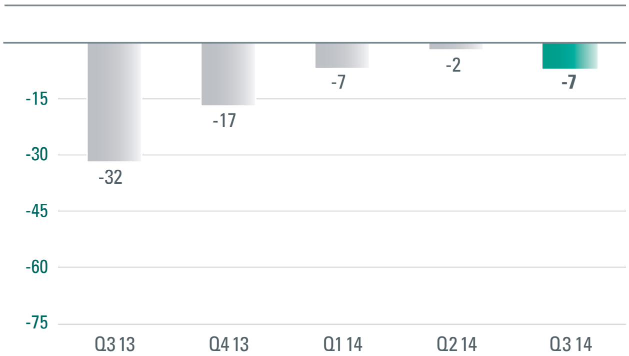
Number of unemployment in % of total labour force, the Netherlands, source: CBS



- Unemployment decreased further in Q3.

Consumer confidence

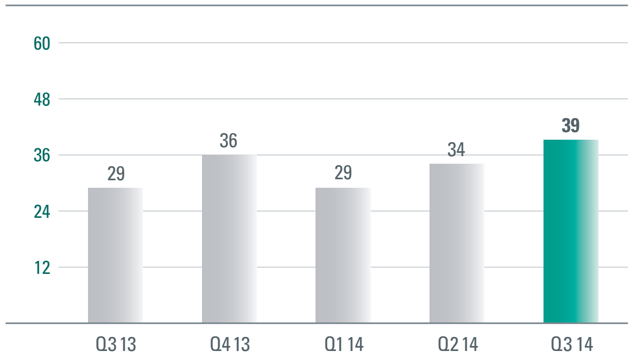
Dutch consumer confidence index, shown as % balance of positive and negative answers, source: CBS



- Confidence fell in Q3, but rose again in October (-3);
- End Q3 value (-7) equalled the long-term average (roughly -7).

Houses sold

Number of houses sold in the Netherlands, source: CBS (in thousands)



- Transactions rose by 35% year-on-year in Q3 2014 (+39% yoy in H1);
- Quarterly numbers show a seasonal pattern.

Financial results

operating and financial review 4

This operating and financial review includes a discussion and analysis of the results of operations, and sets out the financial condition of ABN AMRO Group for the third quarter of 2014 compared with the third quarter of 2013, as well as the first nine months of 2014 compared with the first nine months of 2013 on the basis of underlying results.
For a reconciliation of reported versus underlying results, please refer to the Additional Financial Information section on page 30.

Income statement

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	1,530	1,326	15%	1,441	6%	4,403	3,991	10%
Net fee and commission income	419	401	4%	420	-0%	1,260	1,230	2%
Other operating income	61	147	-59%	56	9%	246	375	-34%
Operating income	**2,009**	**1,874**	**7%**	**1,917**	**5%**	**5,910**	**5,597**	**6%**
Personnel expenses	591	594	-1%	591	-0%	1,747	1,755	-1%
Other expenses	557	549	1%	571	-3%	1,705	1,661	3%
Operating expenses	**1,147**	**1,143**	**0%**	**1,162**	**-1%**	**3,452**	**3,417**	**1%**
Operating result	**862**	**731**	**18%**	**755**	**14%**	**2,457**	**2,180**	**13%**
Impairment charges on loans and other receivables	287	347	-17%	342	-16%	990	1,112	-11%
Operating profit/(loss) before taxes	**575**	**385**	**50%**	**413**	**39%**	**1,467**	**1,068**	**37%**
Income tax expenses	125	95	31%	91	37%	317	269	18%
Underlying profit/(loss) for the period	**450**	**289**	**56%**	**322**	**40%**	**1,151**	**799**	**44%**
Special items	- 67	101		- 283		- 417	408	
Reported profit/(loss) for the period	**383**	**390**		**39**		**734**	**1,207**	

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	57%	61%	61%	58%	61%
Underlying return on average Equity	12.7%	8.4%	9.2%	11.0%	7.9%
Net interest margin (NIM) (in bps)	156	134	146	150	132
Underlying cost of risk (in bps)[1]	101	123	119	115	125

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

	30 September 2014	30 June 2014	31 December 2013
Assets under Management (in billions)	187.5	176.4	168.3
FTEs	22,242	22,019	22,289

Third-quarter 2014 results

ABN AMRO's **underlying profit** for the third quarter of 2014 amounted to EUR 450 million, an increase of EUR 161 million compared with the third quarter of 2013 due to lower impairments and higher Net interest income.

The underlying ROE increased to 12.7% over the third quarter, up from 8.4% in the same period last year. The underlying cost/income ratio was 57%.

Operating income showed a marked increase to EUR 2,009 million driven mainly by a significant rise in net interest income.

Net interest income continued to rise and amounted to EUR 1,530 million, primarily driven by improved margins on Retail Banking deposits and Corporate Banking deposits, lower funding costs and an improved ALM mismatch result. Interest income in Q3 2013 was negatively impacted by a correction for interest accruals on mortgages.

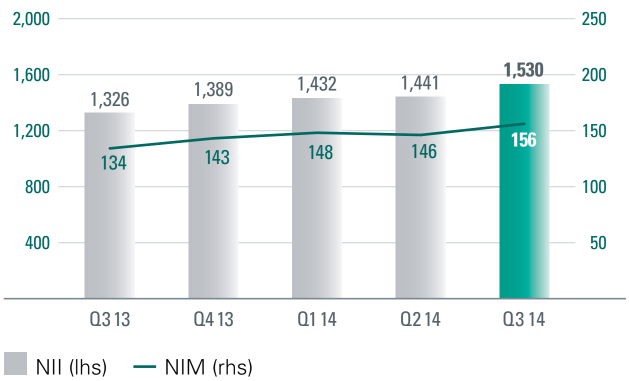
Margins on the mortgage book also improved due to gradual re-pricing at higher margins. In particular, mortgages originated pre-crisis had low margins. The market share in new mortgage production in the Netherlands was higher compared with Q3 2013, at around 20%[1]. Nevertheless, the mortgage portfolio shrank somewhat, both compared with year-end 2013 and with 30 June 2014, due to increased redemptions.

1 Source: Dutch Land Registry (Kadaster)

Commercial loans also showed improved margins compared with Q3 2013. Additionally, the average volume of the commercial loan portfolio increased compared with Q3 2013, especially in International Clients. Commercial loan volumes in Commercial Clients continued to decrease as the number of credit applications for SME loans remained low.

Net interest income

(in millions (lhs), in bps (rhs))



Net fee and commission income was EUR 419 million, EUR 18 million higher than in Q3 2013. The increase was primarily recorded in Private Banking, driven by increased Assets under Management in the international activities, and Corporate Banking, driven by higher commitment and corporate finance fees in International Clients.

Other operating income amounted to EUR 61 million in Q3 2014, EUR 86 million lower than in Q3 2013. The decrease was primarily driven by first-time application of the Funding Value Adjustment (FVA) in Capital Markets Solutions (EUR 44 million) and unfavourable results from hedge accounting in Group Functions. The Funding Value

Adjustment incorporates the incremental cost of funding in the valuation of uncollateralised and partly collateralised derivatives. These negative impacts were only partly offset by a recovery on derivative transactions fully written down in 2008 and positive private equity revaluations.
The impact of CVA/DVA compared with Q3 2013 was negligible (EUR 8 million in both Q3 2014 and Q3 2013).

Personnel expenses amounted to EUR 591 million, virtually flat compared with Q3 2013. Lower expenses resulting from lower average FTE levels and releases from restructuring provisions were offset by an additional charge for the change in the pension scheme.
This additional charge stemmed from the final actuarial audit on the financial position of the pension fund.

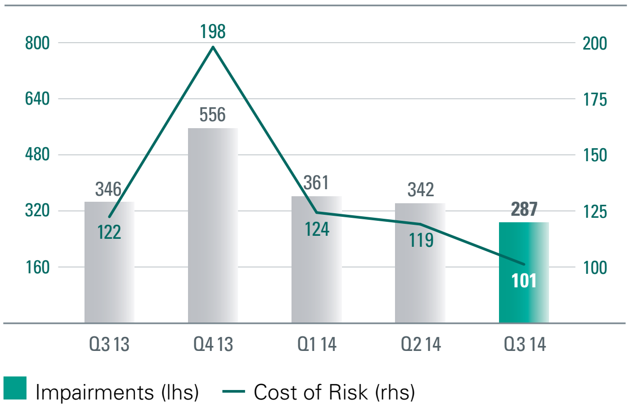
Other expenses was also virtually flat, at EUR 557 million in Q3 2014. A refund on the deposit guarantee scheme (Icesave) was offset by higher project costs in Q3 2014.

Operating result amounted to EUR 862 million.
The underlying cost/income ratio was 57%, four percentage points lower than in Q3 2013.

Impairment charges on loans and other receivables amounted to EUR 287 million, down by EUR 60 million or 17% compared with the same quarter in 2013.
The decrease in loan impairments was primarily driven by lower loan impairments on mortgages and other consumer loans. This was partly offset by increased loan impairments on commercial loans.

Impairment charges

(in millions (lhs), in bps (rhs))



The elementary stages of the recovery of the Dutch economy led to lower inflow of volume in the Financial Restructuring & Recovery (FR&R) department in the first nine months of 2014 compared with the same period last year, although this is still at elevated levels and volatile per quarter.

Although the economic recovery is visible in almost all industry sectors, the duration of the subdued economic environment in the Netherlands and the eurozone has significantly weakened the financial and business position of individual companies. As a consequence, an increasing number of clients have not been able to benefit from the recovery or need more time to fully recover. The number of clients that recover and flow back to the business therefore also decreased. As a result, the total volume of assets managed by FR&R remained virtually stable compared with 2013. Impairment levels are therefore expected to remain elevated for some time.

Mortgage impairment charges over the total mortgage book were significantly lower at 8bps (annualised) for the third quarter of 2014, down from 23bps in the same quarter last year, and 11bps in Q2 2014. Although still fragile, the improved circumstances in the housing market and recovery of the Dutch economy contributed to lower inflow of clients in the impaired portfolio, increased outflow of clients to the performing portfolio and more final settlements of impaired exposures, which all had a positive impact on the impairment level of mortgages in the third quarter of 2014.

Although loan impairments for commercial loans are in line with previous quarters of 2014, Q3 2014 showed a sharp increase compared with Q3 2013. This was primarily due to several large impairments for medium-sized and large Commercial Clients and International Clients. Loan impairments on small Commercial Clients, however, were lower compared with Q3 2013. The largest impairment charges on commercial loans in the third quarter of 2014 were recorded in the industry sectors industrial goods & services, retail and real estate.

The **underlying cost of risk** (annualised impairment charges over average RWA) amounted to 101bps, down from 123bps in Q3 2013 and 143bps over full-year 2013.

Assets under Management grew by EUR 11.1 billion in the third quarter of 2014 to EUR 187.5 billion, of which EUR 8.2 billion is related to completion of the acquisition of the Private Banking activities from Credit Suisse in Germany. The remaining increase was due to net new assets inflow.

Results for the first nine months of 2014

The **underlying profit** for the first nine months of 2014 amounted to EUR 1,151 million, a rise of EUR 352 million compared with the first nine months of 2013. Underlying ROE increased to 11.0% in the first nine months of 2014 compared with 7.9% for the same period last year.

Operating income grew by 6% to EUR 5,910 million reflecting continued improvement of the net interest income.

Net interest income increased by EUR 412 million, or 10%, to EUR 4,403 million. Interest income improved across all businesses (including Group Functions).

The increase was driven mainly by improved margins on retail deposits as a result of enhanced re-pricing abilities for deposits. Interest income on mortgages also increased, despite a decling portfolio volume. Margins on the mortgage book improved due to gradual re-pricing at higher margins. The increase in interest income on commercial loans was driven by margin improvements in Commercial Clients and portfolio growth in ECT. Funding costs also improved compared with the first nine months of 2013.

Net fee and commission income rose modestly, primarily in Corporate Banking, due to higher commitment fees and corporate finance advisory fees in International Clients.

Other operating income amounted to EUR 246 million and was impacted primarily by lower results in Capital Markets Solutions. These lower results were driven by first-time application of the FVA (EUR 44 million), unfavourable CVA/DVA results (EUR 2 million negative in the first nine months of 2014 versus EUR 25 million positive in the same period of 2013), and lower volumes following the phased wind-down of equity derivative activities, which started in the first half of 2013.

Operating expenses increased marginally to EUR 3,452 million, due mainly to costs incurred for the ECB Asset Quality Review (AQR) and, to a lesser extent, to project costs for the acquisition and integration of the Private Banking activities of Credit Suisse in Germany.

Operating result increased by EUR 277 million and the underlying cost/income ratio improved to 58% from 61% in the first nine months of 2013. Including the bank tax pro rata over the first nine months of 2014 (the full-year amount will be recorded in the fourth quarter), the cost/income ratio would have been 60%, just within the target range of 56-60% set for 2017.

Impairment charges on loans and other receivables were down by EUR 122 million from the high levels seen in the first nine months of 2013, and were EUR 990 million in the first nine months of 2014. The decline in impairment charges was mainly recorded for mortgages and small Commercial Clients. This was partly offset by higher additions on medium-sized and large Commercial Clients and International Clients.

Underlying cost of risk decreased to 115bps from 125bps in the same period last year.

International results

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

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

Operating income from international activities grew by 7% compared with the first nine months of 2013 and represents 18% of overall operating income. This is mainly due to volume growth in the foreign ECT activities. Clearing operating income also improved, as client financing and cleared volumes in most US derivative markets increased.

Balance sheet

Condensed statement of financial position

(in millions)	30 September 2014	30 June 2014	31 December 2013
Cash and balances at central banks	815	6,776	9,523
Financial assets held for trading	30,415	28,044	23,867
Financial investments	40,331	36,179	28,111
Loans and receivables - banks	31,732	30,016	31,210
Of which securities financing activities	*13,867*	*14,919*	*7,267*
Loans and receivables - customers	285,391	281,393	268,147
Of which securities financing activities	*24,202*	*23,608*	*11,119*
Other	13,668	13,423	11,163
Total assets	**402,352**	**395,831**	**372,022**
Financial liabilities held for trading	20,604	17,974	14,248
Due to banks	20,401	16,713	15,833
Of which securities financing activities	*4,346*	*6,215*	*4,207*
Due to customers	239,526	232,190	215,643
Of which securities financing activities	*24,633*	*22,830*	*8,059*
Issued debt	81,314	90,473	88,682
Subordinated liabilities	8,164	7,984	7,917
Other	17,800	16,574	16,131
Total liabilities	**387,808**	**381,909**	**358,454**
Equity attributable to the owners of the parent company	14,532	13,910	13,555
Equity attributable to non-controlling interests	12	12	13
Total equity	**14,544**	**13,922**	**13,568**
Total liabilities and equity	**402,352**	**395,831**	**372,022**

Main developments in total assets compared with 30 June 2014

Total assets increased to EUR 402.4 billion at 30 September 2014 from EUR 395.8 billion at 30 June 2014, mainly due to growth in client lending and higher valuation of the interest rate and FX derivative positions.

Cash and balances with central banks decreased by EUR 6.0 billion due mainly to investments in highly liquid assets in the liquidity buffer. Currently, interest rates on balances at central banks are negative.

