



Rabobank



Annual Figures 2010 Rabobank Group

Press conference
3 March 2011

Financial developments

Earnings

• Net profit	EUR 2.8 billion	+26%
• Tier 1 ratio	15.7%	+1.9% points
• Return on equity	8.6%	+1.3% points
• Efficiency ratio	64.5%	-0.1% points
• Bad debt costs	29 bp	-19 bp

Financial position

• Lending	EUR 436 billion	+5%
• Amounts due to customers	EUR 299 billion	+4%
• Equity	EUR 41 billion	+8%

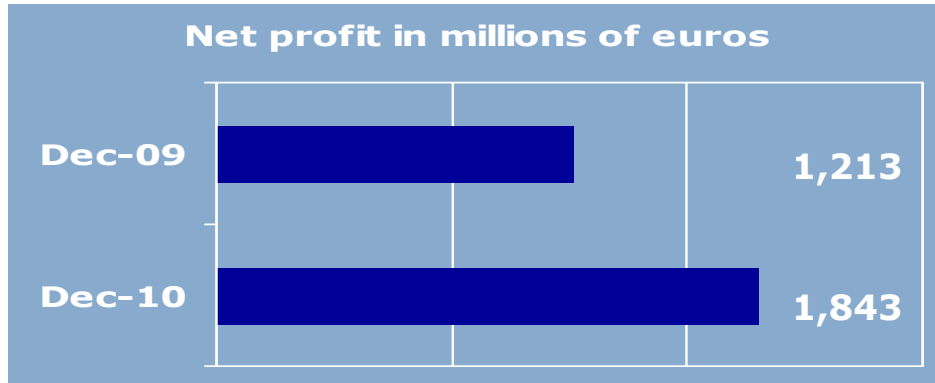


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Developments in 2010

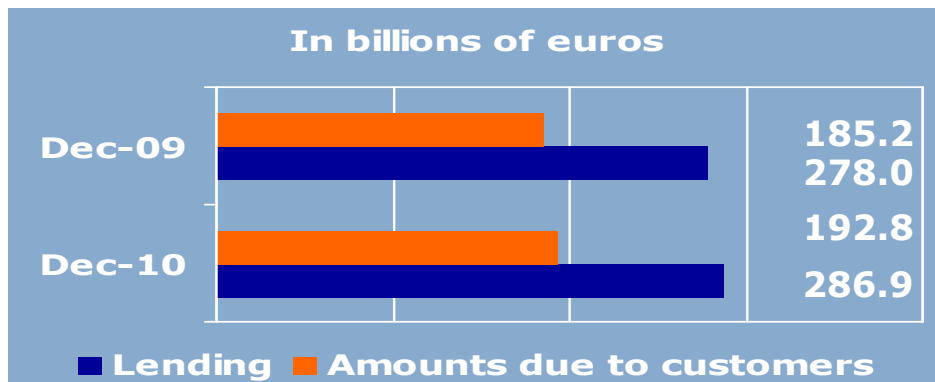
- Market shares in the Netherlands
 - Mortgages 29% (2009: 30%)
 - Savings 40% (2009: 40%)
 - TIS 43% (2009: 41%)
 - Food and agri 84% (2009: 84%)
- Customer satisfaction
- Focus on corporate social responsibility (CSR)
 - Cooperative dividend
- Employees
 - Headcount down 1% to 58,700 FTEs
 - 67% in the Netherlands and 33% elsewhere
 - Employer of choice

Domestic retail banking



Net profit at EUR 1,843 million; +52%

- Drop in bad debt costs
- Recovery of margins
- Lower operating expenses



Lending at EUR 286.9 billion; +3%

Amounts due to customers at
EUR 192.8 billion; +4%

Lending at domestic retail banking

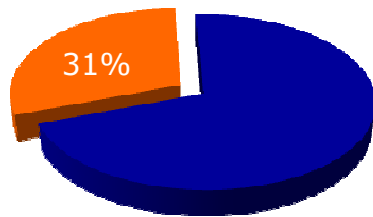
In billions of euros	Dec-10	Dec-09	Growth rate
Private individuals	196.8	190.0	+4%
TIS	61.0	58.8	+4%
Food and agri	29.1	29.2	+0%
Total	<u>286.9</u>	<u>278.0</u>	<u>+3%</u>

