

### Research Update:

## ABN AMRO Bank 'A+' Rating Affirmed, Off Credit Watch Negative After Similar Action On The Netherlands; Outlook Negative

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### Table Of Contents

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- Overview
- Rating Action
- Rationale
- Outlook
- Ratings Score Snapshot
- Related Criteria And Research
- Ratings List

## Research Update:

# ABN AMRO Bank 'A+' Rating Affirmed, Off CreditWatch Negative After Similar Action On The Netherlands; Outlook Negative

## Overview

- We affirmed our 'AAA/A-1+' long- and short-term unsolicited sovereign credit ratings on The State of the Netherlands on Jan. 13, 2012.
- As a result, we are affirming our 'A+' long-term counterparty credit rating on Netherlands-based ABN AMRO Bank N.V. (ABN AMRO) and removing it from CreditWatch negative, where it was placed on Dec. 7, 2011.
- The negative outlook on ABN AMRO reflects that on The Netherlands.

## Rating Action

On Jan. 23, 2012, Standard & Poor's Ratings Services affirmed its 'A+' long-term and 'A-1' short-term counterparty credit ratings on Netherlands-based ABN AMRO Bank N.V. (ABN AMRO). At the same time, we removed the long-term rating from CreditWatch with negative implications, where it was placed on Dec. 7, 2011. The outlook is negative.

## Rationale

The affirmation and removal from CreditWatch follow similar actions taken on The State of The Netherlands (AAA/Negative/A-1+, unsolicited ratings) on Jan. 13, 2012.

Our ratings on ABN AMRO continue to reflect its 'a-' anchor and our view of the bank's "adequate" business position, "adequate" capital and earnings, "adequate" risk position, "average" funding, and "adequate" liquidity, as our criteria define those terms. We assess ABN AMRO's stand-alone credit profile (SACP) at 'a-'.

The long-term rating on ABN AMRO benefits from two notches of uplift for potential extraordinary government support in a crisis. We consider that ABN AMRO has "high" systemic importance in The Netherlands and that the Dutch government is "supportive" of the banking sector, according to our criteria.

## Outlook

The negative outlook on ABN AMRO mirrors that on The Netherlands. Under our criteria, with all other factors remaining the same, one of the two notches of government support currently factored into the long-term counterparty credit

rating on ABN AMRO would be removed if the long-term unsolicited rating on The Netherlands were lowered by one notch (for further details, see table 22 in "Banks: Rating Methodology And Assumptions," published on Nov. 9, 2011).

We would revise the outlook on ABN AMRO to stable if we were to take a similar action on the outlook on The Netherlands.

We consider an upgrade as unlikely within the next two years. According to our government support methodology and in light of our 'AAA' rating on The Netherlands, we would not raise our 'A+' long-term rating on ABN AMRO following a one-notch improvement in its SACP, as we would then remove one of the two notches of government support currently factored into the rating.

## Ratings Score Snapshot

Issuer Credit Rating	A+
SACP	a-
Anchor	a-
Business Position	Adequate (0)
Capital and Earnings	Adequate (0)
Risk Position	Adequate (0)
Funding and Liquidity	Average and Adequate (0)
Support	+2
GRE Support	0
Group Support	0
Sovereign Support	+2
Additional Factors	0

## Related Criteria And Research

- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Bank Capital Methodology And Assumptions, Dec. 6, 2010
- Bank Hybrid Capital Methodology And Assumptions, Nov. 1, 2011
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Banks: Rating Methodology And Assumptions, Nov. 9, 2011

## Ratings List

Ratings Affirmed; CreditWatch Action

ABN AMRO Bank N.V.

	To	From
Long-Term Counterparty Credit Rating	A+/Negative/A-1	A+/Watch Neg/A-1

NB. This list does not include all ratings affected.

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Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at [www.globalcreditportal.com](http://www.globalcreditportal.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

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