Financial assets held for trading increased by EUR 2.4 billion compared with 30 June 2014, to EUR 30.4 billion. This increase was driven mainly by a decrease in mid- to long-term interest rates, leading to a revaluation of interest derivatives. FX derivatives also increased due to changes in the FX rates. These effects are also reflected in comparable magnitude on the other side of the balance sheet in **Financial liabilities held for trading**.

Financial investments rose by EUR 4.2 billion as cash was invested in highly liquid assets in the liquidity buffer.

Loans and receivables – banks increased by EUR 1.7 billion compared with 30 June 2014, mainly as a result of increased interest-bearing deposits at DNB and, to a lesser extent, collateral received on derivative positions. This was only partly offset by decreased securities financing positions and lower deposits at other banks.

Loans and receivables – customers grew by EUR 4.0 billion primarily due to ECT loan growth. Both securities financing positions and other lending also grew slightly, the latter primarily due to increased balances in Capital Markets Solutions (Clearing). The residential mortgage book, consumer loans and commercial loans at Commercial Clients declined somewhat.

Main developments in total liabilities compared with 30 June 2014

Total liabilities rose by EUR 5.9 billion compared with 30 June 2014, mainly due to deposit growth and higher valuation of the interest rate and FX derivative positions.

Financial liabilities held for trading were EUR 2.6 billion higher, mainly reflecting the impact of movements in the mid- to long-term interest rates and FX rates on the value of derivatives.

Due to banks increased by EUR 3.7 billion to EUR 20.4 billion at 30 September 2014. The increase was largely related to the participation in the TLTRO and higher money market deposits recorded in International Clients. Securities financing positions were EUR 1.9 billion lower, partly offsetting the abovementioned increases.

Due to customers increased by EUR 7.3 billion, mainly driven by client deposits. Retail Banking recorded an increase in MoneYou Germany, which was more than offset by outflow of deposits in the Netherlands, both in MoneYou and in the own label, due to the holiday season. The overall deposit market share in the Netherlands was around 24%[2] in the third quarter of 2014. Private Banking acquired additional deposits on top of the acquisitition of Credit Suisse in Germany, and Corporate Banking saw an increase on client accounts in Commercial Clients, International Clients (ECT) and Capital Markets Solutions (Clearing).

Issued debt decreased by EUR 9.2 billion to EUR 81.3 billion as wholesale funding was replaced by client and money market deposits. A total of EUR 4.2 billion in long-term funding matured in the third quarter of 2014, and an amount of EUR 5.0 billion in short-term funding was not rolled over. New issuance of long-term wholesale funding was close to zero in the third quarter.

Subordinated liabilities remained virtually unchanged at EUR 8.2 billion.

Total equity increased to EUR 14.5 billion driven mainly by retained profit for the period and, to a lesser extent, revaluations in the cash flow hedge.

Main developments of total assets and total liabilities compared with 31 December 2013

Total assets grew by EUR 30.4 billion to EUR 402.4 billion at 30 September 2014 from EUR 372.0 billion at 31 December 2013. The increase was largely due to higher securities financing positions. Financial assets held for trading increased as well on the back of interest and FX rates movements impacting the valuation of derivatives. This is also reflected in approximately the same magnitude in **financial liabilities held for trading**.

Total liabilities grew to EUR 387.8 billion at 30 September 2014 from EUR 358.5 billion at 31 December 2013. The increase of EUR 29.3 billion was largely due to higher securities financing positions, growth in client deposits, increased financial liabilities held for trading (see also total assets), and increased money market deposits.

2 Source: De Nederlandsche Bank (DNB)

Loans and receivables – customers

(in millions)	30 September 2014	30 June 2014	31 December 2013
Retail Banking	157,939	158,211	158,958
Private Banking	16,584	15,565	15,502
Corporate Banking	85,691	82,688	80,833
Group Functions	25,177	24,929	12,854
Total loans and receivables - customers	**285,391**	**281,393**	**268,147**
Loan impairment allowance	5,064	5,185	4,975
Total loans and receivables - customers (gross carrying amount)	**290,455**	**286,578**	**273,123**
Residential mortgages lending	149,637	150,040	150,493
Consumer lending	16,151	15,985	16,241
Commercial lending	81,262	78,696	78,252
Total loans and receivables customers - Client lending	**247,050**	**244,722**	**244,986**
Securities financing	24,202	23,608	11,119
Fair value adjustments from hedge accounting	5,311	5,040	4,399
Other lending[1]	13,892	13,208	12,618
Total loans and receivables - customers (gross carrying amount)	**290,455**	**286,578**	**273,123**

1. Other lending consists of loans and receivables to government, official institutions and financial markets parties.

Due to customers

(in millions)	30 September 2014	30 June 2014	31 December 2013
Retail Banking	96,871	96,989	93,403
Private Banking	61,879	59,956	59,465
Corporate Banking	53,848	50,738	52,531
Group Functions	26,928	24,508	10,244
Total Due to customers	**239,526**	**232,190**	**215,643**
Demand deposits	84,336	80,683	79,215
Saving deposits	89,962	89,951	87,448
Time deposits	18,988	17,515	19,638
Other deposits	21,468	20,794	20,936
Total Deposits	**214,754**	**208,942**	**207,237**
Securities financing activities	24,633	22,830	8,059
Other borrowings	139	418	347
Total Due to customers	**239,526**	**232,190**	**215,643**

Events after the reporting date

Retail Banking to accelerate digitisation

Retail Banking is embarking on a programme to further enhance the customer experience, driven by technological developments and changing client behaviour. Retail Banking will invest an additional amount of approximately EUR 150 million until 2018 to accelerate end-to-end digitisation of the key customer processes which should enable Retail Banking to attract new clients and conduct more business with existing clients. Retail Banking will also further concentrate the branch network and upgrade the branches offering a broader range of services at each branch. Consequently, the number of FTEs in Retail Banking is expected to be reduced by 650-1,000 FTE by 2018, for which a provision of EUR 50-75 million will be booked in Q4 2014.

Results ECB Comprehensive Assesment published

On 26 October 2014, the European Central Bank (ECB) published the results of the Comprehensive Assesment for 130 European banks. The Comprehensive Assesment consisted of an AQR and a stress test. The ECB conducted this exercise in preparation of the Single Supervisory Mechanism to ensure greater transparency of banks' balance sheets and consistency of supervisory practices in Europe.

The minor effect of the AQR of 12 basis points on ABN AMRO's CET1 capital ratio showed that ABN AMRO is considered to be generally conservatively provisioned. Additionally, the outcome of the adverse scenario stress test showed that ABN AMRO has sufficient capital buffers to overcome severe economical headwinds.

ABN AMRO was not required to take additional capital measures based on the outcome of the Comprehensive Assessment.

results by segment 5

The results by segment section includes a discussion and analysis of the results of operations, and of the financial condition of ABN AMRO at segment level for the third quarter of 2014 compared with the third quarter of 2013, on the basis of underlying results.

ABN AMRO has made a number of changes to its client segmentation in order better cater to their needs. As a result, ABN AMRO has amended its business segmentation which will also improve transparency of the business segments. As of the third quarter of 2014, ABN AMRO will present four reporting segments, namely Retail Banking, Private Banking, Corporate Banking (including sub-segment information) and Group Functions. The new segmentation has no effect on the historical overall group results or financial position of the bank.

The main changes are listed below:

- Commercial & Merchant Banking has been renamed Corporate Banking, with all clients benefiting from a sector-based approach. Corporate Banking comprises three sub-segments: Commercial Clients, International Clients and Capital Markets Solutions:
  - Commercial Clients serves business clients with revenues from EUR 1 million up to EUR 250 million, and clients active in Commercial Real Estate (excluding publicly listed companies, which will be served from the International Clients sub-segment). ABN AMRO's Lease and Commercial Finance activities are also part of this sub-segment
  - International Clients serves business clients with revenues exceeding EUR 250 million, as well as Energy, Commodities & Transportation (ECT) clients, Diamond & Jewelry Clients[1], Financial Institutions and Listed Commercial Real Estate clients
  - Capital Market Solutions serves clients by providing products and services related to financial markets. This sub-segment also includes ABN AMRO Clearing
- Diamond & Jewelry Clients[1], previously part of Private Banking, is now a part of International Clients, as this client group requires similar products and services
- YourBusiness Banking clients (SMEs with revenues up to EUR 1 million) are now served by Retail Banking instead of Commercial Clients, leveraging on Retail Banking's self-directed service capabilities on mobile and internet
- To improve the collateral management and strengthen the bank-wide liquidity function, the Securities Financing activities have been moved to ALM/Treasury (part of Group Functions)

1 Previously named International Diamond & Jewelry Group

Retail Banking

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	855	763	12%	829	3%	2,494	2,308	8%
Net fee and commission income	130	138	-6%	132	-1%	397	408	-3%
Other operating income	9	8	22%	11	-11%	27	27	-1%
Operating income	**994**	**909**	**9%**	**972**	**2%**	**2,918**	**2,744**	**6%**
Personnel expenses	122	132	-7%	126	-3%	374	386	-3%
Other expenses	353	341	4%	348	1%	1,064	1,005	6%
Operating expenses	**475**	**473**	**1%**	**475**	**0%**	**1,438**	**1,391**	**3%**
Operating result	**519**	**436**	**19%**	**497**	**4%**	**1,480**	**1,352**	**9%**
Impairment charges on loans and other receivables	70	179	-61%	128	-45%	361	501	-28%
Operating profit/(loss) before taxation	**448**	**257**	**74%**	**369**	**21%**	**1,119**	**851**	**31%**
Income tax expenses	112	65	73%	91	23%	279	211	32%
Underlying profit/(loss) for the period	**336**	**193**	**75%**	**278**	**21%**	**840**	**640**	**31%**
Special items								
Reported profit/(loss) for the period	**336**	**193**		**278**		**840**	**640**	

Retail Banking's **underlying profit** rose by EUR 143 million to EUR 336 million in Q3 2014, up 75% on the third quarter of 2013. This increase was driven mainly by lower loan impairments and higher net interest income.

Net interest income grew by 12% compared with Q3 2013 to EUR 855 million. The increase in Net interest income was primarily driven by higher deposit volumes and improved deposit and mortgage margins. In addition, the third quarter of 2013 was negatively impacted by a correction for interest accruals.

Margins on mortgages improved due to gradual re-pricing of the mortgage book at higher margins. In particular mortgages originated pre-crisis have low margins. Market share on new mortgage production in the Netherlands was higher than it was in Q3 2013, at around 20%[2]. Nevertheless, the mortgage portfolio shrank somewhat compared with a year ago due to increased redemptions.

Average deposit volumes increased compared with the third quarter of 2013 in line with the market. Margins improved as a result of enhanced re-pricing abilities on deposits.

Net fee and commission income showed a limited decline and amounted to EUR 130 million. The decline was due mainly to the switch to an all-in fee model for investment products in the Netherlands.

Personnel expenses declined by 7% compared with Q3 2013, resulting from a decrease in FTEs following a further reduction in the number of branches in the Netherlands.

Other expenses grew by 4% or EUR 12 million compared with Q3 2013. This was due primarily to a higher allocation of IT project costs as a result of modernisation of the core IT systems and process improvements in the coming years.

Operating result was up by EUR 83 million and the underlying cost/income ratio improved by 4 percentage points to 48%.

2 Source: Dutch Land Registry (Kadaster)

Impairment charges on loans and other receivables fell significantly, dropping EUR 109 million in comparison with Q3 2013. The decline was driven by lower impairments on both mortgages and consumer loans. Although still fragile, the improved circumstances in the housing market and recovery of the Dutch economy contributed to lower inflow of clients in the impaired portfolio, increased outflow of clients to the performing portfolio and more final settlements of impaired exposures, which all had a positive impact on the impairment level of mortgages in the third quarter of 2014.

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	48%	52%	49%	49%	51%
Underlying cost of risk (in bps)[1]	80	215	147	138	205

	30 September 2014	30 June 2014	31 December 2013
Loan-to-Deposit ratio	158%	159%	165%
Loans and receivables - customers (in billions)	157.9	158.2	159.0
Due to customers (in billions)	96.9	97.0	93.4
Risk-weighted assets (in billions)[1]	37.5	35.0	34.3
FTEs	6,335	6,352	6,503

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

Loans and receivables – customers decreased marginally by EUR 0.3 billion compared with 30 June 2014, mainly due to a slight decrease in residential mortgages.

Due to customers decreased marginally compared with 30 June, as increased deposits in MoneYou Germany were offset by deposit outflow in the Netherlands due to the holiday season.

Private Banking

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	149	136	9%	146	2%	441	390	13%
Net fee and commission income	138	132	5%	132	5%	404	396	2%
Other operating income	17	14	25%	17	-2%	47	45	6%
Operating income	**304**	**282**	**8%**	**296**	**3%**	**892**	**830**	**7%**
Personnel expenses	116	118	-2%	112	3%	337	335	0%
Other expenses	116	97	20%	118	-2%	347	301	15%
Operating expenses	**232**	**214**	**8%**	**230**	**1%**	**684**	**637**	**7%**
Operating result	**73**	**67**	**8%**	**66**	**10%**	**208**	**193**	**7%**
Impairment charges on loans and other receivables	13	22	-44%	14	-12%	35	107	-68%
Operating profit/(loss) before taxation	**60**	**45**	**33%**	**52**	**17%**	**173**	**86**	**102%**
Income tax expenses	10	11	-4%	8	32%	28	9	
Underlying profit/(loss) for the period	**50**	**34**	**45%**	**44**	**14%**	**145**	**77**	**89%**
Special items								
Reported profit/(loss) for the period	**50**	**34**		**44**		**145**	**77**	

Private Banking's **underlying profit** rose by 45%, or EUR 16 million, to EUR 50 million in Q3 2014. The increase was due to improved operating result and decreased loan impairments.

Net interest income amounted to EUR 149 million, up by 9% compared with Q3 2013. This increase was largely driven by higher volume and improved margins on deposits in the Netherlands. Margins in the international activities improved as well.

Net fee and commission income grew by 5% to EUR 138 million in Q3 2014. Net fees for the international activities increased due to higher assets under managment, while net fees in the Netherlands were fairly stable.

Personnel expenses decreased marginally and amounted to EUR 116 million in Q3 2014. The decline was mainly attributable to lower average FTE levels in 2014. The third quarter of 2013 included a provision for the closure of the Curaçao office.

The number of FTEs increased by 144 compared to 30 June 2014 due mainly to the acquisition of the Private Banking activities of Credit Suisse in Germany, which was finalised at 31 August 2014.

Other expenses increased by EUR 19 million compared with Q3 2013 due primarily to project costs for the acquisition and integration of the German Private Banking activities of Credit Suisse. Other expenses in Q3 2014 also rose due to higher allocation of IT costs incurred for improvement of the core IT systems and processes in the coming years.

Operating result was up 8% and amounted to EUR 73 million. The underlying cost/income ratio for Private Banking stood at a stable 76% in the third quarter of 2014.

Impairment charges on loans and other receivables amounted to EUR 13 million, down by EUR 9 million compared with Q3 2013.

