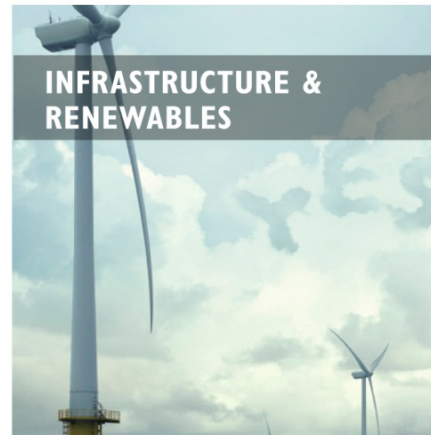
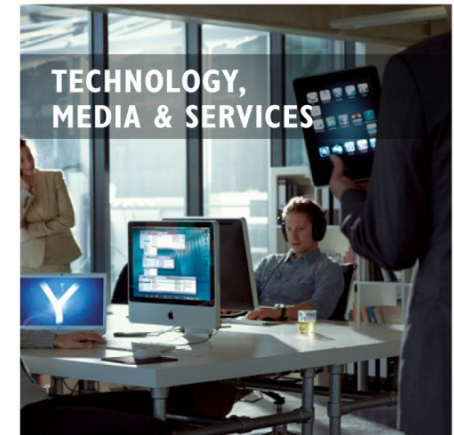


# Half Year Results 2013

## Press Presentation



28 August 2013



# Agenda

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# Half Year Results 2013 Highlights

NIBC Bank N.V.

Jeroen Drost  
CEO

28 August 2013



# Highlights H1 2013

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- Consistent and client-centered strategy leads to another profitable half-year
  - Corporate Banking: leading bank for mid-sized corporate clients
  - Consumer Banking: launch of NIBC Direct branded mortgages marks new chapter for simple and transparent products for private clients
  - Despite high cost early buyback EUR 2 billion GGBs
  
- NIBC further strengthens best-in-class ratios
  - Capital position: Core Tier-I ratio leading in Europe at 16.5% for NIBC Bank
  - Liquidity position: Liquidity Coverage ratio 130%, Net Stable Funding ratio 105%
  - Successful and strict cost management: cost-income ratio NIBC Bank at 48%

# Highlights H1 2013

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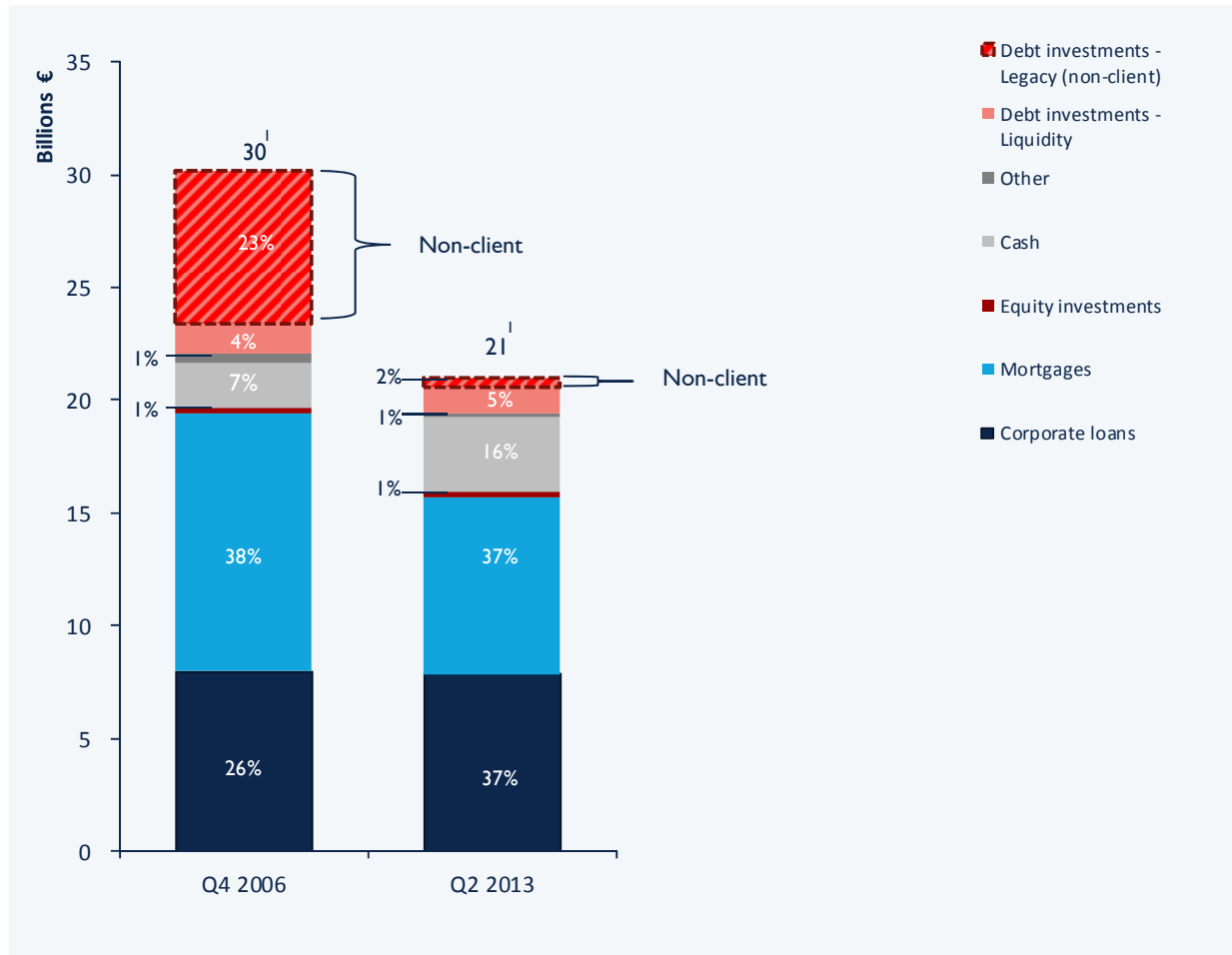
- Early mover in innovative banking
  - Developing alternative ways of financing for corporate clients: e.g. P&V, private placements
  - Role of intermediary and knowledge-provider
  - Market challenger with simple and transparent products for private clients

