Coöperatieve Rabobank U.A.

Full Rating Report

Ratings

Coöperatieve Rabobank U.A.

Foreign Currency	
Long-Term IDR	AA-
Short-Term IDR	F1+
Viability Rating	a+
Support Rating	5
Support Rating Floor	NF
Sovereign Risk	
Long-Term Foreign-Currency IDR	AAA
Long-Term Local-Currency IDR	AAA

Outlooks

Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Financial Data

Coöperatieve Rabobank U.A.

	31 Dec 16	31 Dec 15
Total assets (USDm)	698,422	729,856
Total assets (EURm)	662,593	670,373
Total equity (EURm)	32,294	32,147
Published net income (EURm)	2,024	2,214
Operating profit/risk weighted assets (%)	1.7	1.5
Operating ROAE (%)	11.5	9.8
Fitch Core Capital/ weighted risks (%)	14.1	13.7
Tangible equity/tangible assets (%)	4.6	4.4
Common equity Tier 1 ratio (fully loaded) (%)	13.5	12.0
Non-performing loans/gross loans (%)	4.2	4.4

Related Research

Cooperatieve Rabobank U.A. - Ratings Navigator (March 2017)

2017 Outlook: Major Benelux Banks (December 2016)

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Key Rating Drivers

Strong Standalone Strength: Coöperatieve Rabobank U.A.'s Viability Rating (VR) is underpinned by its modest risk appetite, which Fitch Ratings believes will remain central to the bank's strategy. The rating is also supported by the bank's market-leading position in Dutch retail banking, complemented by a solid franchise in the global food and agriculture sectors. The rating factors in the expectation that Rabobank's capitalisation will continue to improve and that the bank will maintain prudent liquidity and diversified funding.

Conservative Underwriting Standards: Asset quality is in line with domestic peers, with the stock of non-performing loans continuing to decrease. The bank still has notable exposure to commercial real estate, which is of weaker quality. The reserve coverage of just over 40% is relatively low but acceptable in light of a high share of well-collateralised loans. Rabobank's large residential mortgage loan portfolio, which represents just below half of total loans, has proved more resilient through the cycle than domestic peers'.

Low but Improving Profitability: Fitch expects underlying profitability to continue to improve, helped by lower loan impairment charges, cost-cutting measures and a strengthened focus on core activities. Profitability is still weaker than similarly rated peers because of Rabobank's high cost base.

Improving Capitalisation: Rabobank's capitalisation is solid and continues to improve. At end-2016, the pro forma fully loaded common equity Tier 1 (CET1) ratio was 14.3% (including Rabobank Certificates issued in January 2017). Unreserved non-performing loans represented about 35% of Fitch-adjusted equity (including the newly issued Rabobank Certificates), a higher level than similarly rated peers. This should improve as the stock of non-performing loans continues to decrease.

Reliance on Wholesale Funding: Rabobank is structurally reliant on wholesale funding, making it sensitive to investor confidence. However, the bank has sound access to the debt market, its liquidity buffer is ample and liquidity management is prudent.

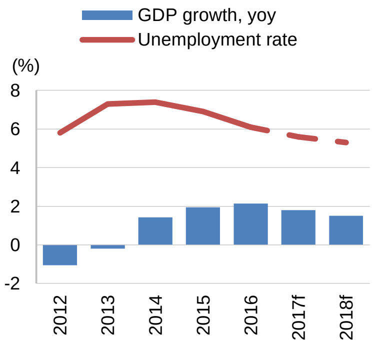
IDR Notched Above VR: Rabobank's Long-Term Issuer Default Rating (IDR) and senior debt ratings are one notch above the VR because Fitch believes the risk of default on senior obligations is lower than the risk of the group failing. This results from the large buffer of qualifying junior debt, which could be made available to protect senior obligations from default in case of failure, either under a resolution process or as part of private-sector action to avoid resolution.

Rating Sensitivities

Setbacks in Improvements: Rabobank's VR is sensitive to material setbacks in the improving trend in the bank's structural profitability or a failure to reduce the ratio of unreserved non-performing loans to capital. A reduced focus on maintaining a high liquidity buffer would put pressure on the ratings, due to the reliance on wholesale funding. The rating is also sensitive to investor sentiment turning against it. An upgrade is unlikely given its already high level.

Lower Junior Debt Buffer: The qualifying junior debt buffer amounted to about 11.9% of risk exposure amount at end-2016. Fitch believes that the buffer would need to be at a minimum of 10% of weighted risks to maintain the one-notch uplift from the VR.

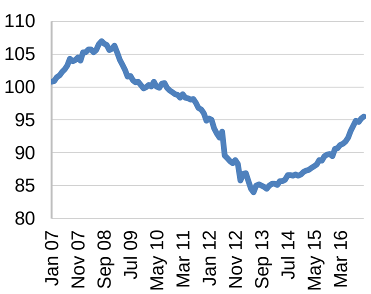
Dutch Economy



Source: Fitch

Dutch House Price Index

December 2006 = 100



Source: CBS

Related Criteria

Global Bank Rating Criteria (November 2016)

Operating Environment

'AAA'-Rated Dutch Sovereign; Improving Economic Conditions

Rabobank predominantly operates in the Netherlands and its performance is linked to the performance of the Dutch economy. The Netherlands maintained its 'AAA' rating throughout the global financial crisis and Fitch recently affirmed the rating with a Stable Outlook. The country's flexible, diversified, high value-added and competitive economy benefits from strong domestic institutions, a record of sound budgetary management, and historically broad public and political consensus in support of fiscal discipline.

The Dutch banking sector is concentrated, with the aggregate market shares of the three largest banks – Rabobank, ABN AMRO Bank N.V. (A+/Stable/a) and ING Bank N.V. (A+/Stable/a+) – amounting to 70%-75% in retail banking and up to 85% in SME. Barriers to entry are high given the dominant franchises of the leading players and the niche positions of the second-tier banks. Financial markets are advanced, sophisticated and well-known to investors worldwide. Dutch banks use wholesale funding to varying degrees, including securitisation (RMBS). The mortgage loan market is dominated by banks, but non-bank financial institutions, mostly insurance companies, have recently become more active in issuing mortgage loans and increased competition on longer fixed periods (10+ years) puts pressure on lending rates.

The Dutch banking regulatory environment is developed and transparent. DNB, the Dutch central bank, is the regulator for all Dutch financial institutions including insurance companies and pension funds. Major Dutch banks, including Rabobank, are also directly supervised by the ECB, which sets their minimum capital requirements. DNB conducts stress tests on these banks and implements local capital add-ons.

The EU's Bank Recovery and Resolution Directive (BRRD) was implemented into national law in November 2015 and Dutch banks will be subject to minimum requirements for own funds and eligible liabilities available for bail in (MREL). We do not expect the Dutch banks to start issuing non-preferred senior notes until late 2018, at the earliest, as this will require changes to the legal framework. Among the Dutch banks, only ING Bank qualifies as a global systemically important bank and will be subject to total loss absorbing capacity (TLAC) requirements. However, DNB has signalled that it is willing to impose similar requirements on its domestic systemically important banks, which includes Rabobank, although it has not indicated a timeline for this.