Assets under Management

(in billions)	Q3 2014	Q2 2014	Q1 2014
Opening balance AuM	**176.4**	**170.6**	**168.3**
Net new assets (excl. sales/acquisitions)	3.6	4.5	-0.1
Market performance	-0.8	1.6	2.3
Divestments / acquisitions	8.2	-0.1	0.1
Other (incl. sales/acquisitions)	0.1	-0.2	
Closing balance AuM	**187.5**	**176.4**	**170.6**
Breakdown by AuM type			
Cash	62.8	61.0	60.9
Securities	124.7	115.4	109.7
Breakdown by geography (in %)			
The Netherlands	47%	49%	48%
Rest of Europe	45%	43%	44%
Rest of the world	9%	8%	8%

Assets under Management grew by EUR 11.1 billion in the third quarter of 2014 to EUR 187.5 billion, of which EUR 8.2 billion was related to the acqusition of the Private Banking activities from Credit Suisse in Germany. The remaining increase was due to net new assets inflow.

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	76%	76%	78%	77%	77%
Underlying cost of risk (in bps)[1]	63	101	67	54	158

	30 September 2014	30 June 2014	31 December 2013
Loan-to-Deposit ratio	27%	26%	26%
Loans and receivables - customers (in billions)	16.6	15.6	15.5
Due to customers (in billions)	61.9	60.0	59.5
Risk-weighted assets (in billions)[1]	8.2	8.0	8.8
FTEs	3,586	3,405	3,442

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

Loans and receivables – customers increased by EUR 1.0 billion in the third quarter to EUR 16.6 billion from EUR 15.6 billion at 30 June 2014. The contribution of the acquired Private Banking activities of Credit Suisse in Germany EUR 0.5 million

Due to customers increased by EUR 1.9 billion compared with 30 June 2014 and amounted to EUR 61.9 billion, of which EUR 0.9 billion was attributable to the acquired Private Banking activities of Credit Suisse in Germany.

Corporate Banking

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	506	462	9%	484	5%	1,473	1,369	8%
Net fee and commission income	153	142	7%	166	-8%	471	454	4%
Other operating income	29	65	-54%	27	8%	114	227	-50%
Operating income	**688**	**669**	**3%**	**677**	**2%**	**2,058**	**2,051**	**0%**
Personnel expenses	156	154	1%	158	-1%	460	455	1%
Other expenses	268	252	7%	263	2%	787	750	5%
Operating expenses	**424**	**406**	**5%**	**421**	**1%**	**1,247**	**1,205**	**3%**
Operating result	**264**	**264**	**0%**	**257**	**3%**	**811**	**846**	**-4%**
Impairment charges on loans and other receivables	217	144	51%	202	8%	619	507	22%
Operating profit before taxes	**47**	**119**	**-61%**	**55**	**-15%**	**192**	**339**	**-43%**
Income tax expenses	6	28	-80%	22	-75%	38	88	-57%
Underlying profit/(loss) for the period	**41**	**91**	**-55%**	**32**	**27%**	**154**	**251**	**-39%**
Special items							- 109	
Reported profit/(loss) for the period	**41**	**91**		**32**		**154**	**142**	

Corporate Banking's **underlying profit** declined 55% or EUR 50 million compared with Q3 2013, to EUR 41 million in Q3 2014. The decline was driven fully by higher loan impairments.

Commercial Clients and International Clients contributed EUR 15 million and EUR 53 million respectively to the underlying profit of Corporate Banking. Capital Markets Solutions made an underlying loss of EUR 28 million.

Net interest income improved by 9%, or EUR 44 million year-on-year, to EUR 506 million in Q3 2014. All segments contributed to the increase.

Commercial Clients showed a rise in Net interest income of EUR 10 million to EUR 316 million in Q3 2014. Margin improvement on both loans and deposits were the main contributors to the increase. Lending volumes were down modestly; deposit volumes increased marginally.

Net interest income in International Clients increased by EUR 17 million compared with Q3 2013 to EUR 166 million, benefiting from growth in the ECT Clients loan portfolio.

Capital Markets Solutions saw Net interest income increase across various activities.

Net fee and commission income increased by EUR 11 million compared with Q3 2013 to EUR 153 million. International Clients recorded higher commitment fees in ECT Clients and increased corporate finance fees. Capital Markets Solutions recorded higher fees in Clearing from increased cleared volumes on most US derivatives markets.

Other operating income fell by EUR 36 million to EUR 29 million in Q3 2014, as Capital Markets Solutions included the first-time application of the FVA (EUR 44 million). This was only partly offset by a recovery on derivative positions in Capital Markets Solutions, which were fully written off in 2008, and private equity revaluations in International Clients.

Personnel expenses amounted to EUR 156 million, virtually flat compared with the same period last year.

Other expenses increased by EUR 16 million compared with Q3 2013. The increase was mainly the result of higher allocated IT project costs.

Operating result was stable at EUR 264 million in Q3 2014. The underlying cost/income ratio increased to 62% in the third quarter of 2014, from 61% at Q3 2013.

Impairment charges on loans and other receivables amounted to EUR 217 million, an increase of EUR 73 million compared with Q3 2013. Both Commercial Clients and International Clients contributed to the higher loan impairments, while loan impairments in Capital Markets Solutions remained negligible.

Loan impairments in Commercial Clients increased by 18% or EUR 25 million. Large additions were recorded on a few medium-sized and large clients (turnover of EUR 30 million to EUR 250 million). Loan impairments on small-sized clients (turnover of EUR 1 million to EUR 30 million) were lower compared with the same period in 2013, and with the previous quarters of 2014.

Loan impairments in International Clients rose by EUR 48 million to EUR 51 million in Q3 2014. This increase was due to a limited number of additions in the Dutch corporates and the ECT Clients portfolio.

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	62%	61%	62%	61%	59%
Underlying cost of risk (in bps)[1]	152	98	142	144	104

	30 September 2014	30 June 2014	31 December 2013
Loan-to-Deposit ratio	148%	151%	147%
Loans and receivables - customers (in billions)	85.7	82.7	80.8
Due to customers (in billions)	53.8	50.7	52.5
Risk-weighted assets (in billions)[1]	57.1	57.7	56.0
FTEs	5,015	5,006	5,022

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

Loans and receivables – customers increased to EUR 85.7 billion at 30 September 2014 compared with EUR 82.7 billion at 30 June 2014. The increase was recorded in client lending due mainly to growth of the ECT loan portfolio, which was partly offset by a small decrease in the loan portfolio of Commercial Clients. The decrease in the Commercial Clients loan portfolio was in part attributable to still-low levels of credit applications from SME clients compared with pre-crisis levels. The increase in Capital Markets Solutions was primarily recorded in Clearing.

Due to customers came to EUR 53.8 billion at 30 September 2014, up EUR 3.1 billion from 30 June 2014. The increase was primarily recorded in deposits in both Commercial and International Clients. Deposits in Capital Markets Solutions, primarily on accounts of Clearing clients, also increased.

Commercial clients

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	316	306	3%	308	3%	930	897	4%
Net fee and commission income	50	48	3%	51	-3%	147	139	5%
Other operating income	9	6	46%	4	118%	21	20	2%
Operating income	**375**	**360**	**4%**	**364**	**3%**	**1,098**	**1,057**	**4%**
Operating expenses	**189**	**186**	**1%**	**189**	**-0%**	**559**	**569**	**-2%**
Operating result	**187**	**174**	**7%**	**174**	**7%**	**538**	**488**	**10%**
Impairment charges on loans and other receivables	167	142	18%	177	-5%	506	515	-2%
Operating profit before taxes	**20**	**32**	**-39%**	**- 2**		**32**	**- 27**	
Income tax expenses	4	7	-38%	- 1		6	- 9	
Underlying profit/(loss) for the period	**15**	**25**	**-39%**	**- 1**		**26**	**- 18**	
Special items								
Reported profit/(loss) for the period	**15**	**25**		**- 1**		**26**	**- 18**	

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	50%	52%	52%	51%	54%
Underlying cost of risk (in bps)[1]	293	225	299	289	256

	30 September 2014	30 June 2014	31 December 2013
Loans and receivables - customers (in billions)	39.2	39.4	40.0
Due to customers (in billions)	30.2	29.6	30.6
Risk-weighted assets (in billions)[1]	22.2	23.2	24.0

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

International clients

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	166	149	11%	158	5%	478	428	12%
Net fee and commission income	49	45	9%	56	-13%	159	141	12%
Other operating income	12	3		- 22		11	5	140%
Operating income	**227**	**197**	**15%**	**193**	**18%**	**648**	**574**	**13%**
Operating expenses	**114**	**111**	**2%**	**114**	**-1%**	**339**	**309**	**10%**
Operating result	**113**	**86**	**31%**	**78**	**45%**	**309**	**265**	**17%**
Impairment charges on loans and other receivables	51	3		27	90%	115	- 7	
Operating profit before taxes	**62**	**83**	**-26%**	**51**	**21%**	**194**	**272**	**-29%**
Income tax expenses	8	19	-56%	20	-59%	36	67	-46%
Underlying profit/(loss) for the period	**53**	**64**	**-17%**	**31**	**73%**	**158**	**204**	**-23%**
Special items								
Reported profit/(loss) for the period	**53**	**64**		**31**		**158**	**204**	

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	50%	56%	59%	52%	54%
Underlying cost of risk (in bps)[1]	99	6	56	77	- 4

	30 September 2014	30 June 2014	31 December 2013
Loans and receivables - customers (in billions)	29.3	27.3	26.4
Due to customers (in billions)	16.2	14.7	16.1
Risk-weighted assets (in billions)[1]	21.2	20.4	19.9

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

Capital Markets Solutions

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	23	7		18	29%	65	44	49%
Net fee and commission income	54	49	11%	59	-8%	165	173	-5%
Other operating income	9	56	-84%	45	-81%	82	202	-60%
Operating income	**86**	**111**	**-23%**	**121**	**-29%**	**313**	**420**	**-25%**
Operating expenses	**121**	**108**	**12%**	**117**	**4%**	**348**	**326**	**7%**
Operating result	**- 36**	**3**		**4**		**- 36**	**93**	
Impairment charges on loans and other receivables	- 1	- 1	-5%	- 2	48%	- 2	- 1	-66%
Operating profit before taxes	**- 35**	**4**		**6**		**- 34**	**95**	
Income tax expenses	- 7	2		3		- 4	30	
Underlying profit/(loss) for the period	**- 28**	**2**		**3**		**- 30**	**65**	
Special items							- 109	
Reported profit/(loss) for the period	**- 28**	**2**		**3**		**- 30**	**- 44**	

Other indicators

	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Underlying cost/income ratio	141%	97%	97%	111%	78%
Underlying cost of risk (in bps)[1]	- 3	- 3	- 5	- 2	- 1

	30 September 2014	30 June 2014	31 December 2013
Financial assets held for trading (in billions)	28.1	26.1	22.9
Loans and receivables - customers (in billions)	17.3	16.0	14.4
Financial liabilities held for trading (in billions)	20.5	17.9	14.1
Due to customers (in billions)	7.5	6.5	5.8
Risk-weighted assets (in billions)[1]	13.7	14.1	12.2

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

Group Functions

Operating results

(in millions)	Q3 2014	Q3 2013	Change	Q2 2014	Change	Nine months 2014	Nine months 2013	Change
Net interest income	21	- 35		- 19		- 5	- 76	94%
Net fee and commission income	- 3	- 11	75%	- 9	70%	- 11	- 27	57%
Other operating income	5	60	-92%	1		58	76	-24%
Operating income	**23**	**14**	**69%**	**- 27**		**42**	**- 28**	
Personnel expenses	197	191	3%	195	1%	576	579	-1%
Other expenses	- 181	- 141	-29%	- 158	-15%	- 492	- 395	-25%
Operating expenses	**16**	**50**	**-68%**	**37**	**-56%**	**83**	**184**	**-55%**
Operating result	**7**	**- 37**		**- 64**		**- 42**	**- 212**	**80%**
Impairment charges on loans and other receivables	- 13			- 2		- 25	- 4	
Operating profit before taxes	**20**	**- 37**		**- 63**		**- 17**	**- 208**	**92%**
Income tax expenses	- 3	- 8	65%	- 31	90%	- 28	- 40	30%
Underlying profit/(loss) for the period	**23**	**- 28**		**- 32**		**11**	**- 168**	
Special items	- 67	101		- 283		- 417	517	
Reported profit/(loss) for the period	**- 44**	**73**		**- 315**		**- 406**	**349**	

The underlying profit of Group Functions in the third quarter of 2014 was EUR 23 million, an improvement of EUR 51 million compared with a EUR 28 million loss in Q3 2013. As from 2014, the costs of the liquidity buffer and a higher proportion of overhead expenses are passed on to the businesses.

Net interest income increased by EUR 56 million compared with the same period last year. The rise was largely attributable to improved ALM mismatch income resulting from active duration management. Additionally, funding costs decreased due to refinancing of maturing funding at lower spreads. Re-allocation of the liquidity buffer costs also had a positive effect on Net interest income in Group Functions. Compared with Q2 2014, net interest income was up EUR 40 million mainly stemming from active duration management resulting in higher ALM mismatch income.

Other operating income decreased by EUR 55 million. The decline was mainly the result of unfavourable results from hedge accounting and, to a lesser extent, less favourable FX movements.

Personnel expenses were EUR 6 million higher compared with Q3 2013, at EUR 197 million. Small releases of restructuring provisions were more than offset by an additional charge for the change to the CDC pension scheme. This additional charge stemmed from the final actuarial audit on the financial position of ABN AMRO Pension Fund.

Other expenses decreased by EUR 40 million compared with Q3 2013. The decline was driven by the allocation of a higher proportion of overhead expenses to the business segments and a rebate on the deposit guarantee scheme (Icesave). These decreases were partly offset by higher expenses incurred in connection with the AQR.

Impaiment charges on loans and other receivables showed a release related to legacy files from the former Prime Fund Solutions business, which was sold in 2011, and a recovery on exposures, which were fully provided for in 2008.

Other indicators

	30 September 2014	30 June 2014	31 December 2013
Loans and receivables - customers (in billions)	25.2	24.9	12.9
Due to customers (in billions)	26.9	24.5	10.2
Risk-weighted assets (in billions)[1]	12.9	14.3	9.9
FTEs	7,305	7,256	7,321

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

Loans and receivables - customers rose marginally to EUR 25.2 billion due to increased securities financing positions.

Due to customers rose by EUR 2.4 billion to EUR 26.9 billion at 30 September 2014, due primarily to increased securities financing positions.

additional financial information 6

Overview of results in the last five quarters

The following table provides an overview of the quarterly results.

Quarterly results

(in millions)	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Net interest income	1,530	1,441	1,432	1,389	1,326
Net fee and commission income	419	420	421	413	401
Other operating income	61	56	129	47	147
Operating income	**2,009**	**1,917**	**1,983**	**1,849**	**1,874**
Personnel expenses	591	591	565	564	594
Other expenses	557	571	577	752	549
Operating expenses	**1,147**	**1,162**	**1,143**	**1,316**	**1,143**
Operating result	**862**	**755**	**840**	**533**	**731**
Impairment charges on loans and other receivables	287	342	361	555	347
Operating profit/(loss) before taxes	**575**	**413**	**479**	**- 22**	**385**
Income tax expenses	125	91	101	25	95
Underlying profit/(loss) for the period	**450**	**322**	**378**	**- 47**	**289**
Special items	- 67	- 283	- 67		101
Reported profit/(loss) for the period	**383**	**39**	**311**	**- 47**	**390**

Difference between underlying and reported results

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

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

The impact of special items on profit for the period is disclosed in the Operating and financial review section and the Results by segment section.
The following table presents the reconcilliation from underlying to reported results.