# Financial Highlights H1 2013

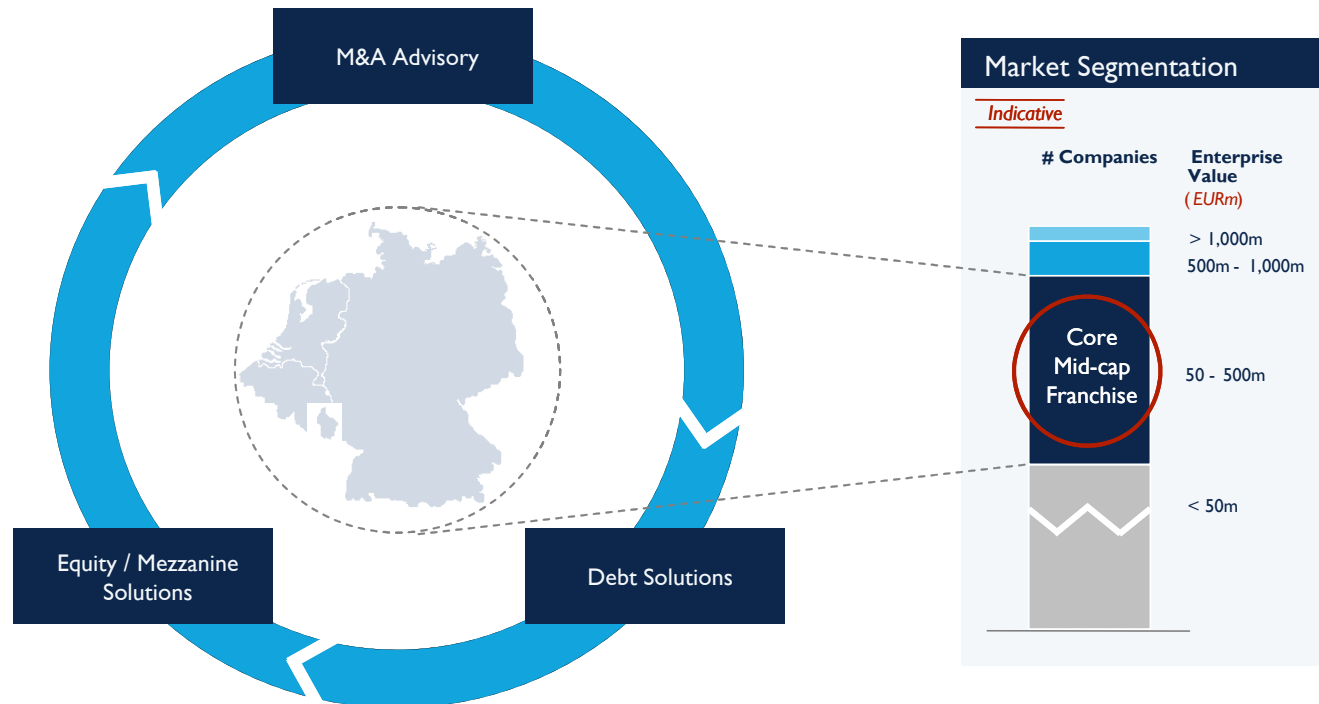
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- Stable performance NIBC Bank with net profit of EUR 27 million, including non-recurring costs early repayment EUR 2 billion GGBs
- NIBC Bank pre-tax profit up 9% to EUR 38 million
- 'Best-in-class' core Tier-I ratio NIBC Bank improved further to 16.5% (13.7% H1 2012)
- Strong liquidity position: Liquidity Coverage ratio 130% and Net Stable Funding ratio 105%
- Higher operating income, driven by higher interest and trading income
- Operating expenses reduced by an additional 7%; NIBC Bank cost-income ratio at 48%
- Launch of NIBC Direct mortgages well-received, new chapter in our successful approach of transparent and client-friendly products