Company Profile

Strong in Domestic Retail Banking

Rabobank has a strong franchise in its main markets: the Dutch retail and SME segments, and the food and agriculture (F&A) sector globally. It has leading Dutch market shares in household savings (about 35%), residential mortgage loans (about 20%), SME lending (about 40%) and agricultural lending (about 85%). Rabobank's two main domestic competitors, ABN AMRO Bank and ING Bank, have market shares of about 20%-25% depending on product. Rabobank's business model is largely geared towards traditional retail and commercial banking.

Food and Agriculture Financing Abroad

Rabobank aims to be a leading international financer of F&A, as it is an area where it has a longstanding expertise. It focuses on countries where the industry is significant, such as Australia, Brazil, New Zealand and the US.

Simplified Cooperative Structure

Until 1 January 2016, the Rabobank Group was not a legal entity but a cooperative organisation whose core structure comprised 106 local cooperative banks. These banks owned

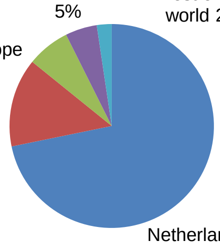
Strategic Targets 2016-2020

(%)	Target	End-2016[a]
Return on invested capital	>8	5.2
Cost/income	53-54	70.9
Common equity Tier 1 ratio	>14	14.0
Total capital ratio	>25	25.0
Wholesale funding	<150bn	189bn

[a] As calculated by Rabobank
Source: Rabobank

Private Sector Lending

By country, end-2016 (EUR425bn)



Source: Rabobank, Fitch

Cooperatieve Centrale Raiffeisen-Boerenleenbank BA (Rabobank Nederland), the central institution, which, among other things, managed the group's liquidity and served as the issuing vehicle. There was a mutual support mechanism between the local banks, the central organisation and the large operating subsidiaries.

At the start of 2016, the local banks were merged into the central institution, meaning that the group (excluding subsidiaries) now operates under one banking licence. Fitch used to base its analysis of Rabobank's creditworthiness on consolidated figures for the group so the ratings were not affected by the structural change. Rabobank Nederland has been renamed Coöperatieve Rabobank U.A.

Management and Strategy

Fitch believes Rabobank's management has a high degree of depth and experience. Management turnover has been significant, but manageable. The settlement of the Libor and Euribor investigations in 2013 led to the resignation of the group's chief executive, and a replacement started in 2014. Subsequently the bank split the chief financial and risk officer role into separate chief financial officer (CFO) and chief risk officer (CRO) positions. The new CFO and CRO started in January and April 2016, respectively, having previously performed the same roles at ING Nederland and NIBC Bank N.V.

Corporate governance is generally effective across the group. Rabobank mostly complies with the Dutch corporate governance code, although as a non-listed cooperative it is not obliged to do so. In Fitch's view, quality and transparency of public financial information is not as strong as at other highly rated peers, although it has recently improved.

Rabobank's strategy is consistent, well-articulated and reflects long-term goals. In recent years, the bank refocused on its core products and segments. To deliver on its new targets and support capitalisation (in particular in light of potential new capital requirements), the bank is considering significantly shrinking its balance sheet, the extend of which will depend on the final capital requirements. Management has to prove its ability to deliver on the targets, but execution has been good. The merger of the cooperative banks appears to have been managed well.

Risk Appetite

Conservative Underwriting Standards

Rabobank has a low-to-moderate risk appetite and its refocused strategy has put an even greater emphasis on a prudent approach to risk-taking. Risk controls have been essentially centralised and merging into one bank has strengthened this. Underwriting standards are generally low risk and more stringent than industry practice, as demonstrated by a lower loan/value (LTV) average in the bank's residential mortgage loan book. Exposure to commercial real estate (CRE) is high, albeit reducing, at 74% of equity at end-2016 and includes property development and land financing. Fitch expects tail risk to be limited following substantial loan impairment charges in 2013 and 2014, and given the domestic economic recovery.

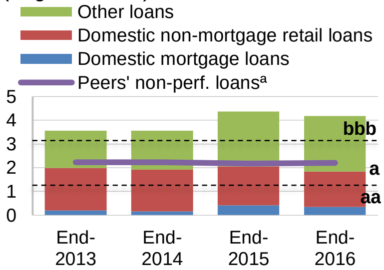
Loan growth has been low in recent years. The bank will continue to lend to its core customers in the Netherlands and in the F&A sector, but it is also contemplating reducing its balance sheet to strengthen capitalisation through sales of assets in non-core businesses or through sales of loan portfolios, such as Dutch mortgage or SME loans.

Modest Market Risk

Rabobank is exposed to structural interest-rate risk in its banking book and to a range of market risks from its customer-driven trading activities. Rabobank measures market risk from trading activities daily using value at risk (VaR), which is calculated using a 97.5% confidence interval and a one-day holding period. The bank's limit is EUR40 million and the highest VaR

Non-Performing Loans

(% gross loans)



[a] Peer average includes Rabobank (VR: 'a+'), ING Bank (a+), ABN AMRO Bank (a), Skandinaviska Enskilda Banken (aa-) and Swedbank (aa-)
From end-2015, gross non performing loans, before that gross impaired loans for Rabobank
Source: Banks, Fitch

Note on Charts

Black dashed lines in the Asset Quality chart and further in the report represent indicative quantitative ranges and corresponding implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'aa' category.

recorded in 2016 was EUR6.9 million (average: EUR4.4 million).

Structural interest-rate risk is essentially hedged through derivatives, and the bank monitors both equity and earnings at risk from changes in the level of interest rates. For earnings at risk the bank currently looks at a 10bp parallel shift, with an interest rate floor of -0.5%. Rabobank's net interest income is exposed to a fall in interest rates, and a 10bp downward shift in the yield curve would have reduced net interest income by EUR82 million at end-2016. The bank's equity is sensitive to an upward shift in the yield curve and a 100bp parallel increase would have reduced equity by 1.4% at end-2016. The bank hedges almost all its currency risk.

The most significant equity investment is the 29% stake in Achmea, the Netherlands' leading insurance company.

Financial Profile

Overall Adequate Asset Quality

Wide Discrepancy Across Asset Classes

Rabobank's customer loan book represents about two-thirds of the bank's total assets. The loan book is predominantly geared to the Netherlands (about three quarters). The foreign operations are mostly in (rural) retail and F&A segments. F&A was the highest corporate sector exposure with just under a quarter of the total loan book at end-2016, but concentration is mitigated by large subsector and geography diversification. Rabobank's underlying asset quality is good, underpinned by a large proportion of low-risk mortgage loans, while the quality of CRE and SME lending is significantly weaker.