Reconciliation from underlying to reported results

	Q3 2014			Q3 2013			Q2 2014		
(in millions)	Underlying	Special items	Reported	Underlying	Special items	Reported	Underlying	Special items	Reported
Net interest income	1,530		1,530	1,326		1,326	1,441		1,441
Net fee and commission income	419		419	401		401	420		420
Other operating income	61		61	147		147	56		56
Operating income	**2,009**		**2,009**	**1,874**		**1,874**	**1,917**		**1,917**
Personnel expenses	591		591	594		594	591	288	879
Other expenses	557	67	624	549		549	571	67	638
Operating expenses	**1,147**	**67**	**1,214**	**1,143**		**1,143**	**1,162**	**355**	**1,517**
Operating result	**862**	**- 67**	**795**	**731**		**731**	**755**	**- 355**	**400**
Impairment charges on loans and other receivables	287		287	347	- 135	212	342		342
Operating profit/(loss) before axes	**575**	**- 67**	**508**	**385**	**135**	**519**	**413**	**- 355**	**58**
Income tax expenses	125		125	95	34	129	91	- 72	19
Profit/(loss) for the period	**450**	**- 67**	**383**	**289**	**101**	**390**	**322**	**- 283**	**39**

	Nine months 2014			Nine months 2013		
(in millions)	Underlying	Special items	Reported	Underlying	Special items	Reported
Net interest income	4,403		4,403	3,991		3,991
Net fee and commission income	1,260		1,260	1,230		1,230
Other operating income	246		246	375	- 122	253
Operating income	**5,910**		**5,910**	**5,597**	**- 122**	**5,475**
Personnel expenses	1,747	288	2,035	1,755	37	1,792
Other expenses	1,705	201	1,906	1,661		1,661
Operating expenses	**3,452**	**489**	**3,941**	**3,417**	**37**	**3,454**
Operating result	**2,457**	**- 489**	**1,969**	**2,180**	**- 159**	**2,021**
Impairment charges on loans and other receivables	990		990	1,112	- 684	428
Operating profit/(loss) before taxes	**1,467**	**- 489**	**978**	**1,068**	**525**	**1,594**
Income tax expenses	317	- 72	245	269	117	386
Profit/(loss) for the period	**1,151**	**- 417**	**734**	**799**	**408**	**1,207**

The following table shows all special items per period.

Special items

(in millions)	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Operating income							
Reassessment discontinued securities financing activities							- 70
Costs of wind down non-client-related equity derivatives activities						- 52	
Total impact on Operating Income						**- 52**	**- 70**
Operating expenses							
Restructuring provision							37
Pension settlement charge		288					
SNS Levy	67	67	67				
Total impact on Operating expenses	**67**	**355**	**67**				**37**
Loan impairments							
Greek releases					- 135		- 297
Madoff releases						- 252	
Total impact on Loan impairments					**- 135**	**- 252**	**- 297**
Total impact on Income tax expenses		**- 72**			**34**	**18**	**65**
Total impact on result for the period	**- 67**	**- 283**	**- 67**		**101**	**182**	**125**

The SNS levy amounted to a total of EUR 201 million to be recorded in 2014 spread over the first 3 quarters of 2014. Therefore the third quarter of 2014, the last portion of the SNS levy has been recorded.

Selected financial information

Condensed consolidated income statement

(in millions)	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Income					
Interest income	4,067	3,390	3,001	10,015	9,369
Interest expense	2,537	2,064	1,560	5,611	5,378
Net Interest income	**1,530**	**1,326**	**1,441**	**4,403**	**3,991**
Fee and commission income	663	645	655	1,981	1,969
Fee and commission expense	244	244	234	720	739
Net fee and commission income	**419**	**401**	**420**	**1,260**	**1,230**
Net trading income	33	71	67	142	74
Results from financial transactions	- 21	20	- 53	- 38	4
Share of result in equity accounted investments	18	8	23	47	45
Other income	31	48	19	95	129
Operating income	**2,009**	**1,874**	**1,917**	**5,910**	**5,475**
Expenses					
Personnel expenses	591	594	879	2,035	1,792
General and administrative expenses	584	506	598	1,784	1,523
Depreciation and amortisation of tangible and intangible assets	40	43	41	122	138
Operating expenses	**1,214**	**1,143**	**1,517**	**3,941**	**3,454**
Impairment charges on loans and other receivables	287	212	342	990	428
Total expenses	**1,501**	**1,355**	**1,859**	**4,931**	**3,881**
Operating profit/(loss) before taxation	**508**	**519**	**58**	**978**	**1,594**
Income tax expenses	125	129	19	245	386
Profit/(loss) for the period	**383**	**390**	**39**	**734**	**1,207**
Attributable to:					
Owners of the company	383	391	40	734	1,209
Non-controlling interests		- 1	- 1	- 1	- 1

Consolidated statement of comprehensive income

(in millions)	Q3 2014	Q3 2013	Q2 2014	Nine months 2014	Nine months 2013
Profit/(loss) for the period	**383**	**390**	**39**	**734**	**1,207**
Other comprehensive income:					
Items that will not be reclassified to the income statement					
Remeasurement gains / (losses) on defined benefit plans	- 0	- 53	- 35	- 187	27
Items that will not be reclassified to the income statement before taxation	**- 0**	**- 53**	**- 35**	**- 187**	**27**
Income tax relating to items that will not be reclassified to the income statement		- 13	- 9	- 47	6
Items that will not be reclassified to the income statement after taxation	**- 0**	**- 40**	**- 26**	**- 141**	**21**
Items that may be reclassified to the income statement					
Currency translation reserve	56	- 33	9	72	- 43
Available-for-sale reserve	89	29	80	258	54
Cash flow hedge reserve	145	- 124	136	391	170
Share of other comprehensive income of associates	- 1	- 5	2	7	1
Other changes	10	1	- 0	15	- 3
Other comprehensive income for the period before taxation	**299**	**- 132**	**227**	**744**	**179**
Income tax relating to components of other comprehensive income	60	- 28	52	160	56
Other comprehensive income for the period after taxation	**239**	**- 104**	**175**	**584**	**123**
Total comprehensive income/(expense) for the period after taxation	**622**	**246**	**189**	**1,177**	**1,351**
Total comprehensive income attributable to:					
Owners of the company	622	246	190	1,178	1,352
Non-controlling interests			- 1	- 1	- 1

Condensed consolidated statement of financial position

(in millions)	30 September 2014	30 June 2014	31 December 2013
Assets			
Cash and balances at central banks	815	6,776	9,523
Financial assets held for trading	30,415	28,044	23,867
Financial investments	40,331	36,179	28,111
Loans and receivables - banks	31,732	30,016	31,210
Loans and receivables - customers	285,391	281,393	268,147
Equity accounted investments	1,164	1,159	1,082
Property and equipment	1,386	1,400	1,426
Goodwill and other intangible assets	282	189	195
Assets held for sale	30	30	29
Accrued income and prepaid expenses	569	703	722
Current tax assets	125	98	165
Deferred tax assets	514	653	745
Other assets	9,599	9,192	6,800
Total assets	**402,352**	**395,831**	**372,022**
Liabilities			
Financial liabilities held for trading	20,604	17,974	14,248
Due to banks	20,401	16,713	15,833
Due to customers	239,526	232,190	215,643
Issued debt	81,314	90,473	88,682
Subordinated liabilities	8,164	7,984	7,917
Provisions	904	1,058	1,550
Accrued interest and deferred income	1,244	1,393	1,303
Current tax liabilities	92	77	69
Deferred tax liabilities	24	22	21
Other liabilities	15,536	14,024	13,188
Total liabilities	**387,808**	**381,909**	**358,454**
Equity			
Share capital	940	940	940
Share premium	12,970	12,970	12,970
Other reserves (incl retained earnings/profit for the period)	1,497	1,105	4,554
Other components of equity	- 875	- 1,104	- 4,909
Equity attributable to the owners of the parent company	**14,532**	**13,910**	**13,555**
Equity attributable to non-controlling interests	12	12	13
Total equity	**14,544**	**13,922**	**13,568**
Total liabilities and equity	**402,352**	**395,831**	**372,022**

Condensed consolidated statement of changs in equity

(in millions)	Share capital	Share premium reserve	Other reserves including retained earnings	Other compre-hensive income	Net profit/(loss) attributable to shareholders	Total	Non-controlling interests	Total equity
Balance at 1 January 2013	**1,015**	**13,105**	**2,658**	**- 5,067**	**1,153**	**12,864**	**19**	**12,883**
Total comprehensive income			- 3	147	1,208	1,352	- 1	1,351
Transfer			1,153		- 1,153			
Dividend			- 262			- 262		- 262
Increase/(decrease) of capital	- 75	- 135	- 3			- 213		- 213
Other changes in equity							1	1
Balance at 30 September 2013	**940**	**12,970**	**3,543**	**- 4,920**	**1,208**	**13,741**	**19**	**13,760**
Balance at 1 January 2014	**940**	**12,970**	**3,392**	**- 4,909**	**1,162**	**13,555**	**13**	**13,568**
Total comprehensive income			15	428	734	1,178	- 1	1,177
Transfer			1,162		- 1,162			
Dividend			- 200			- 200	- 0	- 200
Reclassification post-employment benefit plan			- 3,606	3,606				
Other changes in equity							- 1	- 1
Balance at 30 September 2014	**940**	**12,970**	**763**	**- 875**	**734**	**14,532**	**12**	**14,544**

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 2013	**- 3,284**	**5**	**24**	**- 1,873**	**61**	**- 5,067**
Net gains/(losses) arising during the period	27	- 43	54	82	1	121
Less: Net realised gains/(losses) included in income statement				- 88		- 88
Net gains/(losses) in equity	**27**	**- 43**	**54**	**170**	**1**	**209**
Related income tax	6		13	43		62
Balance at 30 September 2013	**- 3,263**	**- 38**	**65**	**- 1,746**	**62**	**- 4,920**
Balance at 1 January 2014	**- 3,502**	**- 64**	**59**	**- 1,467**	**65**	**- 4,909**
Reclassification post-employment benefit plan	3,606					3,606
Net gains/(losses) arising during the period	- 187	72	258	352	7	502
Less: Net realised gains/(losses) included in income statement				- 40		- 39
Net gains/(losses) in equity	**- 187**	**72**	**258**	**391**	**7**	**541**
Related income tax	- 47	- 3	65	98		113
Balance at 30 September 2014	**- 37**	**12**	**252**	**- 1,174**	**72**	**- 875**

Risk & capital management

risk management 7

ABN AMRO continues to maintain its moderate risk profile, as this is an important pillar of the bank's long-term strategy. Our prudent risk management approach was recently confirmed by the outcome of the ECB Asset Quality Review, as ABN AMRO comfortably passed this review. In Q3 2014 the underlying impairment charges on loans and receivables decreased compared to the same quarter in 2013 driven by a modest recovery of the Dutch economy. Although impairment levels over the first nine months of 2014 are lower than the same period last year, it is too early to conclude that this trend will continue in the fourth quarter of 2014.

Key developments

Key figures

	30 September 2014	30 June 2014	31 December 2013
Total assets	402,352	395,831	372,022
Of which Loans and receivables - banks	*31,732*	*30,016*	*31,210*
Of which Loans and receivables - customers	*285,391*	*281,393*	*268,147*
On-balance sheet maximum exposure to credit risk	391,456	383,018	358,480
Total Exposure at Default[1]	351,860	354,019	349,234
Risk-weighted assets[1]			
Credit risk[2]	93,448	92,261	86,201
Market risk	6,050	6,521	6,396
Operational risk	16,168	16,168	16,415
Total risk-weighted assets	**115,667**	**114,950**	**109,012**
Total risk-weighted assets/total Exposure at Default	32.9%	32.5%	31.2%
	Nine months 2014	First half 2014	2013
Average risk-weighted assets[1]	114,838	115,505	116,811
Cost of risk (in bps) - reported[1, 3]	115	122	84
Cost of risk (in bps) - underlying[1, 3]	115	122	143
Impairments/average Loan book (in bps) - reported[4]	47	50	35
Impairments/average Loan book (in bps) - underlying[4]	47	50	59

1. 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework. Under Basel III 2013 pro-forma figures are: EAD (353,856); total RWA (115,442); credit RWA (92,631). No RWA impact from CRR/CRD IV on market and operational risk.
2. Risk-weighted assets for credit value adjustement (CVA) is included in credit risk. CVA per 30 September 2014 amounted to EUR 1.7 billion (30 June 2014 EUR 1.6 billion and 31 December 2013 EUR 1.5 billion).
3. Cost of risk: annualised impairment charges on loans and receivables for the period divided by total average RWA.
4. The impairment charges on loans and receivables for the period are annualised and divided by average loan book.

Third-quarter developments

The Dutch economy is still recovering modestly despite geopolitical tensions, mixed economic data and turmoil on the financial markets. The Dutch housing market further recovered and unemployment has been declining for almost half a year now. Consumer confidence rose above the long-term average and retail spending in durable goods went up. Exports are still growing, although in recent months growth has somewhat tempered.

The loans and receivables portfolio for banks and customers increased to EUR 317.1 billion at 30 September 2014 from EUR 311.4 billion at 30 June 2014. This increase was mainly the result of a rise in mandatory reserve deposits. Furthermore, commercial loans went up as a result of the growth of the ECT clients portfolio.

Compared with Q3 2013, the underlying Impairment charges on loans and receivables decreased by EUR 62 million to EUR 285 million in the third quarter of 2014. The decrease in loan impairments was primarily driven by lower loan impairments for mortgages and other consumer loans.

Total risk-weighted assets (RWA) amounted to EUR 115.7 billion as at 30 September 2014, an increase of EUR 0.7 billion compared with 30 June 2014. RWA increased mainly as a result of a review and refinement of the risk parameters used for the residential mortgage portfolio. Exposure at Default (EAD) decreased to EUR 351.9 billion at 30 September 2014, down from EUR 354.0 billion at 30 June 2014.

In the first nine months of 2014, annualised cost of risk declined to 115bps compared with 122bps in the first half of 2014. Impairments divided by the average loan book dropped slightly to 47bps at 30 September 2014 from 50bps at 30 June 2014. This decline was related to lower impairment charges.

After the reporting date, on 26 October 2014, the European Central Bank (ECB) published the results of the Asset Quality Review (AQR). The AQR aims to enhance transparency of banks' balance sheets by reviewing asset quality, including the adequacy of asset and collateral valuations and related provisions. Under the AQR, the ECB reviewed selected portfolios covering at least 50% of a bank's risk-weighted assets. In ABN AMRO's case, the AQR covered over 60% of total RWA and included large parts of our exposures in Shipping, SMEs, Real Estate and mortgages.

ABN AMRO has comfortably passed the ECB Asset Quality Review and is considered to be generally conservatively provisioned. No additional provisions related to the AQR were necessary. This attests to our prudent risk management approach.