Market leadership – the ultimate proof of how companies value Rabobank's services

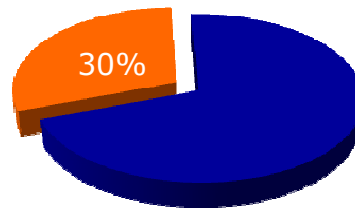


Rabobank market shares (December 2010)*

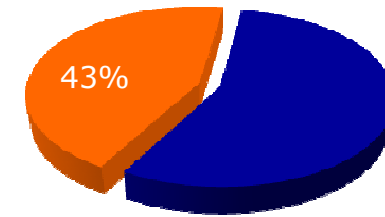
Large corporates
(> EUR 250 million)



Large enterprises
(EUR 10 to 250 million)



SMEs
(< EUR 10 million)



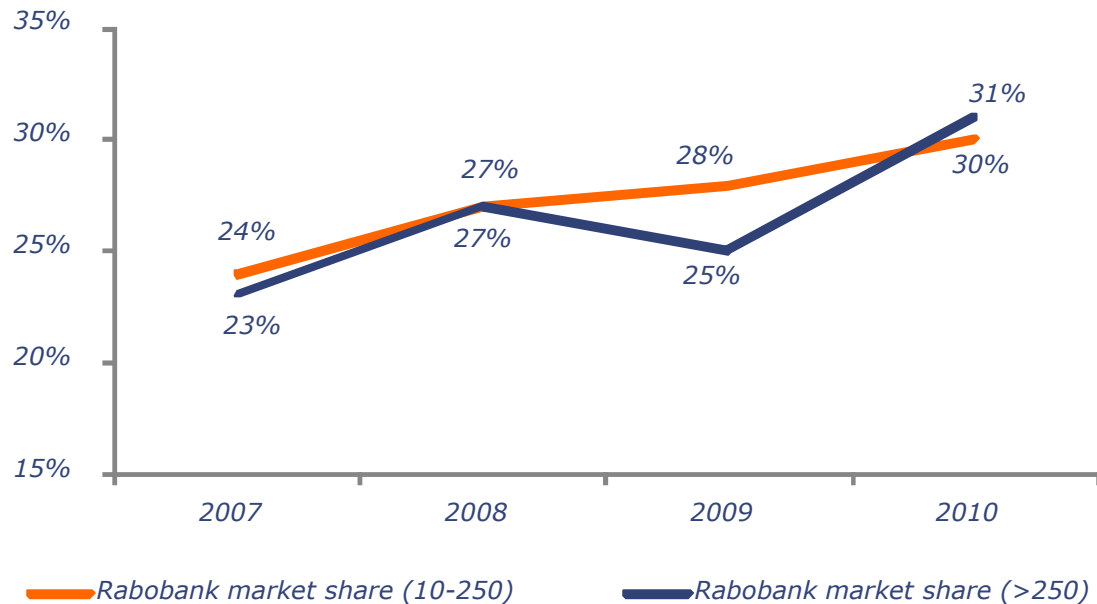
Source : Greenwich, Financiële Monitor, TNS NIPO;

* Percentage of companies naming Rabobank as their main bank

Rabobank is making solid progress in achieving its market leadership ambition



Growth in Rabobank market shares



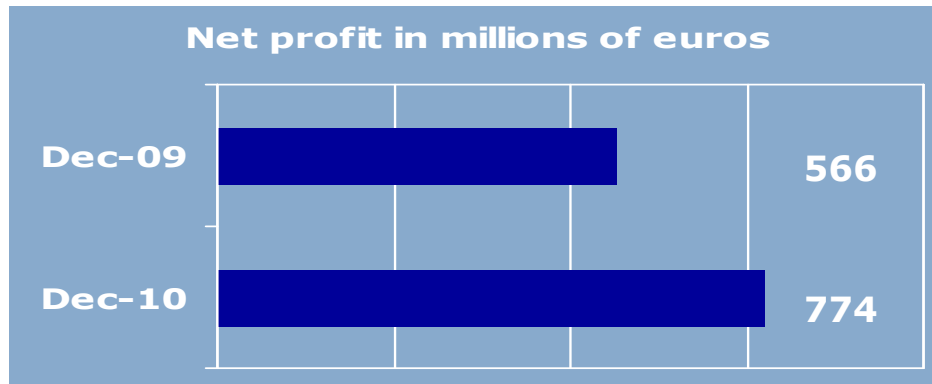
- In 3 years' time, Rabobank gained 6% points in the 10-250 million market
- In the Dutch >250 million segment, the proportion of clients naming Rabobank as their main relationship bank rose sharply in 2010, to 31%

