

Financial statements 2002



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Accounting policies

General

The financial statements have been prepared in conformity with generally accepted accounting principles in the Netherlands. Where necessary, the amounts reported in the financial statements are based on estimates and assumptions.

Since ABN AMRO Holding N.V. ordinary shares are listed on the New York Stock Exchange (NYSE) in the form of American Depositary Receipts, ABN AMRO also publishes an annual report (Form 20-F) that conforms to the US Securities and Exchange Commission (SEC) rules, including those relating to the format and content of the notes to the financial statements. In addition, the annual report includes an analysis of equity and results according to accounting principles generally accepted in the United States (US GAAP).

Changes in accounting policies

Effective from 1 January 2002, the cost of pensions and other post-retirement benefits will be recognised in accordance with the relevant US accounting standards (FAS 87, FAS 88 and FAS 106). Application of these US Generally Accepted Accounting Principles (US GAAP) is permitted by virtue of the Consultative Document on Pensions, Draft Guideline 271, of the Council for Annual Reporting in the Netherlands. Under this method of accounting, calculations may be based on long-term assumptions for both pension commitments and the return on the invested capital of the pension fund, with variances between estimated and actual figures being spread over a large number of years. An additional advantage is that this change eliminates the existing difference between Dutch and US accounting principles in this area.

This change in accounting policies resulted in an amount of EUR 430 million (net of tax) being charged to shareholders' equity as at 1 January 2002.

If the costs related to pensions and post-retirement benefits had been calculated in

accordance with the relevant statements under US GAAP as of 1 January 2001, gross and net pension costs in 2001 would have been EUR 326 million and EUR 218 million higher.

Basis for inclusion of financial instruments

A financial instrument is accounted for as an asset or liability from the time the respective contractual rights or obligations accrue to the company. Whenever this ceases to be the case, a financial instrument is no longer recognised in the balance sheet. If ABN AMRO has the right on the grounds of legal or contractual provisions and the intention to settle financial assets and liabilities net or simultaneously, they are netted off in the balance sheet.

Basis of consolidation

The consolidated financial statements incorporate the assets, liabilities, revenues and expenses of ABN AMRO Holding N.V., its subsidiaries and other group companies that form an organisational and economic entity with it. Minority interests in both equity and results of subsidiaries and other group companies are stated separately.

Currency translation

Assets and liabilities denominated in foreign currencies and financial instruments hedging these assets and liabilities are translated into euros at the spot rates of exchange prevailing at balance sheet date. Translation differences are taken to the income statement. With the exception of capital investments in hyper-inflationary countries, translation differences on capital investments in foreign branches, subsidiaries and participating interests, including retained profit, are accounted for in shareholders' equity together with the results from related hedging instruments, after allowing for taxation.

Results on transactions denominated in foreign currencies are translated at the rates prevailing at transaction date or, insofar as accruals and deferrals are involved, on the last day of the month to which the results relate.

Results of foreign branches, subsidiaries and participating interests, apart from those in hyper-inflationary countries, are translated at the rates prevailing at the end of the month in which the results are recognised. The results from branches, subsidiaries and participating interests in hyper-inflationary countries are translated at the rates prevailing at balance sheet date, after restating the local currency results for the effects of inflation.

Valuation and determination of results

General

Except where otherwise stated, assets and liabilities are recorded at cost, less any allowance deemed necessary. The effects of transactions and other events are recognised when they occur; revenues and expenses are recognised in the year to which they relate.

Premiums and discounts are accounted for in prepayments and accrued income or accruals and deferred income respectively, and are attributed to the accounting periods throughout the remaining terms of the underlying items.

Except for items forming part of the trading portfolio, interest-earning and interest-bearing securities on which a large part or all of the interest receivable or payable is settled on redemption are included at either purchase price or discounted value on issue plus accrued interest.

Where financial instruments are used to hedge risks associated with designated assets or liabilities, the valuation and determination of results on these instruments are effected in accordance with the policies applied to the hedged items. Transactions qualify as hedges if they are identified as such and there is a substantial correlation between the hedging results and the results of the positions being hedged. Gains or losses on the early termination of a hedge are recognised as assets or liabilities and amortised over the remaining terms of the hedged positions. Where financial instruments are used to hedge risks associated with designated assets or

liabilities and the hedged assets or liabilities are sold or terminated, such financial instruments no longer qualify as hedges.

Results on the settlement of the hedge are accounted for in the same period as gains or losses on the settlement of the hedged position. Accounting policies relating to other financial instruments are explained in the section on trading activities.

Where loan-related fees exceed initial expenses, the excess is accounted for as interest in the period concerned. Acquisition commission paid by the life insurance subsidiary to third parties and the banking operation are capitalised as initial expenses and amortised. Expenses involved in the issuance of ordinary and preference shares are charged to shareholders' equity.

Loans

Loans are generally shown at the principal amount. Loans are classified as doubtful as soon as there is any doubt about the borrower's capacity to repay the principal. Where deemed necessary, an allowance for loan losses is determined on a per item basis, taking into account the value of collateral. The allowances for consumer loans portfolio is determined on a portfolio basis with a specific provision for each product being determined by the size of the portfolio and historical loss experience. The allowances are recognised in provision for loan losses in the income statement.

As soon as the loan liquidation procedure is started, ABN AMRO ceases to accrue interest on the loan in question ('non-accrual loans'). Depending on the chances of the principal being repaid, interest is recorded in the income statement only when actually received ('other non-performing loans') or in accordance with the standard method of valuation ('accruing doubtful loans'). Doubtful loans are not written off until it is clear that repayment of principal can be ruled out.

The fund for general banking risks aims to cover general risks related to credits and other banking activities. The related deferred tax assets are deducted from the fund.

Trading activities

Securities held in the trading portfolios are stated at market value. Debentures of ABN AMRO group companies, acquired as part of trading activities, are stated at the lower of market value and purchase price. Foreign exchange contracts, stock, bond, currency and other options, as well as interest rate contracts such as interest rate swaps and forward rate agreements, are stated at market value. The aggregate market value of these contracts is included in other assets or other liabilities. Gains or losses resulting from the method of valuation described are recognised in the income statement in results from financial transactions.

Financial and other fixed assets**Investments**

Interest-earning securities (other than securities on which a large part or all of the interest is settled on redemption) held in the investment portfolios are stated at redemption value. Shares held in these portfolios are included at market value, with changes in value, net of tax, reflected in shareholders' equity. If the revaluation reserve formed in this manner on a portfolio basis is insufficient to absorb diminutions in value, they will be charged to the income statement in value adjustments to financial fixed assets. Results on sales are credited to the income statement in the year the investments are sold. Net capital gains on interest-bearing securities realised prior to redemption date in connection with replacement operations are recognised as interest over the remaining average portfolio duration. Investments which are held under insurance contracts for the account and risk of policyholders are carried at market value; changes in the value of these investments are accounted for as other revenue (profits or losses of insurance companies).

Shares as part of venture capital activities

Equity investments, i.e. shares acquired as part of venture capital activities, are stated at purchase price or sustained lower market

value. Changes in value are reflected in the income statement.

Participating interests

Participating interests in which ABN AMRO or one of its subsidiaries has a significant influence on commercial and financial policy are stated at net asset value determined in conformity with the policies applied in these financial statements. In accordance with these policies, movements in net asset value are recorded in shareholders' equity, such as revaluations and goodwill, or in the income statement. Tax payable on distributions is taken into account at the moment of the decision to make a distribution.

Goodwill arising from the acquisition of participating interests is charged to shareholders' equity.

Other participating interests, consisting principally of equity investments in companies in related lines of business, are shown either at market value at balance sheet date (listed participating interests) or at estimated realisable value (unlisted participating interests). Movements in the value of participating interests on which the bank does not exercise an influence are recorded, net of tax, in shareholders' equity. If the revaluation reserve formed in this manner for each participating interest is insufficient to absorb diminutions in value, such diminutions will be charged to the income statement in value adjustments to financial fixed assets.

Property and equipment

Premises used in operations, including land, are stated at current value based on replacement cost. These current values are estimated on a rolling basis by external appraisers, whereby each year at least 10% of the bank's buildings is appraised. The value of larger fittings is estimated once every five years. Buildings and fixtures and fittings are fully depreciated by the straight-line, method over their estimated useful life, with a maximum of fifty years. Movements in value, net of tax, are credited or charged to

shareholders' equity on a long-term basis. Capital expenditures on rented premises are capitalised and also depreciated on a straight-line basis, taking into account the term of the lease. Property held for sale is stated at the lower of cost, including interest during construction, and estimated proceeds from sale.

Equipment, computer installations, software bought from third parties and the costs of internally developed software which relates to the development stage are stated at cost less straight-line depreciation over the estimated useful life.

Marketable servicing rights are capitalised at the lower of cost or net realisable value and amortised over their term.

Provisions

Pension or other retirement plans have been established for the employees in the Netherlands and the majority of staff employed outside the Netherlands in accordance with the regulations and practices of the countries in question. Most of these plans are administered by separate pension funds or third parties. The obligations are regarded as own obligations of ABN AMRO, irrespective of whether these are administered by a pension fund or in some other manner. Viewed against this background, the nature and substance of the plans are decisive for their treatment in the financial statements. In this respect, a distinction is made between defined contribution plans and defined benefit plans.

Defined benefit plan pension obligations are calculated in accordance with the projected unit credit method of actuarial cost allocation. Under this method, the present value of pension and other employee benefit obligations is determined on the basis of the number of active years of service up to balance sheet date, the estimated salary scale at the time of the expected retirement date and the market rate of interest on high-quality corporate bonds.

To determine the pension costs, the expected return on the plan assets is included in the calculation. Differences between the expected and actual return on the plan assets, as well as actuarial changes, are only recorded in the income statement if the total of these accumulated differences and changes exceeds a bandwidth of 10% of the largest of obligations under the plan or the fair value of the related plan assets. The part that exceeds the bandwidth is taken to the income statement over the members' remaining years of service. Additions in defined benefit obligations resulting from revised plans regarding prior service periods (past service cost) are also not recognised immediately in the period these benefits are vested but taken to the income statement over the members' remaining years of service. Any differences thus calculated between the pension costs and the contributions payable are accounted for as provision or prepayments. If the accumulated benefit obligation (the defined benefit obligation without considering future salary increases) exceeds the fair value of the plan assets of the pension fund, an additional liability (provision for pension obligations) may be required. This will be the case if this excess is greater than the provision for pension obligations already accounted for, taking into account the method described above.

If an additional provision for pension obligations is recognised, an equal amount, but not to exceed the amount of unrecognised prior service cost, is recognised as an intangible asset. Any amount not recognised as an intangible asset will be charged to shareholders' equity. Obligations relating to the early retirement of employees are treated in this context as pension obligations.

In the case of defined contribution plans, contributions owing are charged directly to the income statement in the year to which they relate.

Provisions for other post-retirement benefits, chiefly consisting of contributions to health

insurance, and for payments to non-active employees are also computed on the basis of actuarial assumptions.

Insurance fund liabilities relate chiefly to provisions for life insurance. These are determined using actuarial methods and on the basis of the same principles as those used to calculate the premium. These provisions are periodically tested against changes in mortality statistics, interest rates and costs, and increased whenever deemed inadequate.

Technical provisions for plan assets exposure borne by policyholders are determined using the same principles as are applied for the valuation of the underlying plan assets.

Except for deferred tax liabilities, other provisions for commitments and risks are included at face value.

Taxes

In determining the effective tax rate, all timing differences between pre-tax profit determined on the basis of ABN AMRO accounting policies and the taxable amount in accordance with tax legislation, are taken into account. Deferred tax assets and liabilities are discounted to their present value on the basis of the net interest. Deferred tax assets are accounted for only if there is sufficient assurance about their collectibility. The addition to or withdrawal from the fund for general banking risks is taken into account when determining the effective tax rate.

Consolidated balance sheet at 31 December 2002 after profit appropriation

<i>(in millions of euros)</i>	2002	2001
Assets		
Cash 1	9,455	17,932
Short-dated government paper 2,5	3,901	12,296
Banks 3	41,924	49,619
<i>Loans to public sector</i>	7,365	14,100
<i>Loans to private sector</i>	247,229	260,175
<i>Professional securities transactions</i>	56,309	71,055
Loans 4	310,903	345,330
Interest-earning securities 5	141,494	123,365
Shares 5	15,736	16,794
Participating interests 6	2,166	2,420
Property and equipment 7	6,982	7,331
Other assets 8	15,148	11,088
Prepayments and accrued income 9	8,309	11,188
	556,018	597,363
Liabilities		
Banks 10	95,884	107,843
<i>Savings accounts</i>	74,249	84,345
<i>Deposits and other client accounts</i>	165,034	173,441
<i>Professional securities transactions</i>	50,178	54,578
Total client accounts 11	289,461	312,364
Debt securities 12	71,209	72,495
Other liabilities 8	45,982	45,633
Accruals and deferred income 9	10,120	12,349
Provisions 13	13,238	12,672
	525,894	563,356
Fund for general banking risks 14	1,255	1,381
Subordinated debt 15	14,278	16,283
<i>Shareholders' equity</i> 16	10,781	11,787
<i>Minority interests</i> 17	3,810	4,556
Group equity	14,591	16,343
Group capital	30,124	34,007
	556,018	597,363
Contingent liabilities 23	44,176	47,784
Committed facilities	136,122	145,570

Numbers stated against items refer to the notes.