Key figures per business line

	Retail Banking	Private Banking	Corporate Banking	Group Functions
30 September 2014				
Total assets	159,338	22,586	134,220	86,208
On-balance sheet maximum exposure to credit risk	158,915	19,254	129,059	84,228
Total Exposure at Default[1]	175,775	21,125	104,214	50,746
Risk-weighted assets[1]				
Credit risk[2]	31,921	6,653	47,349	7,524
Market risk			6,050	
Operational risk	5,550	1,558	3,712	5,348
Total risk-weighted assets	**37,471**	**8,212**	**57,112**	**12,872**
Total risk-weighted assets/Total Exposure at Default[1]	21.3%	38.9%	54.8%	25.4%
Nine months 2014				
Average risk-weighted assets[1]	34,877	8,500	57,464	13,997
Cost of risk (in bps) - reported[1,3]	138	54	144	
Cost of risk (in bps) - underlying[1,3]	138	54	144	
Impairments/average Loan book (in bps) - reported[4]	30	29	85	
Impairments/average Loan book (in bps) - underlying[4]	30	29	85	
30 June 2014				
Total assets	159,516	21,144	127,284	87,888
On-balance sheet maximum exposure to credit risk	159,100	17,867	120,494	85,557
Total Exposure at Default[1]	176,182	21,360	102,261	54,216
Risk-weighted assets[1]				
Credit risk[2]	29,399	6,419	47,530	8,913
Market risk			6,521	
Operational risk	5,552	1,558	3,654	5,404
Total risk-weighted assets	**34,951**	**7,977**	**57,705**	**14,317**
Total risk-weighted assets/Total Exposure at Default[1]	19.8%	37.3%	56.4%	26.4%
First half 2014				
Average risk-weighted assets[1]	34,682	8,792	57,644	14,387
Cost of risk (in bps) - reported[1,3]	168	50	139	
Cost of risk (in bps) - underlying[1,3]	168	50	139	
Impairments/average Loan book (in bps) - reported[4]	36	28	82	
Impairments/average Loan book (in bps) - underlying[4]	36	28	82	

	Retail Banking	Private Banking	Corporate Banking	Group Functions
31 December 2013				
Total assets	160,630	20,617	117,809	72,966
On-balance sheet maximum exposure to credit risk	160,139	17,736	109,870	70,735
Total Exposure at Default[1]	175,844	21,198	95,144	57,048
Risk-weighted assets[1]				
Credit risk[2]	28,772	7,247	45,610	4,572
Market risk			6,396	
Operational risk	5,512	1,555	4,025	5,323
Total risk-weighted assets	**34,284**	**8,802**	**56,031**	**9,895**
Total risk-weighted assets/Total Exposure at Default[1]	19.5%	41.5%	58.9%	17.3%
2013				
Average risk-weighted assets[1]	32,875	9,042	63,405	11,488
Cost of risk (in bps) - reported[1), 3)]	207	156	134	
Cost of risk (in bps) - underlying[1), 3)]	207	156	134	
Impairments/average Loan book (in bps) - reported[4]	42	88	86	
Impairments/average Loan book (in bps) - underlying[4]	42	88	86	

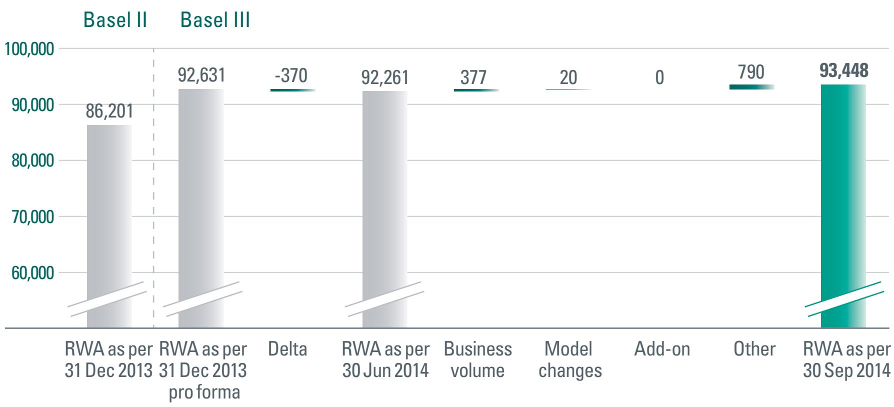
1. 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework.
2. Risk-weighted assets for credit value adjustement (CVA) is included in credit risk. CVA per 30 September 2014 amounted to EUR 1.7 billion (30 June 2014 EUR 1.6 billion and 31 December 2013 EUR 1.5 billion).
3. Cost of risk: annualised impairment charges on loans and receivables for the period divided by total average RWA.
4. The impairment charges on loans and receivables for the period are annualised and divided by average loan book.

Total EAD decreased by EUR 2.1 billion from EUR 354.0 billion in the second quarter to EUR 351.9 billion in the third quarter of 2014. In terms of total RWA, an increase was noted of EUR 0.7 billion to EUR 115.7 billion in the same period. Rose in RWA was mainly driven by an increase in credit risk RWA for EUR 1.2 billion mainly due to Retail Banking, as a result of a review and refinement of the risk parameters used for the residential mortgage portfolio. The increase for Retail Banking was partly offset by a decrease in RWA for Group Functions. RWA for Corporate Banking declined slightly by 0.6 billion to EUR 57.7 billion mainly due to a decline in market risk RWA.

Credit risk

RWA flow statement credit risk

(in millions)



Credit risk mitigation

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

30 September 2014

(in millions)	Carrying amount	Collateral received: Master netting agree-ment[3]	Financial instru-ments	Property & equipment	Other collateral and guarantees	Total risk mitigation	Surplus collateral[4]	Net exposure
Loans and receivables - banks	**31,732**	**8,648**	**15,646**			**24,294**	**2,656**	**10,095**
Loans and receivables - customers								
Residential mortgages[1]	153,034		95	204,883	5,327	210,305	70,858	13,587
Other consumer loans	15,507		4,008	5,455	78	9,541	901	6,867
Total consumer loans	**168,542**		**4,103**	**210,338**	**5,405**	**219,846**	**71,759**	**20,455**
Commercial loans[1]	82,533	197	15,686	29,909	5,466	51,258	2,409	33,684
Other commercial loans[2]	32,740	1,865	30,306	2,353		34,524	6,320	4,536
Total commercial loans	**115,273**	**2,062**	**45,992**	**32,262**	**5,466**	**85,781**	**8,728**	**38,220**
Government and official institutions	1,576	1,126	23		130	1,279		298
Total Loans and receivables - customers	**285,391**	**3,188**	**50,118**	**242,599**	**11,001**	**306,905**	**80,487**	**58,973**
Total Loans and receivables	**317,123**	**11,836**	**65,763**	**242,599**	**11,001**	**331,199**	**83,143**	**69,067**
Total on- and off-balance sheet	**509,517**	**28,718**	**66,080**	**245,087**	**13,018**	**352,902**	**83,556**	**240,170**

1. Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
2. Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.
3. Master netting agreement includes legal right to nett and cash collateral.
4. Surplus collateral is the amount of over-collateralisation, calculated on an individual basis. Net exposure represents the portfolio corrected for the surplus amount and gives a view on the potential shortfall in collateral on the total portfolio.
5. Off-balance sheet consists mainly of revocable credit facilities, in addition to committed credit facilities, guarantees and other commitments.

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

30 June 2014

(in millions)	Carrying amount	Collateral received: Master netting agreement[3]	Collateral received: Financial instruments	Collateral received: Property & equipment	Collateral received: Other collateral and guarantees	Total risk mitigation	Surplus collateral[4]	Net exposure
Loans and receivables - banks	**30,016**	**7,900**	**16,698**			**24,598**	**2,827**	**8,245**
Loans and receivables - customers								
Residential mortgages[1]	153,265		114	203,711	5,482	209,306	70,040	13,999
Other consumer loans	15,336		3,206	5,523	87	8,815	343	6,864
Total consumer loans	**168,601**		**3,319**	**209,233**	**5,569**	**218,122**	**70,383**	**20,862**
Commercial loans[1]	79,551	271	13,350	30,137	5,882	49,641	1,774	31,684
Other commercial loans[2]	31,933	2,303	28,030	2,472		32,805	6,152	5,279
Total commercial loans	**111,484**	**2,574**	**41,380**	**32,609**	**5,882**	**82,446**	**7,925**	**36,964**
Government and official institutions	1,308	886	23		146	1,054		254
Total Loans and receivables - customers	**281,393**	**3,460**	**44,722**	**241,843**	**11,597**	**301,621**	**78,309**	**58,080**
Total Loans and receivables	**311,408**	**11,360**	**61,420**	**241,843**	**11,597**	**326,219**	**81,135**	**66,325**
Total on- and off-balance sheet	**499,380**	**23,373**	**63,495**	**244,848**	**13,571**	**345,288**	**81,705**	**235,797**

1. Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
2. Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.
3. Master netting agreement includes legal right to nett and cash collateral.
4. Surplus collateral is the amount of over-collateralisation, calculated on an individual basis. Net exposure represents the portfolio corrected for the surplus amount and gives a view on the potential shortfall in collateral on the total portfolio.
5. Off-balance sheet consists mainly of revocable credit facilities, in addition to committed credit facilities, guarantees and other commitments.

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

	31 December 2013							
		Collateral received						
(in millions)	Carrying amount	Master netting agreement[3]	Financial instruments	Property & equipment	Other collateral and guarantees	Total risk mitigation	Surplus collateral[4]	Net exposure
Loans and receivables - banks	**31,210**	**7,198**	**8,383**			**15,581**	**1,778**	**17,407**
Loans and receivables - customers								
Residential mortgages[1]	153,439		212	208,018	5,410	213,640	73,178	12,977
Other consumer loans	15,628		1,889	5,989	77	7,955	235	7,908
Total consumer loans	**169,067**		**2,101**	**214,007**	**5,487**	**221,595**	**73,413**	**20,885**
Commercial loans[1]	80,659	274	14,872	28,921	9,086	53,153	4,464	31,970
Other commercial loans[2]	17,653	1	15,840	2,714		18,555	3,962	3,060
Total commercial loans	**98,312**	**275**	**30,712**	**31,635**	**9,086**	**71,708**	**8,426**	**35,030**
Government and official institutions	768	360	23		159	542		226
Total Loans and receivables - customers	**268,147**	**635**	**32,836**	**245,642**	**14,732**	**293,845**	**81,839**	**56,141**
Total Loans and receivables	**299,357**	**7,833**	**41,219**	**245,642**	**14,732**	**309,426**	**83,617**	**73,548**
Total on- and off-balance sheet	**473,546**	**16,862**	**41,468**	**247,540**	**16,938**	**322,808**	**83,923**	**234,661**

1. Carrying amount includes fair value adjustments from hedge accounting and loan impairment allowances.
2. Other commercial loans consists of reverse repurchase agreements, securities borrowing transactions, financial lease receivables and factoring.
3. Master netting agreement includes legal right to nett and cash collateral.
4. Surplus collateral is the amount of over-collateralisation, calculated on an individual basis. Net exposure represents the portfolio corrected for the surplus amount and gives a view on the potential shortfall in collateral on the total portfolio.
5. Off-balance sheet consists mainly of revocable credit facilities, in addition to committed credit facilities, guarantees and other commitments.

Risk mitigation for total loans and receivables increased by EUR 5.0 billion to EUR 331.2 billion compared with 30 June 2014. No major movements were noted in the risk mitigation for loans and receivables banks and total consumer loans. The risk mitigation for total commercial loans increased by EUR 3.3 billion to EUR 85.8 billion at 30 September 2014 whereas the carrying amount increased by EUR 3.8 billion to EUR 115.3 billion due to growth of the ECT clients portfolio. Net exposure of total commercial loans increased by EUR 1.3 billion to EUR 38.2 billion.

Past due

Financial assets past due but not impaired

When a counterparty is past due or exceeds its credit limit, all loans and receivables in the related credit arrangement are considered past due.

								30 September 2014
	Carrying amount		Days past due					
(in millions)	Gross	Assets not classified as impaired	< 30	> 30 days & < 60	> 60 days & < 90	> 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**31,742**	**31,733**						**0.0%**
Loans and receivables - customers								
Residential mortgages[1]	153,633	152,008	3,254	493	125		3,872	2.5%
Other consumer loans[2]	16,151	15,236	376	106	50	132	665	4.1%
Total consumer loans	**169,784**	**167,244**	**3,630**	**599**	**175**	**132**	**4,537**	**2.7%**
Commercial loans[1]	86,223	80,999	870	81	124	653	1,728	2.0%
Other commercial loans[3]	32,872	32,626	73	4	2	14	94	0.3%
Total commercial loans	**119,095**	**113,625**	**943**	**85**	**127**	**667**	**1,822**	**1.5%**
Government and official institutions	1,576	1,576						0.0%
Total Loans and receivables - customers	**290,455**	**282,445**	**4,573**	**684**	**302**	**799**	**6,359**	**2.2%**
Total Loans and receivables	**322,197**	**314,178**	**4,573**	**684**	**302**	**799**	**6,359**	**2.0%**
Total on-balance sheet financial assets	**329,212**	**321,177**	**4,626**	**693**	**318**	**819**	**6,456**	**2.0%**

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

30 June 2014

(in millions)	Carrying amount Gross	Assets not classified as impaired	Days past due < 30	> 30 days & < 60	> 60 days & < 90	> 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**30,038**	**30,016**						**0.0%**
Loans and receivables - customers								
Residential mortgages[1]	153,914	152,185	3,541	469	141		4,152	2.7%
Other consumer loans[2]	15,985	15,132	403	113	55	169	740	4.6%
Total consumer loans	**169,899**	**167,318**	**3,944**	**582**	**196**	**169**	**4,892**	**2.9%**
Commercial loans[1]	83,310	78,230	1,044	218	223	823	2,308	2.8%
Other commercial loans[3]	32,060	31,897	17	4	7	19	46	0.1%
Total commercial loans	**115,370**	**110,127**	**1,061**	**222**	**229**	**841**	**2,354**	**2.0%**
Government and official institutions	1,308	1,308						0.0%
Total Loans and receivables - customers	**286,578**	**278,753**	**5,005**	**804**	**426**	**1,010**	**7,245**	**2.5%**
Total Loans and receivables	**316,616**	**308,769**	**5,005**	**804**	**426**	**1,010**	**7,245**	**2.3%**
Total on-balance sheet financial assets	**323,136**	**315,274**	**5,115**	**824**	**429**	**1,014**	**7,382**	**2.3%**

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

31 December 2013

(in millions)	Carrying amount Gross	Assets not classified as impaired	Days past due < 30	> 30 days & < 60	> 60 days & < 90	> 90	Total past due but not impaired	Past due ratio
Loans and receivables - banks	**31,234**	**31,211**						**0.0%**
Loans and receivables - customers								
Residential mortgages[1]	154,024	152,285	3,444	519	145		4,108	2.7%
Other consumer loans[2]	16,241	15,354	461	115	78	231	885	5.4%
Total consumer loans	**170,265**	**167,639**	**3,905**	**634**	**223**	**231**	**4,993**	**2.9%**
Commercial loans[1]	84,330	79,292	1,426	219	140	565	2,350	2.8%
Other commercial loans[3]	17,759	17,622	31	2	1	2	36	0.2%
Total commercial loans	**102,089**	**96,914**	**1,457**	**221**	**141**	**567**	**2,386**	**2.3%**
Government and official institutions	768	768						0.0%
Total Loans and receivables - customers	**273,122**	**265,321**	**5,362**	**855**	**364**	**798**	**7,379**	**2.7%**
Total Loans and receivables	**304,357**	**296,533**	**5,362**	**855**	**364**	**798**	**7,379**	**2.4%**
Total on-balance sheet financial assets	**308,967**	**301,130**	**5,410**	**880**	**371**	**807**	**7,468**	**2.4%**

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

The total past due exposure at 30 September 2014 decreased to 2.0% from 2.3% at 30 June 2014. This decline is visible in consumer loans as well as commercial loans. The decrease in consumer loans was related to the modest recovery of the Dutch economy. The decrease in past due exposure for commercial loans was the result of stricter monitoring of our clients.