Source : Greenwich, Financiële Monitor, TNS NIPO

Wholesale banking and international retail banking

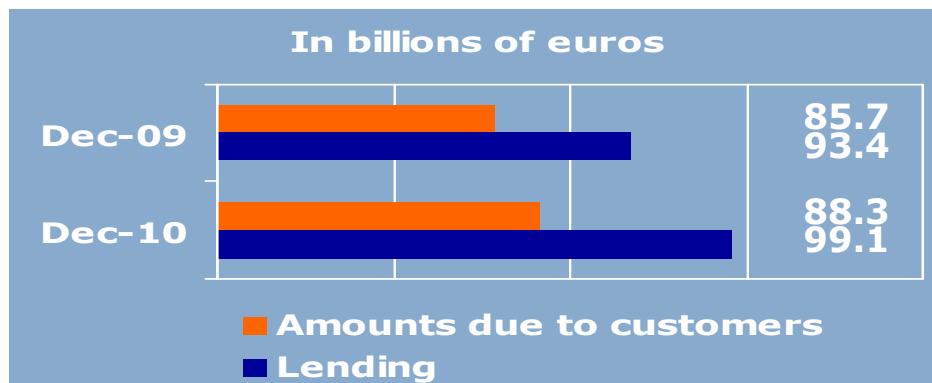


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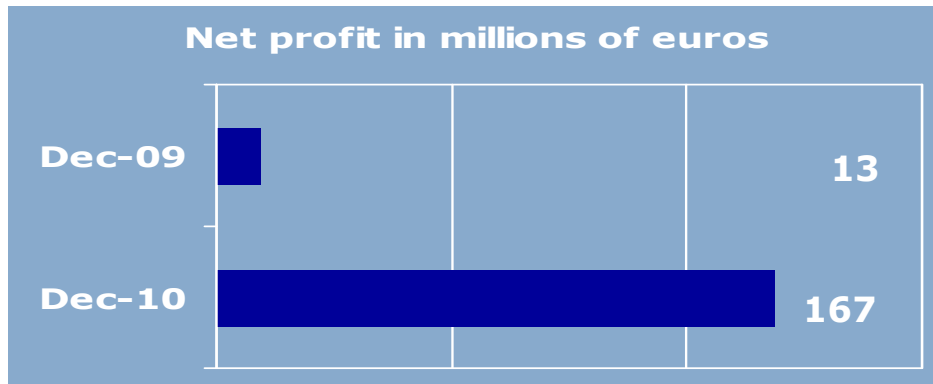
Net profit at EUR 774 million; +37%

- Drop in bad debt costs
- Part of equity interest in Yes Bank sold



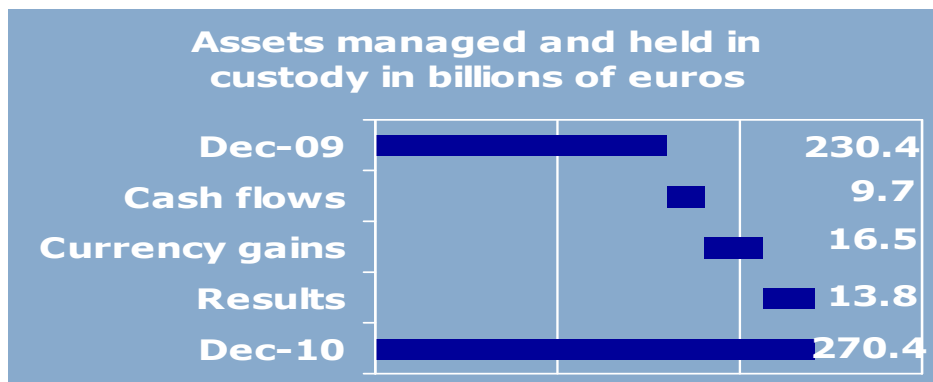
Lending at EUR 99.1 billion; +6%
Amounts due to customers at
EUR 88.3 billion; +3%