High Unreserved Non-Performing Loans

There have been several technical aspects affecting reported asset-quality metrics. A new write-off policy for 2014 and 2013 meant Rabobank added back fully reserved loans that had been written off. In addition, from end-June 2015 the group has disclosed non-performing loans instead of impaired loans (non-performing loans include those that are 90-days past due and those where it is likely that the borrower will not repay).

Fitch expects the stock of non-performing loans to gradually decline, supported by the recovering Dutch economy, but Rabobank's reported asset-quality metrics still compare unfavourably with peers'. The overall reserve coverage (40% at end-2016) takes into account a high level of collateral backing loans. However, this leaves equity exposed to unreserved non-performing loans (34% at end-2016), making the bank vulnerable to a deterioration in collateral values.

Healthy and Resilient Residential Mortgage Lending

Almost half of Rabobank's customer loans are mortgage loans. This book has remained resilient and the underlying quality appears strong compared to those of domestic peers, reflecting the bank's more prudent underwriting policy and presence in more rural areas.

The share of mortgage loans with an indexed LTV ratio above 100% declined in 2016 due to improving property prices combined with increased prepayments and we expect the trend to continue, albeit slowly. High LTV ratios are typical of the Dutch mortgage loan market as a result of tax incentives.

Dutch Mortgage Lending

(%)	Rabobank End- 2016	Rabobank End-2015	Dutch banks average[a] End-2015
Average LTV	69	73	78
NHG[b]-guaranteed loans/total loans	21	21	23[c]
Interest-only/total loans	23	24	24[d]
Loans with LTV>100%/total loans	11	19	16[c]
LICs/average gross loans	0.5bp	14bp	6bp
Impaired (%)	0.8	0.9	1.3
Reserve coverage (of impaired) (%)	15	17	17
RWA density (%)			14

[a] Rabobank, ING Bank (VR: a), ABN AMRO (a) and SNS Bank (bbb)
[b] Dutch Mortgage Guarantee
[c] Not available for ING Bank
[d] Not available for ING Bank and SNS Bank
Source: Banks, Fitch

Good-Quality F&A Lending

F&A represents just below 25% of the loan book, of which about two-thirds are granted abroad. The portfolio appears fairly well diversified by sub-sector. Abroad, Rabobank lends to F&A corporates and traders, and finances large-scale industrialised farms, mainly in Australia, New Zealand and the US, with some exposures in Latin America. This industry is typically vulnerable to adverse weather but risks can be mitigated by lender expertise and diversification, which is the case for Rabobank.

The Dutch non-F&A corporate/SME loans make up a little over 10% of loans. Dutch SMEs were affected by a prolonged economic recession. We believe the level of impaired loans to be more significant in this portfolio, but for the bottom to have been reached and for the quality to continue to slowly recover in 2017.

Poor-Quality Exposure to the CRE Sector

A highly cyclical industry, CRE in the Netherlands was hit by the economic recession, in conjunction with structural factors, such as increased home-office use and online shopping. An abundant supply and contracting demand resulted in a fall in commercial property prices, while refinancing proved scarce as banks cut their exposures to the sector. Brighter economic conditions provide some upside, but old assets in non-prime locations are unlikely to experience any recovery.

Rabobank is active through various channels in CRE financing and this represented 6% of the loan book at end-2016. CRE loans have experienced severe stress and clean-up since 2013, notably the land exposures. The portfolio required unexpectedly high additional loan impairment charges (LICs) in 2014 (more than EUR900 million, or 330bp), but LICs have reduced considerable since, and the bank reported net recoveries in 2016. CRE lending is being actively scaled down, reducing by 15% in 2016.

Loan Quality

	End-2016					End-2015			
	Share in the loan book (%)	Loan Exposure Change in 2016 (%)	Non-performing (%)	Reserve coverage[a] (%)	Impairment charge[b] (bps)	Share in the loan book (%)	Non-performing (%)	Reserve coverage[a] (%)	Impairment charge (bps)
Domestic retail	65	-2	3	40	1	66	3	43	12
of which mortgage loans	*46*	*-3*	*1*	*15*	*5*	*47*	*1*	*17*	*14*
Wholesale and international retail	25	6	6	48	25	23	6	53	54
Leasing	8	-2	2	55	33	8	2	51	27
Real estate	3	-26	30	26	-56	4	26	29	56
Total	100	-1	4	41	7	100	5	44	24
Memo: Total CRE	**6**	**-15**	**19**	**32**	**-11**	**6**	**20**	**35**	**16**

[a] Based on non-performing loans
[b] Loan impairment charge / average gross loans
Source: Rabobank, Fitch

Other Earning Assets Are Healthy

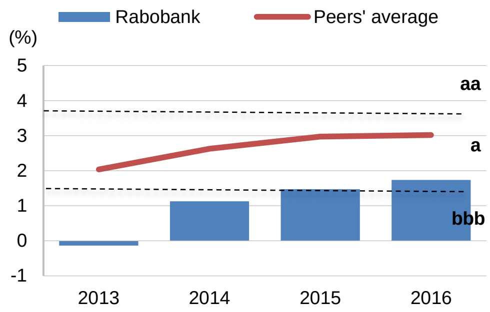
Rabobank's EUR35 billion of available for sale securities at end-2016 (5% of assets) is mostly in the form of sovereign bonds, mainly high-quality instruments eligible as level 1 assets in the liquidity coverage ratio (LCR) calculation (about half is Dutch). Reflecting its conservative liquidity management, cash and central bank placements, all level 1 LCR eligible, amounted to EUR75 billion at end-2016 (the central bank placements were mainly to the DNB, the Bank of England, the Swiss National Bank and the U.S. Federal Reserve Bank).

Earnings and Profitability

Low Structural Profitability Being Addressed

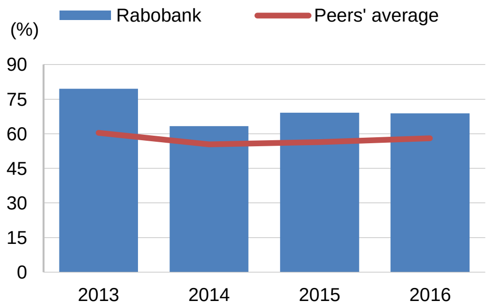
Rabobank's profitability has improved in recent years, largely as a result of lower loan impairment charges, but it remains weaker than peers due to its high cost base. Fitch expects the gap to reduce and structural profitability to improve through the announced reduction of its workforce by 12,000 between 2015 and 2018 (5,200 achieved in 2016), representing about 20% of end-2015 staff. The bank expects to generate additional EUR2.1 billion in profit by 2019 (compared with 2014, including both cost savings and increased income, excluding any impact from balance sheet reduction) and targets a cost/income ratio of 53%-54% by 2020 (including regulatory levies), which would be in line with similarly rated peers. We expect the bank to meet its cost target, while revenues will depend on moves in interest rates.