Impaired loans

Loan impairment charges and allowances

	Q3 2014					Q3 2013				
			Consumer loans					Consumer loans		
(in millions)	Banks	Commercial loans	Mortgages	Other	Total	Banks	Commercial loans	Mortgages	Other	Total
Balance as at begin of period	**22**	**3,887**	**649**	**649**	**5,207**	**24**	**3,756**	**463**	**514**	**4,757**
Impairment charges for the period		369	74	59	501		242	121	106	469
Reversal of impairment allowances no longer required	- 14	- 133	- 42	- 15	- 204		- 204	- 32	- 8	- 244
Recoveries of amounts previously written-off		- 3	- 2	- 8	- 13		- 2	- 2	- 9	- 13
Total impairment charges on loans and other receivables	**- 14**	**233**	**29**	**36**	**285**		**36**	**87**	**89**	**212**
Amount recorded in interest income from unwinding of discounting		- 12	- 42	- 3	- 57		- 8	- 1	- 2	- 11
Currency translation differences	1	58			59		- 32		- 1	- 33
Amounts written-off (net)		- 321	- 48	- 51	- 420		- 242	- 49	- 37	- 328
Reserve for unearned interest accrued on impaired loans		11	8	- 5	14		15		2	17
Other adjustments		- 33	1	18	- 14		- 2	15	- 2	11
Balance as at end of period	**10**	**3,822**	**599**	**644**	**5,074**	**24**	**3,523**	**515**	**563**	**4,625**
Reconciliation from reported to underlying impairment charges										
Total reported on-balance impairment charges on loans and other receivables	**- 14**	**233**	**29**	**36**	**285**		**36**	**87**	**89**	**212**
Greek releases							135			135
Madoff releases										
Total underlying on-balance impairment charges on loans and other receivables	**- 14**	**233**	**29**	**36**	**285**		**171**	**87**	**89**	**347**

The underlying impairment charges in Q3 2014 decreased by EUR 62 million, to EUR 285 million, compared with the same period in 2013. The drop in in impairment charges is primarily driven by lower loan impairments on mortgages and other consumer loans.

Loan impairments charges for commercial loans rose as result of a few large additions for specific files in the third quarter of 2014.

Write-offs in the third quarter of 2014 went up by EUR 92 million to EUR 420 million compared with the same period last year, excluding special items the write-offs increased by EUR 182 million. Commercial loans was the main contributor to the higher write-offs.

(in millions)	Nine months 2014 Banks	Com-mercial loans	Consumer loans Mort-gages	Other	Total	Nine months 2013 Banks	Com-mercial loans	Consumer loans Mort-gages	Other	Total
Balance as at 1 January	**24**	**3,778**	**585**	**612**	**4,999**	**28**	**4,697**	**370**	**445**	**5,540**
Impairment charges for the period	1	970	348	229	1,548		912	338	269	1,519
Reversal of impairment allowances no longer required	- 16	- 289	- 166	- 50	- 521	- 4	- 960	- 68	- 22	- 1,054
Recoveries of amounts previously written-off		- 6	- 6	- 29	- 40		- 5	- 4	- 29	- 38
Total impairment charges on loans and other receivables	**- 16**	**675**	**177**	**150**	**986**	**- 4**	**- 53**	**266**	**218**	**427**
Amount recorded in interest income from unwinding of discounting		- 35	- 51	- 8	- 94		- 21	- 3	- 6	- 30
Currency translation differences	1	61			63		- 16		- 1	- 17
Amounts written-off (net)		- 649	- 140	- 125	- 914		- 1,120	- 131	- 96	- 1,347
Reserve for unearned interest accrued on impaired loans		29	27	- 4	51		35		5	40
Other adjustments	- 0	- 37	1	19	- 18		1	13	- 2	12
Balance as at end of period	**10**	**3,822**	**599**	**644**	**5,074**	**24**	**3,523**	**515**	**563**	**4,625**
Reconciliation from reported to underlying impairment charges										
Total reported on-balance impairment charges on loans and other receivables	**- 16**	**675**	**177**	**150**	**986**	**- 4**	**- 53**	**266**	**218**	**427**
Greek releases							432			432
Madoff releases							252			252
Total underlying on-balance impairment charges on loans and other receivables	**- 16**	**675**	**177**	**150**	**986**	**- 4**	**631**	**266**	**218**	**1,111**

Comparing the underlying impairment charges in the first nine months of 2014 with the same period last year, the loan impairment charges decreased by EUR 125 million, to EUR 986 million. The drop in impairment charges is primarily driven by lower loan impairments on mortgages and other consumer loans.

Loan impairments charges for commercial loans rose as result of a few larger additions for specific files in the third quarter of 2014.

Write-offs for the first three quarters of 2014 decreased by EUR 433 million to EUR 914 million from EUR 1,347 million compared with the same period last year. This decrease was mainly driven by special items for an amount of EUR 393 million. Excluding the special items the write-offs decreased with EUR 40 million.

Coverage and impaired ratio

(in millions)	Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk	Coverage ratio	Impaired ratio
					30 September 2014
Loans and receivables - banks	**31,742**	**9**	**- 9**	**100.0%**	**0.0%**
Loans and receivables - customers					
Residential mortgages[1]	153,633	1,625	- 465	28.6%	1.1%
Other consumer loans	16,151	915	- 526	57.5%	5.7%
Total consumer loans	**169,784**	**2,540**	**- 991**	**39.0%**	**1.5%**
Commercial loans[1]	86,223	5,224	- 3,208	61.4%	6.1%
Other commercial loans[2]	32,872	246	- 114	46.2%	0.7%
Total commercial loans	**119,095**	**5,470**	**- 3,322**	**60.7%**	**4.6%**
Government and official institutions	1,576				
Total Loans and receivables - customers	**290,455**	**8,010**	**- 4,313**	**53.8%**	**2.8%**
Total Loans and receivables[3]	**322,197**	**8,019**	**- 4,322**	**53.9%**	**2.5%**
Total	**436,382**	**8,055**	**- 4,328**	**53.7%**	**1.8%**

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

(in millions)	Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk	Coverage ratio	Impaired ratio
					30 June 2014
Loans and receivables - banks	**30,038**	**22**	**- 22**	**100.0%**	**0.1%**
Loans and receivables - customers					
Residential mortgages[1]	153,914	1,729	- 516	29.8%	1.1%
Other consumer loans	15,985	853	- 535	62.7%	5.3%
Total consumer loans	**169,899**	**2,581**	**- 1,051**	**40.7%**	**1.5%**
Commercial loans[1]	83,310	5,080	- 3,250	64.0%	6.1%
Other commercial loans[2]	32,060	164	- 109	66.3%	0.5%
Total commercial loans	**115,370**	**5,243**	**- 3,359**	**64.1%**	**4.5%**
Government and official institutions	1,308				
Total Loans and receivables - customers	**286,578**	**7,825**	**- 4,409**	**56.3%**	**2.7%**
Total Loans and receivables[3]	**316,616**	**7,846**	**- 4,431**	**56.5%**	**2.5%**
Total	**426,687**	**7,868**	**- 4,436**	**56.4%**	**1.8%**

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

31 December 2013

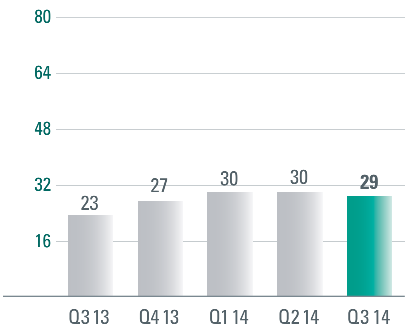
(in millions)	Gross carrying amount	Impaired exposures	Allowances for Impairments for identified credit risk	Coverage ratio	Impaired ratio
Loans and receivables - banks	**31,234**	**23**	**- 23**	**100.0%**	**0.1%**
Loans and receivables - customers					
Residential mortgages[1]	154,024	1,739	- 472	27.1%	1.1%
Other consumer loans	16,241	887	- 512	57.7%	5.5%
Total consumer loans	**170,265**	**2,626**	**- 984**	**37.5%**	**1.5%**
Commercial loans[1]	84,330	5,038	- 3,237	64.3%	6.0%
Other commercial loans[2]	17,759	137	- 86	62.9%	0.8%
Total commercial loans	**102,089**	**5,175**	**- 3,323**	**64.2%**	**5.1%**
Government and official institutions	768				
Total Loans and receivables - customers	**273,122**	**7,801**	**- 4,307**	**55.2%**	**2.9%**
Total Loans and receivables[3]	**304,357**	**7,824**	**- 4,330**	**55.3%**	**2.6%**
Total	**410,492**	**7,845**	**- 4,335**	**55.3%**	**1.9%**

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

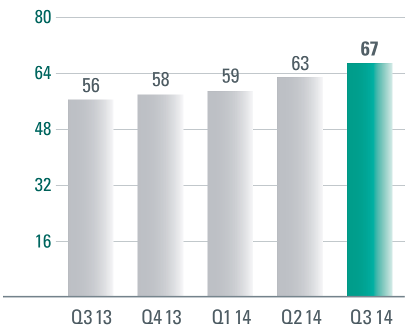
In the third quarter of 2014 the impaired ratio for the total loans and receivables remained stable at 2.5%. The coverage ratio decreased from 56.5% at 30 June 2014 to 53.9% at 30 September 2014.

Due to write-offs of impaired loans with in general higher provisioning levels, the coverage ratio for total commercial loans decreased from 64.1% in the second quarter of 2014 to 60.7% in the third quarter of 2014.

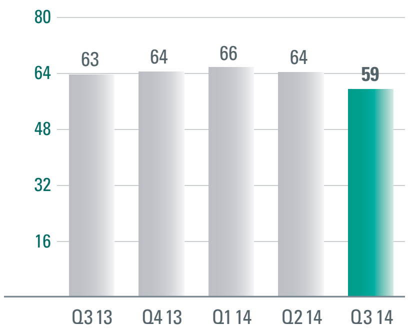
Coverage ratio - mortgages
(in %)



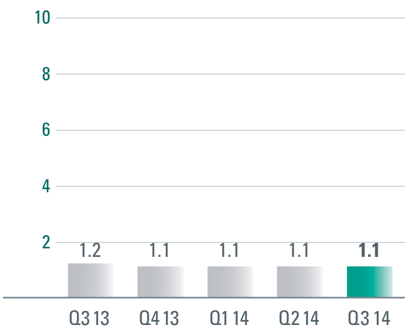
Coverage ratio - other consumer loans
(in %)



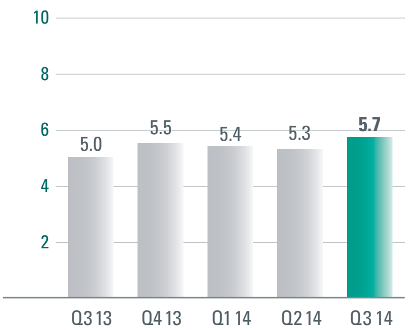
Coverage ratio - commercial loans
(in %)



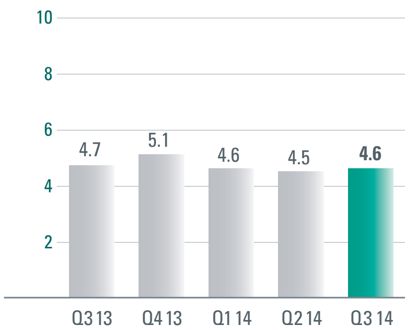
Impaired ratio - mortgages
(in %)



Impaired ratio - other consumer loans
(in %)



Impaired ratio - commercial loans
(in %)



Coverage ratio for mortgages remained relatively stable in the first three quarters of this year. The coverage ratio for the commercial loans decreased in the third quarter of 2014, after fairly stable figures earlier this year. For the other consumer loans the coverage ratio declined to 57.5% in the last quarter, as a result of a relatively higher increase of the impaired exposure compared to the allowances for impairments.

Impaired ratio remained quite stable in the first quarters of this year for mortages, other consumer loans as well as commercial loans.

Impaired loans by industry

	30 September 2014		30 June 2014		31 December 2013	
(in millions)	Impaired exposures	Allowances for impairments for identified credit risk	Impaired exposures	Allowances for impairments for identified credit risk	Impaired exposures	Allowances for impairments for identified credit risk
Industry sector						
Banks	9	- 9	22	- 22	23	- 23
Financial services[1]	759	- 697	825	- 734	720	- 674
Industrial goods and services	1,645	- 770	1,430	- 724	1,374	- 721
Real Estate	774	- 468	709	- 451	819	- 520
Oil and gas	51	- 51	82	- 81	105	- 104
Food and beverage	430	- 247	385	- 252	421	- 250
Retail	535	- 310	547	- 339	517	- 292
Basic Resources	248	- 156	234	- 141	208	- 121
Healthcare	86	- 42	49	- 25	48	- 25
Construction and materials	434	- 291	416	- 294	381	- 271
Travel and leisure	270	- 132	264	- 147	272	- 139
Other[2]	299	- 173	275	- 151	380	- 274
Subtotal Industry Classification Benchmark	**5,541**	**- 3,345**	**5,236**	**- 3,361**	**5,268**	**- 3,414**
Private individuals (non-Industry Classification Benchmark)	2,513	- 982	2,630	- 1,074	2,577	- 921
Public administration (non-Industry Classification Benchmark)			2	- 1		
Subtotal non-Industry Classification Benchmark	**2,513**	**- 982**	**2,631**	**- 1,075**	**2,577**	**- 921**
Total[3]	**8,055**	**- 4,328**	**7,868**	**- 4,436**	**7,845**	**- 4,335**

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

The impaired exposure increased marginally by EUR 0.2 billion in the third quarter of this year to EUR 8.1 billion at 30 September 2014. This increase was mainly driven by one highly collateralised client in the Industrial goods and services industry. Some smaller movements are noted in Financial services, Real estate, Oil and Gas, Food and beverage, Healthcare and Construction and materials.

Allowances for impairments decreased slightly at 30 September 2014 compared with 30 June 2014.

Developments in specific portfolios

Residential mortgages

The Dutch housing market has further recovered. Demand among prospective buyers is growing as a result of the clarity provided on the government's housing market policy and low mortgage interest rates. According to Statistics Netherlands (CBS), the number of transactions in the Dutch housing market rose by 38% for the first nine months of 2014 compared with the same period in 2013. House prices continued to rise in the two previous quarters compared with last year. However, a significant number of homeowners are still facing potential residual debt, which has a negative impact on residential mobility.

Extra repayments on existing mortgages and tighter mortgage lending conditions, such as lowering the maximum LtMV from 105% to 104% (as from January 2014) and discouraging interest only mortgages (because of discontinued tax deductibility of paid interest), are expected to improve the residual debt situation in the long run. A further increase in house prices, however, would be necessary to improve the situation substantially.

Comparing ABN AMRO 's mortgage production volume for the third quarter of 2014 with the second quarter of this year, the volume increased to EUR 2.2 billion from EUR 1.9 billion. Production volume for the first nine months of this year is EUR 6.1 billion compared with EUR 4.9 billion for the same period last year. Higher production volumes reflect the upturn in the housing market. The NHG part of the new mortgage production declined in the third quarter of 2014 to 52% compared with 56% in the second quarter of 2014 and 51% in the first quarter of 2014. Maximum NHG amounts were lowered as from 1 July 2014 to EUR 265,000. NHG amounts will eventually be lowered to EUR 245,000 as from 1 July 2015.