Consolidated income statement for 2002

<i>(in millions of euros)</i>	2002	2001	2000
Revenue			
Interest revenue	27,370	35,013	37,236
Interest expense	17,525	24,923	27,832
Net interest revenue 26	9,845	10,090	9,404
Revenue from securities and participating interests 27	369	455	451
Commission revenue	5,421	5,793	6,529
Commission expense	782	579	649
Net commissions 28	4,639	5,214	5,880
Results from financial transactions 29	1,477	1,552	1,569
Other revenue 30	1,950	1,523	1,165
Total non-interest revenue	8,435	8,744	9,065
Total revenue	18,280	18,834	18,469
Expenses			
Staff costs 31	7,250	7,653	7,460
Other administrative expenses 32	4,567	5,161	4,801
Administrative expenses	11,817	12,814	12,261
Depreciation 33	1,006	957	941
Operating expenses	12,823	13,771	13,202
Provision for loan losses 34	1,695	1,426	617
Release from fund for general banking risks 35	0	0	(32)
Value adjustments to financial fixed assets 36	49	24	(43)
Total expenses	14,567	15,221	13,744
Operating profit before taxes	3,713	3,613	4,725
Taxes 37	1,093	998	1,324
Operating profit after taxes	2,620	2,615	3,401
Extraordinary revenue 38	0	962	0
Extraordinary expenses 38	325	147	900
Taxes on extraordinary result	(120)	(52)	(301)
Extraordinary result after taxes	(205)	867	(599)
Group profit after taxes	2,415	3,482	2,802
Minority interests 39	208	252	304
Net profit	2,207	3,230	2,498
Earnings per ordinary share 40	1.39	2.10	1.63
Fully diluted earnings per ordinary share 40	1.38	2.09	1.62
Dividend per ordinary share	0.90	0.90	0.90

Numbers stated against items refer to the notes.

Consolidated cash flow statement for 2002

<i>(in millions of euros)</i>	2002	2001	2000
Group profit	2,415	3,482	2,802
Depreciation	1,006	957	941
Provision for loan losses less release from fund for general banking risks	1,695	1,426	585
Movement in provisions	(723)	(580)	1,085
Movement in interest receivable	2,277	383	(542)
Movement in interest payable	(1,387)	(1,660)	1,429
Movement in current tax	331	595	64
Other accruals and deferrals	91	811	872
Government paper and securities, trading	(2,311)	(835)	(12,230)
Other securities	3,865	4,975	(2,305)
Banks, other than demand deposits	1,238	(4,351)	11,788
Loans	1,888	1,135	(20,022)
Professional securities transactions <i>(included in loans)</i>	5,890	(9,241)	(15,043)
Total client accounts	(3,451)	8,292	27,005
Professional securities transactions <i>(included in total client accounts)</i>	4,658	8,971	10,782
Debt securities, excluding debentures and notes	1,324	2,962	(1,405)
Other assets and liabilities	(14)	(1,597)	3,750
Net cash flow from operations / banking activities	18,792	15,725	9,556
Purchase of securities for investment portfolios	(144,584)	(99,189)	(61,839)
Sale and redemption of securities from investment portfolios	122,697	77,199	59,726
Net outflow	(21,887)	(21,990)	(2,113)
Investments in participating interests	(479)	(4,977)	(2,292)
Sale of investments in participating interests	280	1,752	202
Net outflow	(199)	(3,225)	(2,090)
Capital expenditure on property and equipment	(1,292)	(1,611)	(1,597)
Sale of property and equipment	497	414	214
Net outflow	(795)	(1,197)	(1,383)
Net cash flow from investment activities	(22,881)	(26,412)	(5,586)
Increase in group equity	106	(126)	55
Repayment of preference shares	0	(415)	(528)
Issue of subordinated debt	114	4,048	1,452
Repayment of subordinated debt	(964)	(1,615)	(299)
Issue of debentures and notes	8,815	11,865	5,956
Repayment of debentures and notes	(7,349)	(4,003)	(5,941)
Cash dividends paid	(999)	(1,108)	(1,135)
Net cash flow from financing activities	(277)	8,646	(440)
Cash flow	(4,366)	(2,041)	3,530

For details refer to note 43.

Changes in shareholders' equity in 2002

<i>(in millions of euros)</i>	2002	2001	2000
Ordinary shares			
Opening balance	862	851	832
Exercised options and warrants	2	0	2
Conversion of convertible preference shares	1	0	1
Stock dividends	25	22	16
Redenomination	0	(11)	0
Closing balance	890	862	851
Preference shares			
Opening balance	813	823	823
Dematerialisation	0	(10)	0
Closing balance	813	813	823
Convertible preference shares			
Opening balance	2	2	3
Conversion	(1)	0	(1)
Closing balance	1	2	2
Share premium account			
Opening balance	2,504	2,518	2,480
Exercised options and conversion	63	8	51
Conversion of convertible preference shares	1	0	3
Stock dividends	(25)	(22)	(16)
Closing balance	2,543	2,504	2,518
General reserve and reserves prescribed by law			
Opening balance	7,850	8,376	7,982
Retained profit	745	1,810	1,074
Stock dividends	828	832	772
Goodwill and dilution of minority participating interest	(201)	(3,186)	(1,453)
Impact change in accounting policy pension costs	(430)	0	0
Addition to provision pension obligations	(374)	0	0
Realised revaluations	186	0	0
Other	29	18	1
Closing balance	8,633	7,850	8,376
Revaluation reserves			
Opening balance	355	300	320
Realised revaluations to general reserve	(186)	0	0
Revaluations	(45)	55	(20)
Closing balance	124	355	300
Exchange differences reserve			
Opening balance	(476)	(326)	(424)
Currency translation differences	(1,622)	(150)	98
Closing balance	(2,098)	(476)	(326)
Treasury stock			
Opening balance	(123)	(21)	(29)
Increase <i>(decrease)</i>	(2)	(102)	8
Closing balance	(125)	(123)	(21)
Total shareholders' equity	10,781	11,787	12,523

Notes to the consolidated balance sheet and income statement

(unless otherwise stated, all amounts are in millions of euros)

1 Cash

This item includes legal tender and demand deposits with central banks in countries in which the bank has a presence.

2 Short-dated government paper

This item includes securities issued by public authorities, such as treasury paper, with original terms of two years or less, provided they can be refinanced with a central bank.

3 Banks (assets)

This item includes receivables, including professional securities transactions, from credit institutions, central banks and multilateral development banks not already recognised in cash. Securitised receivables are included in interest-earning securities or shares.

4 Loans and credit risk

This item includes amounts receivable in connection with loans, including professional securities transactions, insofar as these are not recognised in the banks item. Securitised receivables are included in interest-earning securities or shares.

In granting facilities and loans, the bank incurs a credit risk, i.e. the risk that the receivable will not be paid. This primarily concerns the balance sheet items banks, loans and interest-earning securities and off-balance sheet items. Concentration of credit risk could result in a material loss for the bank if a change in economic circumstances were to affect a whole industry or country.

Sector analysis of loans

	2002	2001
Public sector	7,371	14,114
Commercial	142,296	153,770
Retail	108,965	110,860
Professional securities transactions	56,309	71,055
Allowances for loan losses and sovereign risks	(4,038)	(4,469)
Loans	310,903	345,330

Collateral for private sector loans

Collateral is frequently demanded in connection with lending operations. The following tables analyse private sector loans by type of collateral. Unsecured loans also include loans for which the bank has the right to require collateral.

	2002	2001
<i>Commercial</i>		
Public authority guarantees	3,233	3,866
Mortgages	20,859	20,575
Securities	1,764	2,605
Bank guarantees	2,896	2,941
Other types of collateral and unsecured	113,544	123,783
Total commercial loans	142,296	153,770
<i>Retail</i>		
Public authority guarantees	3,268	3,030
Mortgages	82,659	83,798
Other types of collateral and unsecured	23,038	24,032
Total retail loans	108,965	110,860

Commercial loans by industry

	2002	2001
Agriculture, mining and energy	13,877	9,379
Manufacturing	31,132	31,482
Construction and real estate	20,477	20,268
Wholesale and retail trade	19,280	20,990
Transportation and communications	14,375	18,371
Financial services	20,198	22,025
Business services	11,881	16,534
Education, health care and other services	11,076	14,721
Total commercial loans	142,296	153,770

Loans per region

	2002	2001	
<i>Netherlands</i>			
Public sector	2,262	2,550	
Commercial	54,319	54,329	
Retail	80,664	75,847	
Professional securities transactions	762	1,883	
Total Netherlands	138,007	134,609	
<i>North America</i>			
Public sector	1,129	1,099	
Commercial	47,471	51,658	
Retail	20,855	25,353	
Professional securities transactions	41,709	54,932	
Total North America	111,164	133,042	
<i>Rest of the world</i>			
Public sector	3,980	10,465	
Commercial	40,506	47,783	
Retail	7,446	9,660	
Professional securities transactions	13,838	14,240	
Total Rest of the world	65,770	82,148	
Total	314,941	349,799	

Movements in allowances for loan losses

	2002	2001	2000
Opening balance	4,500	4,195	4,458
Currency translation differences and other movements	(590)	(227)	233
Write-offs	(1,711)	(1,158)	(1,575)
Received after write-off	142	193	108
	2,341	3,003	3,224
Addition from net interest revenue	107	155	157
<i>Addition from provision for loan losses</i>	<i>2,308</i>	<i>2,052</i>	<i>1,278</i>
<i>Transfer to provision for loan losses</i>	<i>(627)</i>	<i>(710)</i>	<i>(464)</i>
Net increase	1,681	1,342	814
Closing balance	4,129	4,500	4,195

Sovereign risk

Loans and other exposures are often not restricted to the country of the lending branch, but also involve banks, public authorities and other clients in foreign countries, and are mostly denominated in foreign currencies. The total cross-border exposure is very substantial but relates mainly to OECD countries. An increased risk on these outstandings would arise if and insofar as government measures or extreme economic conditions in specific countries were to restrict debt servicing. Up until 2002, provisions were formed in such circumstances for debts of specific governments that were denominated in foreign currencies. With effect from 2002, a provision is formed only for payments that are overdue or are expected to become past due. In this way, loans to governments are not treated any differently from loans to other borrowers. Should this change have resulted in a release from the 2001 allowance, this amount is recognised as a discount to the particular loan.

Analysis of sovereign risk and allowances at 31 December 2002

	Exposure	Risk allowances
Central and Eastern Europe	150	4
Latin America and the Caribbean	550	127
Other countries	71	50
Total	771	181

Movements in sovereign risk allowances

	2002	2001	2000
Opening balance	345	272	533
Currency translation differences	(42)	12	36
Provision for loan losses	14	84	(197)
Other movements	(136)	(23)	(100)
Closing balance	181	345	272

Allowances for sovereign risks are charged to loans and interest-bearing securities.

Leasing

Loans include lease agreements in which ABN AMRO is the lessor.

Future minimum finance lease instalments and their present values are scheduled to mature as follows:

	Lease instalments due	Present value
Within one year	1,170	1,135
After one year and within five years	2,514	2,237
After five years	964	742
Total	4,648	4,114
Total of unearned financing income	528	
Residual value (not guaranteed) in favour of lessor	617	

Operationally leased assets can be analysed as follows:

	Minimum lease payments
Within one year	2,716
After one year and within five years	5,671
After five years	71
Total	8,458
Of which:	
Vehicles	8,457
Computers	1
Equipment	0
Total	8,458

Other

The item loans includes subordinated debt amounting to EUR 5 million (2001: EUR 21 million), as well as loans securitised by the bank amounting to EUR 9.9 billion (2001: EUR 10.6 billion) in consideration of which debt paper issued is included in the balance sheet.

5 Securities

The balance sheet items short-dated government paper, interest-earning securities and shares include the investment portfolios, the trading portfolios, securitised receivables such as treasury paper and commercial paper, and equity participations.