Operating Profit/RWAs



Source: Banks, Fitch

Cost/Income



Source: Banks, Fitch

Rabobank's operating income is dominated by net interest income, which generates about three-quarters of revenue, a reflection of the bank's traditional banking activities. This leaves its revenue generation reliant on maintaining a good net interest margin (NIM) and an appropriate management of global interest-rate risk. Rabobank's NIM is satisfactory (151bp in 2016, according to Fitch's calculations), especially when considering its large holdings of low-yielding liquid assets. Non-interest income has remained stable, reflecting Rabobank's focus on retail and commercial banking, with transactional business a limited part of its core activities.

Underlying cost efficiency remains weaker than at its peers. Restructuring programmes should help streamline costs further in the long term despite the additional expense impact over the short term (the bank reported EUR515 million of exceptional restructuring costs in 2016).

Domestic retail banking is the largest contributor to operating profit, generating about half of operating profits reported by the business segments (excluding "other operations", which includes fair value movements on structured notes issued by the bank, consolidation effects and non-recurring items, the latter of which were significant in 2016). Between 20% and 25% is generated by the wholesale and international retail business line, mainly large corporates and F&A. The leasing and real-estate segments make smaller but still meaningful contributions to the bottom line.

Capitalisation and Leverage

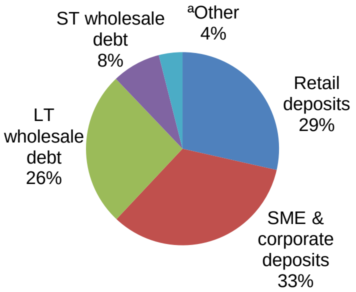
Solid and Improving Capitalisation

Rabobank's fully loaded CET1 ratio improved to 13.5% at end-2016 (end-2015: 12.0%). Following issuance of EUR1.5 billion of Rabobank Certificates in January 2017, the pro forma end-2016 fully loaded CET1 ratio was 14.3%. Based on Fitch core capital, we still view the bank's capitalisation as weaker than similarly rated peers, in particular when considering its elevated exposure to unreserved non-performing loans (about 35% of equity at end-2016 adjusted for the newly issued Rabobank Certificates), but we expect the positive trend to be maintained.

To further strengthen its balance-sheet flexibility and to meet potential new capital requirements, Rabobank is also considering reducing its balance sheet significantly. In 2016, the bank sold some mortgage loan portfolios as well as a car leasing subsidiary, and some further portfolio sales are possible in 2017. The bank targets a minimum CET1 ratio of 14% by 2020. The Basel III leverage ratio was 5.5% on a phased-in, and 4.6% on a fully loaded, basis at end-2016.

Funding Structure

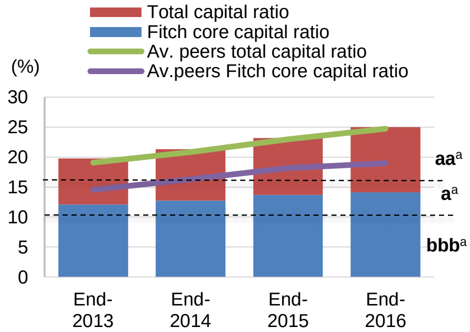
End-2016



[a] Includes interbank funding and repos

Source: Rabobank, Fitch

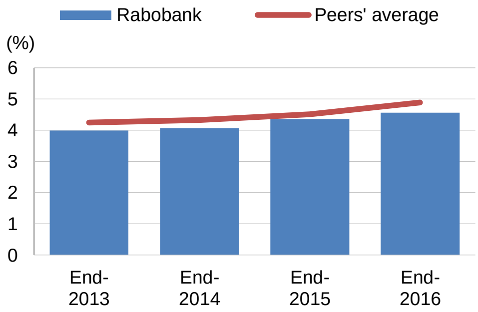
Risk-Weighted Capital Ratios



[a] Benchmark score for the FCC ratio

Source: Banks, Fitch

Tangible Equity/Tangible Assets



Source: Banks, Fitch

Large Buffer of Junior Debt Supports IDR Above VR

Rabobank's Long-Term IDR and senior debt ratings are one notch above the bank's VR because Fitch believes the risk of default on senior obligations, as measured by the Long-Term IDR, is lower than the risk of the bank failing, as measured by its VR. The one-notch uplift reflects the bank's significant qualifying junior debt buffer, which could be made available to protect senior obligations from default in case of failure, either under a resolution process or as part of a private-sector action (ie distressed debt exchange) to avoid resolution.

Without such a private-sector solution, we would expect a resolution action to be taken on Rabobank when it breaches minimum capital requirements, and we have assumed that the intervention point would be around the bank's current minimum CET1 requirement of 6.25% (Pillar 1 and Pillar 2 – excluding the capital conservation (CCB) and the domestic systemic importance (DSIFI) buffers). We further assume Rabobank would need to meet its total minimum capital requirements immediately after a resolution action, which on a fully loaded basis, including the CCB and DSIFI buffers, amounts to 15.25% of total risk exposure amount (REA). Taking into account additional undisclosed Pillar 2 guidance and a potential risk-weight increase in a stress scenario, a qualifying junior debt buffer of 10% of REA would most likely be sufficient to restore the group's viability without hitting senior credits.

At end-2016, the qualifying junior debt buffer was 11.9% of REA. Fitch has also assumed that the bank will maintain a sufficient buffer, given its stated targets of CET1 and total capital ratios of at least 14% and at least 25% by 2020.

Funding and Liquidity

Funding Reliance on Debt Capital Markets; Sound Access

A structural feature of the Dutch banking system is the shortage of deposits to fund lending because loan books are large (the tax deductibility of mortgage loan interest payments encouraged little amortisation, although this is changing) and the pension system steers individuals' savings to pension funds. Customer deposits are Rabobank's main source of funding and the bank has a strong franchise in the Netherlands. It is roughly equally split between individuals' and corporates' deposits.

The bank also gathers retail deposits abroad through virtual channels under the "Rabo Direct" brand (we believe it represents about 10% of customer deposits). However, it remains structurally reliant on the confidence-sensitive debt capital markets. The targeted balance-sheet reduction will lead to lower wholesale funding requirements.

The bank is an active issuer in the capital markets and regularly taps a large global investor base in various currencies. It makes limited use of secured funding, although it plans to start issuing covered bonds in 2017, and its assets encumbrance is low (8% at end-2016). Rabobank also retains a sizeable amount of RMBS for liquidity purposes.

Prudent Liquidity Mitigates Refinancing Risk

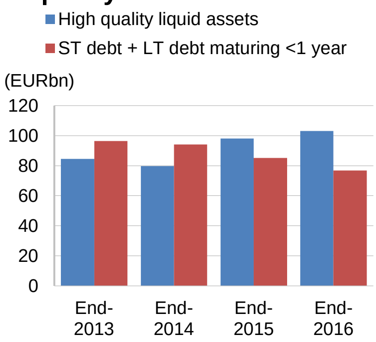
Liquid assets (EUR103 billion at end-2016; EUR141 billion including retained RMBS) are of high quality, mainly cash with central banks and highly rated sovereign debt. This covered short-term debt (EUR46 billion at end-2016) and long-term debt maturing within a year (about EUR26 billion) at end-2016 and mitigates refinancing risk arising from reliance on wholesale funding. Rabobank's liquidity coverage ratio was 130% at end-2016.