In the third quarter extra repayments together with contractual repayments exceeded the new production volume, resulting in a marginally lower residential mortgage portfolio compared with the second quarter of 2014 and year-end 2013. It should be noted that 20% of extra repayments are made by homeowners with a LtMV higher than 100%.

Redemptions remained high partly as result of low interest rates on saving accounts. Other reasons for redemptions are incentives for specific fiscal arrangements, such as temporary tax exemptions on donations until the end of 2014, under the condition that the amount is used to buy a home or reduce a mortgage debt.

Key residential mortgage indicators

(in millions)	30 September 2014	30 June 2014	31 December 2013
Gross carrying amount excl. fair value adjustment from hedge accounting	149,637	150,040	150,493
Of which Nationale Hypotheek Garantie	*37,138*	*36,845*	*35,603*
Fair value adjustment from hedge accounting	3,996	3,874	3,531
Gross carrying amount	153,633	153,914	154,024
Exposure at Default[1]	161,006	161,168	160,165
Risk-weighted assets[1]	22,421	20,167	19,823
Risk-weighted assets/Exposure at Default	13.9%	12.5%	12.4%
Forbearance ratio[2]		1.2%	1.6%
Past due but not impaired	3,872	4,152	4,108
Past due ratio	2.5%	2.7%	2.7%
Coverage ratio	28.6%	29.8%	27.1%
Impaired ratio	1.1%	1.1%	1.1%
Average Loan-to-Market-Value	84%	84%	84%
Average Loan-to-Market-Value - excluding NHG	80%	81%	80%
Collateral	210,305	209,306	213,640
Collateral/carrying amount	136.9%	136.0%	138.7%

1. 2013 figures are reported under Basel II and the 2014 figures are reported using the Basel III (CRR/CRD IV) framework. Under Basel III 2013 pro-forma figures are: EAD (157,902); RWA (18,840).
2. ABN AMRO doesn't report forbearance figures In the first and third quarter of 2014.

The gross carrying amount of residential mortgages declined in the third quarter of 2014 slightly due to redemptions which exceeded new mortgage production. Exposure at default remained fairly stable at EUR 161 billion and RWA increased by EUR 2.3 billion to EUR 22.4 billion. RWA increased mainly as a result of a review and refinement of the risk parameters used for the residential mortgage portfolio.

The mortgage portfolio in arrears (past due up to 90 days) was considerably lower at EUR 3.9 billion compared with EUR 4.2 billion at 30 June 2014. The decrease in the past due portfolio is related to the modest recovery of the Dutch economy.

The coverage ratio decreased slightly as a result of both lower impaired exposures and allowances for impairments. The decrease in allowances related to a reduction in impaired exposures was the result of a lower inflow into and a higher outflow out of the impaired portfolio. The impaired ratio remained stable in Q3 2014.

The average LtMV of the mortgage portfolio as per 30 September 2014 improved marginally to 84% compared with 85% at 30 June 2014 and 84% at year-end 2013. The improvement of the LtMV in the third quarter was mainly the result of a combination of extra repayments and increased house prices. Collateral divided by the carrying amount improved slightly from 136.0% to 136.9% mainly as a result of higher house prices.

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

Residential mortgages to indexed market value

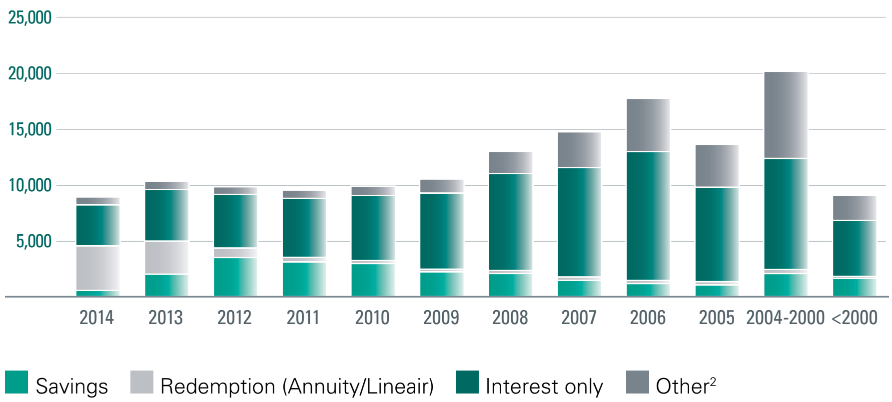
	30 September 2014				30 June 2014				31 December 2013			
(in millions)	Gross carrying amount	Percentage of total	Guaranteed	Unguaranteed	Gross carrying amount	Percentage of total	Guaranteed	Unguaranteed	Gross carrying amount	Percentage of total	Guaranteed	Unguaranteed
Loan-to-Market Value category[1]												
<50%	23,331	15.6%	1.6%	14.0%	23,010	15.3%	1.6%	13.7%	23,726	15.8%	1.6%	14.2%
50% - 80%	36,164	24.2%	4.0%	20.2%	35,559	23.7%	3.8%	19.9%	36,175	24.0%	3.7%	20.3%
80% - 90%	16,022	10.7%	2.6%	8.1%	15,654	10.5%	2.5%	8.0%	15,583	10.3%	2.4%	8.0%
90% - 100%	19,425	13.0%	3.9%	9.1%	18,817	12.5%	3.5%	9.0%	18,842	12.5%	3.3%	9.2%
100% - 110%	21,979	14.7%	5.8%	8.9%	21,863	14.6%	5.5%	9.1%	21,346	14.2%	5.0%	9.2%
>110%	30,295	20.2%	6.9%	13.3%	32,757	21.8%	7.5%	14.3%	32,598	21.7%	7.7%	14.0%
Unclassified[2]	2,421	1.6%			2,380	1.6%			2,223	1.5%		
Total	**149,637**	**100%**			**150,040**	**100%**			**150,493**	**100%**		

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

The LtMV distribution for the portfolio is fairly stable. Average LtMV of the mortgage portfolio is 84% as per 30 September 2014. NHG mortgages have an average LTMV of 95%, around half of these loans have a LtMV of more than 100%. The average LtMV, excluding the NHG part is 80%.

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

(in millions)



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

As from January 2013 tax deductibility for new mortgages is limited to mortgages with a repayment schedule based on an annuity or linear scheme. As a result, redeeming mortgages, especially mortgages with an annuity redemption scheme, are now the largest category in new production. The change in the portfolio is more gradual, as new production is relatively small compared with the total portfolio.

Breakdown of residential mortgage portfolio by loan type

	30 September 2014		30 June 2014		31 December 2013	
(in millions)	Gross carrying amount	Percentage of total	Gross carrying amount	Percentage of total	Gross carrying amount	Percentage of total
Interest only (partially)	49,524	33%	50,327	34%	50,521	34%
Interest only (100%)	34,777	23%	35,313	24%	36,387	24%
Redeeming mortgages (annuity/linear)	10,442	7%	9,514	6%	7,020	5%
Savings	23,701	16%	24,187	16%	24,674	16%
Life (investment)	20,909	14%	21,480	14%	22,248	15%
Other[1)]	10,284	7%	9,218	6%	9,643	6%
Total	**149,637**	**100%**	**150,040**	**100%**	**150,493**	**100%**

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

The breakdown of the residential mortgage portfolio was marginally impacted by the new fiscal regime. Interest only (partially) and interest only (100%) mortgages still form the largest part of the portfolio. Redeeming mortgages increased slightly in the third quarter of this year.

Other consumer loans

Other consumer loans indicators

(in millions)	30 September 2014	30 June 2014	31 December 2013
Gross carrying amount	16,151	15,985	16,241
Forbearance ratio[1]		2.5%	2.1%
Past due but not impaired	665	740	885
Past due ratio	4.1%	4.6%	5.4%
Coverage ratio	57.5%	62.7%	57.7%
Impaired ratio	5.7%	5.3%	5.5%
Collateral	9,541	8,815	7,955
Collateral/Gross carrying amount	59.1%	55.1%	49.0%

1. ABN AMRO doesn't report forbearance figures in the first and third quarter of 2014.

The carrying amount for other consumer loans remained fairly stable in the third quarter of 2014. Other consumer loans represent around 6% of the total loans and receivables portfolio.

The past due but not impaired part of the portfolio decreased significantly compared with year-end 2013 as a result of the proactive recession management programme, which was designed to prevent payment problems for clients.

Commercial loans

Commercial loans indicators

(in millions)	30 September 2014	30 June 2014	31 December 2013
Gross carrying amount	119,095	115,370	102,089
Forbearance ratio[1]		5.9%	6.3%
Past due but not impaired	1,822	2,354	2,386
Past due ratio	1.5%	2.0%	2.3%
Coverage ratio	60.7%	64.1%	64.2%
Impaired ratio	4.6%	4.5%	5.1%
Total risk mitigation	85,781	82,446	71,708
Total risk mitigation/Gross carrying amount	72.0%	71.5%	70.2%

1. ABN AMRO doesn't report forbearance figures in the first and third quarter of 2014.

The commercial loan portfolio increased with EUR 3.7 billion to EUR 119.1 billion at 30 September 2014 from EUR 115.4 billion at 30 June 2014. Main contributor to this increase was the growth in the ECT Clients portfolio.

Past due but not impaired exposure dropped with EUR 532 million in the third quarter and, as a result of this drop, the past due ratio declined to 1.5% at 30 September 2014, compared with 2.0% at 30 June 2014. The past due but not impaired exposure decreased mainy as a result of stricter monitoring of our clients.

Comparing the third quarter with the second quarter of this year, the impaired ratio remained fairly stable, where the coverage ratio decreased to 60.7% from 64.1%, driven by write-offs with in general higher provisioning levels.

Energy, Commodities & Transportation Clients

The ECT Clients portfolio continued to grow in the third quarter. The combined on- and off-balance sheet exposure grew by 34% annualised in the third quarter. Most of this growth is explained by the strong appreciation of the US dollar as the portfolio is mainly USD denominated. In line with previous quarters, growth was mainly realised outside the Netherlands, in both the energy and transportation sectors.

ECT Clients' total loan portfolio amounted to an equivalent of EUR 19.0 billion in on-balance sheet exposure at 30 September 2014 compared with EUR 17.4 billion at 30 June 2014 and EUR 16.2 billion at year-end 2013. The off-balance sheet exposure, mainly consisting of short-term letters of credit secured by commodities, guarantees and committed credit lines, grew to EUR 13.2 billion compared with EUR 12.2 billion at year-end 2013. Uncommitted commodity trade finance facilities increased to EUR 19.7 billion from EUR 16.7 billion at year-end 2013.

In terms of on-balance sheet composition over the different ECT sectors, the shares of energy and transportation increased slightly in the third quarter of this year. The commodities sector accounts for 51% of the ECT Clients loan portfolio, while the remainder consists of loans to clients in the transportation (32%) and energy (17%) sectors.

In the third quarter of 2014, impairment charges amounted to EUR 7 million compared with a release of EUR 3 million in the third quarter of 2013. Loan impairment charges year-to-date remained limited and increased to EUR 18 million for the first three quarters of 2014 compared with EUR 9 million in the first three quarters of 2013.

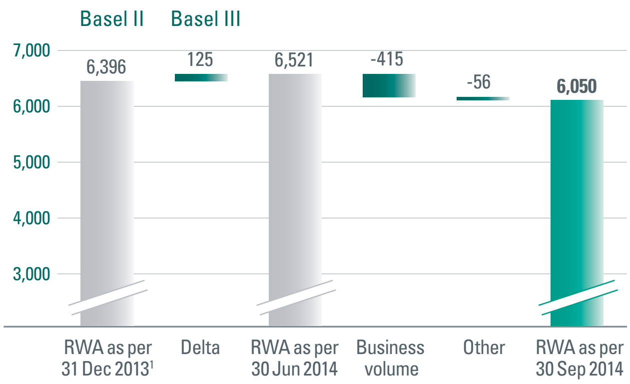
Market risk

Market risk in the trading book

ABN AMRO has limited exposures in the market risk trading book.

RWA flow statement market risk

(in millions)



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

RWA for market risk decreased slightly in the third quarter 2014 compared with the first half of 2014.

Internal aggregated diversified and undiverisified VaR for all trading positions

The following table shows the average, maximum and minimum Value-at-Risk (with a 99% confidence level and a one-day holding period) of our trading units for the specified periods.

	Q3 2014		Q3 2013		Q2 2014	
(in millions)	Diversified	Undiversified	Diversified	Undiversified	Diversified	Undiversified
VaR at last trading day of period	1.1	2.2	2.2	3.7	1.1	2.4
Highest VaR	1.6	2.8	3.2	4.3	2.1	3.4
Lowest VaR	0.8	1.7	1.2	2.0	1.0	2.1
Average VaR	1.0	2.0	2.0	3.2	1.3	2.6

The average VaR observed in the third quarter of 2014 compared with the same period in the previous year decreased by EUR 1 million. The decline was primarily driven by broad risk reduction across most asset classes, and more significantly for equity derivatives businesses due to the strategic decision to exit this business. Second-quarter to third-quarter VAR at last trading day of period was stable. The average VaR decreased by EUR 0.3 million, with an equivalent of 23%. The decrease was due to lower market volatility within one year of historical market data, used in the calculation during the third quarter of 2014.

Market risk in the banking book

ABN AMRO manages interest rate risk in the banking book in accordance with its moderate risk profile.

Interest rate risk metrics

	30 September 2014	30 June 2014	31 December 2013
NII-at-risk (in %)	2.4	1.5	5.4
Duration of equity (in years)	4.0	3.9	4.3
VaR banking book at last trading day of period[1] (in millions)	952	929	956

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

The NII-at-Risk increased at 30 September 2014 compared with 30 June 2014, reflecting higher net interest income sensitivity to a potential upward yield curve shift.
The increase in the NII sensitivity was mainly caused by re-pricing of client positions and other balance sheet developments. The sensitivity of the net interest income towards a further downward movement of the yield curve remains limited.

The duration the third quarter of 2014 remained fairly stable compared to the second quarter of this year.

Operational risk

No RWA impact has been noted for operational risk between 30 September 2014 and 30 June 2014.

capital management 8

ABN AMRO remains well capitalised and is already compliant with the more stringent fully-loaded Basel III requirements. Capital, and as a result capital ratios, increased due to the retention of reported profit. The bank comfortably passed the ECB stress test. The stress test results confirm that ABN AMRO is well capitalised and has sufficient buffers to absorb losses and economic shocks.

Capital structure

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

The Common Equity Tier 1 capital in Q3 2014 increased due to retained earnings.

In the first three quarters of 2014, Common Equity Tier 1 capital decreased due primarily to the impact of the new pension scheme, while Tier 1 and Tier 2 capital benefited from lower capital deductions following the implementation of CRD IV.