Interest-earning securities forming part of an investment portfolio, which principally consist of central government bonds, serve as a liquidity buffer among others. The bank attempts to maximise the return on these instruments through a policy of active management. Equity investments held on a long-term basis are also included in the investment portfolios.

These balance sheet items can be analysed as follows:

	2002	2001
Investment portfolios	100,823	85,957
Trading portfolios	48,965	51,325
Short-dated government paper	1,191	3,126
Other bank paper	3,269	3,295
Other securities	3,998	6,145
Other shares	1,190	903
Equity participations	1,695	1,704
Total securities	161,131	152,455

of which:

	Listed		Unlisted	
	2002	2001	2002	2001
Public authority paper	69,022	63,077	17,148	13,435
Other interest-earning securities	26,286	18,643	32,939	40,506
Shares	11,376	14,054	4,360	2,740
Total securities	106,684	95,774	54,447	56,681

Listed securities include all securities which are traded on any stock exchange. Third parties hold legal title to part of the securities included in the portfolios. This is related to securities sold with repurchase commitments EUR 27,310 million (2001: EUR 41,532 million) and securities lending transactions EUR 5,222 million (2001: EUR 8,424 million). In addition, ABN AMRO borrowed securities totalling EUR 17,567 million (2001: EUR 37,730 million). These securities are not recorded in the balance sheet. The item interest-earning securities includes securities of a subordinated nature totalling EUR 144 million (2001: EUR 308 million) and non-subordinated interest-earning securities issued by group companies totalling EUR 726 million (2001: EUR 826 million).

As part of its securities brokerage activities, the bank also trades in ABN AMRO shares. In addition, shares were repurchased on the stock exchange in connection with staff options granted, performance share plan and to cover positions with clients. At balance sheet date, the treasury stock position of group companies included 5.7 million ABN AMRO Holding N.V. ordinary shares. The corresponding amount of EUR 125 million has been deducted from reserves.

An amount of EUR 30,307 million is scheduled for redemption in 2003.

Investment portfolios

The following analysis shows the book value and the fair value of ABN AMRO's investment portfolios. Fair value is based on quoted prices for traded securities and estimated market value for non-traded securities.

	2002			2001		
	Book value	Premiums or discounts	Fair value	Book value	Premiums or discounts	Fair value
Dutch government	5,342	126	5,816	5,016	114	5,291
US Treasury and						
US government agencies	12,131	173	12,793	10,520	124	10,586
Other OECD governments	37,183	482	38,703	26,035	536	26,943
Mortgage-backed securities	23,774	259	24,645	26,415	98	26,478
Other interest-earning securities	16,175	145	16,452	13,121	(40)	13,364
Total interest-earning securities and short-dated government paper	94,605	1,185	98,409	81,107	832	82,662
Shares	6,218		6,218	4,850		4,850
Total investment portfolios	100,823		104,627	85,957		87,512

The book value of the investment portfolios developed during 2002 as follows:

	Interest-earning	Shares
Opening balance of investment portfolio	77,005	838
Movements:		
• Purchases	143,726	858
• Sales	(107,121)	(897)
• Redemptions	(14,679)	–
• Acquisitions / dispositions	(3)	(2)
• Revaluations	0	(54)
• Currency translation differences	(7,479)	(12)
• Other	1,546	22
Closing balance of investment portfolio	92,995	753
Closing balance of policyholder accounts	1,610	5,465
Total investment portfolios	94,605	6,218
Revaluations included in closing balance	–	–
Diminutions in value included in closing balance	–	89

Premiums and discounts on the investment portfolios are amortised. The purchase price of the investment portfolios, including unamortised amounts from replacement transactions, was EUR 286 million above the redemption value.

Trading portfolios

The following table analyses the composition of the trading portfolios.

	2002	2001
Dutch government	955	541
US Treasury and US government agencies	12,104	16,476
Other OECD governments	16,199	13,823
Other interest-earning securities	13,074	11,148
Total interest-earning securities	42,332	41,988
Shares	6,633	9,337
Total trading portfolios	48,965	51,325

Other securities

The following table analyses the book value and fair value of other securities.

	2002		2001	
	Book value	Fair value	Book value	Fair value
Short-dated government paper	1,191	1,176	3,126	3,146
Other bank paper	3,269	3,269	3,295	3,295
Other securities	3,998	3,505	6,145	6,144
Total interest-earning securities	8,458	7,950	12,566	12,585
Shares and equity participations	2,885	2,821	2,607	2,449
Total other securities	11,343	10,771	15,173	15,034

6 Participating interests

This item includes equity participations held on a long-term basis for the purpose of business operations.

	2002	2001
Credit institutions	1,034	1,152
Other participating interests	1,132	1,268
Total participating interests	2,166	2,420
Development:		
Opening balance	2,420	2,026
Movements:		
• Purchases / increases	196	185
• Sales / reductions	(176)	(118)
• Revaluations	0	48
• Share in results of significant participations interest	78	35
• Dividends received from significant participations interest	(21)	(30)
• Other	(331)	274
Closing balance	2,166	2,420
Revaluations included in closing balance	1	50

Participating interests with official stock exchange listings represented a book value of EUR 674 million (2001: EUR 914 million).

7 Property and equipment

	2002	2001
Property used in operations	3,028	3,456
Other property	2,300	1,907
Equipment	1,654	1,968
Total property and equipment	6,982	7,331

At 31 December 2002 EUR 363 million of internally generated software was capitalised under equipment.

	Property			
	Total	Used in operations	Other	Equipment
Development:				
Opening balance	7,331	3,456	1,907	1,968
Movements:				
• Purchases	1,292	206	259	827
• Sales	(497)	(157)	(195)	(145)
• Revaluations	3	3	0	0
• Depreciation ¹	(1,094)	(197)	0	(897)
• Acquisitions / dispositions	(4)	(11)	0	7
• Currency translation differences	(546)	(288)	(56)	(202)
• Other ²	497	16	385	96
	(349)	(428)	393	(314)
Accumulated amounts:				
Replacement cost	11,446	4,449	2,303	4,694
Depreciation	(4,464)	(1,421)	(3)	(3,040)
Closing balance	6,982	3,028	2,300	1,654
Revaluations included in closing balance	147	144	3	0

¹ Depreciation of equipment includes a EUR 88 million write-off of assets relating to restructuring.

² Other of Other property comprises the net increase from property development activities.

Legal title to property and equipment totalling EUR 88 million (2001: EUR 119 million) is held by third parties.

Payables with respect to finance lease agreements are:

	Payables on finance lease
Within one year	17
After one year and within five years	11
Total	28

8 Other assets and other liabilities

These items include those amounts which are not of an accrued or deferred nature or which cannot be classified with any other balance sheet item. This concerns, for example, current tax assets (2002: EUR 408 million) and current tax liabilities (2002: EUR 1,447 million), deferred tax assets (2002: EUR 1,523 million), an intangible asset on account of unrecognised prior service pension cost (2002: EUR 432 million), options, servicing rights, precious metals and other goods, balances of payment transactions still to be settled, short securities positions and market value of interest rate and currency contracts as part of trading activities. Options on behalf of customers are also included (2002: EUR 295 million).

9 Prepayments and accrued income and accruals and deferred income

These items include revenue and expenses recognised in the period under review but whose actual receipt or payment falls in a different period, as well as the total net difference between contract rates and spot rates on foreign exchange hedging operations.

10 Banks (liabilities)

This item comprises debts, including amounts on account of professional securities transactions, to credit institutions, central banks and multilateral development banks.

11 Total client accounts

This item includes total client balances held in current accounts, savings accounts and deposits, as well as debts on account of professional securities transactions and non-subordinated private loans.

	2002	2001
Savings accounts	74,249	84,345
Corporate deposits	75,833	87,838
Professional securities transactions	50,178	54,578
Other client accounts	89,201	85,603
Total client accounts	289,461	312,364

12 Debt securities

This item includes non-subordinated debt and other negotiable interest-bearing debt securities.

	2002	2001
Debentures and notes	40,678	41,976
Cash notes, savings certificates and bank certificates	6,579	7,666
Certificates of deposit and commercial paper	23,952	22,853
Total debt securities	71,209	72,495

The debentures are issued principally in the Dutch capital market and the Euromarket and are denominated mostly in euros and US dollars. The commercial paper programme is conducted mainly in the United States and is denominated in US dollars. The other debt securities are instruments used in markets in which ABN AMRO is active and are usually denominated in local currencies. At 31 December 2002, debt securities denominated in euros amounted to EUR 36,687 million and those denominated in US dollars to EUR 25,511 million.

At 31 December 2002 the debentures and notes, originally issued in the Dutch capital market, included EUR 13,405 million of variable rate obligations. In addition, EUR 5,145 million of the debentures and notes had been converted into variable rate obligations through the use of asset-liability management derivative contracts. The average interest rate on the debentures and notes, adjusted to reflect the effect of asset-liability management derivative contracts at year-end 2002, was 3.62%.

Maturity analysis of debt securities

	2002	2001
Within one year	33,489	40,614
After one and within two years	7,507	5,276
After two and within three years	2,132	3,843
After three and within four years	5,255	2,794
After four and within five years	4,963	3,765
After five years	17,863	16,203
Total debt securities	71,209	72,495

13 Provisions

	2002	2001
Provisions for deferred tax liabilities <i>(see note 37)</i>	714	741
Provisions for pension obligations <i>(including early retirement)</i>	880	124
Provisions for contributions to health insurance after retirement	309	184
Other staff provisions	203	213
Insurance fund liabilities	10,015	10,123
Restructuring provisions	290	519
Other provisions	827	768
Total provisions	13,238	12,672

The other staff provisions refer in particular to occupational disability and other benefits, except early retirement benefits, payable to non-active employees. Provisions formed for staff benefit schemes due to restructuring are accounted for as restructuring provisions. Insurance fund liabilities include the actuarial reserves and the premium and claims reserves of the group's insurance companies.

More details regarding the restructuring provisions are given in note 38.

Provisions are generally long-term in nature.

	Pension	Health insurance contribution	Other staff provisions	Re-structuring	Other provisions
Opening balance	124	184	213	519	768
Movements:					
• Effect of change in accounting policies	551	91	–	–	–
• Additions from equity / assets	1,004	–	–	–	–
• Additions from income statement	319	71	13	415	143
• Expenses charged to provisions	(1,061)	(23)	(21)	(588)	(84)
• Currency translation differences	(2)	(14)	(2)	(56)	0
• Others	(55)	0	0	0	0
Closing balance	880	309	203	290	827

The following tables summarise the change in benefit obligations and plan assets of the main pension plans and other employee benefit plans based on FAS 87 and FAS 106 as well as the funded status of the plans.

	Pension	Health insurance contribution
Opening balance	7,935	513
Movements in projected benefit obligations:		
• Service cost	272	20
• Interest cost	495	36
• Employee contributions / refunds	7	0
• Actuarial (gain) / loss	336	(17)
• Benefits paid	(274)	(20)
• Plan amendments	12	0
• Settlement / curtailment	0	(15)
• Currency translation differences	(300)	(40)
• Others	358	59
Closing balance	8,841	536

	Pension	Health insurance contribution
Opening balance	6,642	19
Movements in plan assets:		
• Actual return of plan assets	(702)	(5)
• Employee contributions / refunds	7	0
• Employer's contribution	1,061	4
• Benefits paid	(274)	(3)
• Settlement / curtailment	0	0
• Currency translation differences	(269)	(1)
• Others	311	11
Closing balance (fair value)	6,776	25

	Pension	Health insurance contribution
Funded status / (deficits)	(2,065)	(511)
Unrecognised net actuarial (gain) / loss	1,734	158
Unrecognised prior service cost	457	10
Unrecognised transition obligation	(2)	34
Prepaid / (accrued) benefit cost	124	(309)

The weighted averages of the main actuarial assumptions used to determine the value of the provisions for pension commitments and contributions to health insurance as at 31 December were as follows:

	2002	2001
Pensions		
• Discount rate	5.4	6.0
• Expected increment in salaries	3.4	3.9
• Expected return on investments	7.3	7.3
Health insurance:		
• Discount rate	5.4	6.0
• Average rise in the costs of health care	5.5	5.2

The expected return on investments regarding pension obligations is weighted on the basis of the fair value of these investments. All other assumptions are weighted on the basis of the defined benefit plan obligations.

Unrecognised service cost refers to the additional pension obligations resulting from the lowering of the retirement age to 62 years for the employees in the Netherlands with effect from 1 January 2000, and will be amortised over the average remaining years of service of the employees.

For the pension plans in the Netherlands, accumulated pension obligations (excluding future salary increases) exceeded the value of pension plan assets by EUR 974 million as at 31 December 2002. Taking into account a receivable from the Pension Fund, an additional obligation of EUR 1,004 million has been provided for, of which EUR 572 million (net EUR 374 million) has been charged to stockholders' equity and EUR 432 million is recognised as an intangible asset under Other assets.