# NIBC's move to client-focused balance sheet



# Leading bank for mid-sized companies



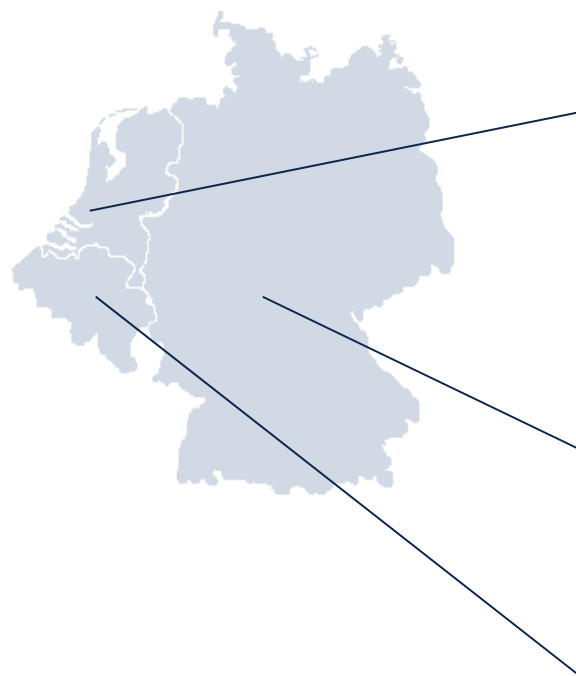


# Selection of transactions

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- **Infrastructure & Renewables:** exclusive financial advisor to PROSOL in Germany;
- **Industries & Manufacturing:** financing of the acquisition of Kroymans Lease by Van Mossel Groep and De Mandemakers Groep;
- **Oil & Gas:** Project Finance Facility for two Floating Production Storage and Offloading vessels (“FPSOs”) owned by Bluewater;
- **Shipping:** facility for ICON Investments;
- **Food, Agri & Retail:** club deal together with ABN AMRO for Looije Tomaten Holding B.V.;
- **Technology, Media & Services:** financial advisor to the shareholders of vesseltracker.com GmbH in Germany;
- **Leveraged Finance:** financing for the buy-out of USG Energy by Rabo Capital.

# Consumer Banking



## The Netherlands

- Successful launch NIBC Direct in September 2008
- Introduction of mortgages in May 2013
- Residential mortgages (white-label)

## Germany

- Start in February 2009
- Brokerage services introduced in Summer 2011
- Limited portfolio residential mortgages

## Belgium

- Launched in December 2011

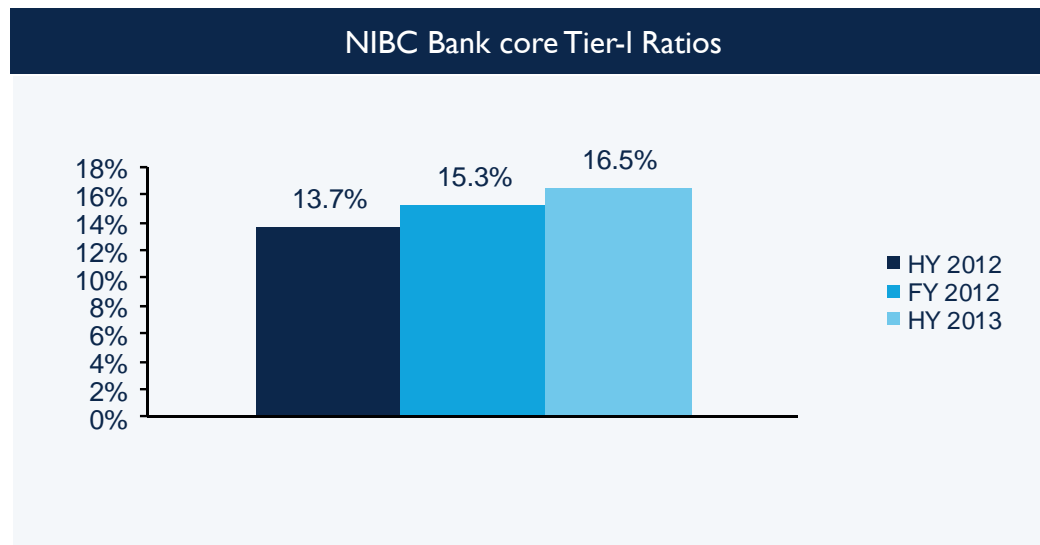
- **Challenger NIBC Direct again puts markets into motion with launch of mortgages**
- **Retail savings total EUR 8.3 billion as per end-June 2013**
- **Complete range of mortgages and online saving products, from instant access accounts to longer-term deposits**

# Half Year Results 2013



# Best-in-class Capital Position

- Capital position amongst the highest in European banking sector
- Well-positioned for all upcoming Basel III capital requirements
- Core Tier-I ratio of 16.5% (Bank) at 30 June 2013



## Other key ratios per 30 June 2013:

- Tier-I: NIBC Bank: 19.5%, Holding: 18.4%
- BIS: NIBC Bank: 20.5%, Holding: 19.4%

# Profit & Income

In EUR millions	H1 2013	H2 2012	H1 2012
Net interest income	71	65	62
Net fee and commission income	8	9	8
Dividend income		1	7
Net trading income	71	42	51
Gains less losses from financial assets	(8)	19	8
Share in result of associates		(1)	
<b>Operating income</b>	<b>142</b>	<b>136</b>	<b>136</b>
<b>Net profit attributable to parent shareholder</b>	<b>27</b>	<b>43</b>	<b>30</b>

- Net profit at EUR 27 million; despite high cost of early buyback of EUR 2bn GGBs;
- Pre-tax profit up 9% to 38 million;
- Operating income increased by 4% from H1 2012.
- Net interest income increased mainly due to lower funding expenses (repayment GGBs and repricing of mortgages).
- Net trading income increased a.o. as a result of the combined effect of positive revaluation of mortgages and structured funding, partly compensated by the expenses related to the two state-guaranteed funding buybacks in 2013.
- Gains less losses declined, reflecting the current adverse economic climate and the fact that our balance sheet remains lumpy.