Asset management



Net profit at EUR 167 million

- Asset management fees up due to increase in managed assets



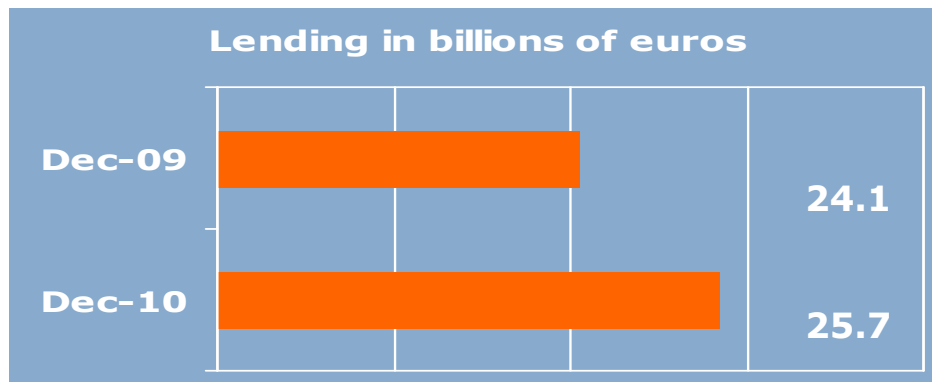
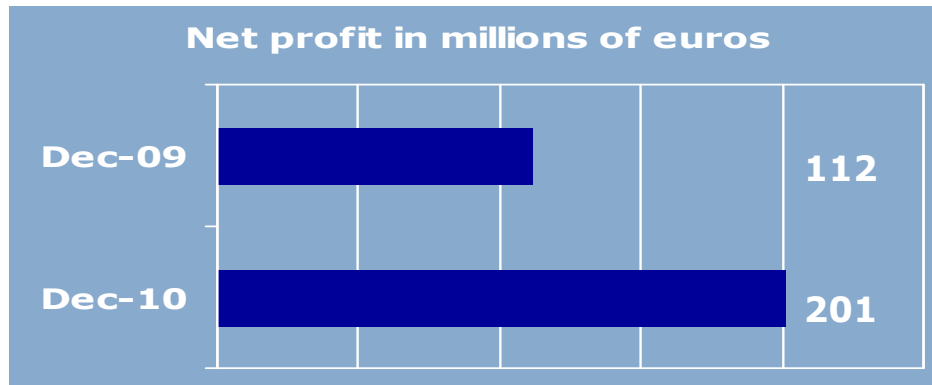
Assets managed and held in custody at EUR 270.4 billion; +17%

- Cash flows + EUR 9.7 billion
- Currency gains + EUR 16.5 billion
- Results and other + EUR 13.8 billion



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Leasing



Net profit at EUR 201 million; +79%

- Higher interest income
- Recovery of residual value gains on second-hand cars
- Lower bad debt costs

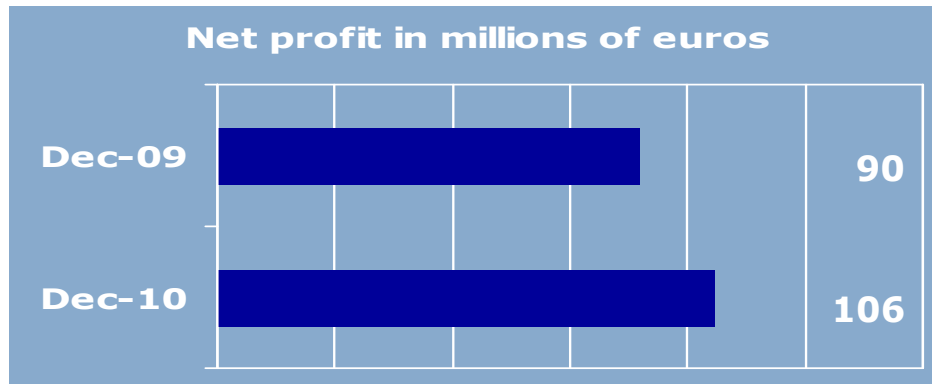
Lending at EUR 25.7 billion; +7%

- Growth chiefly attributable to currency effects
- Food and agri at EUR 6.9 billion; +17%



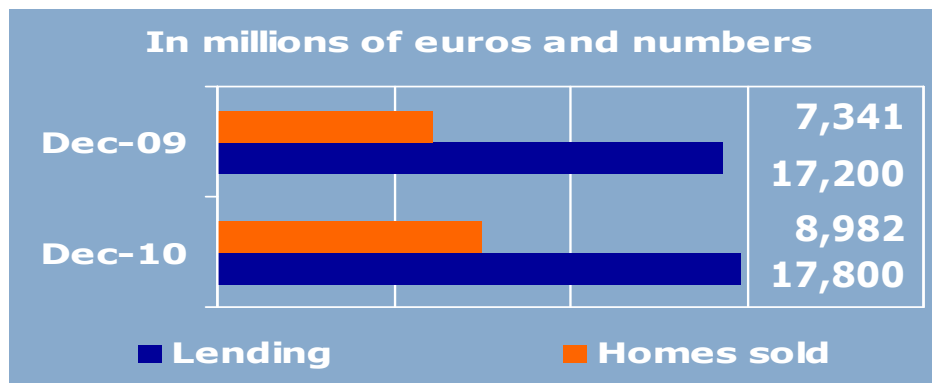
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Real estate



Net profit of Rabo Real Estate Group at EUR 106 million; +18%

- Lower operating expenses
- Higher margins on new loans



Lending at EUR 17.8 billion; +3%
Number of homes sold at 8,982; +22%

Statement of financial position of Rabobank Group

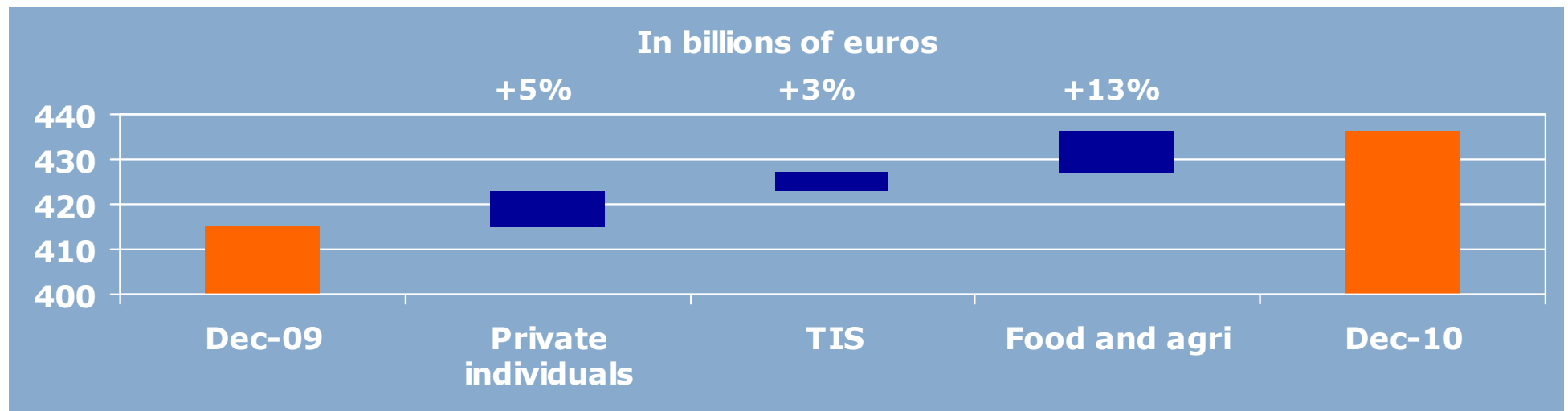


In billions of euros	Dec-10	Dec-09		Dec-10	Dec-09
Cash and cash equivalents	13.5	16.6	Due to customers	298.8	286.3
Loans to customers	455.9	433.4	Debt securities in issue	196.8	171.8
Financial assets	78.2	55.7	Due to other banks	23.5	22.4
Due from other banks	33.5	35.6	Derivatives and other trading liabilities	49.6	48.8
Derivative financial instruments	43.9	39.1	Other liabilities	43.0	40.3
Other assets	27.5	27.1	Equity	40.8	37.9
Total assets	652.5	607.5	Total equity and liabilities	652.5	607.5



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Lending



Lending at EUR 436.3 billion; +5%

- Growth in lending at domestic retail banking slightly lower than in 2009
- Growth in lending at Rabobank International and De Lage Landen impacted by currency effects



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Financial assets

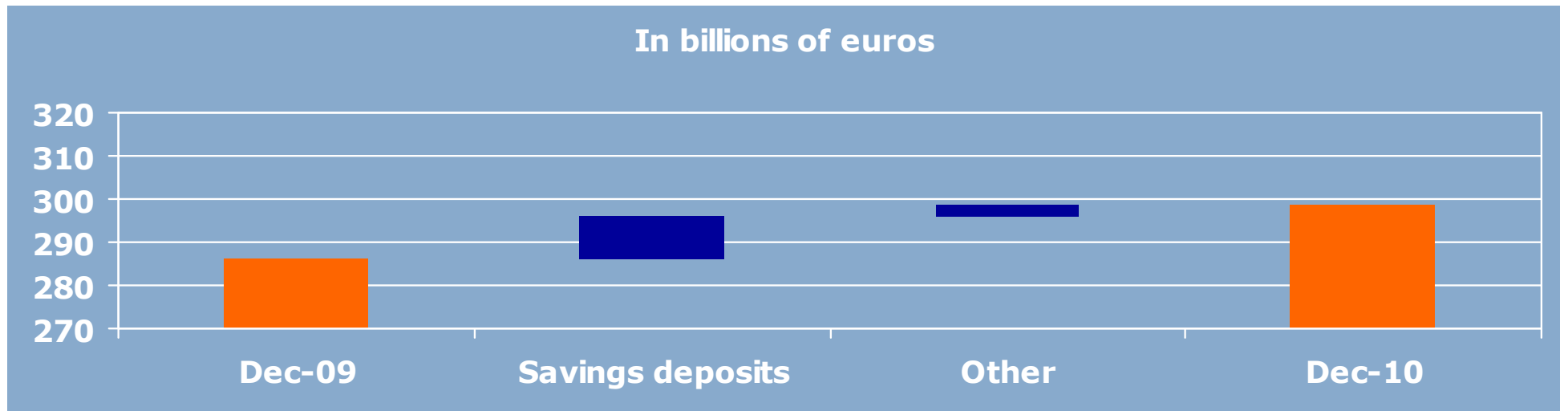
Financial assets EUR 78.2 billion; + EUR 22.5 billion

Most important developments (in billions of euros):

- Government bonds 43,0 (14,2)
- Other debt instruments 9,7 (17,2)



Amounts due to customers



Amounts due to customers at EUR 298.8 billion; +4%

- Savings deposits at EUR 130.9 billion; +8%
- Inflow of amounts due to customers mostly from corporate clients
- Considerable inflow of savings deposits at foreign online banks



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Debt securities in issue

Debt securities in issue: EUR 196.8 billion; up 15%

- Further bolstering of capital position
- Continued ample cash position
- EUR 40 billion in long-term funding raised
- Long maturities – up to 100 years
- Innovative products

Equity

In billions of euros

Equity at year-end 2009	37.9
Retained earnings	2.8
Payments on member certificates and hybrid capital	-0.8
Foreign currency translation reserves and other changes	0.7
Conversion of extra member bonds into member certificates	0.2
Equity at year-end 2010	40.8

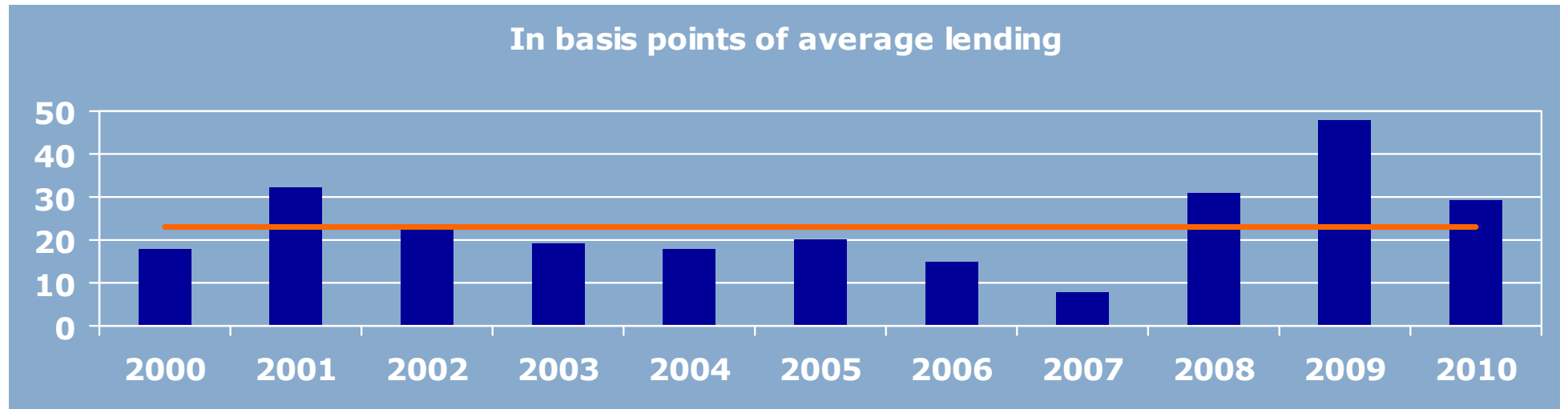
Profit at Rabobank Group

in millions of euros	Dec-10	Dec-09	
Interest	8,614	8,075	
Commission	2,831	2,575	
Other results	1,271	1,784	
Income	12,716	12,434	+2%
Operating expenses	8,196	8,038	
Value adjustments	1,234	1,959	
Taxation	514	229	
Net profit	2,772	2,208	+26%



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Bad debt costs



Bad debts costs at 29 bp

- Long-term average at 23 bp
- Drop by 19 bp on 2009
- 50% cut in bad debt costs at domestic retail banking



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Financial ratios

In %	Dec-10	Dec-09	Target
Tier 1 ratio	15.7	13.8	12.5
Net profit growth rate	25.5	-19.8	10.0
Return on equity	8.6	7.3	8.0

Economic challenges for 2011

Global economic growth will continue, but

- Growth in eurozone will still be unevenly spread
- Core will benefit from upswing in world trade, periphery will suffer from cutbacks
- Euro crisis has not yet been averted
- Growth in US relies on loose monetary and budgetary policies, increased risks of inflation and further worsening of public finances
- Growth in emerging markets is hitting its peak, increased risk of overheating
- Sharp rise in commodities prices fuels inflation



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Outlook for Dutch economy in 2011

- Economic recovery will lose its momentum
- International trade will continue to drive the recovery, but growth in world trade will not be as high as in 2010
- Government spending cuts and higher inflation will weigh down purchasing power and, hence, consumption
- Investments will increase to a limited degree
- Labour market will stabilise, but renewed job creation will be slow
- Housing market will still be under pressure

The Dutch economy in figures

Year-on-year change in %	2009	2010	2011
Gross domestic product	-3.9	1.7	1½
Private consumption	-2.5	0.4	¾
Government spending	3.8	1	0
Private investment	-16.5	-4.9	2¾
Exports of goods and services	-7.9	10.9	6¼
Imports of goods and services	-8.5	10.6	4¾
Consumer price index	1.2	1.3	1¾
Unemployment rate (% working population)	4.8	5.5	5
Net public-sector debt (% GDP)	-5.4	-5.2	-3½
National debt (% GDP)	60.8	64	66
Developments in house prices (average)	-3.3	-2	-2



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Thank you for your attention

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