The bank maintains its target to reduce wholesale funding usage to EUR150 billion (end-2016: EUR189 billion), in line with the balance-sheet reduction. The bank's net stable funding ratio was 119% at end-2016. Rabobank has consistently managed liquidity prudently and any material setback in liquidity management would put negative pressure on the ratings.

Support

In Fitch's view, legislative, regulatory and policy initiatives – including the implementation of the BRRD – have substantially reduced the likelihood of sovereign support for EU commercial banks in general. The bank's Support Rating of '5' and Support Rating Floor of 'No Floor' imply that, despite Rabobank's systemic importance, it is likely that senior creditors will be required to participate in losses, if necessary, instead of or ahead of the bank receiving sovereign support. Although possible, sovereign support cannot be relied upon.

Liquidity Buffer



Source: Rabobank, Fitch

Debt Ratings

Rabobank's senior unsecured debt is rated in line with its IDR. Subordinated debt and hybrid securities issued by Rabobank are notched off Rabobank's VR. In accordance with Fitch's criteria, subordinated (lower Tier 2) debt is rated one notch below Rabobank's VR to reflect the above-average loss severity of this type of debt compared with average recoveries.

The non-innovative old-style Tier 1 securities and preferred stock are rated four notches below Rabobank's VR to reflect the higher loss severity risk of these securities compared with average recoveries (two notches from the VR) and the high risk of non-performance (an additional two notches).

The perpetual non-cumulative capital securities and the additional Tier 1 capital notes are rated five notches below Rabobank's VR. Two notches represent the potentially high loss severity associated with the deeply subordinated securities. The other three notches represent Fitch's assessment of the incremental non-performance risk of the securities taking into account their fully discretionary coupon payments, which Fitch considers the most easily triggered form of loss absorption.

Cooperatieve Rabobank U.A.
Income Statement

	31 Dec 2016			31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Year End USDm Audited - Unqualified	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets
1. Interest Income on Loans	17,083.4	16,207.0	2.88	17,271.0	2.95	18,168.0	2.95	19,153.0	3.20
2. Other Interest Income	243.5	231.0	0.04	322.0	0.06	470.0	0.08	554.0	0.09
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	**17,326.9**	**16,438.0**	**2.93**	**17,593.0**	**3.01**	**18,638.0**	**3.02**	**19,707.0**	**3.30**
5. Interest Expense on Customer Deposits	2,577.2	2,445.0	0.44	3,033.0	0.52	3,719.0	0.60	4,417.0	0.74
6. Other Interest Expense	5,533.9	5,250.0	0.93	5,421.0	0.93	5,801.0	0.94	6,195.0	1.04
7. Total Interest Expense	**8,111.1**	**7,695.0**	**1.37**	**8,454.0**	**1.44**	**9,520.0**	**1.54**	**10,612.0**	**1.77**
8. Net Interest Income	**9,215.8**	**8,743.0**	**1.56**	**9,139.0**	**1.56**	**9,118.0**	**1.48**	**9,095.0**	**1.52**
9. Net Gains (Losses) on Trading and Derivatives	303.6	288.0	0.05	164.0	0.03	1,451.0	0.24	(798.0)	(0.13)
10. Net Gains (Losses) on Other Securities	91.7	87.0	0.02	148.0	0.03	418.0	0.07	56.0	0.01
11. Net Gains (Losses) on Assets at FV through Income Statement	273.0	259.0	0.05	72.0	0.01	(563.0)	(0.09)	667.0	0.11
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	2,021.7	1,918.0	0.34	1,892.0	0.32	1,879.0	0.30	2,001.0	0.33
14. Other Operating Income	1,215.3	1,153.0	0.21	866.0	0.15	1,142.0	0.19	45.0	0.01
15. Total Non-Interest Operating Income	**3,905.3**	**3,705.0**	**0.66**	**3,142.0**	**0.54**	**4,327.0**	**0.70**	**1,971.0**	**0.33**
16. Personnel Expenses	4,765.5	4,521.0	0.80	4,786.0	0.82	5,086.0	0.82	5,322.0	0.89
17. Other Operating Expenses	4,260.6	4,042.0	0.72	3,703.0	0.63	3,416.0	0.55	3,481.0	0.58
18. Total Non-Interest Expenses	**9,026.0**	**8,563.0**	**1.52**	**8,489.0**	**1.45**	**8,502.0**	**1.38**	**8,803.0**	**1.47**
19. Equity-accounted Profit/ Loss - Operating	111.7	106.0	0.02	366.0	0.06	81.0	0.01	79.0	0.01
20. Pre-Impairment Operating Profit	**4,206.8**	**3,991.0**	**0.71**	**4,158.0**	**0.71**	**5,024.0**	**0.81**	**2,342.0**	**0.39**
21. Loan Impairment Charge	334.1	317.0	0.06	1,134.0	0.19	2,762.0	0.45	2,746.0	0.46
22. Securities and Other Credit Impairment Charges	(7.4)	(7.0)	(0.00)	(101.0)	(0.02)	(129.0)	(0.02)	(104.0)	(0.02)
23. Operating Profit	**3,880.0**	**3,681.0**	**0.66**	**3,125.0**	**0.53**	**2,391.0**	**0.39**	**(300.0)**	**(0.05)**
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	264.6	251.0	0.04	n.a.	-	280.0	0.05	1,522.0	0.25
26. Non-recurring Expense	1,279.6	1,214.0	0.22	623.0	0.11	321.0	0.05	1,155.0	0.19
27. Change in Fair Value of Own Debt	0.0	0.0	0.00	367.0	0.06	(669.0)	(0.11)	363.0	0.06
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	**2,865.0**	**2,718.0**	**0.48**	**2,869.0**	**0.49**	**1,681.0**	**0.27**	**430.0**	**0.07**
30. Tax expense	731.5	694.0	0.12	655.0	0.11	(161.0)	(0.03)	88.0	0.01
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	1,665.0	0.28
32. Net Income	**2,133.4**	**2,024.0**	**0.36**	**2,214.0**	**0.38**	**1,842.0**	**0.30**	**2,007.0**	**0.34**
33. Change in Value of AFS Investments	25.3	24.0	0.00	(131.0)	(0.02)	361.0	0.06	(138.0)	(0.02)
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	261.4	248.0	0.04	8.0	0.00	503.0	0.08	(428.0)	(0.07)
36. Remaining OCI Gains/(losses)	(449.0)	(426.0)	(0.08)	(29.0)	(0.00)	(90.0)	(0.01)	(770.0)	(0.13)
37. Fitch Comprehensive Income	**1,971.1**	**1,870.0**	**0.33**	**2,062.0**	**0.35**	**2,616.0**	**0.42**	**671.0**	**0.11**
38. Memo: Profit Allocation to Non-controlling Interests	67.5	64.0	0.01	75.0	0.01	58.0	0.01	47.0	0.01
39. Memo: Net Income after Allocation to Non-controlling Interests	2,066.0	1,960.0	0.35	2,139.0	0.37	1,784.0	0.29	1,960.0	0.33
40. Memo: Common Dividends Relating to the Period	0.0	0.0	0.00	387.0	0.07	387.0	0.06	385.0	0.06
41. Memo: Preferred Dividends Related to the Period	0.0	0.0	0.00	824.0	0.14	872.0	0.14	779.0	0.13
Exchange rate		USD1 = EUR0.9487		USD1 = EUR0.9185		USD1 = EUR0.8237		USD1 = EUR0.7251	