Assumptions relating to movements in health care significantly affect the amounts disclosed for contributions to post-retirement health care. An increase of 1% in the assumed movement in the costs of health care would result in the accumulated obligation for other post-retirement benefits increasing by approximately EUR 99 million as at 31 December 2002, and the net period costs of other post-retirement benefits for 2002 going up by EUR 10 million. Conversely, a decrease of 1% in the assumed movement of the costs of health care would result in the two latter amounts declining by approximately EUR 82 million and EUR 9 million, respectively.

14 Fund for general banking risks

The fund for general banking risks covers general risks associated with lending and other banking activities. The fund is net of tax and forms part of tier 1 capital; it is maintained partly in currencies other than the euro.

	2002	2001
Opening balance	1,381	1,319
Movements:		
Acquisitions	0	75
Disposition (EAB)	0	(53)
Currency translation differences	(126)	40
Closing balance	1,255	1,381

15 Subordinated debt

This item includes subordinated debentures and loans which, according to the standards applied by the Dutch central bank, qualify for the consolidated capital adequacy ratio. It comprises debt subordinated to all other current and future liabilities of ABN AMRO Holding N.V (2002: nil; 2001: EUR 292 million), as well as subordinated borrowings of consolidated participating interests. Subordinated debt raised by ABN AMRO Bank N.V. amounts to EUR 8,398 million (2001: EUR 8,839 million) and by its subsidiaries EUR 5,880 million (2001: EUR 7,152 million). In general, early repayment, in whole or in part, is not permitted. The average interest rate on subordinated debt was 6.2%.

Maturity analysis of subordinated debt

	2002	2001
Within one year	150	728
After one and within two years	467	148
After two and within three years	1,292	495
After three and within four years	1,273	1,489
After four and within five years	1,499	1,429
After five years	9,597	11,994
of which		
<i>Preference shares qualifying as tier 1 capital</i>	2,018	2,562
<i>Other perpetual</i>	2,136	2,226
Total subordinated debt	14,278	16,283

Subordinated debt as at 31 December 2002 was denominated in euros to an amount of EUR 7,984 million and in US dollars to an amount of EUR 6,118 million, and included EUR 3,049 million of variable rate obligations.

16 Shareholders' equity

	2002	2001	2000
Share capital	1,704	1,677	1,676
Reserves	9,202	10,233	10,868
	10,906	11,910	12,544
Treasury stock	(125)	(123)	(21)
Total shareholders' equity	10,781	11,787	12,523

For further information reference is made to the section on changes in shareholders' equity.

Share capital

The authorised share capital of ABN AMRO Holding N.V. amounts to EUR 4,704,000,224 face value and consists of one hundred priority shares, four billion ordinary shares, one billion preference shares and one hundred million convertible preference shares, each of which is convertible into four ordinary shares.

The issued and paid-up share capital is made up of the following numbers of shares:

Priority share (face value EUR 2.24)	1
Ordinary shares (face value EUR 0.56)	1,591,303,519
Preference shares (face value EUR 2.24)	362,503,010
Convertible preference shares (face value EUR 2.24)	521,303

On 31 December 2002, 5,700,000 ordinary shares were repurchased in connection with the Performance Share Plan and future exercise of staff options.

The preference shares are registered shares; the dividend has been fixed with effect from 1 January 2001 at 5.55% of the face value. This percentage will be adjusted on 1 January 2011 in the manner stipulated in the articles of association.

Dividend on convertible preference shares has been fixed at EUR 1.72 (rounded) per share per annum until the end of 2003. Holders of convertible preference shares can convert their shares into 2.1 million ordinary shares until 31 October 2003, on payment of EUR 0.79 (rounded) per ordinary share.

Reserves

	2002	2001	2000
Share premium account	2,543	2,504	2,518
Revaluation reserves	124	355	300
Other reserves prescribed by law	297	258	207
<i>General reserve</i>	8,336	7,592	8,169
<i>Exchange differences reserve</i>	(2,098)	(476)	(326)
Other reserves	6,238	7,116	7,843
Total reserves	9,202	10,233	10,868

The share premium account is regarded as paid-up capital for tax purposes. The share premium account relating to convertible preference shares amounts to EUR 14 million (2001: EUR 18 million; 2000: EUR 21 million).

In 2002 the realised revaluation of EUR 186 million has been transferred from the revaluation reserve to the general reserve. The remaining revaluation reserve is regarded as a legal reserve. The expected stock dividend percentage (58%) for the final dividend was taken into consideration.

Staff options

Apart from Managing Board members and other senior executives, employees of ABN AMRO in the Netherlands are periodically offered the opportunity to acquire equity options whose value is related to the option exercise price. The exercise price of staff options is equal to the average of the highest and lowest ordinary share price quoted on Euronext Amsterdam on the date of grant. With effect from 2002, options awarded to the Managing Board and other senior executives are of a conditional nature. The options cannot be exercised for at least three years from the date of grant and then only if specific performance indicators have been achieved in the intervening period. If the criteria are not met, the test may be applied in up to three subsequent years. If they are not met at all within six years from the date of grant, the options will lapse. The total term of the options has been extended from seven years to ten years. Also with effect from 2002, options of a conditional nature have been granted to some 1,200 employees directly reporting to the bank's senior executives. The terms and conditions are the same as those applicable to the options awarded to senior executives.

The majority of the non-conditional options is not exercisable during the first three years from the date of grant. Open periods have been established for senior executives and other designated persons. This category of staff is not permitted to exercise its options outside the open periods, except on the expiration date and the preceding five working days, subject to certain conditions. In 2002, approximately 18,000 employees exercised the right to take equity options.

In 2000, 2001 and 2002, the price of options exercised ranged from EUR 6.71 to EUR 24.11. If fully exercised, the options at year-end 2002 would have increased the number of ordinary shares by 58.3 million (see following analysis).

<i>Year of expiration</i>	Staff options (in thousands)	Average exercise price (in euros)	Low/high exercise price (in euros)
2003	13,898	22.58	17.28 – 23.52
2004	10,365	20.83	18.10 – 24.32
2005	5,653	21.18	17.95 – 24.11
2007	4,572	21.30	21.30
2008	9,604	22.73	22.34 – 23.14
2009	4,414	20.42	20.42
2012	9,828	19.11	17.46 – 19.53
Total	58,334	21.31	17.28 – 24.32

	2002		2001	
	Staff options (in thousands)	Average exercise price (in euros)	Staff options (in thousands)	Average exercise price (in euros)
Opening balance	50,658	21.23	42,016	20.46
Movements:				
Options granted to Managing Board members	592	19.53	550	23.14
Options granted to other senior management	7,392	19.53	4,335	23.14
Other options granted	6,540	19.57	6,583	21.28
Options exercised	(5,051)	16.31	(2,524)	12.06
Options expired and cancelled	(1,797)	18.95	(302)	20.59
Closing balance	58,334	21.31	50,658	21.23
Of which conditional	9,828	19.11	-	-

To settle the options granted, with effect from 1 January 2001, ABN AMRO each year makes available new ordinary shares up to 1% of the issued ordinary shares. The total of outstanding options settled through the issuance of new ordinary shares will not exceed 10% of the issued ordinary shares.

To settle additional options granted above these limits, ABN AMRO will repurchase shares in the open market or hedge these options through derivative transactions. If all rights are fully exercised, shareholders' equity would increase by an amount of EUR 1,243 million.

Deliveries on options exercised in 2002 were made from share repurchases on the date of grant (1,064,904 shares) and from new shares issued on the exercise date (3,986,254 shares).

If ABN AMRO had based the cost of staff options granted in 2002 at the fair value of the options at the date of grant instead of the intrinsic value of the options, net profit and earnings per ordinary shares would have been EUR 40 million and EUR 0.03 lower respectively. For additional information see 'Other information Remunerations shares and options'.

17 Minority interests

This item comprises the share of third parties in the equity of subsidiaries and other group companies, as well as preferred stock issued to third parties by subsidiaries in the United States. The right to repayment of this preferred stock is in all cases vested in the issuing institution, but repayment is also subject to approval of the supervisory authorities. If this right is not exercised, preference shares without fixed dividend entitlement qualify for a dividend step-up. In terms of dividend and liquidation rights, Trust preferred shares are comparable to ABN AMRO Holding N.V. preference shares.

	2002	2001	2000
Cumulative preference shares			
Non-cumulative preference shares			
• Trust preferred shares with fixed dividend	2,382	2,834	2,689
• Other shares with fixed dividend	384	458	480
• Other shares with dividend step-up	270	321	1,027
Other minority interests	774	943	1,091
Total	3,810	4,556	5,287

	2002	2001	2000
Opening balance	4,556	5,287	4,945
Movements:			
Currency translation differences	(732)	244	413
Acquisitions / disposition	0	(413)	0
Redemption / repurchase of preference shares	0	(415)	(528)
Others	(14)	(147)	457
Closing balance	3,810	4,556	5,287

18 Capital adequacy

The standards applied by the Dutch central bank for the principal capital ratios are based on the capital adequacy guidelines of the European Union and the Basel Committee for Banking Supervision. These ratios compare the bank's total capital and tier 1 capital with the total of risk-weighted assets and off-balance sheet items and the market risk associated with the trading portfolios. The minimum requirement for the total capital ratio and tier 1 ratio is 8% and 4% respectively of risk-weighted assets.

The following table analyses actual capital and the minimum standard in accordance with supervisory requirements.

	2002		2001	
	Required	Actual	Required	Actual
Total capital	18,366	26,493	21,871	29,814
Total capital ratio	8.0%	11.54%	8.0%	10.91%
Tier 1 capital	9,183	17,178	10,935	19,224
Tier 1 capital ratio	4.0%	7.48%	4.0%	7.03%

19 Accounts with participating interests

Amounts receivable from and payable to participating interests included in the various balance sheet items totalled:

	2002	2001
Banks <i>(assets)</i>	24	109
Loans	396	247
Banks <i>(liabilities)</i>	480	332
Total client accounts	9	27

20 Maturity

Short-dated liabilities and demand deposits are generally matched by cash, assets that can be realised at short notice or lending operations as part of the interest rate risk policy. The balance sheet is already presented in descending order of liquidity. A number of items containing assets or liabilities with varying maturities are analysed in the following table. This analysis does not include liquid assets such as cash and short-dated government paper and the bond investment portfolios, which by their nature can be realised at short notice. In every country in which ABN AMRO is active, liquidity satisfies the standards imposed by the supervisory authorities.

Maturity analysis

(in billions of euros)

	On demand	≤ 3 months	> 3 m - ≤ 1 yr	> 1 yr - ≤ 5 yr	> 5 yr
Banks <i>(liabilities)</i>	19	52	11	12	2
Savings accounts	19	47	3	5	0
Deposits and other client accounts <i>(including professional securities transactions)</i>	84	111	10	6	4
Debt securities	0	21	12	20	18
Subordinated debt	0	0	0	4	10
Banks <i>(assets)</i>	17	20	3	1	1
Loans <i>(including professional securities transactions)</i>	22	107	31	58	93

21 Currency position

Of total assets and total liabilities, amounts equivalent to EUR 336 billion and EUR 333 billion respectively are denominated in currencies other than the euro. Positions arising from balance sheet items are generally hedged by foreign exchange contracts not included in the balance sheet. The actual currency positions arising out of the bank's proprietary foreign exchange dealing activities are of limited size. Capital invested in operations outside the Netherlands is largely funded in euros. Part of the resulting currency positions is used to offset movements in required capital for foreign-currency risk-bearing assets, which is also due to exchange rate fluctuations. Similar reasoning lies behind the policy of issuing preferred stock and subordinated debt in foreign currencies.

22 Collateral provided

In connection with collateral provided for specific liabilities and off-balance sheet commitments, as well as for transactions in financial markets, specific assets are not freely available. This relates to cash (EUR 2.8 billion), securities (EUR 20.7 billion) and loans (EUR 34.8 billion). Collateral has been provided for liabilities included in banks (EUR 19.7 billion), debt securities (EUR 22.7 billion) and client accounts (EUR 5.3 billion).

23 Contingent liabilities

	2002	2001
Commitments with respect to guarantees granted	39,754	43,334
Commitments with respect to irrevocable letters of credit	4,370	4,379
Commitments with respect to recourse risks arising from discounted bills	52	71
	44,176	47,784

24 Derivatives

Derivatives are financial instruments, the contracted or notional amounts of which are not included in the balance sheet either because rights and obligations arise out of one and the same contract, the performance of which is due after balance sheet date, or because the notional amounts serve merely as variables for calculation purposes. Examples of derivatives are forward exchange contracts, options, swaps, futures and forward rate agreements. The underlying value may involve interest rate, currency, commodity, bond or equity products or a combination of these. Derivatives transactions are conducted as a trading activity (also on behalf of clients) and as a hedge against ABN AMRO's own interest rate and currency exposure.

The degree to which ABN AMRO is active in the respective markets or market segments is shown in the following analysis by means of notional amounts (including maturity profile based on remaining term). The notional amounts, however, give no indication of the size of the cash flows and the market risk or credit risk attaching to derivatives transactions.

The market risk arises from movements in variables determining the value of derivatives, such as interest rates and quoted prices. The credit risk is the loss that would arise if a counterparty were to default. This is related, however, to the market risk since the extent of the credit risk is in part determined by actual and expected market fluctuations. In calculating the credit risk shown in the following table, netting agreements and other collateral have not been taken into consideration.

Derivatives transactions

(in billions of euros)

		Notional amounts			Total	Credit risk
		≤ 1 yr	> 1 yr - ≤ 5 yr	> 5 yr		
Interest rate contracts						
OTC	Swaps	682	1,135	146	1,963	53
	Forwards	231	7	0	238	0
	Options	110	176	7	293	3
Exchange-traded	Futures	183	52	0	235	-
	Options	86	22	0	108	0
Currency contracts						
OTC	Swaps	248	51	17	316	8
	Forwards	365	10	0	375	8
	Options	65	3	0	68	1
Exchange-traded	Futures	3	1	0	4	-
	Options	1	0	0	1	0
Other contracts						
OTC	Forwards/Swaps	5	24	2	31	1
	Options	9	10	1	20	1
Exchange traded	Futures	8	0	0	8	-
	Options	17	5	0	22	0
Total derivatives		2,013	1,496	173	3,682	75

The following tables give an indication of the notional amounts and (average) market values of the principal types of trading portfolio contracts and hedging portfolio contracts (i.e. contracts entered into as part of the bank's interest rate and exchange rate policies). Intercompany transactions between hedging and trading portfolios have not been eliminated from the figures.

Trading portfolio derivatives transactions in 2002

<i>(in millions of euros)</i>	Notional amounts	Market value		Average market value	
		Positive	Negative	Positive	Negative
Interest rate contracts					
Swaps	2,111,469	56,555	53,061	38,314	34,553
Forwards	236,819	165	152	134	236
Options purchased	200,820	3,526	–	2,748	–
Options sold	205,081	–	3,117	–	2,601
Futures	222,580	–	–	–	–
Total interest rate contracts	2,976,769	60,246	56,330	41,196	37,390
Currency contracts					
Swaps	316,396	8,628	11,339	6,332	8,217
Forwards	371,939	8,163	7,999	7,808	6,150
Options purchased	32,796	812	–	707	–
Options sold	33,465	–	763	–	2,826
Futures	3,694	–	–	–	–
Total currency contracts	758,290	17,603	20,101	14,847	17,193
Other contracts					
Equity options purchased	19,992	1,483	–	468	–
Equity options sold	22,045	–	1,896	–	967
Other equity and commodity contracts	38,941	715	516	1,519	1,544
Total other contracts	80,978	2,198	2,412	1,987	2,511

Trading portfolio derivatives transactions in 2001

<i>(in millions of euros)</i>	Notional amounts	Market value		Average market value	
		Positive	Negative	Positive	Negative
Interest rate contracts	2,582,840	30,721	27,881	25,248	20,608
Currency contracts	743,339	15,153	12,383	15,377	15,035
Other contracts	58,674	2,285	3,331	1,188	2,046

Hedging portfolio derivatives transactions

(in millions of euros)

	2002			2001		
	Notional amounts	Market value		Notional amounts	Market value	
		Positive	Negative		Positive	Negative
Interest rate contracts						
Swaps	222,310	4,189	6,066	226,865	2,885	4,197
Forwards	3,248	10	10	4,224	2	3
Options purchased	4,620	53	–	6,356	61	–
Futures	11,993	–	–	15,196	–	–
Total interest rate contracts	242,171	4,252	6,076	252,641	2,948	4,200
Currency contracts						
Swaps	7,298	165	233	5,642	62	291
Forwards	11,346	229	231	21,465	413	284
Options purchased	1,887	30	–	933	9	–
Total currency contracts	20,531	424	464	28,040	484	575

Derivatives and capital adequacy requirements

In determining the capital adequacy requirement, both existing and future credit risk is taken into account. To this end the current potential loss, i.e. the positive replacement value based on market conditions at balance sheet date, is increased by a percentage of the relevant notional amounts, depending on the nature and remaining term of the contract. This method takes into account the possible adverse development of the positive replacement value during the remaining term of the contract. The following analysis shows the resulting credit equivalent, both unweighted and weighted for the counterparty risk (mainly banks). The figures allow for the downward impact of netting agreements and other collateral on risk exposure and capital adequacy.

Credit equivalent

(in billions of euros)

	2002	2001
Interest rate contracts	64.5	38.7
Currency contracts	28.7	31.1
Other contracts	5.8	4.5
	99.0	74.3
Effect of contractual netting	64.3	41.1
Unweighted credit equivalent	34.7	33.2
Weighted credit equivalent	9.2	10.0

25 Memorandum items

Apart from the memorandum items stated, non-quantified guarantees have been given for the bank's securities custody operations, for interbank bodies and institutions and for participating interests. Collective guarantee schemes apply to group companies in various countries. Furthermore, statements of liability have been issued for a number of group companies.

Legal proceedings have been initiated against ABN AMRO in a number of jurisdictions, but on the basis of information currently available, and having taken counsel with legal advisers, the Managing Board is of the opinion that the outcome of these proceedings is unlikely to have a material adverse effect on the consolidated financial position and the consolidated operations of ABN AMRO.

For 2003, investment in property and equipment is estimated at EUR 1.2 billion, of which ABN AMRO is already committed to an amount of EUR 170 million.

Though ABN AMRO has sold a part of its loan portfolio, partly through credit-enhanced or non-credit enhanced securitisation, it still holds legal title to some of these loans. In most cases these loans are also serviced by ABN AMRO. The bank also services loans granted by other institutions. The following table states the outstandings at 31 December 2002.

Legal title to loans sold	1,247
Loans serviced for third parties	159,057
Loans sold with credit enhancement	1,259

Future rental commitments at 31 December 2002 for long-term lease contracts were as follows:

Within one year	248
After one year and within five years	760
After five years	792

In December 2002, we reached an agreement with EDS on an IT outsourcing contract for WCS. The contract covers the provision of technology services and applications maintenance in the major countries in which WCS operates. The total value of the contract is expected to be valued at approximately EUR 1.3 billion based on a five-year period.

26 Net interest revenue

This item comprises interest revenue from loans, investments, other lending, interest expense on borrowings by ABN AMRO and client accounts, as well as the results from interest rate and foreign exchange contracts entered into for hedging purposes. Other revenue from loans is also included. Interest revenue from interest-earning securities amounted to EUR 6,379 million (2001: EUR 6,624 million). Interest expense on subordinated debt totalled EUR 944 million (2001: EUR 961 million).

27 Revenue from securities and participating interests

This item includes the share in net profit or loss of participating interests on which ABN AMRO exercises a significant influence. Dividends received from shares and other participating interests are also included, as are the results from sales of shares from the investment portfolio and investments in participating interests insofar as these are not treated as value adjustments to financial fixed assets (see note 41 'Segment Information' for more details).

	2002	2001	2000
Revenue from shares and equity participations	79	75	130
Revenue from participating interests	290	380	321
Total revenue from securities and participating interests	369	455	451

28 Net commissions

This item includes revenue from securities brokerage, domestic and international payments, asset management, insurance, guarantees, leasing and other services. Amounts paid to third parties are shown as commission expense.

	2002	2001	2000
Securities brokerage	1,269	1,674	2,405
Payment services	1,348	1,394	1,385
Asset management and trust	862	885	712
Insurance	165	202	212
Guarantees	170	158	163
Leasing	185	179	158
Other	640	722	845
Total commissions	4,639	5,214	5,880

29 Results from financial transactions

This includes results from securities trading, foreign exchange dealing and derivatives transactions. The category other includes trading LDC debt securities, currency translation differences on investments – other than those included in tangible fixed assets – in branches, subsidiary and participating interests in hyper-inflationary countries, results from private equity positions as well as results from transactions in connection with hedging of the foreign currency profit.

	2002	2001	2000
Securities trading	492	787	426
Foreign exchange dealing	679	486	570
Derivatives transactions	388	502	508
Other	(82)	(223)	65
Total result from financial transactions	1,477	1,552	1,569

30 Other revenue

This includes revenue from mortgage-servicing rights and mortgage origination, property development, other revenue from car leasing activities and results from the insurance companies forming part of the group.

The insurance companies achieved the following results:

	Life	Non-life	
Net premium income	1,639	452	
Investment income	(117)	119	
Insurance expenses	(1,385)	(394)	
Total result of insurance companies	137	177	

31 Staff costs

	2002	2001	2000
Salaries <i>(including bonuses, etc.)</i>	5,258	5,981	5,754
Pension costs <i>(incl. early retirement)</i>	384	188	165
Health insurance after retirement	71	20	22
Social insurance and other staff costs	1,537	1,464	1,519
Total staff costs	7,250	7,653	7,460
<i>Average number of employees (headcount):</i>			
Netherlands	34,090	36,630	38,476
Foreign countries	73,326	75,576	74,916
Total average number of employees (headcount)	107,416	112,206	113,392

Pension costs and contributions to health insurance for 2002 borne by the company consist of a number of items. These are shown in the following table.

	Pension	Health insurance contribution	
Service cost	272	20	
Interest cost	495	36	
Expected return of plan assets	(506)	(3)	
Net amortization of prior service cost	56	0	
Net amortization of transition obligation	0	6	
Net amortization of net actuarial (gain) / loss	2	12	
Defined benefit plans	319	71	
Defined contribution plans	65	0	
Total	384	71	

32 Other administrative expenses

This item includes office overhead, automation costs, advertising costs and other general expenses.

ABN AMRO also leases premises and space in other buildings for its principal activities. The leases generally are renewable and provide for payment of rent and certain other occupancy expenses. Total rent expense for all contracts amounted to EUR 334 million in 2002, EUR 373 million in 2001 and EUR 341 million in 2000.

33 Depreciation

This item is made up of depreciation of buildings and equipment.

34 Provision for loan losses

This item includes provisions for uncollectable outstandings.

35 Addition to the fund for general banking risks

This item includes the addition to or release from the fund, management's intention being to maintain the fund at a level equal to approximately 0.5% of risk-weighted total assets.

36 Value adjustments to financial fixed assets

Financial fixed assets include the bond and equity investment portfolios and participating interests on which the bank does not exercise an influence. Diminutions in value of the bond investment portfolio may relate to a permanent deterioration of the debtor's quality. These diminutions in value and the diminutions in value below the purchase price of shares and participating interests on which no influence is exercised, together with amounts released in respect of earlier diminutions in value, are included in this item. Results from dispositions below purchase price are likewise treated as diminutions in value.

37 Taxes

The overall effective tax rate increased from 27.6% in 2001 (21.4% including sale of EAB and restructuring charge) to 29.4% in 2002 (28.7% including restructuring charge).

	2002	2001	2000
Dutch tax rate	34.5%	35.0%	35.0%
Effect of deviating tax rate in foreign countries	(4.5%)	(5.1%)	(2.5%)
Effect of tax-exempt revenue in the Netherlands	0.4%	(2.0%)	(4.1%)
Other	(1.0%)	(0.3%)	(0.4%)
Effective tax rate on operating profit	29.4%	27.6%	28.0%

Taxes amounted to EUR 973 million, including a deferred tax income of EUR 326 million (2001: including a deferred tax expense of EUR 105 million). The total amount of taxation credited directly to shareholders' equity during the year amounted to EUR 433 million.

The provision for deferred tax liabilities relates to tax liabilities that will arise in the future owing to the difference between the book value of specific assets and liabilities and their valuation for tax purposes. The following analysis shows deferred tax liabilities and assets.

	2002	2001
Deferred tax liabilities		
Buildings	290	241
Pensions and other post-retirement and post-employment arrangements	0	324
Derivatives	0	118
Leases and similar financial contracts	402	470
Servicing rights	537	497
Other	861	803
Total	2,090	2,453
Deferred tax assets		
Allowances for loan losses	551	215
Investment portfolios	53	88
Goodwill	387	544
Carry-forward losses of foreign operations	622	708
Derivatives	6	0
Restructuring charge	15	42
Tax credits	795	682
Pensions and other post-retirement and post-employment arrangements	165	0
Other	500	680
Deferred tax assets before valuation allowances	3,094	2,959
Less: valuation allowances	195	311
Deferred tax assets after valuation allowances	2,899	2,648

Deferred tax assets and liabilities are discounted to their net present value on the basis of net interest where the original term of the temporary difference is longer than five years. The nominal value of deferred tax assets amounts to EUR 3,033 million and of deferred tax liabilities to EUR 2,199 million. For discounted deferred tax assets the net interest rate applied as a discount factor is 7% and the average remaining life is eight years. For discounted deferred tax liabilities, the net interest rate applied as a discount factor is 4% and the average remaining life is 20 years.

The main component of the valuation allowance relates to tax carry-forward losses. The amount of deferred tax assets, likely to be recovered within one year, is EUR 212 million.

At 31 December 2002, carry-forward losses of foreign operations expire as follows:

2003	188	
2004	277	
2005	143	
2006	129	
2007	109	
Years after 2007	1,046	
Indefinitely	1,371	
Total	3,263	

ABN AMRO considers approximately EUR 4,2 billion in distributable invested equity to be permanently invested. If retained earnings were distributed no foreign income taxes would have to be paid. The estimated impact of foreign withholding tax is EUR 140 million.

38 Extraordinary result

As a consequence of the decision to close the US domestic cash equities and mergers and acquisitions businesses, an additional provision of EUR 325 million (net EUR 205 million) was accounted for as an extraordinary item in 2002.

The sale of EAB in 2001 produced an extraordinary net profit of EUR 962 million.

In 2000 the Managing Board authorised a restructuring provision of EUR 900 million in order to realise the new strategy and reorganisation into the Strategic Business Units. At the end of 2001 the composition and number of employees in the Netherlands that could opt for the voluntary departure scheme or early retirement scheme were finalised, resulting in an additional charge of EUR 147 million (net EUR 95 million). Because of the non-recurring character of these schemes the costs are treated as extraordinary expenses.

Main elements of the charge relate to:

	2002	2001	2000
Staff reduction	157	147	530
Write-off of assets	88	0	120
Other costs	80	0	250
Total	325	147	900

39 Minority interests

This item comprises the share of third parties in results from subsidiaries and other group companies, as well as dividends on preferred stock issued by subsidiaries in the United States.

	2002	2001	2000
Dividends on preference shares	173	217	245
Other minority interests	35	35	59
Total minority interests	208	252	304

40 Earnings per ordinary share

Basic earnings per share is computed by dividing net profit available to ordinary shareholders by the weighted average number of ordinary shares outstanding. Diluted earnings per ordinary share include the determinants of basic earnings per ordinary share and, in addition, the effect arising should all outstanding rights to ordinary shares be exercised. The computation of basic and diluted earnings per ordinary share are presented in the following table.

	2002	2001
Net profit	2,207	3,230
Dividends on preference shares	46	46
Net profit attributable to ordinary shareholders	2,161	3,184
Dividends on convertible preference shares	1	1
Fully diluted net profit	2,162	3,185
Weighted average number of ordinary shares outstanding <i>(in millions)</i>	1,559.3	1,515.2
Dilutive effect of staff options <i>(in millions)</i>	0.0	1.9
Convertible preference shares <i>(in millions)</i>	2.1	2.7
Performance share plan <i>(in millions)</i>	3.8	2.9
Diluted number of ordinary shares <i>(in millions)</i>	1,565.2	1,522.7
Basic earnings per share including extraordinary items <i>(in euros)</i>	1.39	2.10
Fully diluted earnings per share including extraordinary items <i>(in euros)</i>	1.38	2.09
Basic earnings per share excluding extraordinary items <i>(in euros)</i>	1.52	1.53
Fully diluted earnings per share excluding extraordinary items <i>(in euros)</i>	1.51	1.52

41 Segment information

The following tables give an analysis by operating segment. For the purpose of this analysis, net turnover represents total revenue before interest expense and commission expense. Overheads have been allocated to the operating segments.

	Net turnover			Total revenue		
	2002	2001	2000	2002	2001	2000
Consumer & Commercial Clients	18,762	24,294	31,225	10,382	10,203	10,026
Wholesale Clients	12,647	15,828	11,778	5,296	6,193	6,394
Private Clients & Asset Management	2,347	1,970	2,738	1,423	1,419	1,451
Corporate Centre	1,976	1,414	410	386	249	(30)
	35,732	43,506	46,151	17,487	18,064	17,841
LeasePlan Corporation	855	830	800	793	770	628
Total	36,587	44,336	46,951	18,280	18,834	18,469

	Operating profit before taxes			Risk-weighted total assets		
	2002	2001	2000	2002	2001	2000
Consumer & Commercial Clients	2,783	2,347	2,605	143,449	158,141	157,385
Wholesale Clients	1	328	1,114	67,236	95,171	88,451
Private Clients & Asset Management	315	270	458	6,751	6,529	5,942
Corporate Centre	382	441	399	1,986	3,530	2,973
	3,481	3,386	4,576	219,422	263,371	254,751
LeasePlan Corporation	232	227	149	10,150	10,016	9,102
Total	3,713	3,613	4,725	229,572	273,387	263,853

	Total liabilities			Total depreciation		
	2002	2001	2000	2002	2001	2000
Consumer & Commercial Clients	202,315	240,177	217,168	662	657	659
Wholesale Clients	243,354	275,797	249,376	249	225	207
Private Clients & Asset Management	41,543	42,005	37,981	45	40	46
Corporate Centre	49,689	18,184	16,462	14	3	0
	536,901	576,163	520,987	970	925	912
LeasePlan Corporation	4,526	4,857	4,372	36	32	29
Total	541,427	581,020	525,359	1,006	957	941

	Total property investment			Revenue securities and participating interest		
	2002	2001	2000	2002	2001	2000
Consumer & Commercial Clients	873	1,145	1,172	199	300	106
Wholesale Clients	320	336	292	139	104	181
Private Clients & Asset Management	49	53	87	5	11	24
Corporate Centre	0	0	0	21	23	136
	1,242	1,534	1,551	364	438	447
LeasePlan Corporation	50	77	46	5	17	4
Total	1,292	1,611	1,597	369	455	451

42 Managing Board and Supervisory Board

Remuneration policy

There are two basic principles underlying the reward structure of the Managing Board. One is that the Managing Board's reward package must be competitive. It targets a median position among leading European financial institutions and an upper quartile position in comparison with other Dutch-parented multinationals. The second principle is that there must be a strong emphasis on actual performance against demanding targets. This is embedded in the performance bonus plan. In addition the performance share plan and stock option plan provide for incentives directly related to the long-term success of the bank.

Base salary

Base salaries are the same for all Managing Board members except the Chairman, to whom a 40% differential applies. Base salaries were not changed in 2002. The one non-Dutch Managing Board member will continue to receive a market competitive allowance in addition to the base salary.

Performance bonus

The annual Managing Board bonuses are based on ABN AMRO corporate and SBU quantitative and qualitative performance objectives as proposed by the Nomination & Compensation Committee and approved by the Supervisory Board. Bonuses for the Chairman and the Chief Financial Officer will be based only on delivery against corporate performance objectives. For other members of the Managing Board, the bonus will be based 50% on corporate and 50% on SBU performance. If the quantitative performance objectives are fully met, bonuses will range between 60% and 75% of base salary, with upper limits of 100% for outstanding performance and an absolute maximum of 125%. The Nomination & Compensation Committee may, on the basis of their assessment of a Managing Board member's individual performance against qualitative performance objectives, adjust the bonus outcome upwards or downwards within a range of plus or minus 20% of base salary providing that the maximum of 125% of base salary is not exceeded.

Stock options

Stock option grants form an integral part of the Managing Board compensation. In 2002 Managing Board members received a grant of 80,000 conditional options, whilst the Chairman of the Managing Board received a grant of 112,000 conditional options. These are 10-year options linked to future performance, with a vesting period of three years. The conditions for the options granted in 2002 for the performance period which normally ends at the end of 2004 are:

- i) Real economic profit (EP) growth over the performance cycle (the three financial years from that in which the stock option is granted, the starting point being EP in 2001) and;
- ii) Return on equity (ROE) in accordance with Dutch GAAP equal to, or greater than, 12.5% in the financial year preceding that in which the stock option could first be exercised.

If both these criteria are not met in the third year after options are granted, the tests may be applied in up to three subsequent years. If the criteria are not met at all within six years from the date of grant, the options will lapse.

Performance Share Plan

The Performance Share Plan introduced in 2001 remained in force in 2002 and will continue to form part of the Managing Board's reward package. In 2002, the conditional awards were 70,000 shares for each Managing Board member and 98,000 shares for the Chairman. The number of shares awarded will be subject to the bank's performance during the four-year performance period, defined as the year of grant and three subsequent years. A second condition is that the recipient is still in Group service at the end of the performance period. For the purpose of this plan, the bank's performance is measured in terms of the total return to shareholders (TRS) generated by the bank relative to the TRS generated by the peer group.

The Nomination & Compensation Committee has decided to link the 2002 conditional share award to a revised vesting schedule, whilst maintaining the principle that the full award will be paid if the TRS generated by the bank in the fourth year of the performance period is fifth out of 21 relative to the peer group. There will be a sliding scale ranging from no award if the bank is lower than tenth to 150% of the conditional award if the bank has progressed to the very top of the TRS rankings.

Other elements of reward for the Managing Board include:

- participation in a pension scheme which combines a defined benefit plan with certain guarantees, and into which the employer pays the premiums. The pensionable salary has been limited to 90% of base salary for Managing Board members. The normal retirement age is 62;
- the use of a company lease car with driver;
- a representation allowance of currently EUR 4,084 net for members and EUR 5,445 net for the Chairman to cover non-reimbursable expenses;
- reimbursement of the cost of adequate security measures for their residence;
- 24-hour personal accident insurance with a fixed covered amount of EUR 1.8 million for members and EUR 2.5 million for the Chairman;
- preferential rates on bank products such as mortgages and loans, and contribution towards private health insurance premiums, all according to the policies which apply to all other ABN AMRO employees in the Netherlands.

The following table summarises total reward, ABN AMRO options and shares and outstanding loans of current and former members of the Managing Board and Supervisory Board.

<i>(in thousands of euros)</i>	Managing Board		Supervisory Board	
	2002	2001	2002	2001
Periodic payments	5,056	7,573	523	617
Profit-sharing and bonus payments	3,313	2,103	0	0
Future benefits	2,252	0	0	0
Payments on termination of employment	0	4,900	0	0
ABN AMRO staff options <i>(conditional, granted options)</i> ¹	592,000	550,000	0	0
ABN AMRO shares <i>(conditional, granted)</i> ¹	518,000	728,000	0	0
ABN AMRO staff options <i>(outstanding)</i> ¹	1,476,533	1,853,786	140,785 ²	181,389 ²
ABN AMRO shares <i>(cumulative conditionally granted, outstanding)</i> ¹	896,000	728,000	0	0
ABN AMRO shares <i>(owned)</i> ¹	44,740	46,943	16,788	13,311
Loans <i>(outstanding)</i> ¹	10,128	13,924	9,022	12,264

¹ number of shares / options.

² Balance of the options granted to Mr P.J. Kalff during his membership of the Managing Board.

The following tables summarise salaries, other periodic payments and bonuses of the Managing Board members and former members.

	2002				2001		
	Base salary	Other periodic payment ¹	Bonus	Pension costs ^{2,3}	Base salary	Other periodic payment ¹	Bonus
R.W.J. Groenink	889	9	705	229	889	8	356
W.G. Jiskoot	635	6	475	157	635	6	127
T. de Swaan	635	6	485	184	635	6	254
J. Ch. L. Kuiper	635	7	510	177	635	7	286
C.H.A. Collee	635	5	485	145	635	6	286
H.Y. Scott-Barrett	635	458	475	1,318	635	458	127
S.A. Lires Rial ⁴	237	264	178	42	635	459	127
R.W.F. van Tets ⁴	–	–	–	–	635	6	127
J.M. de Jong ⁴	–	–	–	–	635	6	286
R.G.C. van den Brink ⁴	–	–	–	–	635	7	127

¹ Other periodic payment comprise subsidy private health insurance, representation allowance and foreigner allowance.

Mr Scott-Barrett received a foreigner allowance of EUR 454,000 in 2002 and 2001. Mr Lires Rial received a foreigner allowance of EUR 169,000 as well as compensation for annual leave.

² Pension costs exclusively comprise pension service cost and post-retirement service cost computed on the basis of the FAS 87 and FAS 106 standards.

³ For Mr Scott-Barrett, including an one-time payment of EUR 1,189,000 to compensate for no pension accrual in previous years and for related tax debits.

⁴ With effect from 15 May 2002, Mr Lires Rial left the bank. Messrs Van Tets, De Jong and Van den Brink resigned from the Managing Board on 31 December 2001.

The following tables analyse movements in option holdings of the Managing Board as a whole and of the individual Board members. The conditions governing the grant of options are included in the notes to the remuneration policy and item 16.

	2002		2001	
	Options held by Managing Board	Average exercise price (in euros)	Options held by Managing Board	Average exercise price (in euros)
Movements:				
Opening balance	1,853,786	20.74	1,341,076	19.44
Options granted	593,480	19.53	552,710	23.14
Options exercised	70,604	15.39	40,000	10.16
Former and/or newly appointed members	(900,129)	20.49	0	0
Closing balance	1,476,533	20.66	1,853,786	20.74

	Opening balance	Exercise price (in euros)	Granted ¹	Exercised/ cancelled	Closing balance	Stock price on exercise date	Year of expiration
R.W.J. Groenink							
Executive 1997	30,000	15.38		30,000 ⁴	0	19.95	
Executive 1998	40,000	21.01			40,000		2003
Executive 1999	40,000	18.10			40,000		2004
Executive 2000	60,000	21.30			60,000		2007
Executive 2001	55,000	23.14			55,000		2008
Executive 2002-2005 ³		19.53	112,000		112,000		2012
AOR 1998	429	23.52			429		2003
AOR 1999-2002/03	356	21.68			356		2004
AOR 2000-2003/04	354	22.23			354		2005
AOR 2001-2003/04	271	22.34			271		2008
AOR 2002-2005		20.42	296		296		2009
	226,410		112,296	30,000	308,706		
W.G. Jiskoot							
Executive 1997	40,000	15.38		40,000	0	20.00	
Executive 1998	40,000	21.01			40,000		2003
Executive 1999	40,000	18.10			40,000		2004
Executive 2000	60,000	21.30			60,000		2007
Executive 2001	55,000	23.14			55,000		2008
Executive 2002-2005 ³		19.53	80,000		80,000		2012
AOR 1999-2002/03	356	21.68			356		2004
AOR 2000-2003/04	354	22.23			354		2005
AOR 2001-2003/04	271	22.34			271		2008
AOR 2002-2005		20.42	296		296		2009
	235,981		80,296	40,000	276,277		

¹ The option exercise price is the average ABN AMRO share price on 25 February 2002 concerning the Executive 2002-2005 and on 25 May 2002 concerning the AOR 2002-2005.

² These options have been cancelled.

³ Conditionally granted.

⁴ 10,000 shares added to the portfolio.

	Opening balance	Exercise price (in euros)	Granted ¹	Exercised/cancelled	Closing balance	Stock price on exercise date	Year of expiration
T. de Swaan							
Executive 1999	40,000	18.10			40,000		2004
Executive 2000	60,000	21.30			60,000		2007
Executive 2001	55,000	23.14			55,000		2008
Executive 2002-2005 ³		19.53	80,000		80,000		2012
AOR 1999-2002/03	356	21.68			356		2004
AOR 2000-2003/04	354	22.23			354		2005
AOR 2001-2003/04	271	22.34			271		2008
AOR 2002-2005		20.42	296		296		2009
	155,981		80,296		236,277		
J.Ch.L. Kuiper							
Executive 1999	28,000	18.10			28,000		2004
Executive 2000	60,000	21.30			60,000		2007
Executive 2001	55,000	23.14			55,000		2008
Executive 2002-2005 ³		19.53	80,000		80,000		2012
AOR 2001-2003/04	271	22.34			271		2008
AOR 2002-2005		20.42	296		296		2009
	143,271		80,296		223,567		
C.H.A. Collee							
Executive 1999	28,000	18.10			28,000		2004
Executive 2000	56,000	21.30			56,000		2007
Executive 2001	55,000	23.14			55,000		2008
Executive 2002-2005 ³		19.53	80,000		80,000		2012
AOR 1997	604	16.38		604 ⁴	0	21.04	
AOR 1998	429	23.52			429		2003
AOR 1999-2002/03	356	21.68			356		2004
AOR 2000-2003/04	354	22.23			354		2005
AOR 2001-2003/04	271	22.34			271		2008
AOR 2002-2005		20.42	296		296		2009
	141,014		80,296	604	220,706		
H.Y. Scott-Barrett							
Executive 1999	20,000	18.10			20,000		2004
Executive 2000	56,000	21.30			56,000		2007
Executive 2001	55,000	23.14			55,000		2008
Executive 2002-2005 ³		19.53	80,000		80,000		2012
AOR 2001-2003/04	271	22.34		271 ²	0		
	131,271		80,000	271	211,000		

¹ The option exercise price is the average ABN AMRO share price on 25 February 2002 concerning the Executive 2002-2005 and on 25 May 2002 concerning the AOR 2002-2005.

² These options have been cancelled.

³ Conditionally granted.

⁴ 604 shares added to the portfolio.

	Opening balance	Exercise price (in euros)	Granted ¹	Exercised/ cancelled	Closing balance	Stock price on exercise date	Year of expiration
S.A. Lires Rial ²							
Executive 1998	20,000	21.01		20,000	0		
Executive 1999	28,000	18.10		28,000	0		
Executive 2000	47,000	21.30		47,000	0		
Executive 2001	55,000	23.14		55,000	0		
Executive 2002-2005 ³		19.53	80,000	80,000	0		
AOR 2001-2003/04	271	22.34		271	0		
	150,271		80,000	230,271	0		

¹ The option exercise price is the average ABN AMRO share price on 25 February 2002 concerning the Executive 2002-2005 and on 25 May 2002 concerning the AOR 2002-2005.

² These options have been cancelled.

³ Conditionally granted.

The following analysis shows movements in shares awarded conditionally in 2002 under the Performance Share Plan. The conditional award is based on the bank's fifth position in the peer group. The number of shares that will be awarded ultimately depends on the ranking of the ABN AMRO share in the peer group at the end of the four-year performance period and may range from 0% to 150% of these numbers.

	Opening balance	Granted	Un-conditional	Expired/ cancelled	Closing balance	Reference period
R.W.J. Groenink	98,000				98,000	2001-2004
		98,000			98,000	2002-2005
W.G. Jiskoot	70,000				70,000	2001-2004
		70,000			70,000	2002-2005
T. de Swaan	70,000				70,000	2001-2004
		70,000			70,000	2002-2005
J. Ch. L. Kuiper	70,000				70,000	2001-2004
		70,000			70,000	2002-2005
C.H.A. Collee	70,000				70,000	2001-2004
		70,000			70,000	2002-2005
H.Y. Scott-Barrett	70,000				70,000	2001-2004
		70,000			70,000	2002-2005
S.A. Lires Rial	70,000			70,000	0	
		70,000		70,000	0	
R.W.F. van Tets	70,000				70,000	2001-2004
J.M. de Jong	70,000				70,000	2001-2004
R.G.C. van den Brink	70,000				70,000	2001-2004

**ABN AMRO ordinary shares held by
Managing Board members ¹**

	2002	
R.W.J. Groenink	15,645	
W.G. Jiskoot	9,575	
T. de Swaan	4,101	
J. Ch. L. Kuiper	2,647	
C.H.A. Collee	621	
H.Y. Scott-Barrett	12,151	
Total	44,740	

¹ No preference shares or convertible preference shares were held by any Managing Board member.

**Loans from ABN AMRO to
Managing Board members ¹**

<i>(in thousands of euros)</i>	2002	
	Outstanding on 31 Dec. 2002	Interest rate
R.W.J. Groenink	3,325	4.01
W.G. Jiskoot	1,751	4.17
T. de Swaan	1,407	2.75 ²
J.Ch.L. Kuiper	955	4.23
C.H.A. Collee	2,691	3.61

¹ Mainly property financing.

² Variable rate.

The analysis on the next page provides information on the remuneration of individual members of the Supervisory Board. Besides the Chairman, the Vice Chairman and the members of the Audit Committee, members of the Supervisory Board receive the same remuneration, which depends on the period of membership during the year. The members of the Supervisory Board are not entitled to emoluments in the form of ABN AMRO shares or options on ABN AMRO shares.

Remuneration of the Supervisory Board

<i>(in thousands of euros)</i>	2002	2001
A.A. Loudon	54	54
W. Overmars	41	38
W. Dik	36	41
C.H. van der Hoeven	41	38
M.C. van Veen	41	38
A. Burgmans	32	38
D.R.J. Baron de Rothschild	32	32
Mrs L.S. Groenman	36	41
Mrs T.A. Maas-de Brouwer	36	32
P.J. Kalff	36	32
A.C. Martinez ¹	21	0
H.B. van Liemt ²	19	45
S. Keehn ^{1,2}	13	32
R.J. Nelissen ³	–	16
J.M.H. van Engelshoven ³	–	16
R. Hazelhoff ³	–	16

¹ Besides his remuneration, Mr Martinez received an attendance fee of EUR 15,000 and Mr Keehn of EUR 16,000.

² Messrs Van Liemt and Keehn resigned on 2 May 2002.

³ Messrs Nelissen, Van Engelshoven and Hazelhoff resigned on 10 May 2001.

ABN AMRO ordinary shares held by Supervisory Board members ¹

	2002
M.C. van Veen	4,471
A. Burgmans	8,163
P.J. Kalff	1,154
A.C. Martinez ²	3,000
Total	16,788

¹ No preference shares or convertible preference shares were held by any Supervisory Board member.

² ADR.

Loans from ABN AMRO to Supervisory Board members ¹

<i>(in thousands of euros)</i>	2002	
	Outstanding on 31 Dec. 2002	Interest rate
W. Overmars	19	4.50
C.H. van der Hoeven	5,088	4.58
A. Burgmans	2,100	4.30
P.J. Kalff	1,815	3.88

¹ Property financing except for the lending to Mr Overmars.

43 Cash flow statement

The cash flow statement gives details of the source of liquid funds which became available during the year and the application of the liquid funds over the course of the year. The cash flows are analysed into cash flows from operations / banking activities, investment activities and financing activities. Liquid funds include cash in hand, net credit balances on current accounts with other banks and net demand deposits with central banks. Movements in loans, total client accounts and interbank deposits are included in the cash flow from banking activities. Investment activities comprise purchases, sales and redemptions in respect of investment portfolios, as well as investments in and sales of participating interests, property and equipment. The issue of shares and the borrowing and repayment of long-term funds are treated as financing activities. Movements due to currency translation differences as well as the effects of the consolidation of acquisitions, where of material significance, are eliminated from the cash flow figures.

	2002	2001	2000
Cash	9,455	17,932	6,456
Bank balances (<i>debit</i>)	3,843	6,286	11,247
Bank balances (<i>credit</i>)	(5,797)	(10,565)	(1,598)
Liquid funds	7,501	13,653	16,105
Movements:			
Opening balance	13,653	16,105	12,471
Cash flow	(4,366)	(2,041)	3,530
Currency translation differences	(1,786)	(411)	104
Closing balance	7,501	13,653	16,105

Interest paid amounted to EUR 18,912 million; tax payments amounted to EUR 525 million.

Dividends received from participating interests amounted to EUR 42 million in 2002, EUR 37 million in 2001 and EUR 28 million in 2000.

The following table analyses movements resulting from acquisitions and dispositions.

	2002	2001	2000
Amounts paid/received in cash and cash equivalents on acquisitions/dispositions	485	4,956	2,347
Net movement in cash and cash equivalents	6	(21)	55
Net movement in assets and liabilities:			
Banks	105	92	29
Loans	420	13,369	16,542
Securities	70	(4,002)	42
Other assets	21	2,818	1,211
Total assets	616	12,277	17,824
Subordinated debt	0	0	136
Banks	81	(4,991)	10,551
Saving accounts	0	(3,798)	0
Total client accounts	469	13,315	4,038
Debt securities	0	(497)	2,930
Other liabilities	49	7,696	1,188
Total liabilities	599	11,725	18,843

44 Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in transactions between two parties, other than in a forced sale or liquidation, and is best reflected by a quoted market price, if available. Most of ABN AMRO's assets, liabilities and off-balance sheet items are financial instruments. Wherever possible, market rates have been used to determine fair values.

However, for the majority of financial instruments, principally loans, deposits and OTC derivatives, fair values are not readily available since there is no market where these instruments are traded. For these instruments estimation techniques have been used. These methods are subjective in nature and involve assumptions, such as the period the financial instruments will be held, the timing of future cash flows and the discount rate to be applied. As a result, the approximate fair values presented below may not be indicative of the net realisable value. In addition, the calculation of approximate fair values is based on market conditions at a specific time and may not reflect future fair values.

The approximate fair values as stated by financial institutions are not mutually comparable due to the wide range of different valuation techniques and the numerous estimates. The lack of an objective valuation method means that approximate fair values are highly subjective. Readers should therefore exercise caution in using the information disclosed in this note for comparing the consolidated financial position of ABN AMRO with that of other financial institutions.

	31 December 2002		31 December 2001	
	Book value	Fair value	Book value	Fair value
Assets (incl. off-balance sheet items)				
Cash	9,455	9,455	17,932	17,932
• Short-dated government paper ^{1,2}	3,901	3,887	12,296	12,320
• Banks	41,924	42,473	49,619	49,654
• Loans to public sector	7,365	7,402	14,100	14,116
• Loans to private sector – commercial loan and professional securities transactions	195,067	196,367	220,869	222,899
• Loans to private sector – retail	108,471	112,020	110,361	112,299
• Interest-earning securities ^{1,3}	142,499	145,155	123,365	124,915
• Shares ⁴	15,736	15,672	16,794	16,636
• Derivatives	74,065	75,169	44,504	45,684
Total	598,483	607,600	609,840	616,455
Liabilities (incl. off-balance sheet items)				
• Banks	95,884	95,787	107,843	108,091
• Savings accounts	74,249	75,572	84,345	84,957
• Corporate deposits	76,590	76,781	88,579	88,399
• Other client accounts	138,622	138,899	139,440	137,979
• Debt securities	71,209	72,588	72,495	72,169
• Subordinated debt	14,278	14,831	16,283	16,648
• Derivatives	75,271	76,044	41,369	42,592
Total	546,103	550,502	550,354	550,835

¹ Book values of short-dated government paper and interest-earning securities are equal to amortised cost.

² Of which EUR 2,079 million was included in the trading portfolio at 31 December 2002.

³ Of which EUR 40,254 million was included in the trading portfolio at 31 December 2002.

⁴ Of which EUR 6,633 million was included in the trading portfolio at 31 December 2002.

45 Acquisitions

In September 2002 ABN AMRO Asset Management Ltd. acquired a 58% interest in Artemis Investment Management Limited. The purchase consideration was EUR 44 million, including the transfer of our subsidiary ABN AMRO Fund Managers Ltd.

In October 2002 ABN AMRO acquired Delbrück & Co. for an amount of EUR 58 million. Total assets amounted to EUR 625 million. Goodwill paid on this acquisition has been charged directly to shareholders' equity.

Company balance sheet at 31 December 2002 after profit appropriation

<i>(in millions of euros)</i>	2002	2001
Assets		
Banks a	458	543
Interest-earning securities b	15	10
Participating interests in group companies c	10,026	11,153
Other assets d	639	664
Prepayments and accrued income e	1	82
	11,139	12,452
Liabilities		
Deposits and other client accounts	15	10
Other liabilities d	343	363
Accruals and deferred income e	0	0
	358	373
Subordinated debt	0	292
<i>Share capital</i>	1,704	1,677
<i>Share premium account</i>	2,543	2,504
<i>Revaluation reserves</i>	124	355
<i>Reserves prescribed by law and articles of association</i>	297	258
<i>Other reserve</i>	6,113	6,993
Shareholders' equity	10,781	11,787
Own capital	10,781	12,079
	11,139	12,452

Company income statement for 2002

<i>(in millions of euros)</i>	2002	2001	1999
Profits of participating interests after taxes	2,199	3,218	2,494
Other profit after taxes	8	12	4
Net profit	2,207	3,230	2,498

Drawn up in accordance with section 2:402 of the Netherlands Civil Code.

Letters stated against items refer to the notes.

Notes to the company balance sheet and income statement (all amounts are in millions of euros)

a Banks

This item includes call loans to and other interbank relations with group companies.

b Interest-earning securities

The amount included in this item represents securitised receivables, such as commercial paper.

c Participating interests in group companies

Dividends payable by ABN AMRO Bank N.V to ABN AMRO Holding N.V. amounted to EUR 639 million (2001: EUR 664 million). Dividends received by ABN AMRO Bank N.V. from subsidiaries amounted to EUR 294 million (2001: EUR 552 million).

	2002	2001	2000
Development:			
Opening balance	11,153	11,874	11,481
Movements <i>(net)</i>	(1,127)	(721)	393
Closing balance	10,026	11,153	11,874

d Other assets and other liabilities

These items include those amounts which are not of an accrued or deferred nature or which cannot be classified with any other balance sheet item. This concerns, for example, taxes receivable or payable and dividends.

e Prepayments and accrued income and accruals and deferred income

These items include revenue and expenses recognised in the period under review but whose actual receipt or payment falls in a different period, and the total net difference between contract rates and spot rates on foreign exchange hedging operations.

f Share capital and reserves

For details refer to note 16.

g Guarantees

ABN AMRO Holding N.V. guarantees all liabilities of ABN AMRO Bank N.V.

Amsterdam, 14 March 2003

Supervisory Board

A.A. Loudon
W. Overmars
W. Dik
C.H. van der Hoeven
M.C. van Veen
A. Burgmans
D.R.J. Baron de Rothschild
Mrs L.S. Groenman
Mrs T.A. Maas-de Brouwer
P.J. Kalff
A.C. Martinez

Managing Board

R.W.J. Groenink
W.G. Jiskoot
T. de Swaan
J. Ch. L. Kuiper
C.H.A. Collee
H.Y. Scott-Barrett

Major subsidiaries and participating interests

(Unless otherwise stated, the bank's interest is 100% or almost 100%, on 14 March 2003)

ABN AMRO Bank N.V., Amsterdam

Netherlands

AAGUS Financial Services Group N.V.,
Amersfoort (67%)
AA Interfinance B.V., Amsterdam
ABN AMRO Bouwfonds N.V., Hoevelaken
(voting right 50%)
ABN AMRO Participaties B.V., Amsterdam
ABN AMRO Projectontwikkeling B.V.,
Amsterdam
ABN AMRO Trustcompany (Nederland) B.V.,
Amsterdam
ABN AMRO Verzekeringen Holding B.V.,
Zwolle
Amstel Lease Maatschappij N.V., Utrecht
Consultas N.V., Zwolle
Dishcovery Horeca Expl. Mij B.V.,
Amsterdam
Hollandsche Bank-Unie N.V., Rotterdam
IFN Group B.V., Rotterdam
LeasePlan Corporation N.V., Almere
Nachenius, Tjeenk & Co. N.V., Amsterdam
Solveon Incasso B.V., Utrecht
Stater N.V., Hoevelaken
(60% ABN AMRO Bank N.V., 40%
ABN AMRO Bouwfonds N.V.)

Abroad

Europe

ABN AMRO Asset Management Ltd.,
London
ABN AMRO Asset Management (Czech) a.s.,
Brno
ABN AMRO Asset Management
(Deutschland) A.G., Frankfurt am Main
ABN AMRO Bank A.O., Moscow
ABN AMRO Bank (Deutschland) A.G.,
Frankfurt am Main
ABN AMRO Bank (Luxembourg) S.A.,
Luxembourg
ABN AMRO Bank (Polska) S.A., Warsaw
ABN AMRO Bank (Romania) S.A., Bucharest
ABN AMRO Bank (Schweiz) A.G., Zurich
ABN AMRO Capital Ltd., London
ABN AMRO Corporate Finance Ltd.,
London
ABN AMRO Equities (UK) Ltd., London
ABN AMRO France S.A., Paris
ABN AMRO Fixed Income (France) S.A.,
Paris

ABN AMRO Securities (France) S.A.,
Paris
Banque de Neuflyze, Schlumberger, Mallet,
Demachy S.A., Paris
Banque Odier Bungener Courvoisier, Paris
ABN AMRO Futures Ltd., London
ABN AMRO International Financial Services
Company, Dublin
ABN AMRO Investment Funds S.A.,
Luxembourg
ABN AMRO Portföy Yönetimi A.S., Istanbul
ABN AMRO Securities (Polska) S.A., Warsaw
ABN AMRO Stockbrokers (Ireland) Ltd.,
Dublin
ABN AMRO Trust Company (Jersey) Ltd.,
St. Helier
ABN AMRO Trust Company
(Luxembourg) S.A., Luxembourg
ABN AMRO Trust Company (Suisse) S.A.,
Geneva
Alfred Berg Holding A/B, Stockholm
Antonveneta ABN AMRO Societa di Gestione
del Risparmio SpA, Milan (45%)
Banque Finaref ABN AMRO, Paris (49%)
Capitalia SpA, Roma (7%)
CM Capital Markets Brokerage S.A.,
Madrid (45%)
Delbrück & Co. AG & Co. KG, Cologne
Hoare Govett Ltd., London
Kereskedelmi és Hitelbank Rt.,
Budapest (40%)

Middle East

Saudi Hollandi Bank, Riyadh (40%)

Rest of Asia

ABN AMRO Asia Ltd., Hong Kong
ABN AMRO Asia Corporate Finance Ltd.,
Hong Kong
ABN AMRO Asia Futures Ltd., Hong Kong
ABN AMRO Asia Securities Plc.,
Bangkok (40%)
ABN AMRO Asset Management (Asia) Ltd.,
Hong Kong
ABN AMRO Asset Management (Japan) Ltd.,
Tokyo
ABN AMRO Asset Management
(Singapore) Ltd., Singapore
ABN AMRO Asset Management
(Taiwan) Ltd., Taipei
ABN AMRO Bank Berhad, Kuala Lumpur

ABN AMRO Bank (Kazakstan) Ltd.,
Almaty (51%)
ABN AMRO Bank N.B., Uzbekistan A.O.,
Tashkent (50%)
ABN AMRO Bank (Philippines) Inc., Manila
ABN AMRO Management Services
(Hong Kong) Ltd., Hong Kong
ABN AMRO Securities (India) Private Ltd.,
Bombay (75%)
ABN AMRO Securities (Far East) Ltd.,
Hong Kong
ABN AMRO Securities (Japan) Ltd., Tokyo
Bank of Asia, Bangkok (81%)
PT ABN AMRO Finance Indonesia,
Jakarta (70%)

Australia

ABN AMRO Asset Management
(Australia) Ltd., Sydney
ABN AMRO Australia Ltd., Sydney
ABN AMRO Capital Markets (Australia) Ltd.,
Sydney
ABN AMRO Corporate Finance Australia Ltd.,
Sydney
ABN AMRO Equities Australia Ltd., Sydney

New Zealand

ABN AMRO New Zealand Ltd., Auckland
ABN AMRO Equities NZ Ltd., Auckland

North America

ABN AMRO Bank (Mexico) S.A.,
Mexico City
ABN AMRO North America Holding Company,
Chicago (*holding company, voting right 100%, equity
participation 60.8%*)
LaSalle Bank Corporation, Chicago
LaSalle Bank N.A., Chicago
ABN AMRO Financial Services, Inc.,
Chicago
ABN AMRO Asset Management
(USA) LLC, Chicago
LaSalle Business Credit, Inc., Chicago
Standard Federal Bank N.A. Troy
ABN AMRO Mortgage Group, Inc.,
Chicago
ABN AMRO WCS Holding Company,
New York
ABN AMRO Advisory, Inc., Chicago
ABN AMRO Leasing, Inc., Chicago
ABN AMRO Incorporated, Chicago

ABN AMRO Sage Corporation,
San Francisco
ABN AMRO Rothschild LLC,
New York (50%)
ABN AMRO Asset Management
Holdings, Inc., Chicago
Chicago Capital Management, Inc.,
Chicago
Montag & Caldwell, Inc., Atlanta

Latin America and the Caribbean

ABN AMRO Asset Management Argentina
Sociedad Gerente de FCI S.A.,
Buenos Aires
ABN AMRO Asset Management
(Curaçao) N.V., Willemstad
ABN AMRO Asset Management Ltda.,
São Paulo
ABN AMRO Bank (Chile) S.A., Santiago de
Chile
ABN AMRO Bank (Colombia) S.A., Bogota
ABN AMRO (Chile) Seguros Generales S.A.,
Santiago de Chile
ABN AMRO (Chile) Seguros de Vida S.A.,
Santiago de Chile
ABN AMRO Trust Company (Curaçao) N.V.,
Willemstad
Banco do Estado de Pernambuco S.A.,
Recife (97.1%)
Banco ABN AMRO Real S.A., São Paulo and
João Pessoa (97.1%)
Real Paraguaya de Seguros S.A., Asunción
Real Previdência e Segures S.A., São Paulo
Real Uruguaya de Seguros S.A., Montevideo

For the investments of LeasePlan
Corporation N.V. and ABN AMRO
Bouwfonds N.V., the reader is referred
to the separate annual reports published by
these companies.

The list of participating interests for which
statements of liability have been issued has
been filed at the Amsterdam Chamber of
Commerce.