Regulatory capital structure

			Basel III	Basel II
(in millions)	30 September 2014	30 June 2014	31 December 2013 pro forma	31 December 2013
Total equity (IFRS)	**14,544**	**13,922**	**13,568**	**13,568**
Participations in financial institutions				- 336
Cash flow hedge reserve	1,174	1,283	1,467	1,467
Other regulatory adjustments	- 676	- 446	983	999
Common Equity Tier 1/Core Tier 1 capital	**15,043**	**14,758**	**16,018**	**15,698**
Innovative hybrid capital instruments	800	800	800	1,000
Other regulatory adjustments	- 279	- 212	- 317	
Tier 1 capital	**15,563**	**15,347**	**16,501**	**16,698**
Subordinated liabilities Tier 2	5,762	5,586	5,607	5,610
Excess Tier 1 capital recognised as Tier 2 Capital	200	200		
Participations in financial institutions				- 336
Other regulatory adjustments	- 56	- 63	- 164	25
Total regulatory capital	**21,469**	**21,070**	**21,944**	**21,997**

Risk-weighted assets and capital ratios

(in millions)	Basel III 30 September 2014	Basel III 30 June 2014	Basel III 31 December 2013 pro forma	Basel II 31 December 2013
Risk-weighted assets				
Credit risk	93,448	92,261	92,631	86,201
Operational risk	16,168	16,168	16,415	16,415
Market risk	6,050	6,521	6,396	6,396
Risk-weighted assets	**115,667**	**114,950**	**115,442**	**109,012**
Common Equity Tier 1 ratio/Core Tier 1 ratio	13.0%	12.8%	13.9%	14.4%
Tier 1 ratio	13.5%	13.4%	14.3%	15.3%
Total capital ratio	18.6%	18.3%	19.0%	20.2%
Other indicators				
Risk-weighted assets/Total assets	28.7%	29.0%	31.0%	29.3%
Risk-weighted assets/Exposure at Default	32.9%	32.5%	32.5%	31.2%

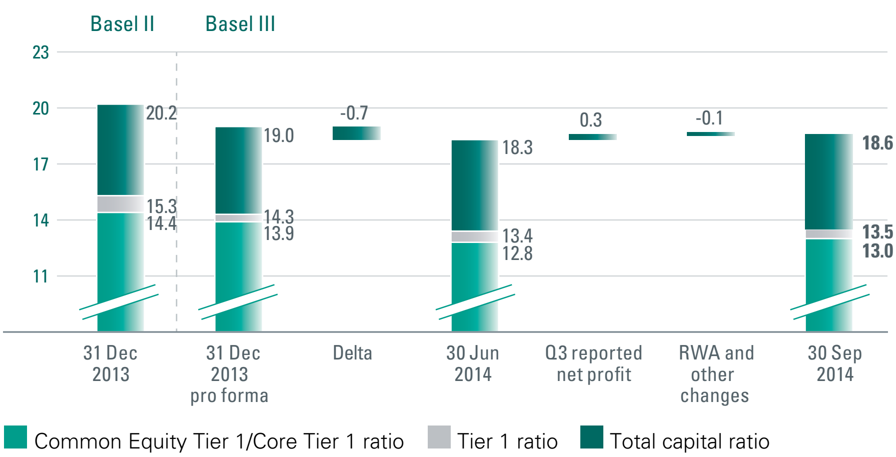
Main changes in capital position

The CRD IV Common Equity Tier 1 ratio improved to 13.0% on 30 September 2014 compared with 12.8% on 30 June 2014. The CRD IV Total capital ratio was 18.6%, up from 18.3%.

The rise in both the Common Equity Tier 1 ratio and the Total capital ratio was mainly attributable to the retention of reported profit, partly offset by a small increase in RWA.

Developments impacting capital ratios in Q3 2014

(in %)



Pension scheme change

In Q2 2014, the transition from a Defined Benefit (DB) pension scheme to a Collective Defined Contribution (CDC) pension scheme resulted in a negative impact on the CRD IV Common Equity Tier 1 of 167bps.

The settlement of the pension agreement largely eliminated future capital position volatility due to pensions.

Dividend

ABN AMRO intends to pay an interim dividend of EUR 125 million to the sole shareholder in November 2014.

Leverage ratio

Following the EBA definition, the leverage ratio was determined at 3.4% on 30 September 2014 and remained constant compared to the pro forma figure of 30 June 2014. The EBA definition takes unnetted amounts instead of the IFRS balance sheet.

The fully-loaded leverage ratio on 30 September 2014 remained 3.2% compared to 30 June 2014.

Main regulatory developments

CRD IV/CRR

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

Eligibility of capital instruments

(in millions)	30 September 2014	30 June 2014	31 December 2013
Tier 1 capital instruments	1,000	1,000	1,000
Tier 2 capital instruments	6,665	6,488	6,517
Total capital instruments	**7,665**	**7,488**	**7,517**
Of which: CRD IV/CRR phase-in eligible			
Tier 1	800	800	800
Tier 2	5,762	5,586	5,607
Excess Tier 1 capital recognised as Tier 2 Capital	200	200	
Of which: CRD IV/CRR fully-loaded eligible			
Tier 1			
Tier 2	5,570	5,399	2,654

In Q2, the Dutch central bank has assessed the CRR compliance of ABN AMRO 's capital instruments. The large majority of Tier 2 instruments are now recognised as fully CRR compliant, with a significantly positive impact on the fully-loaded total capital reported. Eligibility of capital instruments during Q3 2014 did not change materially (delta mainly caused by currency effect).

Impact of CRD IV/CRR fully loaded rules on capital ratios

Under the CRD IV/CRR fully-loaded rules, the impact on the capital ratios is as follows:

- RWA are equivalent to those under phase-in rules;
- Total capital is expected to decrease by an additional EUR 1.0 billion, mainly due to the loss of eligibility of Tier 1 and Tier 2 capital instruments, resulting in an additional decline in the total capital ratio by 0.9%.

CRD IV/CRR capital ratios

(in millions)	Phase-in	Fully-loaded
30 September 2014		
Risk-weighted assets	115,667	115,667
Common Equity Tier 1	15,043	14,911
Tier 1 capital	15,563	14,911
Total capital	21,469	20,481
Common Equity Tier 1 ratio	13.0%	12.9%
Tier 1 ratio	13.5%	12.9%
Total capital ratio	18.6%	17.7%

liquidity & funding 9

ABN AMRO 's liquidity position remains sound. All liquidity indicators were stable or improved during Q3 2014, in line with the pursued moderate risk profile. During Q3 2014, both the Liquidity Coverage Ratio and the Net Stable Funding Ratio remained comfortably above 100% and the survival period consistently exceeded 12 months. On the funding side, client deposits further increased, while wholesale funding decreased.

Liquidity risk management

Liquidity indicators

	30 September 2014	30 June 2014	31 December 2013
Loan-to-deposit ratio (in %)	117%	119%	121%
LCR ratio (in %)	>100%	>100%	100%
NSFR ratio (in %)	>100%	>100%	>100%
Survival period (months)	>12 months	>12 months	>12 months
Available Liquidity buffer (in billions)	69.3	70.4	75.9

In Q3 2014, the loan-to-deposit ratio improved from 119% to 117%. The increase in deposits from clients was partially offset by the rise in commercial loans.

Loan-to-Deposit ratio

(in millions)	30 September 2014	30 June 2014	31 December 2013
Loans and receivables - customers	285,391	281,393	268,147
Net adjustments	- 25,649	- 24,854	- 10,335
Adjusted loans and receivables - customers	**259,742**	**256,538**	**257,812**
Due to customers	239,526	232,190	215,643
Net adjustments	- 18,401	- 16,659	- 1,947
Adjusted due to customers	**221,125**	**215,531**	**213,696**
Loan-to-deposit ratio (%)	**117%**	**119%**	**121%**

The (BIS) Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) both remained comfortably above 100% in Q3 2014. This is in line with our target for early compliance with future regulatory requirements.

The survival period was consistently >12 months in Q3 2014. The survival period reflects the horizon to which the Group's liquidity position is expected to remain positive in a scenario in which wholesale funding markets close down and retail and commercial clients withdraw a proportion of their deposits.

The liquidity buffer totalled EUR 69.3 billion in Q3 2014. A liquidity buffer of unencumbered assets is retained as a safety cushion in the event of severe liquidity stress. The decline in the liquidity buffer was the result of a combination of a lower cash position and a reduction in retained RMBS. The portfolio of government bonds was increased by EUR 5.2 billion in order to optimise the risk-return profile of the liquidity buffer.

Liquidity buffer composition

	30 September 2014		30 June 2014		31 December 2013	
(in billions)	Liquidity buffer	of which LCR eligible	Liquidity buffer	of which LCR eligible	Liquidity buffer	of which LCR eligible
Cash & central bank deposits	2.6	2.6	4.0	4.0	16.8	16.8
Government bonds	28.1	29.4	22.9	24.1	18.0	18.8
Covered bonds	2.2	2.0	2.2	1.9	2.2	1.9
Retained RMBS	30.4		32.6		33.1	
Third party RMBS	1.0	0.8	1.0	0.9	1.1	0.9
Other	5.0	2.6	7.6	4.1	4.7	2.7
Total liquidity buffer	**69.3**	**37.4**	**70.4**	**35.0**	**75.9**	**41.1**
- of which in EUR (in %)	*91.8%*		*94.0%*		*96.0%*	
- of which in other currencies (in %)	*8.2%*		*6.0%*		*4.0%*	

Funding

ABN AMRO's funding strategy aims to maintain the targeted long-term funding position and liquidity profile. To this end, the bank continuously optimises and diversifies the bank's funding sources, while also optimising net interest income. One of the key focus points of the funding strategy is compliance with current and anticipated regulatory requirements.

In the third quarter of 2014, funding spreads for most financial institutions further decreased as there appeared to be excess demand for fixed income instruments. On top of that, the European Central Bank provided EUR 82.6 billion extra liquidity to the markets in the first round of eight Targeted Long-Term Refinancing Operations, a programme that supports lending to the real economy. ABN AMRO participated in this programme and as a consequence reduced further funding activities in the wholesale market. Furthermore, the short term-funding program was decreased significantly by EUR 5 billion.

Liability breakdown

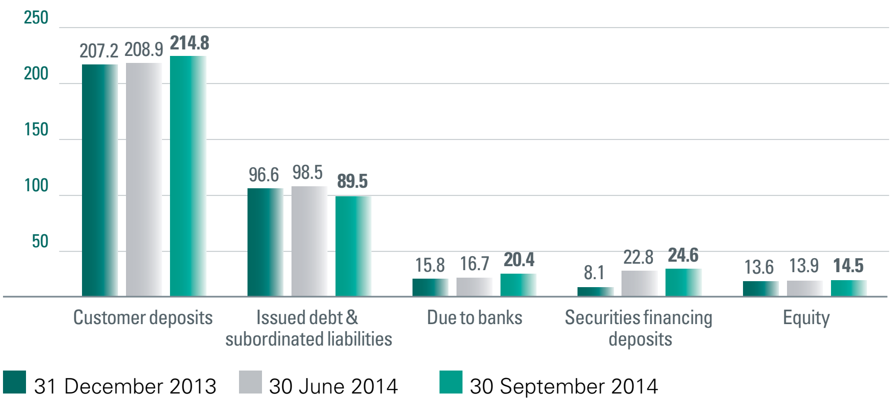
Client deposits comprise a sound and core funding base and serve as the main source of funding, complemented by well-diversified wholesale funding. Client deposits increased by EUR 5.8 bn in Q3 2014 to EUR 214.8 billion.

The amount of outstanding wholesale funding (issued debt and subordinated liabilities) decreased from EUR 98.5 billion in Q2 2014 to EUR 89.5 billion in Q3 2014. This decrease mainly resulted from the reduction of our reliance to short-term funding in order to further enhance our liquidity profile.

In the first three quarters of 2014, customer deposits grew by EUR 7.5 billion, while wholesale funding decreased by EUR 7.1 billion.

The following graph provides an overview of the balance sheet liabilities as at 30 September 2014, 30 June 2014 and 31 December 2013.

Liability and equity breakdown
(in billions)



In Q3 2014, EUR 4.4 billion of long-term debt matured. The amount of long-term funding issued during Q3 2014 was negligible.

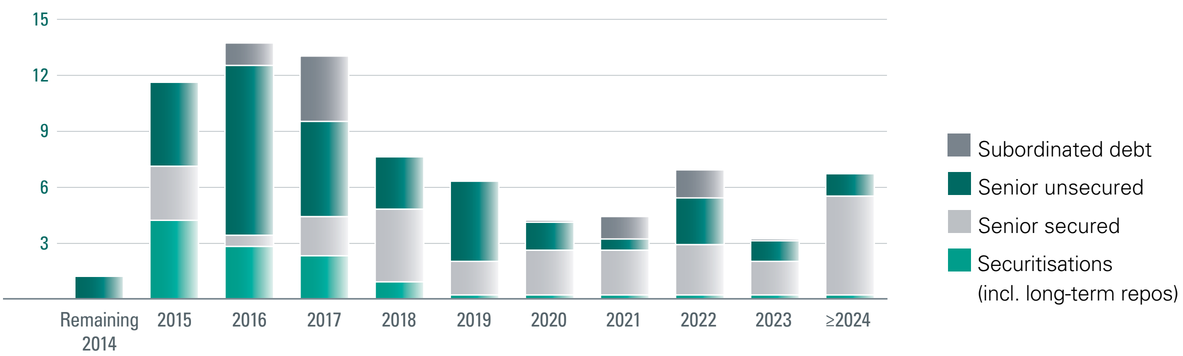
In the first three quarters of 2014, a total of EUR 12.9 billion of long-term debt matured and a total of EUR 8.6 billion of long-term funding was issued, 31% of which in non-euro currencies.

Overview of funding instruments

(in millions)	30 September 2014	30 June 2014	31 December 2013
Saving certificates	85	279	352
Commercial Paper/Certificates of Deposit			
Euro Commercial Paper	1,747	3,668	2,054
London Certificates of Deposit	2,315	4,371	5,258
French Certificats de Dépôt	3,169	4,497	4,668
US Commercial Paper	3,932	3,641	3,630
Total Commercial Paper/Certificates of Deposit	**11,162**	**16,177**	**15,610**
Senior guaranteed			
Dutch State guaranteed medium-term notes[1]			1,423
Senior unsecured			
Unsecured medium-term notes	33,179	35,348	33,089
Senior secured			
Covered bonds	26,714	28,452	25,913
Securitisations[2]			
Residential mortgage-backed securities (Dutch)	10,003	10,046	12,122
Other asset-backed securities	171	171	173
Total securitisations	**10,174**	**10,217**	**12,295**
Total issued debt	**81,314**	**90,473**	**88,682**
Total subordinated liabilities	**8,164**	**7,984**	**7,917**
Total funding instruments	**89,478**	**98,457**	**96,599**
- of which CP/CD matures within one year	*7,229*	*16,177*	*15,610*
- of which funding instruments (excl. CP/CD) matures within one year	*11,049*	*13,607*	*15,202*
- of which matures after one year	*71,200*	*68,673*	*65,787*

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

Maturity calendar at 30 September 2014
(in billions)



The average original maturity of funding issued in 2014 was 5.5 years. The average maturity of outstanding long-term funding (including subordinated liabilities) remained stable at 4.5 years in Q3 2014.

other

enquiries 11

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Investor call

Kees van Dijkhuizen, CFO, and Wietze Reehoorn, CRO & Head of Strategy & Corporate Development, will host a conference call for analysts and investors at 14:00 CET (13:00 UK time) on Friday 14 November 2014.

To participate in the conference call, please refer to the Investor Relations website (www.abnamro.com/ir) for dial-in information. Pre-registration is required. The investor presentation, as published on our site, will be used during the call. The audio replay is expected to be available within a few business days of the call.

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

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