Cooperatieve Rabobank U.A.
Balance Sheet

	31 Dec 2016			31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Year End USDm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	217,613.6	206,450.0	31.16	212,685.0	31.73	218,482.0	32.08	219,461.0	32.80
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	194,631.6	184,647.0	27.87	173,899.0	25.94	175,783.0	25.81	182,144.0	27.22
5. Other Loans	56,001.9	53,129.0	8.02	60,255.0	8.99	59,235.0	8.70	52,188.0	7.80
6. Less: Reserves for Impaired Loans	7,891.9	7,487.0	1.13	8,372.0	1.25	9,348.0	1.37	8,581.0	1.28
7. Net Loans	**460,355.2**	**436,739.0**	**65.91**	**438,467.0**	**65.41**	**444,152.0**	**65.21**	**445,212.0**	**66.54**
8. Gross Loans	**468,247.1**	**444,226.0**	**67.04**	**446,839.0**	**66.66**	**453,500.0**	**66.58**	**453,793.0**	**67.82**
9. Memo: Impaired Loans included above	19,532.0	18,530.0	2.80	19,503.0	2.91	16,122.0	2.37	16,171.0	2.42
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	12,697.4	12,046.0	1.82	13,939.0	2.08	17,710.0	2.60	18,369.0	2.75
2. Reverse Repos and Cash Collateral	31,059.3	29,466.0	4.45	37,422.0	5.58	45,887.0	6.74	33,115.0	4.95
3. Trading Securities and at FV through Income	4,117.2	3,906.0	0.59	5,668.0	0.85	8,604.0	1.26	10,228.0	1.53
4. Derivatives	44,663.2	42,372.0	6.39	48,113.0	7.18	56,489.0	8.29	39,703.0	5.93
5. Available for Sale Securities	36,449.9	34,580.0	5.22	37,773.0	5.63	39,770.0	5.84	46,552.0	6.96
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Equity Investments in Associates	2,547.7	2,417.0	0.36	3,672.0	0.55	3,807.0	0.56	3,747.0	0.56
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	**118,837.4**	**112,741.0**	**17.02**	**132,648.0**	**19.79**	**154,557.0**	**22.69**	**133,345.0**	**19.93**
10. Memo: Government Securities included Above	30,794.8	29,215.0	4.41	32,336.0	4.82	34,838.0	5.12	38,777.0	5.80
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	308.8	293.0	0.04	381.0	0.06	452.0	0.07	1,055.0	0.16
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	**592,198.8**	**561,819.0**	**84.79**	**585,435.0**	**87.33**	**616,871.0**	**90.57**	**597,981.0**	**89.37**
C. Non-Earning Assets									
1. Cash and Due From Banks	88,969.1	84,405.0	12.74	64,943.0	9.69	43,409.0	6.37	43,039.0	6.43
2. Memo: Mandatory Reserves included above	512.3	486.0	0.07	396.0	0.06	365.0	0.05	6,283.0	0.94
3. Foreclosed Real Estate	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Fixed Assets	6,907.3	6,553.0	0.99	9,783.0	1.46	8,983.0	1.32	8,949.0	1.34
5. Goodwill	566.0	537.0	0.08	905.0	0.13	1,454.0	0.21	1,381.0	0.21
6. Other Intangibles	581.8	552.0	0.08	588.0	0.09	605.0	0.09	610.0	0.09
7. Current Tax Assets	180.2	171.0	0.03	193.0	0.03	211.0	0.03	170.0	0.03
8. Deferred Tax Assets	2,487.6	2,360.0	0.36	2,390.0	0.36	2,501.0	0.37	1,910.0	0.29
9. Discontinued Operations	296.2	281.0	0.04	155.0	0.02	327.0	0.05	9,073.0	1.36
10. Other Assets	6,234.8	5,915.0	0.89	5,981.0	0.89	6,725.0	0.99	5,982.0	0.89
11. Total Assets	**698,422.1**	**662,593.0**	**100.00**	**670,373.0**	**100.00**	**681,086.0**	**100.00**	**669,095.0**	**100.00**
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	93,441.6	88,648.0	13.38	78,659.0	11.73	65,017.0	9.55	57,863.0	8.65
2. Customer Deposits - Savings	185,456.9	175,943.0	26.55	162,083.0	24.18	162,857.0	23.91	175,870.0	26.28
3. Customer Deposits - Term	87,392.2	82,909.0	12.51	96,363.0	14.37	96,572.0	14.18	91,015.0	13.60
4. Total Customer Deposits	**366,290.7**	**347,500.0**	**52.45**	**337,105.0**	**50.29**	**324,446.0**	**47.64**	**324,748.0**	**48.54**
5. Deposits from Banks	22,755.3	21,588.0	3.26	18,457.0	2.75	17,175.0	2.52	13,937.0	2.08
6. Repos and Cash Collateral	664.1	630.0	0.10	1,069.0	0.16	2,733.0	0.40	2,282.0	0.34
7. Commercial Paper and Short-term Borrowings	48,272.4	45,796.0	6.91	53,583.0	7.99	55,065.0	8.08	54,416.0	8.13
8. Total Money Market and Short-term Funding	**437,982.5**	**415,514.0**	**62.71**	**410,214.0**	**61.19**	**399,419.0**	**58.64**	**395,383.0**	**59.09**
9. Senior Unsecured Debt (original maturity > 1 year)	119,685.9	113,546.0	17.14	121,408.0	18.11	133,995.0	19.67	140,945.0	21.07
10. Subordinated Borrowing	17,772.7	16,861.0	2.54	15,503.0	2.31	11,928.0	1.75	7,815.0	1.17
11. Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Other Long-term Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Total LT Funding (original maturity > 1 year)	**137,458.6**	**130,407.0**	**19.68**	**136,911.0**	**20.42**	**145,923.0**	**21.43**	**148,760.0**	**22.23**
14. Derivatives	50,620.8	48,024.0	7.25	54,556.0	8.14	66,236.0	9.73	48,713.0	7.28
15. Trading Liabilities	18,192.3	17,259.0	2.60	17,564.0	2.62	21,068.0	3.09	20,527.0	3.07
16. Total Funding	**644,254.2**	**611,204.0**	**92.24**	**619,245.0**	**92.37**	**632,646.0**	**92.89**	**613,383.0**	**91.67**
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	1,961.6	1,861.0	0.28	1,352.0	0.20	1,185.0	0.17	1,365.0	0.20
4. Current Tax Liabilities	283.5	269.0	0.04	230.0	0.03	255.0	0.04	266.0	0.04
5. Deferred Tax Liabilities	651.4	618.0	0.09	575.0	0.09	473.0	0.07	288.0	0.04
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	7,825.0	1.17
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	8,555.9	8,117.0	1.23	7,691.0	1.15	7,656.0	1.12	7,434.0	1.11
10. Total Liabilities	**655,706.8**	**622,069.0**	**93.88**	**629,093.0**	**93.84**	**642,215.0**	**94.29**	**630,561.0**	**94.24**
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	8,675.0	8,230.0	1.24	9,133.0	1.36	7,573.0	1.11	8,534.0	1.28
G. Equity									
1. Common Equity	33,368.8	31,657.0	4.78	31,433.0	4.69	30,461.0	4.47	33,049.0	4.94
2. Non-controlling Interest	553.4	525.0	0.08	492.0	0.07	473.0	0.07	446.0	0.07
3. Securities Revaluation Reserves	601.9	571.0	0.09	512.0	0.08	643.0	0.09	282.0	0.04
4. Foreign Exchange Revaluation Reserves	214.0	203.0	0.03	(76.0)	(0.01)	(94.0)	(0.01)	(575.0)	(0.09)
5. Fixed Asset Revaluations and Other Accumulated OCI	(697.8)	(662.0)	(0.10)	(214.0)	(0.03)	(185.0)	(0.03)	(3,202.0)	(0.48)
6. Total Equity	**34,040.3**	**32,294.0**	**4.87**	**32,147.0**	**4.80**	**31,298.0**	**4.60**	**30,000.0**	**4.48**
7. Total Liabilities and Equity	**698,422.1**	**662,593.0**	**100.00**	**670,373.0**	**100.00**	**681,086.0**	**100.00**	**669,095.0**	**100.00**
8. Memo: Fitch Core Capital	31,408.5	29,797.2	4.50	29,157.3	4.35	26,979.5	3.96	25,550.7	3.82
Exchange rate		USD1 = EUR0.9487		USD1 = EUR0.9185		USD1 = EUR0.8237		USD1 = EUR0.7251	