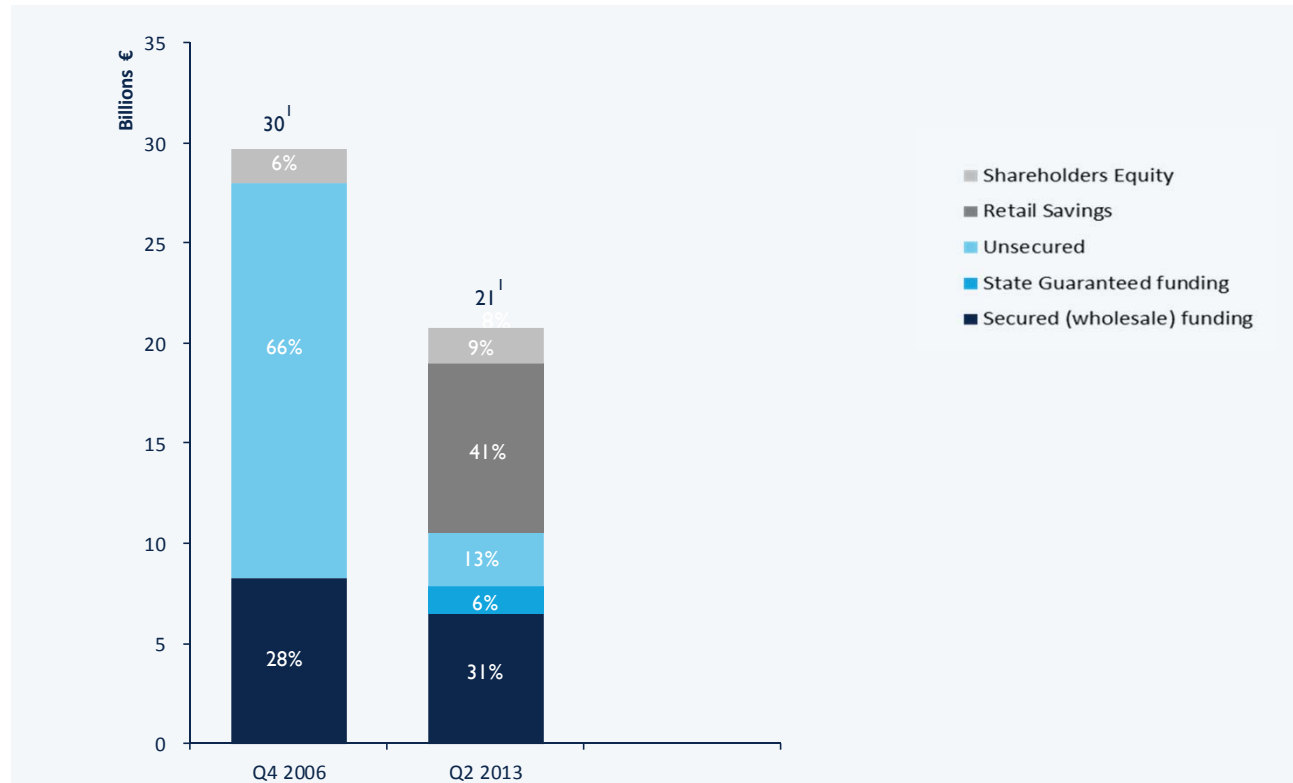
## Expenses & Impairments

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In EUR millions	H1 2013	H2 2012	H1 2012
<b>Operating expenses</b>	<b>(68)</b>	<b>(73)</b>	<b>(73)</b>
Impairments of financial assets	(36)	(17)	(28)

- Operating expenses (EUR 68 million) 7% lower than H1 2012 (EUR 73 million), displaying continued tight cost control.
- Impairments of EUR 36 million, mainly in corporate loans. An increase due to the continued adverse economic climate our clients operate in. Impairments on mortgages are stable at EUR 5 million.

# Funding Diversification



- NIBC Bank has been an active issuer in 2013:
  - ✓ EUR 526.5 million securitisations (Dutch MBS) in February 2013
  - ✓ CHF 150 million due December 2016 senior unsecured in February 2013
  - ✓ Various (longer-dated) senior unsecured private placements in 2013

# Management Agenda





# Management Agenda 2013

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## NIBC Goals 2013

<b>Client focus</b>	<ul style="list-style-type: none"><li>▪ Further balance Corporate Banking and Consumer Banking activities</li><li>▪ Maintain high customer satisfaction</li><li>▪ Advise and assist corporate and investor clients on non-bank financing</li></ul>
<b>Sustainable Profitability</b>	<ul style="list-style-type: none"><li>▪ Reduce cost-to-income ratio to &lt; 50%</li><li>▪ Maintain tight credit risk control and keep impairments at low level</li><li>▪ Increase number of women in senior management positions</li></ul>
<b>Funding and solvency</b>	<ul style="list-style-type: none"><li>▪ Keep core Tier-I ratio NIBC Holding &gt; 12%</li><li>▪ Continue funding diversification</li><li>▪ Maintain strong liquidity position</li></ul>

# Questions & Answers



# Appendices

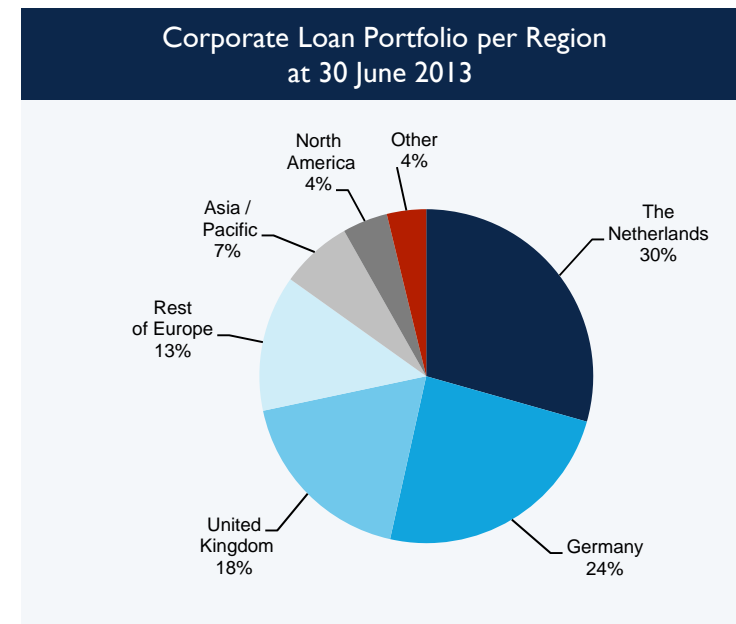
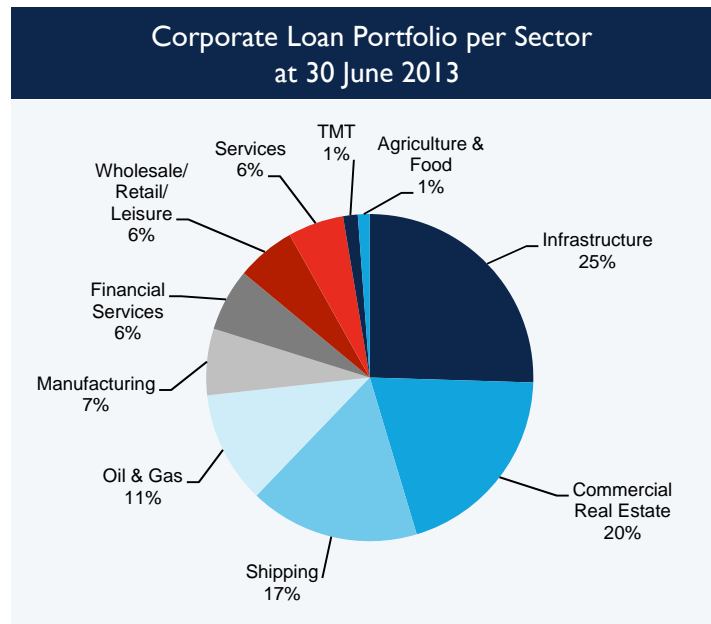
# Portfolio update 30 June 2013



# Total Corporate Banking Portfolio

Well diversified and stable loan portfolio of EUR 8.0 billion at 30 June 2013.

- Prudent risk management and selective asset origination.
- Highly collateralised portfolio concentrated in Western Europe.

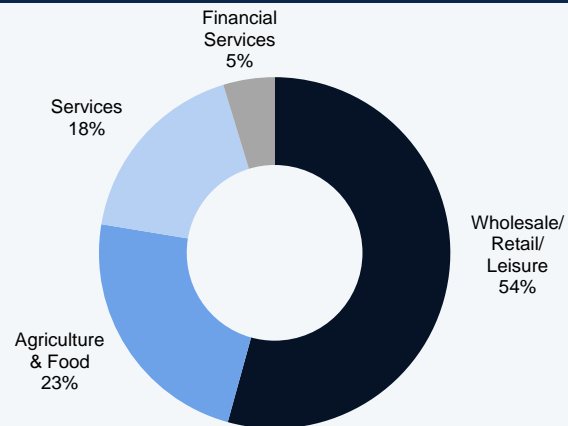


# Food, Agriculture and Retail

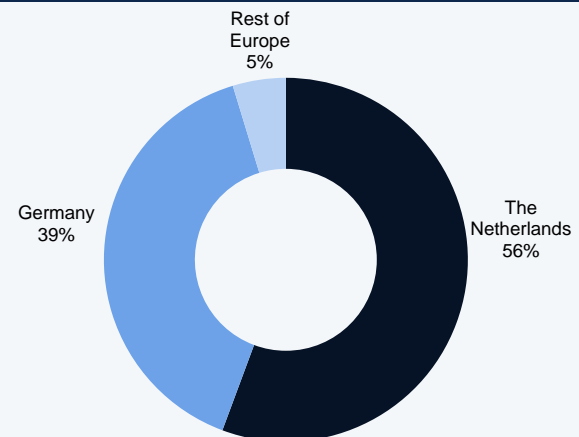
## Introduction

- Long history of corporate lending with a focus on long-term client relationships in the mid-cap segment in the Benelux and Germany.
- Portfolio exposure of EUR 0.17 billion as of 30 June 2013.
- No outstanding impairments as of 30 June 2013.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

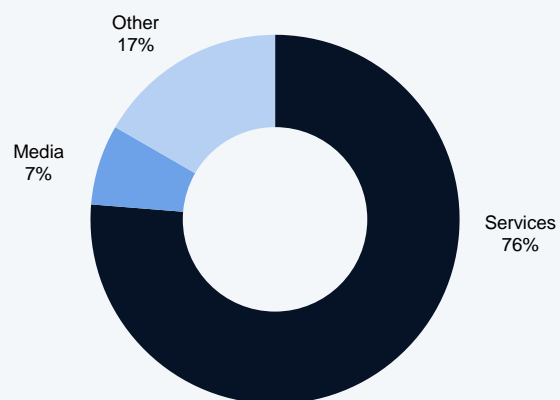


# Technology, Media, Services and Other

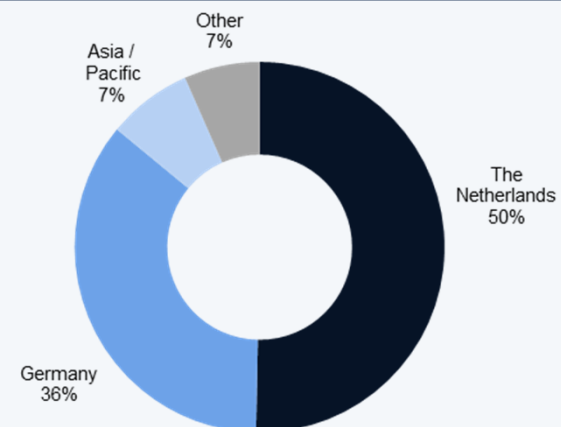
## Introduction

- Long history of corporate lending with a focus on long-term client relationships in the mid-cap segment in the Benelux and Germany.
- Portfolio exposure of EUR 0.24 billion as of 30 June 2013.
- No outstanding impairments as of 30 June 2013.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

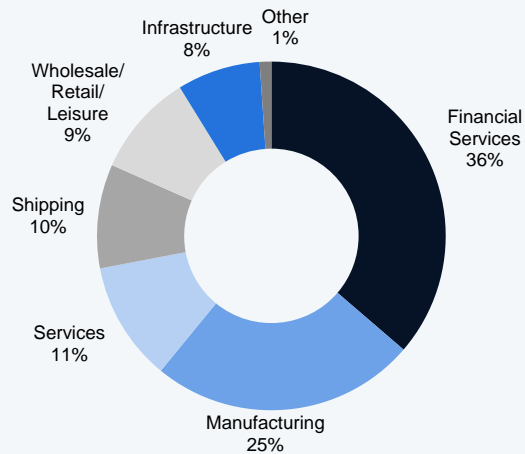


# Industries & Manufacturing

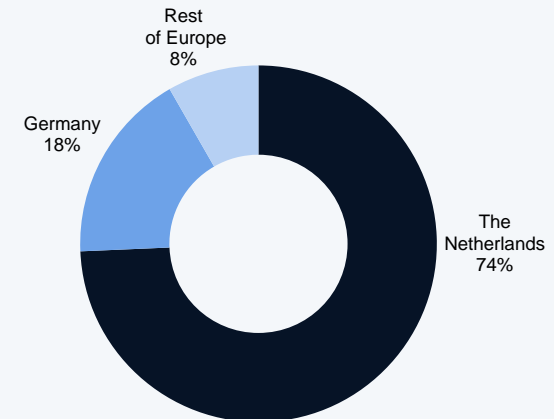
## Introduction

- Focus on client relationships in the mid-cap segment in the Benelux and Germany.
- Portfolio exposure of EUR 0.6 billion as of 30 June 2013.
- Total outstanding impairments as of 30 June 2013 of EUR 7 million.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013



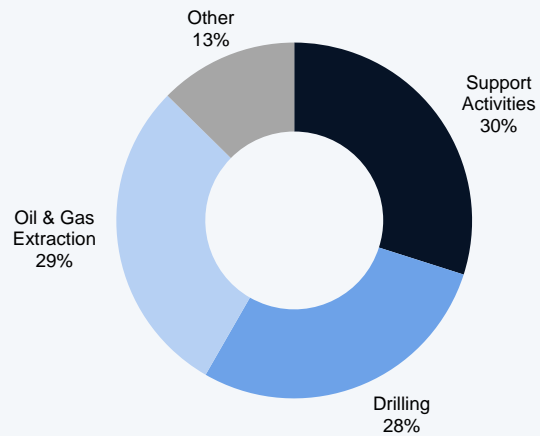


# Oil & Gas Services

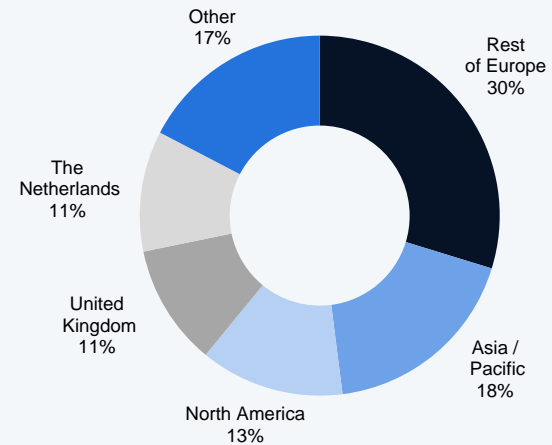
## Introduction

- International player active since 2001 with a focus on long term client relationships.
- Portfolio exposure of EUR 0.9 billion as of 30 June 2013.
- All project financings and majority of corporate financings secured.
- No outstanding impairments as of 30 June 2013.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

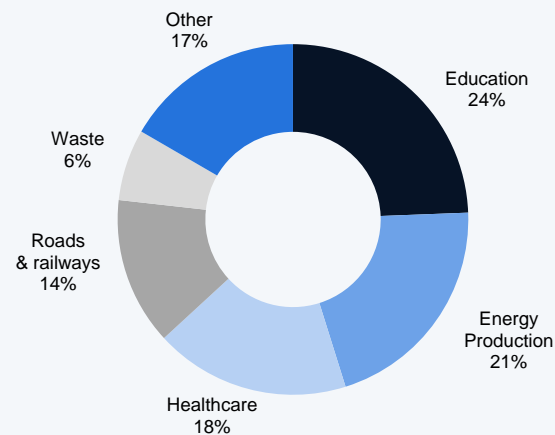


# Infrastructure & Renewables

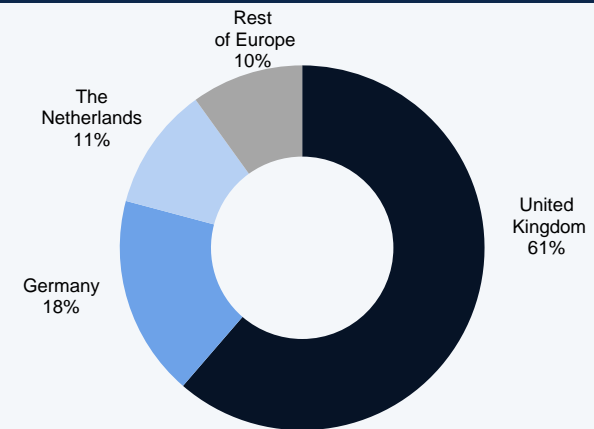
## Introduction

- Top 5 PFI lender since 2004.
- Active since mid 90's in United Kingdom PFI & PPP market (mainly health, education, road and waste), since 2002 also in renewables and essential infrastructure.
- Portfolio exposure of EUR 1.9 billion.
- Total outstanding impairments as of 30 June 2013 of EUR 4 million.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

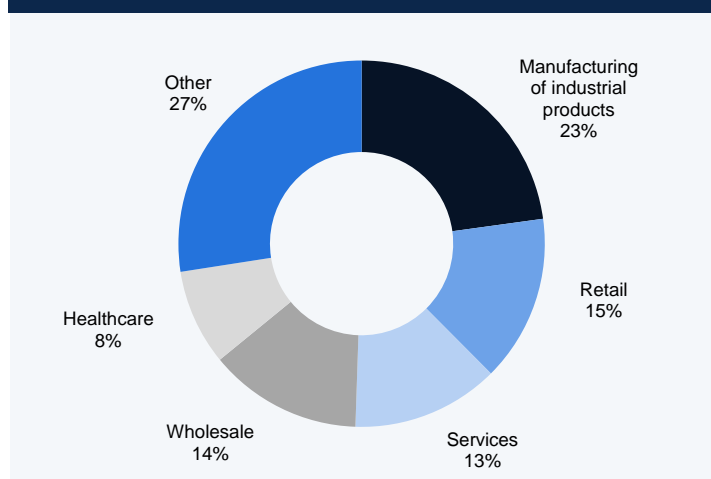


# Leveraged Finance

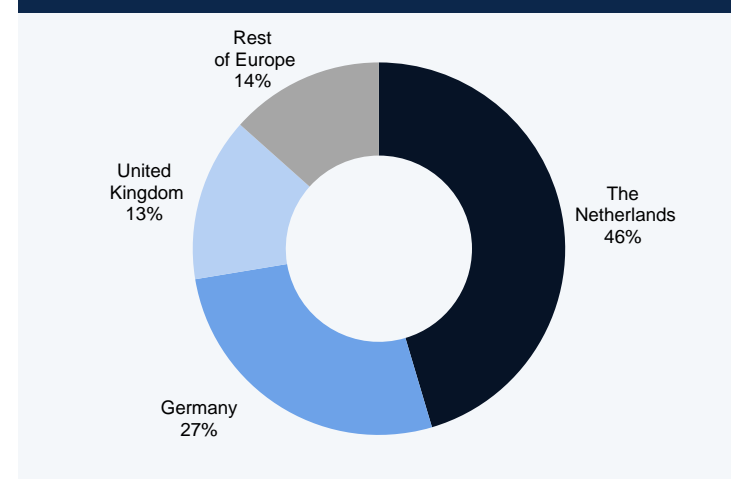
## Introduction

- International player since 2001 with a focus on client relationships in the mid-cap segment in the Benelux, Germany and United Kingdom.
- Portfolio exposure of EUR 1.1 billion as of 30 June 2013.
- Largely senior debt with collateral.
- No covenant-lite transactions.
- Total outstanding impairments as of 30 June 2013 of EUR 65 million.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

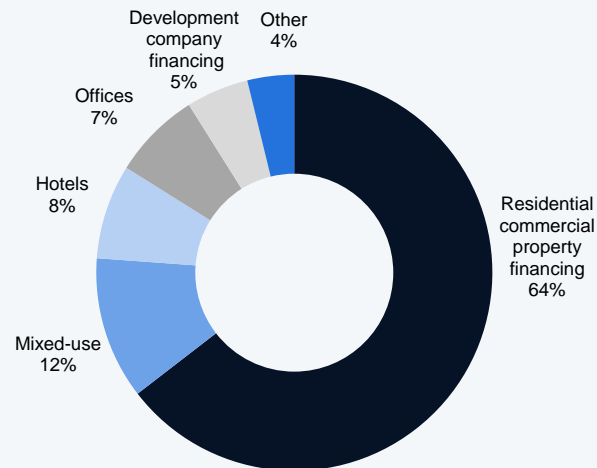


# Commercial Real Estate

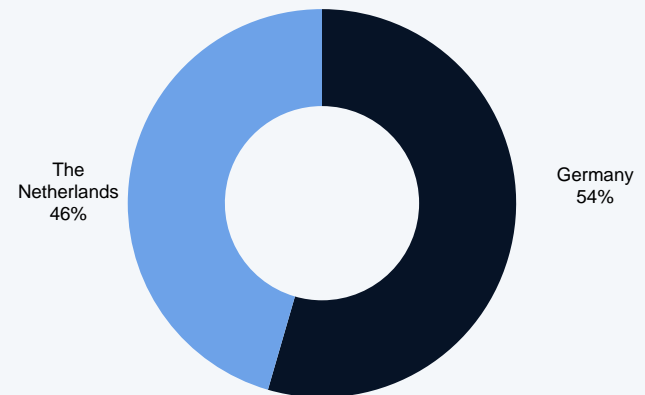
## Introduction

- Top 5 player in the Netherlands, established market position in Germany.
- Track-record of innovative solutions.
- Portfolio exposure of EUR 1.6 billion.
- Senior secured portfolio with large part of residential commercial property financing, mainly in Germany.
- Total outstanding impairments as of 30 June 2013 of EUR 20 million.
- Majority of the portfolio to be refinanced after 2014.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

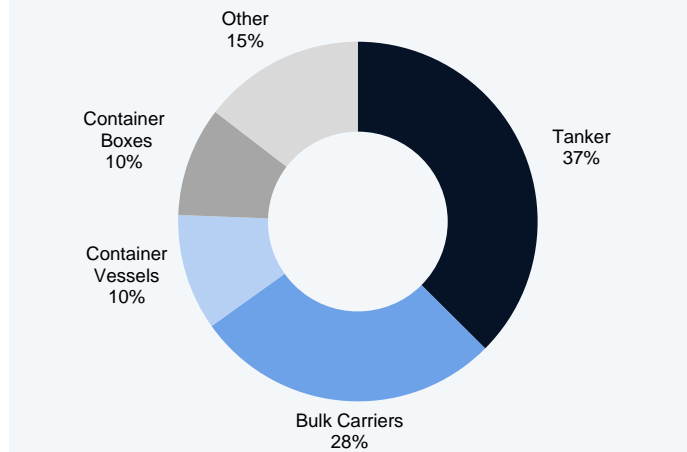


# Shipping & Intermodal

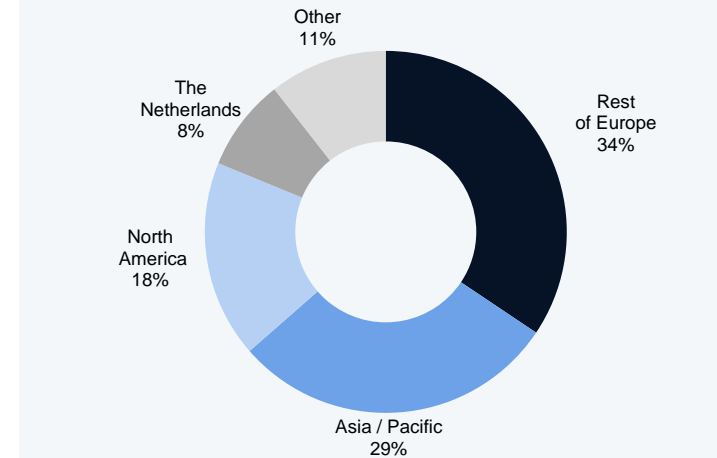
## Introduction

- Over 40 years of experience.
- Focus on relatively young assets of <15 yrs of age.
- Portfolio exposure of EUR 1.3 billion.
- Well secured portfolio divided over several sub sectors.
- Total outstanding impairments as of 30 June 2013 of EUR 32 million.

Exposure per Sector at 30 June 2013



Exposure per Region at 30 June 2013

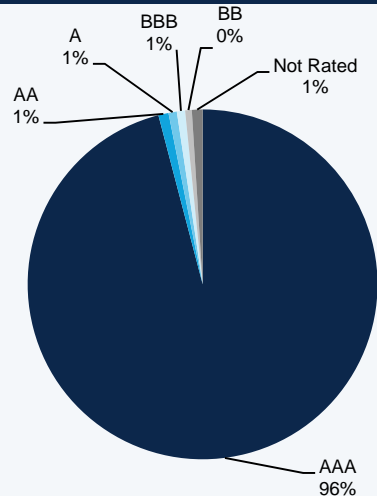


# Residential Mortgages

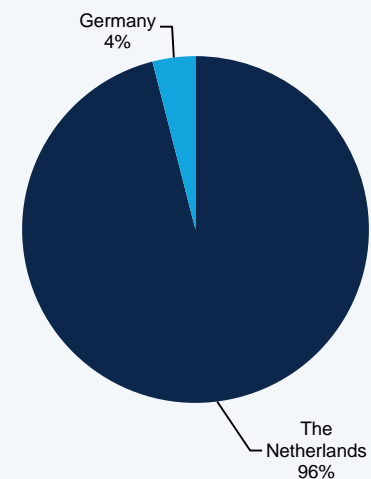
## Introduction

- Total residential mortgage portfolio of EUR 7.8 billion as of 30 June 2013.
- Total own book position of EUR 2.9 billion.
- Securitised part of EUR 4.9 billion.
- Average losses in line with the market through disciplined origination and arrears management.
- Bulk of origination took place before 2007.
- Losses on Dutch portfolio in 2013 of EUR 4.3 million.

## Exposure by implied rating



## Exposure by Geography

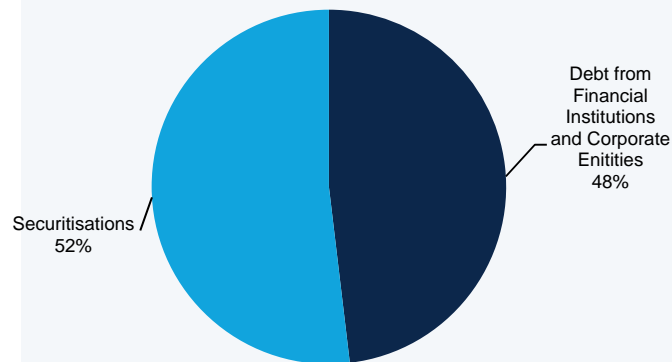


# Debt Investments portfolio

## Introduction

- The total Debt Investments portfolio increased from EUR 1,346 million in 2012 to EUR 1,457 million at 30 June 2013.
- Of the EUR 1,457 million, the Liquidity portfolio is EUR 918 million and the Legacy portfolio EUR 539 million.
- The Liquidity portfolio consists of exposures to financial institutions, corporate entities and liquidity investments.
- More than 80% of the risk in the Debt Investments portfolio is on counterparties rated A or higher.
- No exposure on sovereign debt from Greece, Portugal, Spain, Italy and Ireland.

## Exposure by Asset Class at 30 June 2013



## Exposure by Rating at 30 June 2013