Cooperatieve Rabobank U.A.
Summary Analytics

	31 Dec 2016 Year End	31 Dec 2015 Year End	31 Dec 2014 Year End	31 Dec 2013 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	3.62	3.76	3.97	4.06
2. Interest Expense on Customer Deposits/ Average Customer Deposits	0.71	0.92	1.15	1.33
3. Interest Income/ Average Earning Assets	2.84	2.91	3.07	3.14
4. Interest Expense/ Average Interest-bearing Liabilities	1.24	1.35	1.53	1.64
5. Net Interest Income/ Average Earning Assets	1.51	1.51	1.50	1.45
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.45	1.33	1.05	1.01
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	1.51	1.38	1.36	1.33
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	29.76	25.58	32.18	17.81
2. Non-Interest Expense/ Gross Revenues	68.79	69.12	63.24	79.55
3. Non-Interest Expense/ Average Assets	1.27	1.26	1.26	1.25
4. Pre-impairment Op. Profit/ Average Equity	12.43	13.04	16.25	7.36
5. Pre-impairment Op. Profit/ Average Total Assets	0.59	0.62	0.74	0.33
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	7.77	24.84	52.41	112.81
7. Operating Profit/ Average Equity	11.47	9.80	7.73	(0.94)
8. Operating Profit/ Average Total Assets	0.55	0.46	0.35	(0.04)
9. Operating Profit / Risk Weighted Assets	1.74	1.47	1.13	(0.14)
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	6.31	6.94	5.96	6.31
2. Net Income/ Average Total Assets	0.30	0.33	0.27	0.28
3. Fitch Comprehensive Income/ Average Total Equity	5.83	6.46	8.46	2.11
4. Fitch Comprehensive Income/ Average Total Assets	0.28	0.31	0.39	0.10
5. Taxes/ Pre-tax Profit	25.53	22.83	(9.58)	20.47
6. Net Income/ Risk Weighted Assets	0.96	1.04	0.87	0.95
D. Capitalization				
1. FCC/FCC-Adjusted Risk Weighted Assets	14.11	13.68	12.73	12.12
2. Tangible Common Equity/ Tangible Assets	4.56	4.36	4.06	3.99
3. Tier 1 Regulatory Capital Ratio	17.60	16.40	16.00	16.60
4. Total Regulatory Capital Ratio	25.00	23.20	21.30	19.80
5. Common Equity Tier 1 Capital Ratio	14.00	13.50	13.60	13.50
6. Equity/ Total Assets	4.87	4.80	4.60	4.48
7. Cash Dividends Paid & Declared/ Net Income	0.00	54.70	68.35	58.00
8. Internal Capital Generation	6.27	3.12	1.86	2.81
E. Loan Quality				
1. Growth of Total Assets	(1.16)	(1.57)	1.79	(10.87)
2. Growth of Gross Loans	(0.58)	(1.47)	(0.06)	(5.01)
3. Impaired Loans/ Gross Loans	4.17	4.36	3.56	3.56
4. Reserves for Impaired Loans/ Gross Loans	1.69	1.87	2.06	1.89
5. Reserves for Impaired Loans/ Impaired Loans	40.40	42.93	57.98	53.06
6. Impaired loans less Reserves for Impaired Loans/ Fitch Core Capital	37.06	38.18	25.11	29.71
7. Impaired Loans less Reserves for Impaired Loans/ Equity	34.20	34.63	21.64	25.30
8. Loan Impairment Charges/ Average Gross Loans	0.07	0.25	0.60	0.58
9. Net Charge-offs/ Average Gross Loans	0.35	0.50	0.49	0.33
10. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	4.17	4.36	3.56	3.56
F. Funding and Liquidity				
1. Loans/ Customer Deposits	127.83	132.55	139.78	139.74
2. Interbank Assets/ Interbank Liabilities	55.80	75.52	103.11	131.80
3. Customer Deposits/ Total Funding (excluding derivatives)	60.81	58.75	56.53	56.65
4. Liquidity Coverage Ratio	130.00	128.00	144.00	126.00
5. Net Stable Funding Ratio	119.00	116.00	115.00	114.00

Cooperatieve Rabobank U.A.
Reference Data

	31 Dec 2016			31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Year End USDm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	12,222.0	11,595.0	1.75	10,402.0	1.55	11,826.0	1.74	11,429.0	1.71
4. Acceptances and documentary credits reported off-balance sheet	6,615.4	6,276.0	0.95	4,980.0	0.74	5,392.0	0.79	5,919.0	0.88
5. Committed Credit Lines	47,316.3	44,889.0	6.77	46,903.0	7.00	35,432.0	5.20	32,126.0	4.80
7. Other Off-Balance Sheet items	n.a.	n.a.	-	n.a.	-	n.a.	-	82.0	0.01
8. Total Assets under Management	6,219.0	5,900.0	0.89	0.0	0.00	0.0	0.00	n.a.	-
B. Average Balance Sheet									
Average Loans	471,289.1	447,112.0	67.48	458,854.7	68.45	458,151.3	67.27	471,608.0	70.48
Average Earning Assets	610,600.5	579,276.7	87.43	603,799.0	90.07	607,030.3	89.13	627,123.3	93.73
Average Assets	709,588.2	673,186.3	101.60	675,434.3	100.75	676,564.7	99.34	706,064.3	105.53
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	655,390.9	621,769.3	93.84	625,124.3	93.25	622,414.7	91.39	648,736.7	96.96
Average Common equity	33,133.0	31,433.3	4.74	31,092.0	4.64	32,528.3	4.78	33,586.3	5.02
Average Equity	33,837.1	32,101.3	4.84	31,895.3	4.76	30,912.3	4.54	31,821.3	4.76
Average Customer Deposits	361,036.2	342,515.0	51.69	329,903.3	49.21	324,076.3	47.58	332,188.0	49.65
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	49,318.0	46,788.0	7.06	51,264.0	7.65	51,343.0	7.54	50,401.0	7.53
Loans & Advances 3 - 12 Months	42,531.9	40,350.0	6.09	37,948.0	5.66	38,483.0	5.65	33,823.0	5.06
Loans and Advances 1 - 5 Years	97,450.2	92,451.0	13.95	89,456.0	13.34	83,696.0	12.29	85,605.0	12.79
Loans & Advances > 5 years	271,055.1	257,150.0	38.81	259,799.0	38.75	270,630.0	39.74	275,383.0	41.16
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances to Banks < 3 Months	10,462.7	9,926.0	1.50	10,271.0	1.53	13,594.0	2.00	14,635.0	2.19
Loans & Advances to Banks 3 - 12 Months	1,365.0	1,295.0	0.20	1,878.0	0.28	2,626.0	0.39	2,376.0	0.36
Loans & Advances to Banks 1 - 5 Years	586.1	556.0	0.08	1,300.0	0.19	1,206.0	0.18	1,138.0	0.17
Loans & Advances to Banks > 5 Years	283.5	269.0	0.04	490.0	0.07	284.0	0.04	220.0	0.03
Liability Maturities:									
Retail Deposits < 3 months	313,147.5	297,083.0	44.84	289,814.0	43.23	279,191.0	40.99	284,896.0	42.58
Retail Deposits 3 - 12 Months	14,721.2	13,966.0	2.11	12,322.0	1.84	9,728.0	1.43	10,526.0	1.57
Retail Deposits 1 - 5 Years	14,770.7	14,013.0	2.11	12,550.0	1.87	14,295.0	2.10	12,408.0	1.85
Retail Deposits > 5 Years	23,651.3	22,438.0	3.39	22,419.0	3.34	21,232.0	3.12	16,918.0	2.53
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks < 3 Months	15,011.1	14,241.0	2.15	11,789.0	1.76	10,360.0	1.52	7,756.0	1.16
Deposits from Banks 3 - 12 Months	2,538.2	2,408.0	0.36	2,492.0	0.37	1,263.0	0.19	1,691.0	0.25
Deposits from Banks 1 - 5 Years	4,102.5	3,892.0	0.59	3,415.0	0.51	4,953.0	0.73	3,224.0	0.48
Deposits from Banks > 5 Years	1,103.6	1,047.0	0.16	761.0	0.11	599.0	0.09	1,266.0	0.19
Senior Debt Maturing < 3 months	35,087.0	33,287.0	5.02	32,507.0	4.85	32,547.0	4.78	31,962.0	4.78
Senior Debt Maturing 3-12 Months	39,861.9	37,817.0	5.71	48,306.0	7.21	59,470.0	8.73	62,865.0	9.40
Senior Debt Maturing 1- 5 Years	64,917.3	61,587.0	9.29	60,720.0	9.06	63,839.0	9.37	70,110.0	10.48
Senior Debt Maturing > 5 Years	28,092.1	26,651.0	4.02	33,458.0	4.99	33,204.0	4.88	30,424.0	4.55
Total Senior Debt on Balance Sheet	167,958.3	159,342.0	24.05	174,991.0	26.10	189,060.0	27.76	195,361.0	29.20
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	0.0	0.0	0.00	48.0	0.01	n.a.	-	5.0	0.00
Subordinated Debt Maturing 3-12 Months	0.0	0.0	0.00	10.0	0.00	3.0	0.00	n.a.	-
Subordinated Debt Maturing 1- 5 Year	2,120.8	2,012.0	0.30	2,008.0	0.30	1,077.0	0.16	89.0	0.01
Subordinated Debt Maturing > 5 Years	15,651.9	14,849.0	2.24	13,437.0	2.00	10,848.0	1.59	7,721.0	1.15
Total Subordinated Debt on Balance Sheet	17,772.7	16,861.0	2.54	15,503.0	2.31	11,928.0	1.75	7,815.0	1.17
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Risk Weighted Assets									
1. Risk Weighted Assets	222,647.8	211,226.0	31.88	213,092.0	31.79	211,870.0	31.11	210,829.0	31.51
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Asse	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Fitch Core Capital Adjusted Risk Weighted Assets	222,647.8	211,226.0	31.88	213,092.0	31.79	211,870.0	31.11	210,829.0	31.51
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fitch Adjusted Risk Weighted Assets	222,647.8	211,226.0	31.88	213,092.0	31.79	211,870.0	31.11	210,829.0	31.51
E. Equity Reconciliation									
1. Equity	34,040.3	32,294.0	4.87	32,147.0	4.80	31,298.0	4.60	30,000.0	4.48
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	8,675.0	8,230.0	1.24	9,133.0	1.36	7,573.0	1.11	8,534.0	1.28
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	42,715.3	40,524.0	6.12	41,280.0	6.16	38,871.0	5.71	38,534.0	5.76
F. Fitch Core Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	34,040.3	32,294.0	4.87	32,147.0	4.80	31,298.0	4.60	30,000.0	4.48
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	(320.2)	(303.8)	(0.05)	62.3	0.01	(505.5)	(0.07)	(1,007.3)	(0.15)
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	566.0	537.0	0.08	905.0	0.13	1,454.0	0.21	1,381.0	0.21
5. Other intangibles	581.8	552.0	0.08	588.0	0.09	605.0	0.09	610.0	0.09
6. Deferred tax assets deduction	1,163.7	1,104.0	0.17	1,559.0	0.23	1,754.0	0.26	1,451.0	0.22
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	**31,408.5**	**29,797.2**	**4.50**	**29,157.3**	**4.35**	**26,979.5**	**3.96**	**25,550.7**	**3.82**
Exchange Rate		USD1 = EUR0.9487		USD1 = EUR0.9185		USD1 = EUR0.8237		USD1 = EUR0.7251	

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings