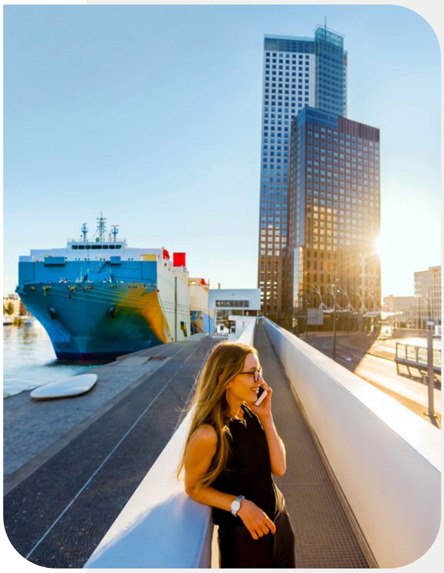
Condensed Interim Report 2024

NIBC HOLDING N.V.



Enabling Ambitions

NIBC
the entrepreneurial bank

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About this report

The Condensed Consolidated Interim Financial Report in this Interim Report has been prepared in accordance with IAS 34 Interim Financial Statements as adopted by the European Union and has been reviewed by our external auditor.

To provide a better understanding of the underlying results, the income statement presented in the Financial Review section of this Interim Report differs from the one presented in the Condensed Consolidated Interim Financial Report.

This Interim Report is presented in euros (EUR), rounded to the nearest million (unless otherwise stated). Certain figures may not tally due to rounding and certain percentages have been calculated using rounded figures.

The use of the term NIBC implies NIBC Holding and all figures relate to those of NIBC Holding, unless stated otherwise.

For a download of this report or more information, please refer to:

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Letter from the CEO

Dear reader,

During the first half of 2024, NIBC has continued its development as an entrepreneurial asset financier. Although continued uncertainty regarding economic and political developments created a challenging environment for our clients, we have succeeded in finding ways to support their financing needs, evidenced by further growth of exposure in both mortgages and the asset based segments (excluding the sold Shipping portfolio). As announced in June, we successfully sold our Shipping portfolio, allowing us to sharpen our focus, further de-risk the balance sheet and provide a strong setting for further growth of the successful Shipping franchise under new ownership. Additionally, we have continued the controlled reduction of our non-core exposures. Recognising the steps we have taken to strengthen our business model, NIBC's credit rating was upgraded by both Fitch (to BBB+ with a stable outlook) and Moody's (to A2 with stable outlook).

I am also proud to share that NIBC has once again won a Golden Lotus award for its mortgage offering in recognition of our flexible and solution-driven approach to servicing our clients.

On the back of these developments, NIBC reports a solid financial performance, with a net profit of EUR 99 million (including a non-recurring gain of EUR 9 million net of tax). This was achieved through a stable net interest margin and operating expenses, despite inflationary pressures, and lower credit expenses.

As we continuously develop our product offering and investigate development opportunities across various business lines, this also means that, at times, specific product offerings may benefit from a new setting. In this context, NIBC is actively investigating strategic alternatives for both of its Platform activities. After a successful launch and continued growth of these alternative financing propositions, both offerings are now classified as held for sale, reflecting these strategic considerations.

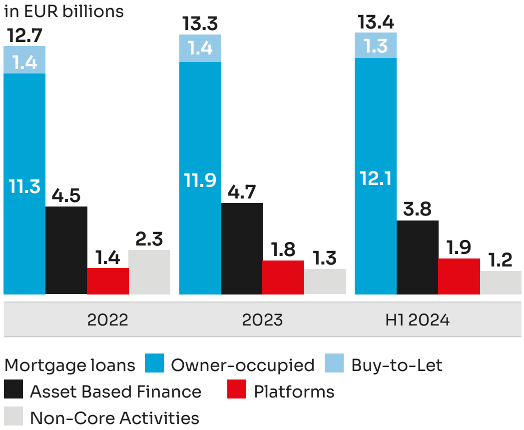
On a personal note, this is my final letter to you as reader of NIBC's financial reports, as I will be leaving the bank at the end of 2024. It has been a privilege and a pleasure to steer this entrepreneurial bank in its journey from a bank with a wide array of products and activities to the sustainable, focused asset financier it is today. I would like to express my heartfelt thanks to all my colleagues for their unwavering commitment and dedication. They are the foundation of NIBC's execution power and 'Think Yes' mentality, with which we deliver value to our stakeholders.

The Hague, 21 August 2024

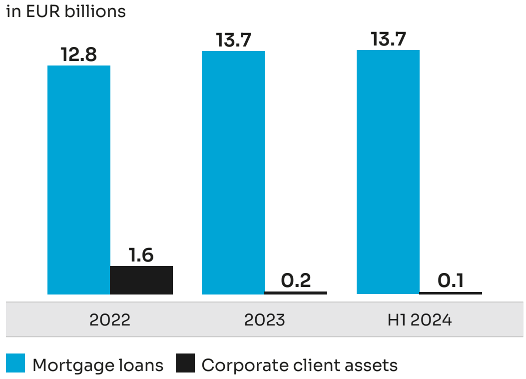
Paulus de Wilt
Chief Executive Officer,
Chair of the Managing Board

Financial Highlights

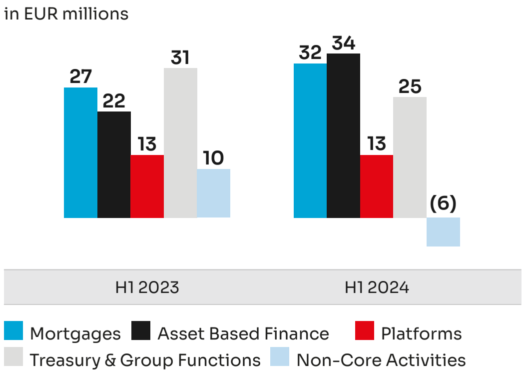
Client exposure own book



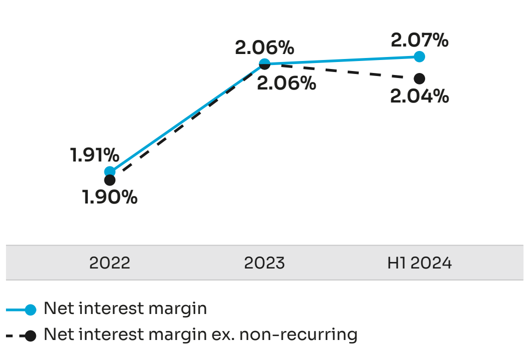
Client exposure Originate-to-Manage



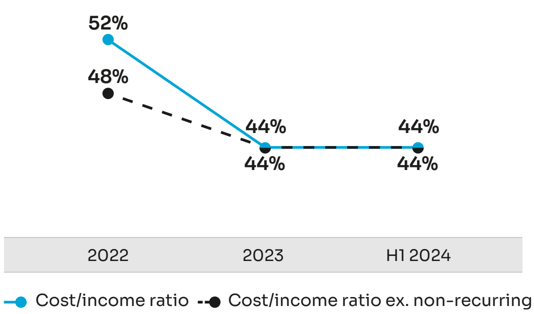
Segment performance (net profit)



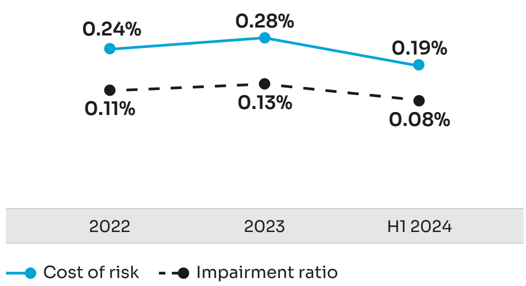
Net interest margin



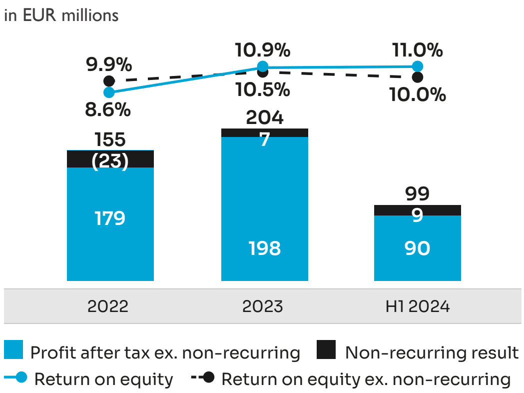
Cost/income ratio



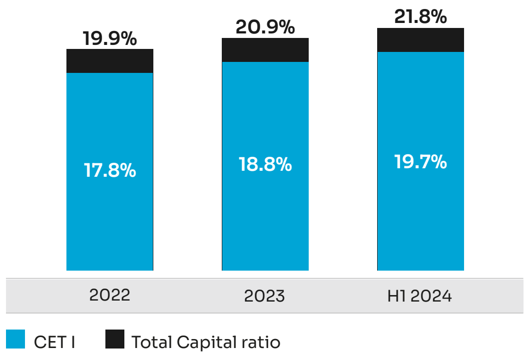
Cost of risk/impairment ratio



Profit after tax attributable to shareholders and return on equity



Capital ratios[1]



[1] Capital ratios are based on full implementation of CRR II.

Non-Financial Highlights

Sustainability ratings

H1 2024

ISS
C+
/Prime

Sustainalytics
17.6
Low risk

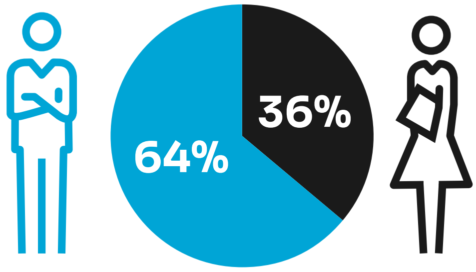
RepRisk
AA

MSCI
A

Moody's
CIS-2, E-3, S-3, G-2

Male/female ratio

H1 2024

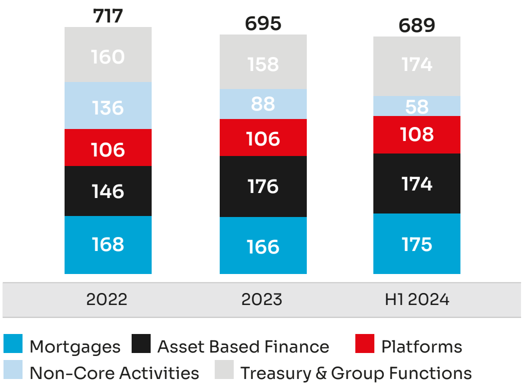


2023: 64% / 36%

2022: 65% / 35%

Number of employees per segment[2]

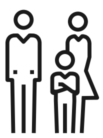
(FTEs)



NIBC customer survey score - Mortgages[1]

H1 2024

8.3



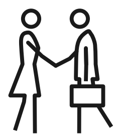
2023: 8.3

2022: 8.5

Corporate lending NPS score[1]

H1 2024

+87%



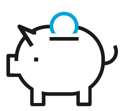
2023: +87%

2022: +86%

NIBC customer survey score - Savings[1]

H1 2024

8.0



2023: 8.0

2022: 8.1

Screening corporate loans

H1 2024

100%

2023: 100%

2022: 100%

[1] Non-financial figures based on external surveys may not have been updated. In that case, the last available result is reported.
[2] Including allocated FTEs from support functions.

Key Figures

Performance per segment H1 2024

in EUR millions	Mortgages	Asset Based Finance	Treasury & Group functions	Core Activities	Platforms	Non-Core Activities	Total Consoli-dated
Operating income	71	67	91	229	37	7	273
Operating expenses	30	25	45	100	11	8	119
Credit and other loss expenses	(2)	(4)	(0)	(6)	8	6	8
Income tax	11	12	14	37	5	(1)	41
Profit after tax	**32**	**34**	**31**	**97**	**13**	**(6)**	**105**
Attributable to:							
Shareholders of the company	**32**	**34**	**25**	**91**	**13**	**(6)**	**99**
Holders of capital securities	-	-	6	6	-	-	6

Performance per segment H1 2023

in EUR millions	Mortgages	Asset Based Finance	Treasury & Group functions	Core Activities	Platforms	Non-Core Activities	Total Consoli-dated
Operating income	68	49	93	209	28	31	268
Operating expenses	30	21	43	94	9	15	118
Credit and other loss expenses	2	(3)	(0)	(1)	2	3	4
Income tax	9	8	13	30	4	2	37
Profit after tax	**27**	**22**	**37**	**85**	**13**	**10**	**109**
Attributable to:							
Shareholders of the company	**27**	**22**	**31**	**79**	**13**	**10**	**103**
Holders of capital securities	-	-	6	6	-	-	6

Performance Indicators

	H1 2024	ex. non-recurring H1 2024	2023	ex. non-recurring 2023	2022	ex. non-recurring 2022
Net interest margin[1]	2.07%	2.04%	2.06%	2.06%	1.91%	1.90%
Cost/income ratio[1]	44%	44%	44%	44%	52%	48%
Return on equity[1]	11.0%	10.0%	10.9%	10.5%	8.6%	9.9%
Return on CET 1 capital at 13%[1]	16.3%	14.8%	16.5%	16.0%	11.6%	13.4%
Dividend pay-out ratio[1]	55%	-	100%	-	75%	-

1 Items are Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.

CLARIFICATION OF THE NON-RECURRING AND NON-CORE CONCEPTS

Non-recurring results refer to results related to one-off, special items, usually related to strategic choices and projects of the company, but they do not include income and expenses recognised on such items or portfolios during the normal course of business. For a further description of the non-recurring results in H1 2024, please refer to the Financial performance section. Non-Core Activities is the separate segment in which NIBC has combined those activities that are no longer part of its strategic focus and which are managed separately with the aim to reduce exposures and operations. For more information on segment reporting, please refer to note 1 Segment report.

Portfolio

in EUR millions	H1 2024	2023	2022
Mortgages			
Owner-occupied mortgage loans – Netherlands	12,093	11,929	11,277
Buy-to-Let mortgage loans	1,333	1,354	1,367
Owner-occupied mortgage loans – Germany	5	5	6
Originate-to-Manage mortgage loans	13,703	13,651	12,836
Total Mortgages	**27,135**	**26,939**	**25,487**
Asset Based Finance			
Real Estate	1,888	1,843	1,857
Infrastructure	1,912	1,893	1,545
Shipping	–	955	1,115
Total Asset Based Finance	**3,800**	**4,691**	**4,517**
Total Core Activities	**30,935**	**31,630**	**30,004**
Platforms			
Equipment leasing	1,473	1,398	1,197
Automotive financing	435	385	252
Total Platforms	**1,907**	**1,784**	**1,449**
Non-Core Activities			
Loans	1,061	1,176	1,954
Equity investments	124	132	273
Originate-to-Manage corporate assets	131	147	1,577
Other Lease receivables	7	7	31
Total Non-Core Activities	**1,323**	**1,462**	**3,835**
Total Portfolio	**34,165**	**34,876**	**35,288**
Total own book per region			
Netherlands	17,633	17,788	17,351
Germany	806	938	1,083
United Kingdom	1,136	1,136	1,141
Other	756	1,215	1,300
Total own book per region (drawn & undrawn)	**20,330**	**21,078**	**20,875**
Retail client savings			
Netherlands	7,309	6,918	6,136
Germany	3,192	3,206	3,421
Belgium	1,551	1,165	995
Total retail client savings	**12,052**	**11,289**	**10,552**

Portfolio Asset Quality

	H1 2024	2023	2022
Asset quality			
Cost of risk (on average RWA)[1]	0.19%	0.28%	0.24%
Impairment ratio[1]	0.08%	0.13%	0.11%
Impairment coverage ratio[1]	32%	29%	37%
NPL ratio[1]	1.8%	1.7%	2.0%
Top-20 exposure/Common Equity Tier 1 capital	53%	54%	62%
Exposure corporate arrears > 90 days	1.1%	1.1%	1.3%
Exposure residential mortgage loans arrears > 90 days	0.1%	0.1%	0.1%
Loan-to-value Dutch residential mortgage loans	57%	59%	55%
Loan-to-value BTL mortgage loans	54%	56%	53%

1 Items are Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.

Solvency information

	H1 2024	2023	2022
Equity attributable to shareholders of the company	1,885	1,952	1,964
AT1 and subordinated liabilities	427	425	402
Group capital base	2,312	2,376	2,366
Common Equity Tier 1 capital	1,751	1,756	1,696
Common Equity Tier 1 capital at 13%	1,156	1,211	1,240
Balance sheet total	23,392	23,177	22,807
Risk Weighted Assets	8,894	9,319	9,541
Common Equity Tier 1 ratio	19.7%	18.8%	17.8%
Tier 1 ratio	21.0%	20.1%	19.0%
Total capital ratio	21.8%	20.9%	19.9%
Leverage ratio	7.8%	7.9%	7.7%

Funding & liquidity

	H1 2024	2023	2022
LCR	306%	243%	207%
NSFR	138%	131%	130%
Loan-to-deposit ratio[1]	148%	163%	163%
Asset encumbrance ratio	26%	27%	26%
Retail savings/total funding	51%	48%	45%
Secured funding/total funding	21%	22%	22%

1 Item is Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.

Financial Review

Performance summary

- NIBC's profitability is a reflection of the solid performance over H1 2024. The net profit attributable to shareholders amounts to EUR 99 million (H1 2023: EUR 103 million), including a non-recurring gain of EUR 9 million net of tax (H1 2023: a gain of EUR 7 million).
- Net interest income increased to EUR 236 million (H1 2023: 227 million). Excluding non-recurring items, net interest income is EUR 229 million, mainly driven by growth of NIBC's core portfolios, Platforms and an improved average funding spread, offset by a further decrease of the non-core portfolio.
- Reported net interest margin is relatively stable, even though rates have shown continued volatility.

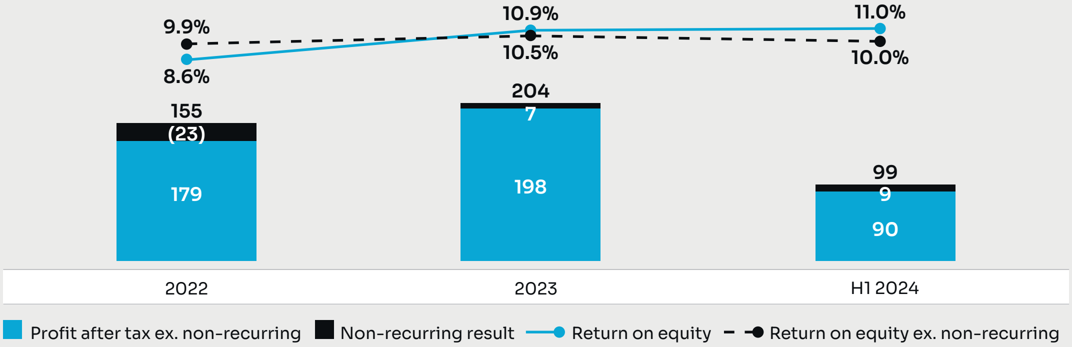
Income statement

in EUR millions	H1 2024	ex. non-recurring H1 2024	H1 2023	ex. non-recurring H1 2023	H1 2024 vs. H1 2023	ex. non-recurring H1 2024 vs. H1 2023
Net interest income	236	229	227	227	4%	1%
Fee income	19	19	20	20	(6%)	(6%)
Investment income	(2)	(2)	3	3	(150%)	(150%)
Other income	20	13	17	16	18%	(18%)
Operating income	**273**	**260**	**268**	**267**	**2%**	**(3%)**
Personnel expenses	57	56	54	54	7%	4%
Other operating expenses	55	51	49	49	12%	3%
Depreciation and amortisation	2	2	2	2	13%	13%
Regulatory charges and levies	4	4	13	13	(66%)	(66%)
Operating expenses	**119**	**113**	**118**	**118**	**1%**	**(4%)**
Net operating income	**154**	**146**	**149**	**149**	**3%**	**(1%)**
Credit loss expense	8	14	12	13	(33%)	9%
Gains or (losses) on disposal of assets	0	0	8	0	(100%)	0%
Income tax	41	37	37	34	12%	8%
Profit after tax	**105**	**96**	**109**	**102**	**(4%)**	**(6%)**
Profit attributable to non-controlling shareholders	6	6	6	6	0%	0%
Profit after tax attributable to shareholders of the company	**99**	**90**	**103**	**96**	**(4%)**	**(6%)**
Return on equity	**11.0%**	**10.0%**	**10.9%**	**10.2%**		

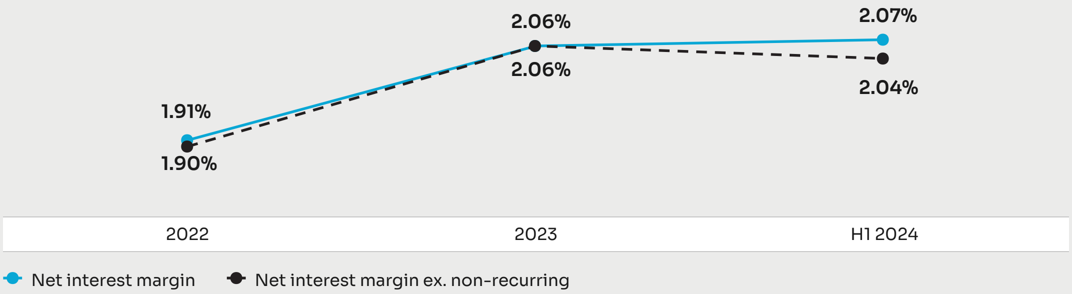
- Despite inflationary pressure, operating expenses show only a limited increase to EUR 119 million (H1 2023: EUR 118 million). Higher expenses on consultants and projects are more than compensated by lower regulatory charges and levies.
- Credit losses decreased to EUR 8 million (H1 2023: EUR 12 million) mainly driven by a release due to the sale of the Shipping portfolio. Excluding non-recurring items, credit losses increased marginally from EUR 13 million to EUR 14 million.

Profit after tax attributable to shareholders and return on equity

in EUR millions

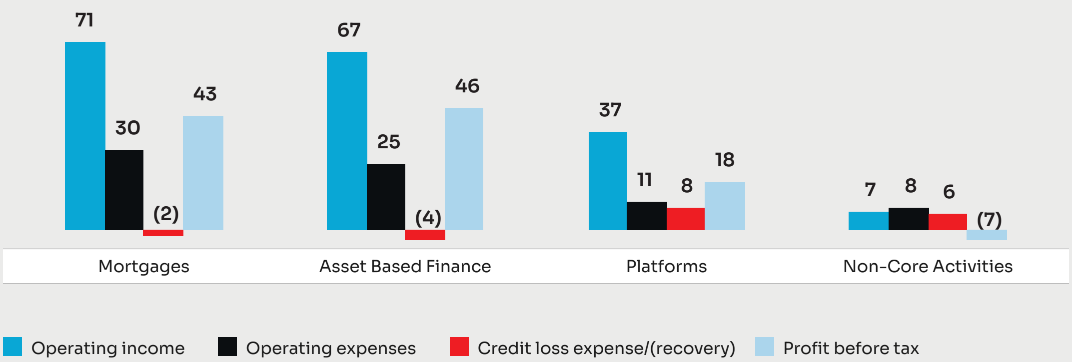


Net interest margin



Financial performance segments H1 2024

In EUR millions



FINANCIAL PERFORMANCE

GENERAL DEVELOPMENTS

The first half of 2024 remains characterised by ongoing uncertainty regarding geopolitical and global economic developments, including the development of inflation. Inflation in the eurozone decreased significantly in H1 2024 compared to the high levels of 2022/2023. In the eurozone, inflation in H1 2024 was in a range of 2.4%-2.8% whilst the level in the Netherlands was higher at 2.7-3.2%. Based on these developments, the ECB decreased its key interest rates in June 2024 by 25 basis points, leading to a deposit facility rate of 3.75% at H1 2024. The inflation levels are accompanied by slightly increased (compared to 2023) but still low economic (GDP) growth of well below 1% in the eurozone. In the Netherlands, the development of GDP continued to display contraction in H1 2024.

NON-RECURRING ITEMS

The non-recurring items for H1 2024 consist of the one-off results related to the sale of the Shipping portfolio as well as the incurred costs to date related to the assets held for sale, which relate to the equipment leasing and automotive financing activities, and costs related to the planned legal merger as per 1 January 2025 between NIBC Bank N.V. (as acquiring entity) and NIBC Holding N.V. (as disappearing entity).

The non-recurring items do not include income and expenses generated by these activities during the normal course of business in H1 2024. The non-recurring items consist of a release of deferred interest related fees recognised in net interest income (EUR 6.5 million), net gains in other income (EUR 6.7 million), operating expenses (EUR 5.8 million) and releases of credit provisions (EUR 6.0 million).

OPERATING INCOME

Recurring net interest income remained stable at EUR 229 million, in line with H1 2023. This is a result of the following developments:

- Increased average volume of NIBC's core portfolios (residential mortgage loans (+4%), Infrastructure (+17%) and Platforms (+20%) compared to H1 2023) led to higher margin income.
- The average funding spread continued to decrease in H1 2024 to 10 basis points (2023: 18 bps). This decrease is mainly driven by a further increase of the portion of savings volumes in our total funding portfolio.
- The developments above were offset by the continued decrease of the average volume of the non-core loan portfolio by 36% compared to H1 2023.
- The developments led to a net interest margin of 2.07%, an improvement from the 1.96% of H1 2023.

The marginal decrease of fee income from EUR 20 million in H1 2023 to 19 million in H1 2024 fully relates to the sale of the CLO platform in 2023, which generated EUR 2 million of fee income in H1 2023. Fee income from the Originate-to-Manage mortgage business remained stable in H1 2024 compared to H1 2023.

Investment income is lower, following the sale of our equity investment activities in 2023, which has significantly reduced the investment portfolio.

Other Income contains realised and unrealised fair value results, income from operating leases and revaluation results of our investment property (own office building available for rent).

Volatile income

Volatility in financial markets, especially with regards to interest rates, also causes volatility in the income statement, specifically related to items recognised within other income. To illustrate the impact of these items, which do not directly reflect client-related activities, these are separately grouped as volatile income. Items included are hedge accounting and specific positions recognised and measured at fair value through profit or loss and currency revaluation.

- Hedge accounting
  Given the volatility in interest rates, the residual result after application of hedge accounting can also be volatile. For the reporting period, the impact is a gain of EUR 2 million (H1 2023: a gain of EUR 7 million) recognised in other income.
- Currency revaluation and impact of basis spreads on cross currency interest rate swaps
  The use of cross currency interest rate swaps, recognised at fair value through profit or loss, leads to volatility in the income statement, as the fair value of these instruments is impacted by movements of the basis spread between currencies. The limited currency positions, managed within narrow limits, can still generate some additional result, recognised in other income. Together, these items led to gain of EUR 1 million (H1 2023: a gain of EUR 2 million).

OPERATING EXPENSES

Operating expenses remained stable at EUR 119 million in H1 2024 (H1 2023: EUR 118 million). This mainly reflects higher expenses on consultants and projects being more than compensated by lower regulatory charges and levies and lower process outsourcing costs for the mortgage loan portfolios.

- The lower regulatory charges are driven by the European resolution fund reaching its targeted level by the end of 2023 resulting in no resolution levies for 2024.
- The lower process outsourcing costs for the mortgage loan portfolios follow from lower origination levels (also driven by less refinancing due to increased interest rates) compared to H1 2023.

In H1 2024, NIBC's total FTE decreased to 689 (2023: 695 FTE).

CREDIT LOSS EXPENSE

Over the first half of 2024, credit losses decreased to EUR 8 million (H1 2023: EUR 12 million). Credit losses excluding non-recurring items increased marginally from EUR 13 million to EUR 14 million. Higher credit losses within Platforms and Asset Based Finance are compensated by releases in Mortgages and lower credit losses in Non-Core Activities in line with the continued decrease of this non-core portfolio.

NIBC continues to apply a management overlay to reflect increased uncertainties and risks not sufficiently covered in its ECL models. The total management overlay was kept stable at EUR 19 million per 30 June 2024 (2023: EUR 19 million).

For more background regarding credit loss expenses and the management overlay, please refer to note 11 Credit loss expense and the Credit Risk section for the coverage ratios.

TAX

Income tax reflects the profit recognised over the first half year of 2024. This results in an effective tax rate of 28% for the period ended 30 June 2024 (for the period ended 30 June 2023: 25%). This change is mainly driven by (non-deductible) interest expenses due to minimum capital rule requirements and (non-deductible) incurred costs related to our assets held for sale.

DIVIDEND

The Managing Board proposes to declare an interim dividend of EUR 0.37 per share for the first half year of 2024. This translates to a distribution to shareholders of EUR 54 million or an interim dividend pay-out of 55%.

The Managing Board proposes to declare an additional dividend of EUR 116 million or EUR 0.79 per share in relation to the capital release from the sale of the Shipping portfolio in June 2024. This proposed dividend is in addition to the regular interim dividend 2024 and will lower the CET 1 ratio from 19.7% to 18.4%. The proposed additional dividend of EUR 116 million is based upon the estimated RWA reduction under Basel IV (CRR III) and the new model landscape. The proposed payment is intended to be made fully from retained earnings.

MEDIUM-TERM OBJECTIVES

As per H1 2024, we continue to meet all of our medium-term objectives. Our return on CET 1 capital at 13% is well above the medium-term objective and the cost/income ratio remained stable within the medium-term objective bandwidth of 40%-45%. The CET 1 ratio further increased to 19.7% mainly as a result of reduction in risk-weighted assets. Also after the additional dividend pay-out, we expect the CET 1 ratio to be well above the medium term objective. The average rating of our senior preferred debt is at BBB+ and further strengthened by the rating upgrades received from Fitch and Moody's in the second quarter of 2024.

Medium-term objectives

	Medium-term objectives	H1 2024	2023	2022
Return on CET 1 capital at 13%	≥15%	16.3%	16.5%	11.6%
Cost/income ratio	40% - 45%	44%	44%	52%
CET 1	≥13%	19.7%	18.8%	17.8%
Rating Bank[1]	BBB+	BBB+	BBB+	BBB+
Dividend pay-out ratio	≥50%	55%	100%	75%

1 Reported rating is based on the average of the senior preferred debt rating as issued by the different rating agencies (current rating: Fitch: A- Stable, Moody's: A2 Stable, S&P: BBB Stable).

Development of the financial position

- Total assets increased by EUR 0.2 billion reflecting the growth of our core business activities partly offset by the sale of the Shipping portfolio and further reduction of non-core exposures.
- Cash and banks increased, further strengthening the bank's liquidity position.
- The decrease of our loan portfolio reflects the sale of our Shipping portfolio and the transfer of our automotive financing platform (EUR 0.4 billion) to assets held for sale. Nevertheless, we were able to grow in the remaining core activities by EUR 0.2 billion.

Assets

in EUR millions	H1 2024	2023	2022
Cash and banks	3,291	2,545	2,948
Loans	3,943	5,042	5,164
Lease receivables	7	1,281	1,090
Mortgage loans	12,889	12,911	11,990
Debt investments	1,074	908	876
Equity investments	116	124	166
Derivatives	95	156	162
Assets held for sale	1,906	-	202
All other assets	72	210	209
Total assets	**23,392**	**23,177**	**22,807**

Liabilities and equity

in EUR millions	H1 2024	2023	2022
Retail funding	11,945	11,148	10,310
Funding from securitised mortgage loans	-	-	221
Covered bonds	4,514	4,529	4,016
All other senior funding	4,339	4,873	5,534
Tier 1 and subordinated funding	226	224	202
Derivatives	130	129	232
Liabilities held for sale	15	-	-
All other liabilities	136	122	128
Total liabilities	**21,307**	**21,025**	**20,643**
Equity attributable to shareholders of the company	1,885	1,952	1,964
Capital securities (non-controlling interest)	200	200	200
Equity attributable to non-controlling interests	-	-	-
Total liabilities and equity	**23,392**	**23,177**	**22,807**

- Lease receivables reduced due to the transfer of the finance leases (EUR 1.3 billion) to assets held for sale.
- Although the carrying value of the mortgage loans show a decrease, the underlying exposure increased by EUR 0.1 billion mainly driven by owner occupied mortgages. The decrease is the result of hedge accounting in a period of increasing interest rates. The Buy-to-Let market is still showing contraction due to a combination of increased interest rates, fiscal measures and other regulations such as the "Wet betaalbare huur".
- Assets held for sale includes the assets of both the equipment leasing activities and the automotive financing platform, as both activities are considered to be held for sale on the reporting date.
- Equity decreased mainly due to the pay out of the final dividend 2023, largely offset by the net result of H1 2024.

Carrying values per ECL stage

30 June 2024		Stage 1	Stage 2	Stage 3	POCI	Total
Amortised cost	Mortgage loans	12,445	310	94	39	12,889
	Corporate loans	3,454	288	57	13	3,812
	Lease receivables	-0	0	7	-	7
Fair Value through OCI	Debt investments	1,060	2	-	-	1,062
Subtotal		**16,959**	**600**	**158**	**52**	**17,770**
Assets held for sale[1]	Corporate loans	383	3	-	-	386
	Lease receivables	1,301	7	28	-	1,336
Total		**18,643**	**611**	**186**	**52**	**19,492**

1 For more information on assets held for sale, please refer to Note 21 of the consolidated financial statements.

Credit quality ratios

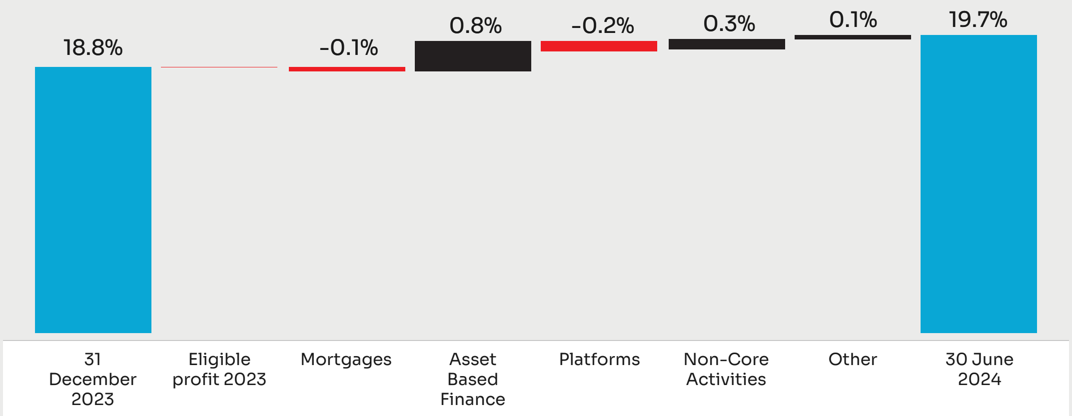
	H1 2024	2023	2022
Impairment coverage ratio[1]	32%	29%	37%
NPL ratio[1]	1.8%	1.7%	2.0%
Top-20 exposure/Common Equity Tier 1	53%	54%	62%

1 Item is Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.

Solvency and Liquidity

- NIBC has a robust capital position reflected in the CET 1 ratio of 19.7%.
- The increased mortgage exposure led to an increase in RWA and a 0.1%- point decrease of the CET 1 ratio.
- Sale of the Shipping portfolio to Hamburg Commercial Bank more than offset the increase of Real Estate and Infrastructure exposures, leading to a decrease in RWA and consequently to a 0.8%- point increase of the CET 1 ratio.
- Growth in our Platforms led to an increase in RWA and consequently to a 0.2%- point decrease of the CET 1 ratio.
- Further reduction of the Non-Core Activities contributed to a increase of 0.3%- point in the CET 1 ratio.
- NIBC actively manages its liquidity position, ensuring solid liquidity buffers on a

CET 1 development

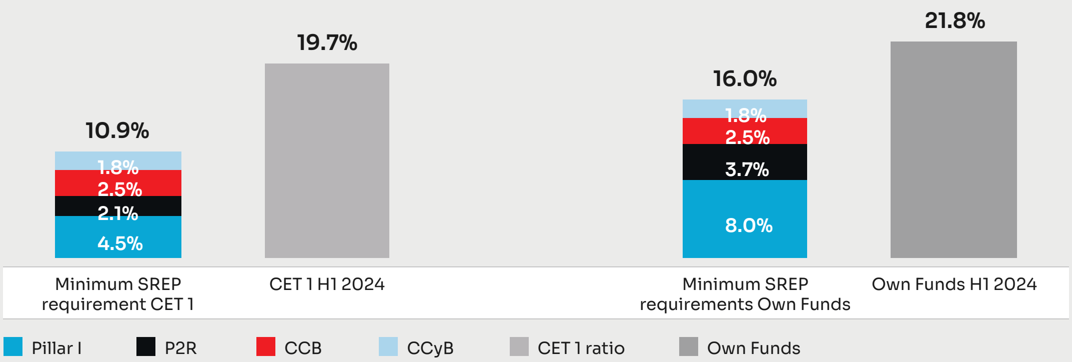


Credit risk per exposure class

Exposures including Credit Conversion Factor in accordance with CRR[1]	H1 2024 Exposure	RWA	Average risk weight	2023 Exposure	RWA	Average risk weight
Corporate exposures	6,433	3,890	60%	7,225	4,309	60%
Mortgage loans	13,731	3,074	22%	13,555	3,032	22%
Institutions	677	120	18%	691	126	18%
Equity	124	458	370%	132	487	370%
Securitisation	738	121	16%	603	114	19%
Other including corporate derivatives	404	306	76%	420	303	72%
Central Government	2,827	0	0%	2,083	0	0%
Total	**24,933**	**7,969**	**32%**	**24,709**	**8,371**	**34%**

1 Exposure amounts include positions classified as 'Held for sale assets' in their original asset class.

Capital ratios compared to SREP requirements



continuous basis. This is evidenced by a strong liquidity coverage ratio (LCR) at 306% and a solid net stable funding ratio (NSFR) of 138%.

- The Loan-to-Deposit ratio improved to 148% (FY 2023: 163%) following the strong growth of our savings in H1 2024 and the decline in our loan portfolio.

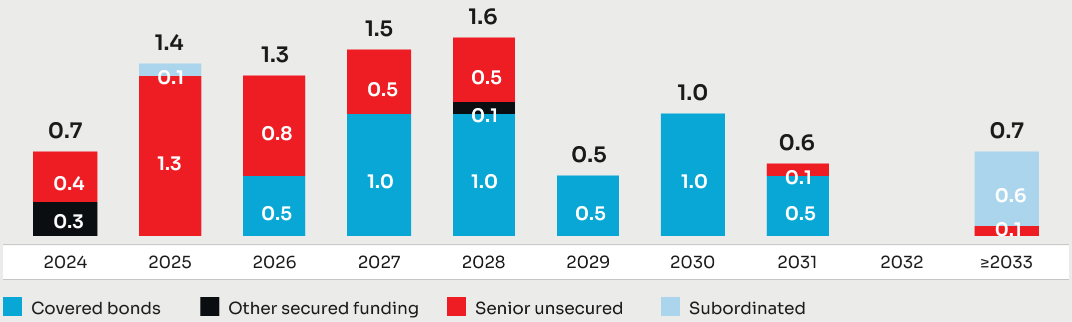
Liquidity ratios

	H1 2024	2023	2022
LCR	306%	243%	207%
NSFR	138%	131%	130%
Loan-to-deposit ratio[1]	148%	163%	163%
Asset encumbrance ratio	26%	27%	26%
Retail savings/total funding	51%	48%	45%
Secured funding/total funding	21%	22%	22%

1 Item is Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.

Maturing wholesale funding

in EUR billions



CAPITAL ADEQUACY

General developments

The bank is preparing an update of its model landscape for its corporate exposures. Expectation is that the newly developed corporate models will be implemented at the start of 2025. This is expected to lead to an increase in risk weights, as the future model landscape will use either the slotting approach or the permanent partial use option to apply the standardised approach to specific asset classes.

The Basel Committee on Banking Supervision (BCBS) reached an agreement on the finalisation of the Basel III reforms (Basel IV) in December 2017. In June 2024, the EU finalised the amendment of the Capital Requirements Regulation and Directive (CRR III/CRD VI) to implement Basel IV. Most of the provisions apply as of 1 January 2025. Some provisions are phased in over time and most transitional arrangements end in January 2030 or before this date.

Impact of implementing both the new model landscape and Basel IV is estimated at an increase of RWA of 10-15% and a corresponding decrease of the CET 1 ratio between 1.8 and 2.6%-point, compared to 30 June 2024, which will be realised in two sequential steps.

- Implementation of the updated internal models for corporate exposures will lead to an increase of total RWA in the range of 25-30% compared to the RWA as determined at 30 June 2024.
- NIBC estimates the impact of the implementation of (fully loaded) Basel IV at a decrease of RWA in the range of 10-15% compared to the RWA as determined per 30 June 2024. The estimated impact is in addition to the anticipated impact of the model landscape improvements. This estimate is based on our current assessment and interpretation of the expected EU implementation of the Basel IV Standards.

NIBC is planning to execute a legal merger between NIBC Bank N.V. as acquiring entity and NIBC Holding N.V. as disappearing company per 1 January 2025. The intended merger will help to further streamline the organisation and remove inefficiencies in the capital structure. Approvals required for such a legal merger have been obtained. The estimated impact of the simplification of its group structure, compared to 30 June 2024, equals an increase of 0.9%-point on NIBC's Tier 1 ratio and 0.8%-point on NIBC's fully loaded Total capital ratio.

These estimations do not take into account possible management actions, further reduction of non-core portfolios nor potential changes to Pillar I and Pillar II requirements. They also assume a future portfolio composition that is equal to the current portfolio, as well as risk weights that reflect the current economic environment. An uncertainty for banks is that the incorporation of the Basel IV Standards into EU legislation via CRR III and CRD VI is not fully completed yet. During this process of transposition in EU and national law, further adjustments may be implemented. Additional regulation, e.g. in the form of EBA technical standards and Guidelines, may also affect the impact on NIBC's RWA. NIBC aims to meet the final requirements early in the phase-in period while continuing to execute its client-focused strategy.

SREP requirements

Our actual solvency levels are well above the minimum required levels as set by DNB in the Supervisory Review and Evaluation Process (**SREP**) in September 2023.

	30 June 2024			31 December 2023		
	CET 1	Tier 1	Total capital	CET 1	Tier 1	Total capital
Pillar I	4.5%	6.0%	8.0%	4.5%	6.0%	8.0%
Pillar II	2.1%	2.8%	3.7%	2.1%	2.8%	3.7%
Subtotal	**6.6%**	**8.8%**	**11.7%**	**6.6%**	**8.8%**	**11.7%**
Capital Conservation Buffer (CCB)	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Countercyclical Capital Buffer (CCyB)[1]	1.8%	1.8%	1.8%	1.1%	1.1%	1.1%
SREP requirement	**10.9%**	**13.1%**	**16.0%**	**10.1%**	**12.3%**	**15.3%**
Pillar II guidance	not disclosed			not disclosed		
Actual						
NIBC Holding transition[2]	19.7%	21.0%	22.4%	18.8%	20.1%	21.5%
NIBC Holding fully loaded[2]	19.7%	21.0%	21.8%	18.8%	20.1%	20.9%
Fully loaded capital (in EUR millions)	1,751	1,872	1,935	1,756	1,877	1,947
Risk-weighted assets	8,894	8,894	8,894	9,319	9,319	9,319

1 Presented figure is a weighted average of all current CCyB rates per 30 June 2024 and does not incorporate announced but not yet applicable rates.

2 Capital ratios under CRR II.

Resolution

De Nederlandsche Bank has determined that NIBC Bank is expected to be wound down through normal insolvency proceedings as opposed to undergoing a resolution action. The total risk exposure amount based MREL requirement for NIBC Bank is thus equal to its SREP requirement (excluding buffer requirements and Pillar II guidance).

Dividend

The maximum distributable amount (MDA) is determined by comparing actual solvency levels to the minimum SREP requirements (excluding Pillar II guidance). Solvency ratios have to exceed the SREP requirements to allow distribution of dividends. The transitional CET 1 ratio level below which distributions in the form of dividend payments, variable remuneration and distributions to holders of AT1 instrument (MDA Trigger Level) are restricted is 13.3%. The distance to the MDA Trigger Level is 6.4%. The present ratios provide sufficient room to execute NIBC's dividend policy and allow for AT1 distributions.

Performance Mortgages

- The Dutch mortgage market dynamics were impacted by the changed interest rate environment in 2023. However, in H1 2024 both transactions and prices in the housing market developed positively and the Dutch mortgage market has shown increased activity. Our mortgage portfolio increased to EUR 27.1 billion (2023: EUR 26.9 billion) mainly driven by growth of owner occupied mortgage loans. As more clients are opting for shorter maturities we experience a slightly lower growth rate in our Originate-to-Manage portfolio. Nevertheless the fee income remained stable at EUR 18 million (H1 2023: EUR 18 million).
- The Buy-to-Let portfolio remained relatively stable mainly driven by the retention of the existing portfolio as demand for financing is limited due to a combination of increased interest rates, fiscal measures and other

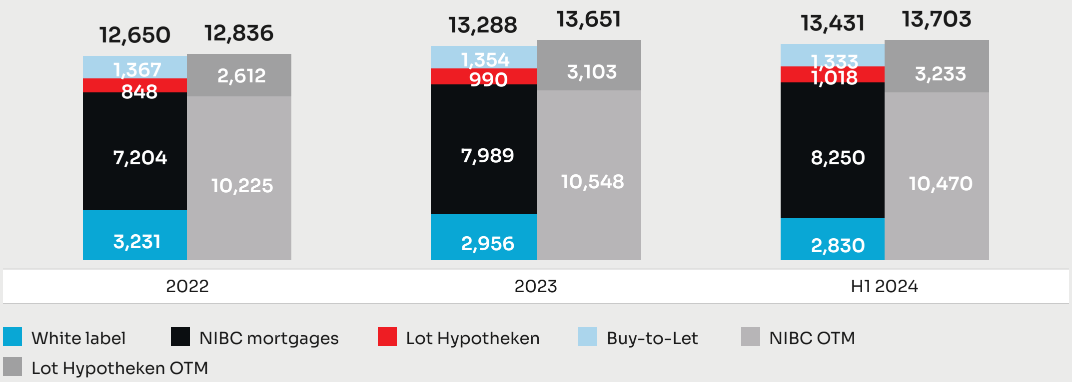
Income statement Mortgages

in EUR millions	H1 2024	H1 2023
Net interest income	53	51
Fee income	18	18
Investment income	-	-
Other income	1	(0)
Operating income	**71**	**68**
Other operating expenses	30	30
Regulatory charges and levies	-	-
Operating expenses	**30**	**30**
Net operating income	**42**	**38**
Credit loss expense	(2)	2
Gains or (losses) on disposal of assets	-	-
Profit before tax	**43**	**36**
Income tax	11	9
Profit after tax	**32**	**27**

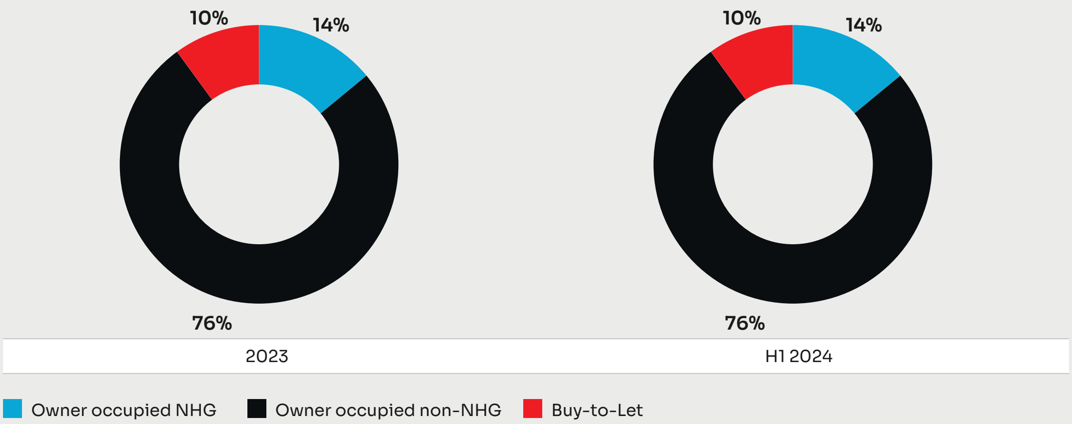
regulations (New regulation 'Wet betaalbare huur' has been approved by the House of representatives and the Senate, effective 1 July 2024).
- Net interest income increased despite pressure on mortgage spreads.
- Despite high inflation, we leveraged on the operating cost base since the mortgage portfolio increased while operating expenses remained relatively stable.
- In H1 2024, there is a credit loss recovery which is primarily driven by our healthy mortgage portfolio, better performance and proactive risk management resulting in lower losses and more recoveries.
- We are proud that NIBC, for the second time, has won the 'Gouden Lotus Award' as best mid-sized mortgage provider in May 2024 in recognition of our flexible and solution-driven approach to servicing our clients.

Mortgage portfolio development

In EUR millions



Mortgage Loan portfolio per product type



Performance Asset Based Finance

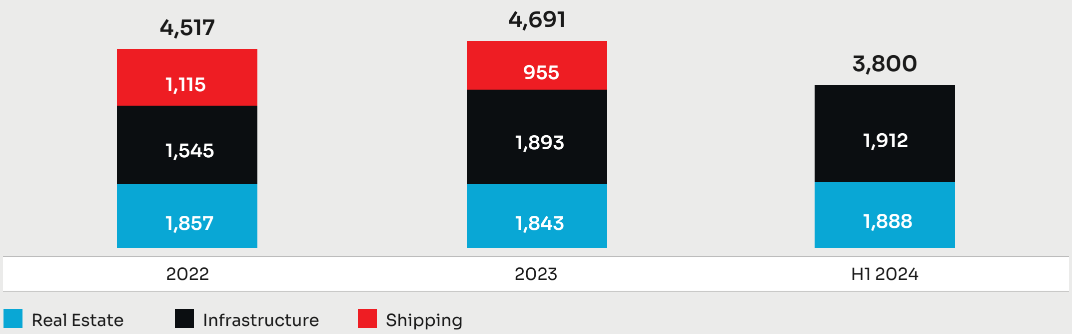
- Our Asset Based Finance segment closed the period with a net profit of EUR 34 million. Excluding a EUR 11 million non-recurring result from the sale of the Shipping portfolio, the net profit of EUR 23 million represents a 4% increase (H1 2023: EUR 22 million) driven by strong growth in net interest income on the back of reduced funding costs, a 2% increase of the total portfolio and continued stable credit quality.
- While commercial real estate markets remain challenging and competitive, the Real Estate portfolio increased by 2% during H1 2024. This growth was supported by an origination strategy focusing on domestic residential investment loans and European residential

Income statement Asset Based Finance

in EUR millions	H1 2024	H1 2023
Net interest income	61	46
Fee income	1	0
Investment income	-	(1)
Other income	4	3
Operating income	**67**	**49**
Other operating expenses	25	21
Regulatory charges and levies	-	-
Operating expenses	**25**	**21**
Net operating income	**41**	**27**
Credit loss expense	(4)	(3)
Gains or (losses) on disposal of assets	-	-
Profit before tax	**46**	**30**
Income tax	12	8
Profit after tax	**34**	**22**

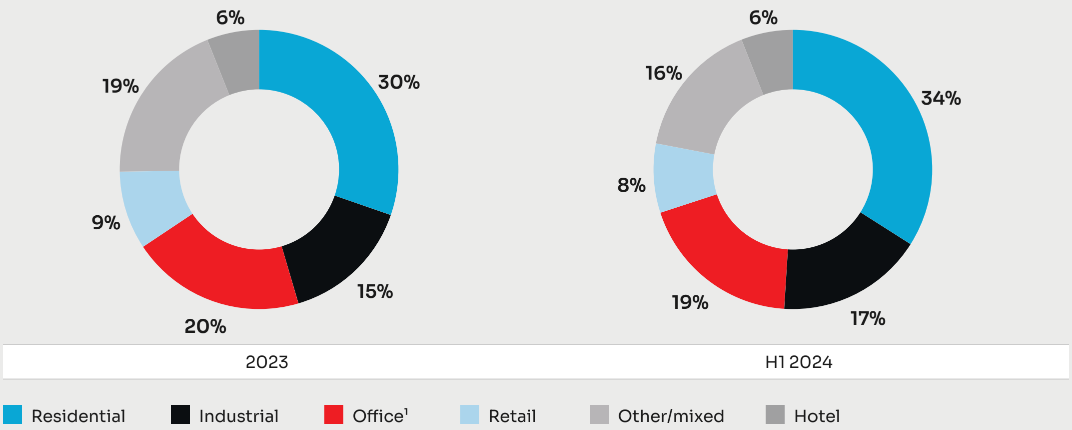
Asset Based Finance portfolio development

In EUR millions



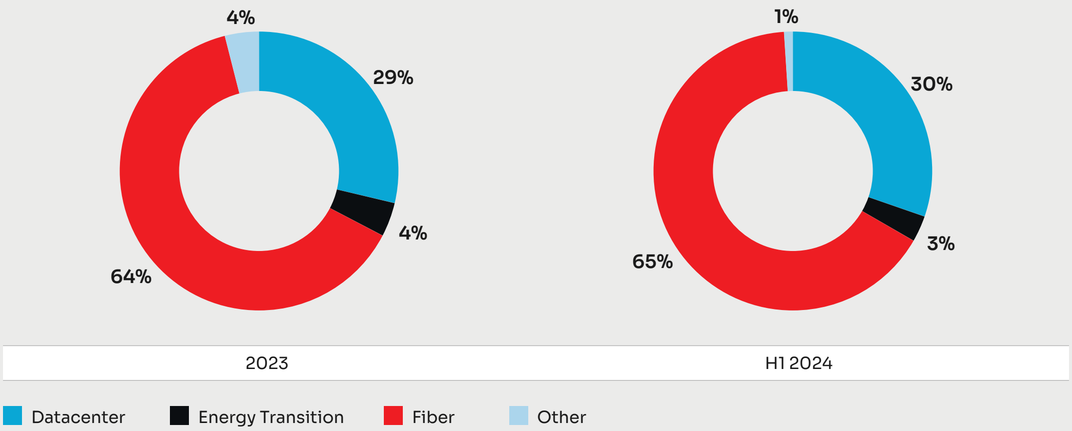
real estate projects. The team continued financing domestic real estate construction and investment loans in the various real estate classes.
- After strong growth in 2023, the financing landscape in digital infrastructure markets has become more competitive, nevertheless we report a 1% growth of the portfolio during H1 2024.
- We engage with our clients on their sustainability transition and our role as facilitator in that process. We gather data required to measure and report on the sustainability of our clients' assets that we finance, allowing us to monitor and steer these developments.

Real Estate portfolio per asset type split



1 includes redevelopment of offices into modern residential property

Infrastructure portfolio per subsector split



Performance Platforms

- The H1 result of Platforms was a net profit of EUR 13 million (H1 2023: EUR 13 million).
- This net profit was driven by higher net interest income on the back of the portfolio growth, modest growth of operating expenses and an elevated level of credit loss expenses.
- The combined leasing/car financing portfolio of the Platforms grew with 7% in H1 2024 to EUR 1.9 billion (2023: EUR 1.8 billion).

Income statement Platforms

in EUR millions	H1 2024	H1 2023
Net interest income	32	24
Fee income	-	-
Investment income	-	-
Other income	4	4
Operating income	**37**	**28**
Other operating expenses	11	9
Regulatory charges and levies	-	-
Operating expenses	**11**	**9**
Net operating income	**26**	**19**
Credit loss expense	8	2
Gains or (losses) on disposal of assets	-	-
Profit before tax	**18**	**17**
Income tax	5	4
Profit after tax	**13**	**13**

Performance Treasury & Group functions

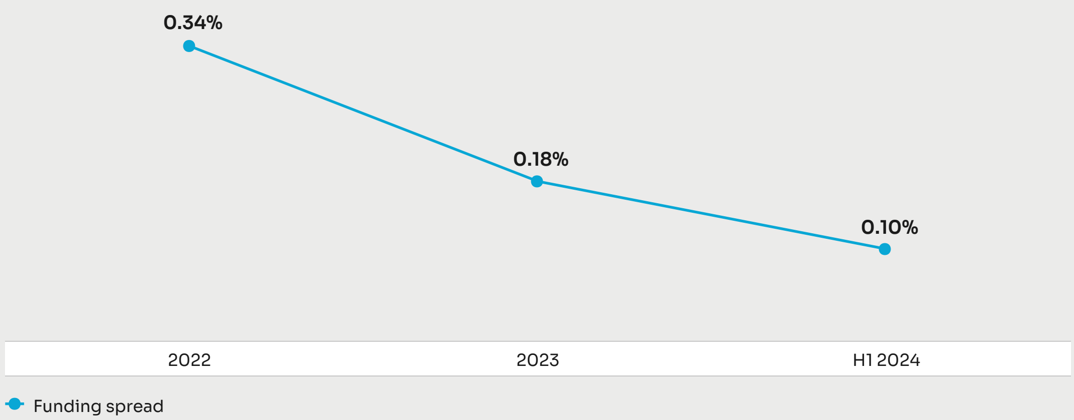
- Treasury mainly earns net interest income based on the difference between the cost of funds on NIBC Bank's external funding (including retail funding, wholesale funding and hedging) and the internal cost of funds charged to the other segments, based on the matched funding principle. Internal fund transfer prices are based on the external funding costs plus various funding related expenses, such as costs related to the required liquidity buffers
- Net interest income remained stable at EUR 81 million (H1 2023: 89 million). Although the external funding spread further declined, this was more than offset by lower fund

Income statement Treasury & Group functions

in EUR millions	H1 2024	H1 2023
Net interest income	81	89
Fee income	0	0
Investment income	-	-
Other income	10	3
Operating income	**91**	**93**
Other operating expenses	41	30
Regulatory charges and levies	4	13
Operating expenses	**45**	**43**
Net operating income	**46**	**50**
Credit loss expense	(0)	(0)
Gains or (losses) on disposal of assets	-	-
Profit before tax	**46**	**50**
Income tax	14	13
Profit after tax	**31**	**37**
Profit attributable to non-controlling shareholders	6	6
Profit after tax attributable to shareholders of the company	**25**	**31**

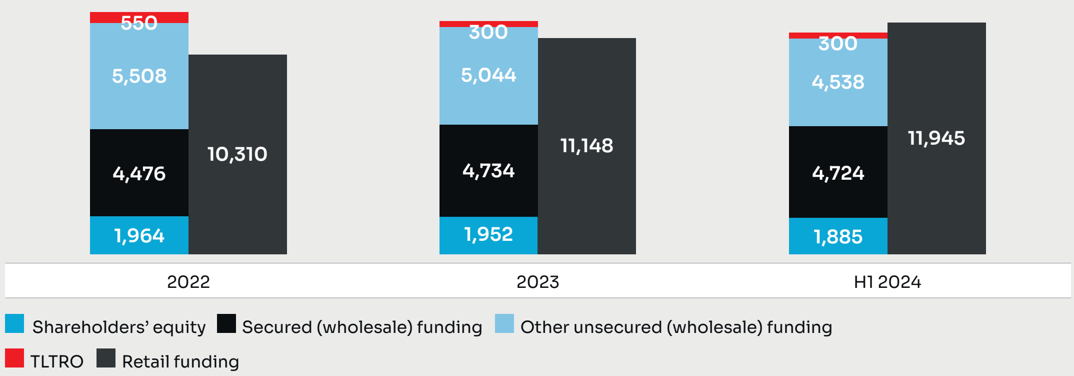
transfer pricing towards the operating segments.
- Other income mainly includes hedge accounting results, currency revaluation and revaluation results on various assets.
- Funding costs have decreased to 10 basis points driven by the fact that benchmark rates have been increasing faster than the rates for retail deposits.
- The increase in funding volumes is mainly driven by the large inflow from retail deposits, which are for 92% covered by the deposit guarantee scheme. The increase is partly balanced by the outflow in senior unsecured funding. The unsecured funding category as shown below includes EUR 359 million (2023: EUR 350 million) from corporate deposits.

Funding spread



Funding composition

in EUR millions



NIBC Bank

- NIBC's profitability is a reflection of the solid performance over H1 2024. Our profit attributable to shareholders amounts to EUR 90 million (H1 2023: EUR 92 million). Excluding non-recurring items, profit attributable to shareholders amounts to EUR 81 million (H1 2023: 85 million).
- Net interest income increased to EUR 211 million (H1 2023: 206 million). Excluding non-recurring items, net interest income is EUR 205 million and in line with H1 2023, mainly driven by growth of NIBC's core portfolios, Platforms and an improved average funding spread, compensated by a strong decrease of the non-core portfolio.
- The net interest margin of 1.87% remained stable compared to full year 2023.
- Excluding non-recurring items, operating expenses decreased to EUR 104 million (H1 2023: EUR 110 million), mainly driven by lower regulatory expenses.

Income statement

in EUR millions	H1 2024	ex. Non-recurring H1 2024	H1 2023	ex. Non-recurring H1 2023	H1 2024 vs. H1 2023	ex. non-recurring H1 2024 vs. H1 2023
Net interest income	211	205	206	206	2%	(1%)
Fee income	19	19	20	20	(7%)	(7%)
Investment income	(2)	(2)	3	3	(150%)	(150%)
Other income	12	9	13	12	(5%)	(29%)
Operating income	**241**	**231**	**243**	**242**	**(1%)**	**(5%)**
Personnel expenses	51	49	48	48	7%	3%
Other operating expenses	51	48	47	47	8%	3%
Depreciation and amortisation	2	2	2	2	14%	14%
Regulatory charges and levies	4	4	13	13	(66%)	(66%)
Operating expenses	**108**	**104**	**110**	**110**	**(1%)**	**(5%)**
Net operating income	**133**	**126**	**134**	**133**	**(1%)**	**(5%)**
Credit loss expense	(0)	6	10	12	(105%)	(52%)
Gains or (losses) on disposal of assets	0	0	8	0	(100%)	0%
Income tax	37	34	33	30	13%	11%
Profit after tax	**96**	**87**	**98**	**91**	**(2%)**	**(4%)**
Profit attributable to non-controlling shareholders	6	6	6	6	-	-
Profit after tax attributable to shareholders of the company	**90**	**81**	**92**	**85**	**(2%)**	**(4%)**

- Credit losses decreased to nil (H1 2023: EUR 10 million) mainly driven by a release due to the sale of the Shipping portfolio. Excluding non-recurring items, credit losses decreased from EUR 12 million to EUR 6 million driven by the continued decrease of the non-core loan portfolio.

	H1 2024	ex. non-recurring H1 2024	2023	ex. non-recurring 2023	2022	ex. non-recurring 2022
Earnings						
Net interest margin[1]	1.87%	1.84%	1.86%	1.86%	1.73%	1.72%
Cost/income ratio[1]	45%	45%	44%	45%	54%	49%
Return on equity[1]	10.5%	9.4%	10.8%	10.4%	8.0%	9.3%
Return on CET 1 capital at 13%[1]	15.6%	14.1%	15.3%	14.8%	10.6%	12.4%

1 Items are Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.

	H1 2024	2023	2022
Asset quality			
Cost of risk (on average RWA)[1]	0.01%	0.24%	0.23%
Impairment ratio[1]	-0.01%	0.11%	0.11%
Impairment coverage ratio[1]	33%	31%	38%
Solvency information			
Equity attributable to shareholders of the company	1,794	1,785	1,845
AT1 and subordinated liabilities	427	425	402
Balance sheet total	23,336	23,050	22,692
Risk Weighted Assets	8,472	8,865	9,187
Common Equity Tier 1 ratio	19.7%	18.4%	17.7%
Tier 1 ratio	22.1%	20.6%	19.8%
Total capital ratio	22.8%	21.3%	20.7%
Leverage ratio	7.8%	7.7%	7.6%
Funding & liquidity			
Loan-to-deposit ratio[1]	148%	162%	163%
S&P rating and outlook[2]	BBB Stable	BBB Stable	BBB+ Stable
Fitch rating and outlook[2]	A- Stable	BBB+ Positive	BBB+ Stable
Moody's rating and outlook[2]	A2 Stable	A3 Stable	Baa1 Stable

1 Items are Alternative Performance Measures (APM). The calculations of those items are explained in the APM section.
2 Reported ratings are based on NIBC's senior preferred debt ratings.

Risk management

In line with its business strategy, NIBC is predominantly exposed to credit risk, while NIBC manages its interest rate, currency, liquidity and operational risk to within an acceptable, limited range. The Non-Core Activities still contain some investment risk which we will continue to reduce. The risks NIBC takes are measured and monitored against our risk appetite, ensuring that NIBC is capable of executing its business activities in line with its strategy. NIBC remains committed to having sufficient liquidity and being well capitalised so that we can continue to support our clients while maintaining the appropriate balance between risk and reward.

For a detailed description of NIBC's risk management framework and approach, please refer to the Risk Management section of the Annual Report 2023.

Overview of main risk types

in EUR millions	Main risk types	H1 2024	2023
Mortgage loans	Credit risk/Interest rate risk	13,432	13,288
Asset Based Finance	Credit risk	3,800	4,691
Platforms - Leases/Loans	Credit risk	1,909	1,784
Non-Core Activities - Loans/Leases	Credit risk	1,070	1,183
Non-Core Activities - Equity investments	Investment risk	124	132
Debt investments		1,073	907
Debt from financial institutions and corporate entities	Credit risk/Market risk	356	328
Securitisations	Credit risk/Market risk	717	579
Cash management	Credit risk	3,148	2,441
Derivatives[1]	Credit risk/Market risk	232	262
Funding	Liquidity risk	23,392	23,177
Total capital (based on full implementation of CRR)	Capital Adequacy risk	1,935	1,947

1 Exposure is based on a combination of netting and positive replacement values.

Reconciliation between financial position and risk exposure:

		30 June 2024			
In EUR milliions	note	Mortgage loans	Corporate loans[1]	Lease receivables	Debt investments
Exposure		**13,432**	**5,298**	**1,481**	**1,073**
Undrawn commitments	30	-	(852)	-	-
Savings value mortgages		127	-	-	-
Operating leases		-	-	(132)	-
Gross carrying amount		**13,559**	**4,446**	**1,350**	**1,073**
Expected Credit Loss including management overlay	11	(14)	(141)	(0)	-
Base adjustment (Hedge accounting)		(679)	1	-	-
Transfer to held for sale	21	-	(362)	(1,343)	-
Other		22	(6)	-	-
Carrying amount	13/14/15/16/17	**12,889**	**3,938**	**7**	**1,073**

1 Excluding consumer loans

		31 December 2023			
In EUR milliions	note	Mortgage loans	Corporate loans[1]	Lease receivables	Debt investments
Exposure		**13,288**	**6,252**	**1,405**	**907**
Undrawn commitments	30	-	(1,055)	-	-
Savings value mortgages		129	-	-	-
Operating leases		-	-	(118)	-
Gross carrying amount		**13,417**	**5,197**	**1,287**	**907**
Expected Credit Loss including management overlay		(15)	(135)	(6)	-
Base adjustment (Hedge accounting)		(517)	2	-	-
Other		26	(28)	-	1
Carrying amount	13/14/15/16/17	**12,911**	**5,036**	**1,281**	**908**

1 Excluding consumer loans

Asset quality

- Overall credit quality remained stable in H1 2024, with minor changes in the IFRS 9 ECL staging. The percentage of the overall portfolio in stage 1 remains negatively impacted by the non-core portfolio. Credit metrics of the core portfolio are solid while the non-core portfolio is under control. Due to the sale of the Shipping portfolio, the relative size of the non-performing portfolio increased slightly, whereas the non-performing exposure remained stable.
- Expected Credit Losses in the tables below exclude the management overlay of EUR 19 million per H1 2024 (2023: EUR 19 million).

Overview of credit quality measures

	H1 2024						2023					
in EUR millions	Mortgages	Asset Based Finance	Platforms	Non-Core Activities	Total exposure	% of Total portfolio	Mortgages	Asset Based Finance	Platforms	Non-Core Activities	Total exposure	% of Total portfolio
Defaulted exposure	113	13	31	215	373	1.8%	110	13	24	210	358	1.7%
Impaired exposure	113	13	31	243	401	2.0%	110	13	24	240	388	1.9%
Non-performing exposure	113	13	31	215	373	1.8%	110	13	24	210	358	1.7%
Forborne exposure	135	13	31	242	422	2.1%	128	22	33	193	375	1.8%

Credit quality measure per asset class (in %)

in EUR millions	H1 2024			2023		
	Non-performing exposure	Impaired exposure	Impairment coverage ratio[1]	Non-performing exposure	Impaired exposure	Impairment coverage ratio[1]
Mortgages						
Mortgage loans	111	111	1.2%	107	107	1.8%
Buy-to-Let mortgages	2	2	0.0%	3	3	0.0%
Total mortgage loan exposures	**113**	**113**	**1.2%**	**110**	**110**	**1.7%**
Asset Based Finance						
Real Estate	-	-	0.0%	-	-	0.0%
Infrastructure	13	13	33.2%	13	13	25.2%
Shipping	-	-	0.0%	-	-	0.0%
Total Asset Based Finance	**13**	**13**	**33.2%**	**13**	**13**	**25.2%**
Platforms						
Equipment leasing[2]	31	31	20.8%	24	24	3.2%
Automotive financing	0	0	0.0%	-	-	0.0%
Total Platforms	**31**	**31**	**20.8%**	**24**	**24**	**3.2%**
Non-Core Activities						
Other	208	236	49.2%	203	233	44.4%
Other lease receivables	7	7	0.1%	7	7	35.1%
Total Non-Core Activities	**215**	**243**	**47.8%**	**210**	**240**	**44.1%**
Total exposures	**373**	**401**	**32.0%**	**358**	**388**	**28.9%**

1 Impairment coverage ratio includes IFRS 9 Stage 3 and POCI assets only.
2 Includes finance leases only.

Coverage and IFRS 9 Stage ratios (excluding management overlay)

	H1 2024				2023			
In EUR millions	Exposure amount	Expected credit loss	Coverage ratio	Stage ratio	Exposure amount	Expected credit loss	Coverage ratio	Stage ratio
Stage 1								
Mortgage Loan portfolio	**12,982**	**1**	**0.0%**	**97%**	**13,031**	**1**	**0.0%**	**98%**
Owner occupied mortgage loans - Netherlands	11,733	1	0.0%	97%	11,757	1	0.0%	98%
Buy-to-Let Mortgage loans	1,246	0	0.0%	99%	1,270	0	0.0%	99%
Owner occupied mortgage loans - Germany	3	0	0.0%	74%	4	0	0.0%	72%
Asset Based Finance	**3,436**	**7**	**0.2%**	**94%**	**4,364**	**14**	**0.3%**	**96%**
Real Estate	1,598	4	0.2%	91%	1,563	4	0.2%	91%
Infrastructure	1,838	3	0.2%	96%	1,850	4	0.2%	98%
Shipping	-	-	0.0%	0%	952	6	0.7%	100%
Platforms	**1,734**	**4**	**0.2%**	**98%**	**1,621**	**5**	**0.3%**	**97%**
Equipment leasing[1]	1,304	2	0.1%	97%	1,236	3	0.2%	97%
Automotive financing	430	2	0.5%	99%	385	2	0.6%	100%
Non-Core Activities	**678**	**1**	**0.2%**	**64%**	**792**	**2**	**0.3%**	**68%**
Other	678	1	0.2%	64%	792	2	0.3%	68%
Total stage 1	**18,830**	**13**	**0.1%**	**94%**	**19,808**	**22**	**0.1%**	**96%**
Stage 2								
Mortgage Loan portfolio	**315**	**0**	**0.0%**	**2%**	**127**	**0**	**0.0%**	**1%**
Owner occupied mortgage loans - Netherlands	304	0	0.0%	3%	120	0	0.0%	1%
Buy-to-Let Mortgage loans	10	-	0.0%	1%	6	0	0.0%	0%
Owner occupied mortgage loans - Germany	1	0	0.0%	12%	1	0	0.0%	17%
Asset Based Finance	**219**	**3**	**1.5%**	**6%**	**180**	**2**	**1.0%**	**4%**
Real Estate	159	1	0.8%	9%	147	1	0.8%	9%
Infrastructure	61	2	3.6%	3%	30	1	1.9%	2%
Shipping	-	-	0.0%	0%	3	0	1.0%	0%
Platforms	**12**	**0**	**0.6%**	**1%**	**20**	**0**	**1.6%**	**1%**
Equipment leasing[1]	7	0	0.7%	1%	20	0	1.6%	2%
Automotive financing	4	0	0.4%	1%	-	-	0.0%	0%
Non-Core Activities	**142**	**4**	**2.9%**	**13%**	**125**	**5**	**4.1%**	**11%**
Other	142	4	2.9%	13%	125	5	4.1%	11%
Total stage 2	**688**	**8**	**1.1%**	**3%**	**453**	**7**	**1.6%**	**2%**

1 Includes finance leases only.

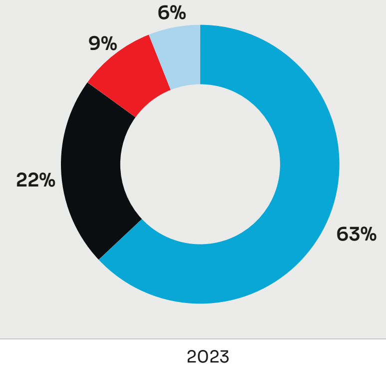
	H1 2024				2023			
In EUR millions	Exposure amount	Expected credit loss	Coverage ratio	Stage ratio	Exposure amount	Expected credit loss	Coverage ratio	Stage ratio
Stage 3								
Mortgage Loan portfolio	**95**	**1**	**1.3%**	**1%**	**89**	**2**	**1.7%**	**1%**
Owner occupied mortgage loans - Netherlands	92	1	1.3%	1%	85	1	1.8%	1%
Buy-to-Let Mortgage loans	2	-	0.0%	0%	3	-	0.0%	0%
Owner occupied mortgage loans - Germany	1	0	0.9%	14%	1	0	1.4%	11%
Asset Based Finance	**13**	**4**	**33.2%**	**0%**	**13**	**3**	**25.2%**	**0%**
Real Estate	-	-	0.0%	0%	-	-	0.0%	0%
Infrastructure	13	4	33.2%	1%	13	3	25.2%	1%
Shipping	-	-	0.0%	0%	-	-	0.0%	0%
Platforms	**31**	**4**	**11.6%**	**2%**	**24**	**1**	**3.2%**	**1%**
Equipment leasing[1]	31	4	11.6%	2%	24	1	3.2%	2%
Automotive financing	0	-	0.0%	0%	-	-	0.0%	0%
Non-Core Activities	**120**	**55**	**45.4%**	**11%**	**120**	**55**	**45.6%**	**10%**
Other	113	55	48.2%	11%	113	52	46.3%	10%
Other lease receivables	7	0	0.1%	100%	7	2	35.1%	100%
Total stage 3	**260**	**64**	**24.6%**	**1%**	**246**	**60**	**24.5%**	**1%**
POCI								
Mortgage Loan portfolio	39	0	0.8%	0%	41	0	1.2%	0%
Asset Based Finance	-	-	0.0%	0%	-	-	0.0%	0%
Non-Core Activities	122	61	49.8%	12%	120	51	42.2%	10%
Total POCI	**162**	**61**	**38.0%**	**1%**	**162**	**51**	**31.7%**	**1%**
Loans at fair value through P&L	**139**				**159**			
TOTAL	**20,079**	**146**	**0.7%**		**20,828**	**141**	**0.7%**	

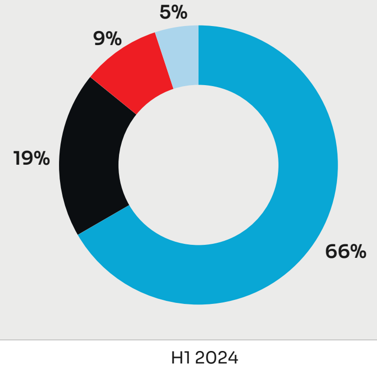
1 Includes finance leases only.

Credit risk

- Credit Risk in the Mortgages segment benefits from relatively low loan-to-values. This is amongst others a reflection of the seasoning of the portfolio.
- In the Asset Based Finance segment, we mainly engage with clients rated 5 or 6 on the internal credit risk scale (BB and B for external rating agencies' scale) and a loss given default (**LGD**) corresponding with a recovery rate between 75% and 90%.
- The non-core portfolio which is considered to be more susceptible to changes in the macro environment has seen a further reduction of EUR 0.1 billion in the first half of 2024, leading to a cumulative reduction of EUR 2.6 billion since the end of 2021. The core corporate segment (Real Estate and Infrastructure) as well as owner-occupied Mortgages and Platforms have seen growth while Buy-to-Let has seen a slight decrease.

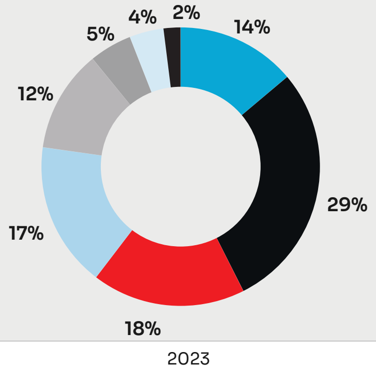
Credit risk exposure per asset class (in %)

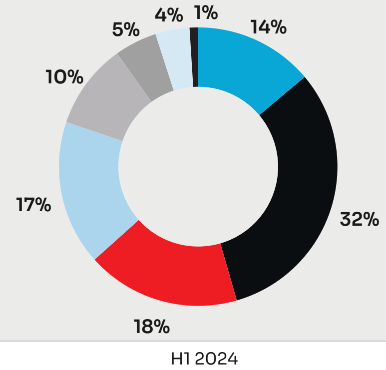




Mortgages | Asset Based Finance | Platforms | Non-Core Activities

Mortgage loan portfolio per loan-to-value bucket





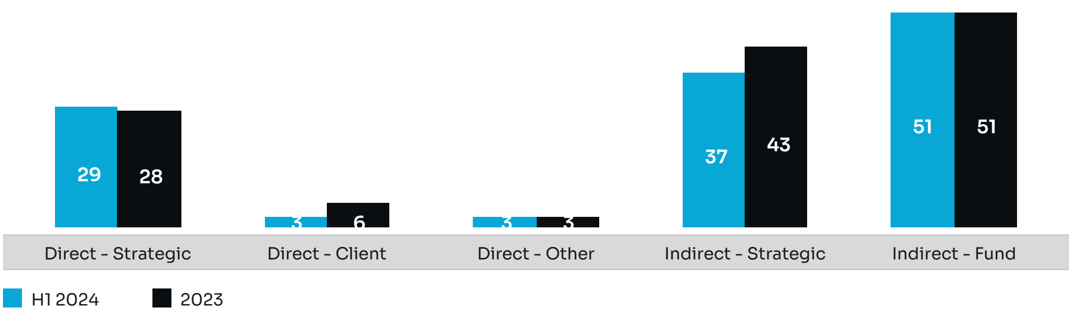
Guaranteed | >0% and <=50% | >50% and <=60% | >60% and <=70% | >70% and <=80% | >80% and <=90% | >90% and <=100% | >100%

Investment risk

In the first half of 2024, the size of the Equity Investment portfolio was fairly stable and was impacted by both divestments and revaluations.

Breakdown of equity investments per type

In EUR million



Other risk types

INTEREST RATE RISK

NIBC's lending activities are predominantly in EUR, GBP and USD. As part of its risk management processes, NIBC enters into interest rate swaps in these currencies which results in an interest rate position. This translates into the IRRBB.

For the Mortgage Loan portfolios notional hedging is applied to hedge the interest rate risk. The Corporate Treasury book contains mainly the funding activities of NIBC. The Liquidity portfolio, Collateral portfolio and Debt Investments portfolio are part of the Banking Book and consist mainly of debt investments in financial institutions and securitisations.

The following tables illustrate (in EUR) the interest rate sensitivity for EUR, USD and GBP in the interest rate position and remaining Banking Book at H1 2024 and 31 December 2023. For other currencies, the interest rate risk is minimal. The Earnings perspective numbers are the result of applying a gradual 200 bps upward shift of interest rates.

Interest rate sensitivity H1 2024

	Economic value perspective (BPV)			Earnings perspective (EaR)		
in EUR thousands	Interest rate position	Other	Total	Interest rate position	Other	Total
EUR	(239)	(132)	(371)	(7,287)	15,983	8,696
USD	-	(17)	(17)	-	(1,974)	(1,974)
GBP	(2)	(15)	(17)	(278)	(668)	(945)
Other	-	(2)	(2)	-	291	291
TOTAL	**(242)**	**(165)**	**(407)**	**(7,565)**	**13,632**	**6,068**

Interest rate sensitivities 2023

	Economic value perspective (BPV)			Earnings perspective (EaR)		
in EUR thousands	Interest rate position	Other	Total	Interest rate position	Other	Total
EUR	(176)	(78)	(254)	(2,906)	17,234	14,328
USD	-	(15)	(15)	-	75	75
GBP	(4)	(16)	(20)	(390)	(1,044)	(1,435)
Other	-	(3)	(3)	-	143	143
TOTAL	**(180)**	**(112)**	**(292)**	**(3,296)**	**16,407**	**13,111**

CURRENCY RISK

NIBC does not actively take a currency position. At the end of H1 2024 the open foreign currency position was EUR 6.9 million. Currency positions which do show at month end are caused by income in foreign currencies and are hedged by entering into FX spot transactions. The reported open foreign currency position is the position prior to hedging, which is always done after month-end closing.

COUNTRY RISK

Country risk is the risk that an entity defaults due to political, social, economical or financial turmoil in its applicable jurisdiction(s). Country risk can potentially be an important cause of increased counterparty default risk since a large number of individual debtors could default at the same time. In the volatile and uncertain global situation, country risk is relevant. NIBC has not experienced any direct impact from the geopolitical developments in H1 2024. Indirectly, developments are likely to impact the overall economic situation and potentially also NIBC's clients. This is something that will be monitored closely in the regular portfolio review processes.

NON-FINANCIAL RISK

Non-financial risk is the risk of a direct or an indirect loss from inadequate or failed processes or systems, from human error, fraud or external events. NIBC is exposed to non-financial risk in its regular course of business. The operating environment should not lead to adverse surprises where NIBC aims to maintain a solid “license to operate” meaning that the financial stability of NIBC should not be compromised by non-financial risks. To achieve this, adequate internal processes, systems and personnel play an important role in safeguarding against potential losses from external events. This also means ensuring NIBC operates within laws and regulations as well as with integrity. NIBC has a vested interest in ensuring legal risks are addressed for assets that it owns as well as transactions it undertakes.

Fraud risk

NIBC acknowledges the existence of fraud risk, which can arise from either internal or external events. The risk can lead to damages like financial loss, regulatory implications and/ or reputation damage. NIBC has a fraud risk assessment in place to identify and monitor these events.

External fraud events are inherent to the nature of our business, and are concentrated in our mortgage business, where they generally relate to incorrect loan applications, and in our leasing activity, in which they mainly relate to irretrievable leased assets. NIBC is consistently striving to enhance its capacity to identify external fraud risks as early as possible in its client onboarding processes in an efficient and effective manner. As one of the ways to achieve this, we review events and continuously improve our acceptance criteria.

Sustainability

At NIBC, we believe it is our responsibility to be a sustainable business for the benefit of future generations. We are convinced that as a business that takes its social and environmental responsibilities seriously, we are better able to serve our customers and manage our risks. NIBC provides financial solutions which help clients to transition and adapt their assets to the changing climate.

In H1 2024, regular discussions were held with NIBC's Managing Board and Supervisory Board on the execution of our sustainability strategy and preparations to meet EU Corporate Sustainability Reporting Disclosure (CSRD) requirements. Internal capacity has been increased and supplemented where needed by external experts and resources.

NIBC has also taken further steps in regard to its climate action plan and our ability to analyse various physical and transitional climate risk scenarios. External experts were engaged to further develop our quantitative models using the latest available climate data. Exchanges of knowledge, best practices and lessons learned with peer banks and other stakeholders in regard to climate and sustainability has also continued during 2024.

We are pleased to report that NIBC received sustainability ratings upgrades from Sustainalytics. The rating for NIBC Bank improved to 17.6 low risk from the previous rating of 18.3. We are grateful for this recognition of our continued progress.

No adverse sustainability events were reported during H1 2024 which had material adverse financial or non-financial effects. Climate-risk related developments continued to be a dominant topic in stakeholder dialogues with clients, investors, business partners, supervisory authorities and civil society stakeholders. Impacts related to rising global emissions, EU sustainability regulations, and political developments were the main themes.

Over many years, NIBC has played a proactive role in promoting responsible business in the shipping sector. We were one of the founders of the Responsible Ship Recycling Standards (RSRS), an initiative which aims to address environmental and human rights impacts across the shipping value chain. The sale and divestment of NIBC's shipping finance business announced in June 2024 effectively marks the end of our involvement in RSRS. The divestment also will result in a significant reduction to NIBC's scope 3 financed emissions compared to end of year 2023. Updated emission figures will be disclosed in our 2024 Annual Report.

Sustainability performance indicators

	H1 2024	2023	2022
NIBC customer survey score - Mortgages[1]	8.3	8.3	8.5
NIBC customer survey score - Savings[1]	8.0	8.0	8.1
NPS score corporate lending clients[1]	+87%	+87%	+86%
% of new corporate loans screened against sustainability policy	100%	100%	100%
Fines or sanctions for non-compliance with laws and regulations	-	-	-
Total number of FTEs end of financial period	689	695	717
Male/female ratio	64%/36%	64%/36%	65%/35%
Male/female ratio top management	70%/30%	71%/29%	74%/26%
Total number of males within top management (headcount)	71	71	80
Total number of females within top management (headcount)	30	29	28
% of employee turnover (employees left)	19.5%	15.7%	20.3%
Total number of employees turnover (employees left)	70	114	151

1 External survey result has not been updated in comparison with Annual Report 2023.

Responsibility Statement

Pursuant to section 5:25d, paragraph 2(c), of the Dutch Financial Supervision Act, the members of the Managing Board of NIBC Holding N.V. state that to the best of their knowledge:

I. The Condensed Consolidated Interim Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of NIBC Holding N.V. and the companies included in the consolidation;

II. The Interim Report for the six-months period ending on 30 June 2024, gives a true and fair view of the information required pursuant to section 5:25d, paragraphs 8 and 9, of the Dutch Financial Supervision Act of NIBC Holding N.V. and the companies included in the consolidation.

The Hague, 21 August 2024

Managing Board
Paulus de Wilt , Chief Executive Officer and Chair
Reinout van Riel, Chief Risk Officer and Vice-Chair
Claire Dumas, Chief Financial Officer
Anke Schlichting, Chief Technology Officer

Condensed Consolidated Interim Financial Report NIBC Holding N.V. 2024

Small differences are possible due to rounding.

Consolidated income statement

in EUR millions	note	For the period ended 30 June 2024	For the period ended 30 June 2023
Interest income from financial instruments measured at amortised cost and fair value through other comprehensive income	2	490	366
Interest income from financial instruments measured at fair value through profit or loss	2	7	7
Interest expense from financial instruments measured at amortised cost	2	253	137
Interest expense from financial instruments measured at fair value through profit or loss	2	8	9
Net interest income		**236**	**227**
Fee income	3	19	20
Investment income	4	(2)	3
Net trading income	5	3	6
Net gains or (losses) from assets and liabilities at fair value through profit or loss	6	6	7
Net gains or (losses) on derecognition of financial assets measured at amortised cost	7	4	1
Other operating income		7	3
Operating income		**273**	**268**
Personnel expenses	8	57	54
Other operating expenses	9	55	49
Depreciation and amortisation		2	2
Regulatory charges and levies	10	4	13
Operating expenses		**119**	**118**
Credit loss expense	11	8	12
Gains or (losses) on disposal of assets		0	8
Profit before tax		**146**	**146**
Income tax	12	41	37
Profit after tax		**105**	**109**
Attributable to			
Shareholders of the company		99	103
Holders of capital securities		6	6

Consolidated statement of comprehensive income

in EUR millions	note	For the period ended 30 June 2024	For the period ended 30 June 2023
Profit after tax		**105**	**109**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Revaluation of property and equipment	20	0	-
Movement in the fair value of own credit risk of financial liabilities designated at fair value through profit or loss	27	(13)	11
Items that may be reclassified subsequently to profit or loss			
Net result on hedging instruments	27	(1)	(2)
Movement in revaluation for debt investments at fair value through other comprehensive income	13/27	1	3
Income tax effect on net current period change		**(0)**	**(0)**
Total other comprehensive income (net of tax)		**(13)**	**12**
Total comprehensive income		**92**	**121**
Total comprehensive income attributable to			
Shareholders of the company	27	86	115
Holders of capital securities	28	6	6
Total comprehensive income		**92**	**121**

Consolidated statement of financial position

in EUR millions	note	30-Jun-24	31-Dec-23
Assets			
Cash and balances with central banks		2,741	1,994
Due from other banks		550	551
Derivative financial instruments		95	156
Debt investments at fair value through other comprehensive income	13	1,062	897
Debt investments at fair value through profit or loss		11	11
Mortgage loans at amortised cost	14	12,889	12,911
Corporate loans at amortised cost	15	3,812	4,889
Loans at fair value through profit or loss	16	131	153
Lease receivables	17	7	1,281
Equity investments (including investments in associates)	18	116	124
Investment property	19	23	24
Property and equipment (including right-of-use assets)	20	26	145
Intangible assets		1	3
Tax assets		4	8
Assets held for sale	21	1,906	-
Other assets	22	16	30
Total assets		**23,392**	**23,177**
Liabilities			
Derivative financial instruments		130	129
Due to other banks		427	372
Deposits from customers		12,554	11,769
Debt securities in issue	23	7,818	8,408
Tax liabilities		19	22
Provisions	24	11	10
Accruals and other liabilities	25	106	90
Subordinated liabilities	26	226	224
Liabilities held for sale	21	15	-
Total liabilities		**21,307**	**21,025**
Equity			
Share capital	27	3	3
Share premium	27	1,287	1,287
Revaluation reserves	27	10	10
Own credit risk reserve	27	12	25
Retained profit	27	573	626
Equity attributable to the shareholders		**1,885**	**1,952**
Capital securities	28	200	200
Total equity		**2,085**	**2,152**
Total liabilities and equity		**23,392**	**23,177**

Condensed consolidated statement of changes in equity

		Attributable to							
in EUR millions	note	Share capital	Share premium	Revaluation reserves	Own credit risk reserve	Retained profit	Equity of the company	Capital securities	Total equity
Balance at 1 January 2024		**3**	**1,287**	**10**	**25**	**626**	**1,952**	**200**	**2,152**
Profit for the period ended 30 June 2024		-	-	-	-	99	99	6	105
Other comprehensive income for the period ended 30 June 2024		-	-	0	(13)	-	(13)	-	(13)
Distributions									
Paid coupon on capital securities	28	-	-	-	-	-	-	(6)	(6)
Dividend paid during the period		-	-	-	-	(152)	(152)	-	(152)
Balance at 30 June 2024		**3**	**1,287**	**10**	**12**	**573**	**1,885**	**200**	**2,085**

		Attributable to							
in EUR millions	note	Share capital	Share premium	Revaluation reserves	Own credit risk reserve	Retained profit	Equity of the company	Capital securities	Total equity
Balance at 1 January 2023		**3**	**1,287**	**7**	**110**	**557**	**1,964**	**200**	**2,164**
Profit for the period ended 30 June 2023		-	-	-	-	103	103	6	109
Other comprehensive income for the period ended 30 June 2023		-	-	1	11	-	12	-	12
Distributions									
Paid coupon on capital securities	28	-	-	-	-	-	-	(6)	(6)
Dividend paid during the period		-	-	-	-	(85)	(85)	-	(85)
Balance at 30 June 2023		**3**	**1,287**	**8**	**121**	**575**	**1,994**	**200**	**2,194**

Condensed consolidated cash flow statement

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Operating profit after tax	105	109
Non-cash items recognised in operating income and expenses	10	11
Net change in assets and liabilities relating to operating activities	1,324	(458)
Cash flows from operating activities	**1,438**	**(338)**
Cash flows from investing activities	3	2
Cash flows from financing activities	(765)	329
Net change in cash and cash equivalents	**676**	**(7)**
Cash and cash equivalents at 1 January	**2,254**	**2,465**
Net foreign exchange difference	1	(0)
Net changes in cash and cash equivalents	676	(7)
Cash and cash equivalents at 30 June	**2,930**	**2,458**
Reconciliation of cash and cash equivalents		
Cash and balances with central banks (maturity three months or less)	2,547	2,038
Due from other banks (maturity three months or less)	383	420
	2,930	**2,458**

Accounting policies

CORPORATE INFORMATION

NIBC Holding N.V., together with its subsidiaries (**NIBC** or **the Group**), is incorporated and domiciled in the Netherlands. Headquartered in The Hague, NIBC also has offices in Frankfurt, London and Brussels.

NIBC provides a broad range of financial services to corporate and retail clients. Refer to the segment report in this condensed consolidated interim financial report for further details.

BASIS OF PREPARATION

The condensed consolidated interim financial report for the period ended 30 June 2024 has been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ as adopted by the European Union.

The Managing Board and Supervisory Board have, at the time of approving the condensed consolidated interim financial report for the period ended 30 June 2024, a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. The Group’s forecasts and projections, considering the current macroeconomic situation (including inflation, increasing interest rates, and the wars in Ukraine and Gaza), show that the Group has sufficient financial resources (i.e. liquidity buffers) for at least the coming 12 months. Accordingly, the Managing Board and Supervisory Board have adopted the going concern basis in preparing this condensed consolidated interim financial report for the period ended 30 June 2024.

This condensed consolidated interim financial report was approved by the Managing Board on 21 August 2024 and is published including a review report by the external auditor.

This condensed consolidated interim financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with NIBC's consolidated financial statements for the year ended 31 December 2023, which were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (together **IFRS-EU**). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements 2023.

The accounting policies used in this condensed consolidated interim financial report are consistent with those set out in the notes to NIBC's consolidated financial statements 2023. NIBC’s consolidated financial statements 2023 are available on NIBC’s website.

The Euro is the functional currency of NIBC, and all figures are rounded to the nearest EUR million, except when otherwise indicated.

NIBC has applied significant critical judgements in the preparation of the condensed consolidated interim financial report for the period ended 30 June 2024. Areas particularly important in the first half of 2024 are the fair value measurement of certain financial instruments and the determination of expected credit losses of loans, in particular in relation to the assessment when loans have experienced a significant change in credit risk (staging) and in the application of macroeconomic scenarios when estimating the increase in expected credit losses (management judgement).

Actual results may differ from the estimates made. Interim results are not necessarily indicative of full-year results.

More information on where critical judgements are generally applied and where estimation uncertainty exists can be found in the Critical Accounting and Estimates paragraphs in NIBC's consolidated financial statements 2023.

Refer to note 11 Credit loss expense where the impact of the changes and developments in the macroeconomic situation in the first half year 2024 on the determination of the ECL including management overlay are disclosed.

APPLICATION OF NEW IFRS-EU ACCOUNTING STANDARDS

New standards and amendments to standards become effective at the date specified by IFRS-EU but may allow companies to opt for an earlier application date.

There are no new standards or amendments to standards as adopted by the EU effective as per 1 January 2024 that are material to NIBC.

The International Accounting Standards Board (IASB) issued its new standard IFRS 18 'Presentation and Disclosures in Financial Statements' (IFRS 18) that will replace IAS 1 'Presentation of Financial Statements'. The new standard aims at improving the comparability and transparency of entities' performance reporting in their financial statements.

IFRS 18 is not yet endorsed and would be effective for annual reporting periods beginning on or after 1 January 2027. NIBC did not early adopt IFRS 18, for this condensed consolidated interim financial report. NIBC is still assessing the impact of IFRS 18 on NIBC's financial performance and financial position.

There are no other upcoming changes published prior to 30 June 2024 that are material or relevant to NIBC.

Notes to the condensed consolidated interim financial report

1 SEGMENT REPORT

Operating segments

The operating segments are as follows:

MORTGAGES

The Mortgages segment reflects all activities related to mortgage lending and includes our offering in Owner-Occupied mortgage loans (both for own book and as Originate-to-Manage) and Buy-to-Let mortgage loans. The mortgage loan products are offered in the Netherlands.

ASSET BASED FINANCE

The Asset Based Finance segment consists of our corporate asset classes. In this segment we focus on asset-based lending within the asset classes Real Estate and Infrastructure. In the first half of 2024 NIBC decided to sell its shipping portfolio. This transaction was closed in the second quarter of 2024. Consequently, the Asset Based Finance segment result includes the H1 results related to the Shipping asset class. Products are mainly offered in Northwestern Europe.

PLATFORMS

The Platforms segment includes the various ventures that NIBC has launched in recent years, which aim to provide alternative financing solutions to clients. To support their differentiating client offering, tech-driven asset financing and growth ambitions, these subsidiaries (Beequip and yesqar) have implemented their own operating models, however within the risk appetite, risk management and governance framework defined by NIBC. The assets within the Platforms segment are classified as held for sale. For more information, please refer to note 21 Assets and liabilities held for sale.

NON-CORE ACTIVITIES

A number of activities are reported as non-core as they are not part of NIBC's strategic focus. These activities are managed in a separate segment with the aim to reduce exposures and operations, and without new origination.

TREASURY & GROUP FUNCTIONS

Treasury & Group functions includes NIBC's treasury function, asset and liability management, risk management and the bank's Corporate Centre which includes HR & Corporate Communications, Internal Audit, Legal & Compliance, Sustainability, Operations & Facilities, Information Technology, Data & Analytics, Finance, Tax, Corporate Development and Retail Savings. A substantial part of the operating expenses as well as Full Time Equivalents (**FTEs**) of Group functions are allocated to the segments Mortgages, Asset Based Finance, Platforms and Non-Core Activities.

Interest expenses per segment are based on the matched funding principle with funding being provided by Treasury & Group functions. Fund transfer prices are determined per currency and different maturity buckets. Operational expenses are allocated based on an internal allocation model, in which a distinction is made between direct and indirect allocations. For indirect allocations, NIBC uses various keys, such as transaction volumes or FTEs, direct allocations are activity-based.

Certain financial assets and liabilities are not allocated to Mortgages, Asset Based Finance, Platforms and/or Non-Core Activities segments as they are managed on a group basis. These financial assets and liabilities are held within the segment Treasury & Group functions and mainly comprise cash, debt investments, derivative assets and liabilities as well as the majority of the Group's funding, including retail savings. As the assets of the operating segments are funded internally with transfer pricing, NIBC's external funding is held within Treasury & Group functions.

Segment income statement

The following table presents the segment report consisting of a summary of our internal management report and the reconciliation to the consolidated results under IFRS for the period ended 30 June 2024:

	For the period ended 30 June 2024					
in EUR millions	Mortgages	Asset Based Finance	Platforms	Non-Core Activities	Treasury & Group Functions	Total (consolidated financial statements)
Net interest income	53	61	32	9	81	236
Fee income	18	1	-	0	0	19
Investment income	-	-	-	(2)	-	(2)
Net trading income	1	0	-	0	2	3
Net gains or (losses) from assets and liabilities at fair value through profit or loss	0	1	0	(0)	5	6
Net gains or (losses) on derecognition of financial assets measured at amortised cost	(0)	4	-	-	-	4
Other operating income	-	0	4	-	3	7
Operating income	**71**	**67**	**37**	**7**	**91**	**273**
Other operating expenses[1]	30	25	11	8	41	115
Regulatory charges and levies	-	-	-	-	4	4
Operating expenses	**30**	**25**	**11**	**8**	**45**	**119**
Net operating income	**42**	**41**	**26**	**(1)**	**46**	**154**
Credit loss expense	(2)	(4)	8	6	(0)	8
Gains or (losses) on disposal of assets	-	-	-	0	-	0
Profit before tax	**43**	**46**	**18**	**(7)**	**46**	**146**
Income tax	11	12	5	(1)	14	41
Profit after tax	**32**	**34**	**13**	**(6)**	**31**	**105**
Attributable to						
Shareholders of the company	32	34	13	(6)	25	99
Holders of capital securities	-	-	-	-	6	6
FTEs	175	174	108	58	174	689
Segment assets	13,431	3,140	1,833	1,069	3,919	23,392

1 Other operating expenses include all operating expenses except regulatory charges and levies.

The following table presents the segment report comprising of a summary of our internal management report and the reconciliation to the consolidated results under IFRS for the period ended 30 June 2023:

	For the period ended 30 June 2023					
in EUR millions	Mortgages	Asset Based Finance	Platforms	Non-Core Activities	Treasury & Group Functions	Total (consolidated financial statements)
Net interest income	51	46	24	18	89	227
Fee income	18	0	-	2	0	20
Investment income	-	(1)	-	4	-	3
Net trading income	(0)	0	-	6	0	6
Net gains or (losses) from assets and liabilities at fair value through profit or loss	(0)	3	1	1	3	7
Net gains or (losses) on derecognition of financial assets measured at amortised cost	-	(0)	-	1	-	1
Other operating income	(0)	0	3	-	0	3
Operating income	**68**	**49**	**28**	**31**	**93**	**268**
Other operating expenses[1]	30	21	9	15	30	105
Regulatory charges and levies	-	-	-	-	13	13
Operating expenses	**30**	**21**	**9**	**15**	**43**	**118**
Net operating income	**38**	**27**	**19**	**15**	**50**	**149**
Credit loss expense	2	(3)	2	11	(0)	12
Gains or (losses) on disposal of assets	-	-	-	8	-	8
Profit before tax	**36**	**30**	**17**	**12**	**50**	**146**
Income tax	9	8	4	2	14	37
Profit after tax	**27**	**22**	**13**	**10**	**36**	**109**
Attributable to						
Shareholders of the company	27	22	13	10	30	103
Holders of capital securities	-	-	-	-	6	6
FTEs	166	172	107	98	153	696
Segment assets	13,106	3,692	1,578	1,518	3,056	22,951

1 Other operating expenses include all operating expenses except regulatory charges and levies.

NIBC operates in four geographical locations namely the Netherlands, Germany, the United Kingdom and Belgium. The income and expenses incurred at each location are disclosed in a separate table.

The following table presents the income and expenses incurred at each location for the period ended 30 June 2024:

	For the period ended 30 June 2024				
in EUR millions	The Netherlands	Germany	United Kingdom	Belgium	Total
Operating income	260	7	3	3	273
Operating expenses	113	2	3	1	119
Credit loss expense	8	(0)	-	-	8
Gains or (losses) on disposal of assets	0	-	-	-	0
Profit or (loss) before tax	**139**	**5**	**0**	**2**	**146**
Income tax	39	2	0	1	41
Profit or (loss) after tax	**101**	**3**	**(0)**	**1**	**105**
FTEs	650	14	19	6	689
Assets split between geographical locations	23,387	5	-	-	23,392

The following table presents the income and expenses incurred at each location for the period ended 30 June 2023:

	For the period ended 30 June 2023				
in EUR millions	The Netherlands	Germany	United Kingdom	Belgium	Total
Operating income	248	14	3	3	268
Operating expenses	111	3	4	1	118
Credit loss expense	12	(0)	-	-	12
Gains or (losses) on disposal of assets	8	-	-	-	8
Profit or (loss) before tax	**133**	**11**	**(0)**	**2**	**146**
Income tax	33	4	(0)	(0)	37
Profit or (loss) after tax	**99**	**8**	**(0)**	**2**	**109**
FTEs	659	15	17	6	696
Assets split between geographical locations	22,945	6	-	-	22,951

2 NET INTEREST INCOME

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Interest and similar income		
Interest income from financial instruments measured at amortised cost and fair value through other comprehensive income	**490**	**366**
Cash and balances with central banks	41	31
Due from other banks	7	2
Derivatives related to assets at amortised cost	0	(39)
Debt investments	16	11
Mortgage loans	188	165
Loans	191	162
Lease receivables	46	35
Interest income from financial instruments measured at fair value through profit or loss	**7**	**7**
Derivatives	2	1
Debt investments	0	2
Loans	4	4
	496	**373**
Interest expense and similar charges		
Interest expense from financial instruments measured at amortised cost	**253**	**137**
Cash and balances with central banks	7	0
Due to other banks	7	8
Deposits from customers	164	70
Derivatives related to liabilities at amortised cost	-	(1)
Loans	1	1
Debt securities	73	58
Subordinated liabilities	1	1
Interest expense from financial instruments measured at fair value through profit or loss	**8**	**9**
Derivatives	2	2
Debt securities	1	2
Subordinated liabilities	4	5
	261	**146**
	236	**227**

Hedge accounting is applied for the derivatives related to assets or liabilities at AC.

Net interest income amounted to EUR 236 million in 2024 (2023 H1: EUR 227 million), showing 4% growth compared to prior half year.

Positive portfolio development in the Asset Based Finance segment of corporate loans, leases and mortgages combined with increased interest rates contributed to increased interest income. Interest income on derivatives related to assets at amortised cost improved mainly due to increasing interest rates. Interest expense increase is mainly driven by increasing volumes for deposits from customers and debt securities and increasing interest rates.

NIBC has EUR 300 million outstanding under the TLTRO III facility (due to other banks), which matures in December 2024.

3 FEE INCOME

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Fee income recognised over time		
Originate-to-Manage corporate loans	0	2
Originate-to-Manage mortgages	18	18
Fee income recognised at a point in time		
Upfront fees	1	1
	19	**20**

The fee income related to Originate-to-Manage (OTM) mortgages includes origination fees of EUR 1 million (H1 2023: EUR 2 million) and management fees of EUR 16 million (H1 2023: EUR 16 million). The limited growth of OTM mortgage exposure explains the stable management fee.

4 INVESTMENT INCOME

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Share in result of associates and joint ventures accounted for using the equity method	0	2
Equity investments at fair value through profit or loss		
Gains less losses from associates and joint ventures	(3)	3
Gains less losses from other equity investments	1	(2)
	(2)	**3**

Investment loss in 2024 of EUR 2 million (H1 2023: gain of EUR 3 million) exists of EUR 3 million unrealised losses (H1 2023: EUR 37 million) and EUR 1 million realised gain (H1 2023: EUR 40 million).

5 NET TRADING INCOME

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Financial instruments mandatory measured at fair value through profit or loss		
Debt investments held for trading	1	5
Other assets and liabilities held for trading	1	(0)
Other net trading income	2	1
	3	**6**

6 NET GAINS OR (LOSSES) FROM ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Financial instruments		
Financial instruments mandatory at fair value through profit or loss other than those included in net trading income		
Derivatives held in hedge accounting relationships		
Fair value hedges of interest rate risk	4	(15)
Cash flow hedges of interest rate risk	1	1
Interest rate derivatives not held in hedge accounting relationships	(0)	19
Loans	0	4
Debt securities	1	0
Other		
Foreign exchange movement	1	2
Non-financial instruments		
Investment property - revaluation result	(0)	(3)
	6	**7**

Fair value hedges of interest rate risk report a gain of EUR 4 million (2023 H1: loss of EUR 15 million). This includes a gain of EUR 85 million on the hedging instruments (2023 H1: loss of EUR 53 million) and a loss of EUR 81 million on the hedged items (2023 H1: gain of EUR 38 million). Cash flow hedges report a gain of EUR 1 million (2023 H1: gain of EUR 1 million).

Interest rate instruments (economic hedge without hedge accounting) report a net result of EUR nil million (2023 H1: gain of EUR 19 million). This result includes a loss of EUR 2 million due to hedges that were not included in hedge accounting (2023 H1: gain of EUR 22 million) and a gain of EUR 2 million due to various other.

On corporate loans, NIBC reports no result for 2024 H1 (2023 H1: gain of EUR 4 million, which includes (unrealised) revaluation results).

7 NET GAINS OR (LOSSES) ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Loans	4	1
	4	**1**

In the first half of 2024 the Shipping portfolio was derecognised as a result of a sales transaction against a price higher than the par value.

8 PERSONNEL EXPENSES

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Salaries	36	38
Severance payments	6	0
Compensation external employments	3	2
Variable compensation		
Cash bonuses	1	1
Share-based, cash-settled and deferred bonuses	1	1
Pension and other post-retirement charges		
Defined-contribution plan	7	7
Other post-retirement charges/(releases) including own contributions of employees	(1)	(1)
Social security charges	4	4
Other staff expenses	0	0
	57	**54**

The number of FTEs decreased from 696 at 30 June 2023 to 689 at 30 June 2024.

The increase in personnel expenses in the first half of 2024 is explained by EUR 6 million severance payments regarding senior staff and related to the sale of the Shipping portfolio together with higher external consultant costs. This is partly compensated by a decrease in salaries due to a lower (average) number of FTEs.

9 OTHER OPERATING EXPENSES

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Other operating expenses		
Project expenses and consultants	15	10
Marketing and communication expenses	3	2
Other employee expenses	1	1
ICT and data expenses	16	16
Process outsourcing	10	12
Fees of auditors	2	2
Other	8	6
	55	**49**

The increase of total operating expenses can be mainly explained by higher costs for external advisors for strategic projects, partly compensated by lower process outsourcing expenses related to the mortgages portfolios due to lower origination volumes.

10 REGULATORY CHARGES AND LEVIES

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Resolution levy	(1)	7
Deposit Guarantee Scheme	5	6
	4	**13**

The decrease in the regulatory charges is caused by the fact no resolution levy is charged in 2024. The credit amount is due to a release of provision created in 2023, of which the actuals appeared to be lower than expected.

11 CREDIT LOSS EXPENSE

Credit loss expense on- and off-balance financial assets

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Financial assets at amortised cost/fair value through other comprehensive income		
Mortgage loans	(2)	2
Corporate loans	4	9
Lease receivables	6	2
Total for on-balance sheet financial assets (in scope of ECL requirements)	**8**	**12**
Off-balance sheet financial instruments and credit lines		
Irrevocable loan commitments	(0)	(1)
Total for off-balance sheet financial assets (in scope of ECL requirements)	**(0)**	**(1)**
	8	**12**

Movement schedule of gross carrying values per ECL stage

The following tables show the movement of the gross carrying values of financial assets at AC, as well as the undrawn commitments, and guarantees granted and irrevocable letters of credit ('other'), per ECL stage.

in EUR millions	Balance at 1 January 2024	Originated or purchased	Derecog-nised	Write-offs	Foreign exchange differences	Transfer from or to held for sale	Stage transfers	Balance at 30 June 2024
Stage 1								
Debt investments	895	316	(151)	(1)	1	(0)	-	1,060
Mortgage loans	12,667	697	(687)	-	-	-	(226)	12,451
Corporate loans	4,599	786	(1,481)	0	44	(384)	(95)	3,468
Lease receivables	1,236	299	(217)	(4)	(4)	(1,304)	(6)	0
Off-balance:								
Undrawn commitments	936	-	(187)	-	3	-	(10)	743
Other	11	-	(3)	-	(0)	-	(7)	0
Stage 2								
Debt investments	2	-	(0)	0	-	-	-	2
Mortgage loans	128	-	(21)	-	-	-	210	317
Corporate loans	241	2	(41)	0	1	(3)	95	295
Lease receivables	20	-	(2)	(4)	-	(7)	(6)	0
Off-balance:								
Undrawn commitments	42	-	(7)	-	0	-	9	44
Other	17	-	(5)	-	0	-	7	20
Stage 3								
Mortgage loans	89	-	(11)	-	-	-	17	96
Corporate loans	114	3	(1)	0	0	-	1	116
Lease receivables	31	-	(5)	(0)	-	(31)	12	7
Off-balance:								
Undrawn commitments	1	-	(0)	-	-	-	0	1
Other	-	-	-	-	-	-	-	-
POCI								
Mortgage loans	41	-	(2)	(0)	-	-	-	39
Corporate loans	71	4	-	(0)	0	-	-	74
Off-balance:								
Undrawn commitments	5	-	(3)	-	0	-	-	2
Other	26	-	(3)	-	1	-	-	24
	21,172	**2,107**	**(2,826)**	**(9)**	**46**	**(1,730)**	**(0)**	**18,759**

in EUR millions	Balance at 1 January 2023	Originated or purchased	Derecog-nised	Write-offs	Foreign exchange differences	Transfer from or to held for sale	Stage transfers	Balance at 31 December 2023
Stage 1								
Debt investments	859	321	(294)	12	(3)	-	-	895
Mortgage loans	11,745	1,776	(817)	-	-	-	(37)	12,667
Corporate loans	4,641	1,715	(1,590)	-	(8)	1	(161)	4,599
Lease receivables	1,056	588	(367)	0	0	-	(42)	1,236
Off-balance:								
Undrawn commitments	1,141	2	(116)	-	1	-	(92)	936
Other	25	8	-	-	-	-	(22)	11
Stage 2								
Debt investments	2	0	(0)	0	-	-	-	2
Mortgage loans	137	-	(27)	-	-	-	18	128
Corporate loans	317	6	(197)	-	1	5	109	241
Lease receivables	25	-	(6)	(0)	-	-	1	20
Off-balance:								
Undrawn commitments	32	-	(84)	-	0	-	93	42
Other	(0)	-	(1)	-	-	-	18	17
Stage 3								
Mortgage loans	73	-	(3)	-	-	-	20	89
Corporate loans	125	0	(63)	-	1	-	52	114
Lease receivables	39	-	(5)	(43)	-	-	41	31
Off-balance:								
Undrawn commitments	0	0	-	-	-	-	-	1
Other	0	-	(4)	-	-	-	4	-
POCI								
Mortgage loans	46	-	(5)	-	-	-	-	41
Corporate loans	97	17	(43)	-	(0)	-	-	71
Off-balance:								
Undrawn commitments	21	-	(16)	-	(0)	-	-	5
Other	28	-	(0)	-	(1)	-	-	26
	20,410	**4,435**	**(3,638)**	**(31)**	**(10)**	**6**	**0**	**21,172**

Movement schedule of the credit loss allowances per ECL stage

The following table discloses the movement of the credit loss allowances including management overlays in the first half of 2024 per financial instrument and ECL stage.

in EUR millions	Balance at 1 January 2024	Movements with no impact on credit loss allowances of financial assets in the income statement	Movements with impact on credit loss allowances of financial assets in the income statement	Movements from management overlay with impact on the income statement	Balance at 30 June 2024
Stage 1					
Debt investments	(0)	(0)	0	-	(0)
Mortgage loans	6	1	(1)	-	6
Corporate loans	22	(1)	(8)	(0)	13
Lease receivables	3	(3)	0	-	0
Off-balance	2	(0)	(1)	-	1
Stage 2					
Debt investments	(0)	-	0	-	(0)
Mortgage loans	7	0	(0)	-	7
Corporate loans	7	0	1	-	7
Lease receivables	0	(0)	(0)	-	0
Off-balance	1	0	0	-	1
Stage 3					
Mortgage loans	2	0	(0)	-	1
Corporate loans	56	(0)	4	-	59
Lease receivables	3	(9)	6	-	0
Off-balance	0	-	-	-	0
POCI					
Mortgage loans	0	-	(0)	-	0
Corporate loans	51	3	7	-	61
Off-balance	0	0	(0)	-	0
	159	**(10)**	**8**	**(0)**	**157**

The following table discloses the movement of the credit loss allowances including management overlays in 2023 per financial instrument and ECL stage.

in EUR millions	Balance at 1 January 2023	Movements with no impact on credit loss allowances of financial assets in the income statement	Movements with impact on credit loss allowances of financial assets in the income statement	Movements from management overlay with impact on the income statement	Balance at 31 December 2023
Stage 1					
Debt investments	(0)	0	(0)	-	(0)
Mortgage loans	5	0	0	1	6
Corporate loans	22	(0)	(0)	1	22
Lease receivables	2	-	(0)	1	3
Off-balance	3	0	(1)	-	2
Stage 2					
Debt investments	(0)	-	0	-	(0)
Mortgage loans	7	(0)	0	-	7
Corporate loans	9	0	(2)	-	7
Lease receivables	0	-	(0)	-	0
Off-balance	1	(0)	0	-	1
Stage 3					
Mortgage loans AC	1	2	(1)	-	2
Corporate loans	65	(26)	17	-	56
Lease receivables	27	(25)	2	-	3
Off-balance	-	0	(0)	-	0
POCI					
Mortgage loans	0	-	0	-	0
Corporate loans	62	(18)	6	-	51
Off-balance	0	(0)	(0)	-	0
	203	**(68)**	**21**	**3**	**159**

The credit loss expense for corporate loans relates to the non-performing portfolio (stage 3 and POCI). These credit loss expenses are tempered by decreases in ECL for stage 1 due to derecognitions as a result of the Shipping portfolio sale.

Management overlay

MORTGAGE LOANS

NIBC considered the current uncertainty on future developments in the Dutch housing market. With increased housing expenses and climate risk, NIBC performed an analysis to quantify the customer's ability to pay, taking into account the customer's burden space and the foreseen update on the ECL model. The outcome of the analysis was one of the considerations to include the ECL management overlay on mortgage loans. The ECL management overlay for mortgage loan exposures amounts to EUR 12 million (31 December 2023: EUR 12 million).

CORPORATE EXPOSURE

As the ECL modelling outcome is the result of assumptions and inputs, the outcome may not fully reflect all risks and circumstances as they are present at reporting date. Management concluded that some circumstances are not fully captured in the predictive value of the model, nor are they included in the historical data on which the models have been constructed. In this period of increased uncertainty, especially with respect to economic developments with a continued elevated level of interest rates, stabilising real estate market at elevated prices, continued elevated level of building material prices and a changing environment in public financing activities, a management overlay has been recognised to correctly reflect all risks and uncertainties per 30 June 2024. The nature of the management overlay focuses on sectors with elevated risk exposures, which are mainly recognised on Non-core portfolios. In the first half of 2024 NIBC decided to sell its lending portfolio of the Shipping sector. This sales transaction was closed in the second quarter of 2024. Consequently, the loan exposure to the Shipping sector has been decreased by approximately EUR 0.9 billion as per 30 June 2024. Hence, the management overlay applied is pro rata corrected for the disposal of the Shipping portfolio (EUR 0.4 million). Compared to 2023 (EUR 7 million), the ECL management overlay decreased with EUR 0.4 mio to EUR 7 million in both stage 1 and 2 to represent the portfolios exposed to the above described uncertainties.

LEASE RECEIVABLES

For the lease receivables portfolio, NIBC adjusted the overlay of the existing ECL model to EUR 1 million (2023: EUR 2 million). The adjustment of the overlay is due to the adoption of a new PD rating methodology in the lease receivables ECL model. The overlay is based on inter alia detailed adverse price developments of transport equipment and macro-economic ucertainties, which are not captured in the model. Hence, the management overlay is deemed necessary to reflect these.

MACROECONOMIC SCENARIOS

The summary for baseline scenario suggests high interest rates, negative sentiment, weak manufacturing orders, and a disappointing Chinese economy will provide headwinds to growth over the coming quarters. The labour market is expected to remain tight. Core inflation will gradually decline throughout the coming quarters. With monetary policy on a downward path, government bond yields will move sideways and financial markets remain calm.

NIBC has considered the number of scenarios and weights assigned to individual scenarios and decided to leave the scenario weights unadjusted, consequently continuing to emphasise the elevated risk of a down turn. The assumptions made in relation to the forecast period used for scenario modelling have remained unchanged. The updates of the macroeconomic scenarios during the first half of 2024 have led to a decrease in ECL of EUR 1 million.

12 TAX

in EUR millions	For the period ended 30 June 2024	For the period ended 30 June 2023
Current tax	39	21
Deferred tax	3	16
	41	**37**
Tax reconciliation		
Profit before tax	**146**	**146**
Tax calculated at the nominal Dutch corporate tax rate of 25.8% (2023: 25.8%)	38	38
Impact of income not subject to tax	(1)	(2)
Impact of expenses not deductible	4	1
Effect of different tax rates other countries	0	1
Actualisation including true-ups and revaluations	0	(0)
	41	**37**

The impact of income not subject to tax mainly relates to the coupon on capital securities which is deductible under Dutch tax law and tax exempt income from equity investments and investments in associates and joint ventures in which NIBC has a stake of 5% or more. The amount mentioned under impact of expenses not deductible predominantly relates to non-deductible interest under the minimum capitalisation rule.

Income tax expense is recognised based on management's best estimate of the expected annualised income tax rate for the full financial year, as well as discrete items recognised in the first half of 2024. This results in an effective tax rate of 28.2% for the period ended 30 June 2024 (H1 2023: 25.3%). Income tax expenses are allocated based on applicable income tax rates for each jurisdiction.

NIBC Holding N.V. is the parent company of NIBC Bank N.V., NIBC Investments N.V. and NIBC Investment Management N.V., which are all part of the same fiscal entity.

13 DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

in EUR millions	30-Jun-24	31-Dec-23
Legal maturity analysis of debt investments		
Three months or less	43	59
Longer than three months but not longer than one year	194	130
Longer than one year but not longer than five years	677	631
Longer than five years	149	77
	1,062	**897**

At 30 June 2024 EUR 1,062 million of debt investments was listed (31 December 2023: EUR 897 million) and includes EUR 82 million of government bonds (31 December 2023: EUR 80 million). The increase follows from the increase of NIBC's liquidity buffers and investment opportunities in the debt investment market.

14 MORTGAGE LOANS AT AMORTISED COST

in EUR millions	30-Jun-24	31-Dec-23
Owner-occupied mortgage loans	11,555	11,557
Buy-to-Let mortgage loans	1,333	1,354
	12,889	**12,911**
Legal maturity analysis of mortgage loans		
Three months or less	11	11
Longer than three months but not longer than one year	25	28
Longer than one year but not longer than five years	258	220
Longer than five years	12,595	12,652
	12,889	**12,911**

15 CORPORATE LOANS AT AMORTISED COST

in EUR millions	30-Jun-24	31-Dec-23
Legal maturity analysis of loans		
Three months or less	98	241
Longer than three months but not longer than one year	461	426
Longer than one year but not longer than five years	2,534	3,363
Longer than five years	720	859
	3,812	**4,889**

In the first half of 2024 NIBC decided to sell its Shipping portfolio. This transaction was closed in the second quarter of 2024. Consequently, the loan exposure to the Shipping sector has been reduced by approximately EUR 0.9 billion as per 30 June 2024. Other movement is mainly due to the held for sale classification of the automotive financing portfolio (see also note 21 Assets and liabilities held for sale).

There are no contractual amounts outstanding on loans that were written off and are still subject to enforcement activity in the first half of 2024 and 2023.

The total amount of corporate subordinated loans in this item amounted to EUR 30 million per 30 June 2024 (31 December 2023: EUR 30 million).

As per 30 June 2024, EUR 13 million of corporate loan exposure (31 December 2023: EUR 14 million) was guaranteed by the Dutch State.

The maximum credit risk exposure (including undrawn credit facilities) related to loans at amortised cost amounts to EUR 4,619 million per 30 June 2024 (2023: EUR 6,427 million). The significant decrease is a result of the sale of the Shipping portfolio.

16 LOANS AT FAIR VALUE THROUGH PROFIT OR LOSS

in EUR millions	30-Jun-24	31-Dec-23
Corporate loans	126	147
Consumer loans	5	6
	131	**153**
Legal maturity analysis of corporate loans		
Three months or less	41	30
Longer than three months but not longer than one year	83	109
Longer than one year but not longer than five years	2	8
Longer than five years	-	-
	126	**147**

in EUR millions	2024	2023
Movement schedule of corporate loans		
Balance at 1 January	**147**	**133**
Additions	1	3
Disposals	(20)	(16)
Changes in fair value	(1)	9
Transfer from or to assets held for sale	-	17
Balance at 30 June/31 December	**126**	**147**

The cumulative change in fair value included in the balance sheet amount attributable to changes in interest rates and credit risk amounts to a gain of EUR 7 million (31 December 2023: gain of EUR 8 million) for corporate and consumer loans.

The maximum corporate exposure to credit risk without taking account of any collateral or other credit enhancement for this financial asset amounts to EUR 138 million as per 30 June 2024 (2023: EUR 157 million). This credit risk exposure is mitigated by the collateral held as security and other credit enhancements on these assets, of which the fair value amounts to EUR 96 million per 30 June 2024 (2023: EUR 149 million).

17 LEASE RECEIVABLES

in EUR millions	30-Jun-24	31-Dec-23
Legal maturity analysis of gross investment in lease receivables		
Three months or less	7	23
Longer than three months but not longer than one year	-	112
Longer than one year but not longer than two years	-	134
Longer than two years but not longer than three years	-	201
Longer than three years but not longer than four years	-	309
Longer than four years but not longer than five years	-	351
Longer than five years	-	357
	7	**1,486**
Unearned future finance income on finance leases	-	205
Net investment in finance leases	**7**	**1,281**
Legal maturity analysis of net investment in lease receivables		
Three months or less	7	22
Longer than three months but not longer than one year	-	108
Longer than one year but not longer than two years	-	126
Longer than two years but not longer than three years	-	183
Longer than three years but not longer than four years	-	268
Longer than four years but not longer than five years	-	293
Longer than five years	-	281
	7	**1,281**

Lease receivables held by Beequip B.V. have been reclassed towards held for sale per half-year 2024. For more details, reference is made to note 21 Assets and liabilities held for sale.

18 EQUITY INVESTMENTS (INCLUDING INVESTMENTS IN ASSOCIATES)

in EUR millions	30-Jun-24	31-Dec-23
Investments in associates	35	37
Other equity investments	77	80
Investments in associates and joint ventures (equity method)	5	6
	116	**124**

in EUR millions	2024	2023
Movement schedule of investments in associates		
Balance at 1 January	**37**	**41**
Additions	1	2
Disposals	(1)	(8)
Changes in fair value	(3)	2
Balance at 30 June/31 December	**35**	**37**
Movement schedule of other equity investments		
Balance at 1 January	**80**	**121**
Additions	1	1
Disposals	(6)	(35)
Changes in fair value	1	(7)
Other (including exchange rate differences)	0	0
Balance at 30 June/31 December	**77**	**80**

During the first half of 2024, the equity investments portfolio decreased by EUR 7 million, mainly due to distributions of dividend by our strategic investments.

19 INVESTMENT PROPERTY

in EUR millions	2024	2023
The movement in investment property may be summarised as follows		
Balance 1 January	**24**	**26**
Additions	0	1
Changes in fair value	(0)	(3)
Balance at 30 June/31 December	**23**	**24**

Land and buildings were revalued as of 30 June 2024 based on an independent external appraisal using the market rent capitalisation model. Investment property (land and buildings with the available for rental status) decreased in value in H1 2024, leading to a loss of EUR 0.2 million before tax. The revaluation result is included in note 6 Net gains or (losses) from assets and liabilities at fair value through profit or loss.

20 PROPERTY AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS)

in EUR millions	30-Jun-24	31-Dec-23
Land and buildings	24	24
Other fixed assets	1	2
Right-of-use assets[1]	2	1
Assets under operating leases	-	118
	26	**145**

1 The right-of-use assets reflect the rental of NIBC's offices in London, Frankfurt and Brussels.

Land and buildings were revalued as of 30 June 2024 based on an independent external appraisal using the market rent capitalisation model.

Refer to note 25 Accruals and other liabilities for the lease liabilities corresponding to the right-of-use assets.

All assets under operating leases have been transferred to assets and liabilities held for sale (see note 21 Assets and liabilities held for sale).

21 ASSETS AND LIABILITIES HELD FOR SALE

Assets and liabilities held for sale at 30 June 2024

During the first half of 2024, NIBC decided to investigate the strategic options for Beequip B.V., to ensure the equipment leasing platform can continue to grow and develop in the best setting possible. As a consequence, Beequip is presented as disposal group held for sale at 30 June 2024.

Similarly, NIBC also decided in the first half of 2024 to investigate the strategic options for its automotive asset financing platform Fin Quest B.V., together with its associate Qar Quest B.V. The underlying lending portfolio and the associate Qar Quest B.V. have been classified as assets held for sale as per 30 June 2024 in the consolidated balance sheet.

The table below shows the assets held for sale and liabilities held for sale as at 30 June 2024.

Assets classified as held for sale

in EUR millions	30-Jun-24	31-Dec-23
Cash and balances with central banks	29	-
Corporate loans (AC)	386	-
Lease receivables	1,336	-
Equity investments (including investments in associates)	1	-
Property and equipment (including right-of-use assets)	132	-
Intangible assets	2	-
Other assets	21	-
	1,906	**-**

Liabilities classified as held for sale

in EUR millions	30-Jun-24	31-Dec-23
Other liabilities	15	-
	15	**-**

22 OTHER ASSETS

in EUR millions	30-Jun-24	31-Dec-23
Other accruals and receivables	16	30
	16	**30**

Other assets held in Beequip B.V. and FinQuest B.V. have been reclassed towards held for sale per half-year 2024.

23 DEBT SECURITIES IN ISSUE

in EUR millions	30-Jun-24	31-Dec-23
Debt securities in issue (FVtPL)	99	96
Debt securities in issue (AC)	7,719	8,312
	7,818	**8,408**
Legal maturity analysis of debt securities in issue (FVtPL)		
Three months or less	-	-
Longer than three months but not longer than one year	18	14
Longer than one year but not longer than five years	31	23
Longer than five years	50	59
	99	**96**
Legal maturity analysis of debt securities in issue (AC)		
Three months or less	14	216
Longer than three months but not longer than one year	84	462
Longer than one year but not longer than five years	5,328	5,327
Longer than five years	2,293	2,307
	7,719	**8,312**

in EUR millions	2024	2023
Movement schedule of debt securities in issue (FVtPL)		
Balance at 1 January	**96**	**89**
Additions	1	0
Matured/redeemed	-	-
Changes in fair value	2	6
Other (including exchange rate differences)	(0)	(0)
Balance at 30 June/31 December	**99**	**96**
Movement schedule of debt securities in issue (AC)		
Balance at 1 January	**8,312**	**7,850**
Additions	38	1,754
Matured/redeemed	(643)	(1,298)
Other (including exchange rate differences)	12	6
Balance at 30 June/31 December	**7,719**	**8,312**

DEBT SECURITIES IN ISSUE (FVTPL)

The contractual amounts of these liabilities to be repaid at maturity, including unpaid but accrued interest at the balance sheet date, amounted to EUR 99 million at 30 June 2024 (2023: EUR 99 million).

The cumulative change in fair value included in the balance sheet amounts (designated at FVtPL) attributable to changes in interest rates and credit risk amounts to a loss of EUR 4 million (2023: nil). The change for the first half of 2024 is a loss of EUR 4 million recognised in other comprehensive income (2023: loss of EUR 2 million). See note 29.7 for further information with respect to own credit risk.

DEBT SECURITIES IN ISSUE (AC)

In 2024 NIBC issued a EUR 10 million senior preferred fixed rate commercial paper with a maturity of one year and a USD 20 million senior preferred float rate note with a maturity of two years.

The disposals of own debt securities in issue at AC for 2024 include redemptions at the scheduled maturity date to an amount of EUR 643 million (2023: EUR 1,038 million). In H1 2024 there were no (temporary) buybacks of positions (2023: EUR 97 million) and no repurchases (2023: EUR 163 million).

The disposals include an EUR 1 million change in cumulative hedge adjustment during first half of 2024 (2023: EUR 6 million change in additions).

Refer to note 2 Net interest income for recognised interest expense.

24 PROVISIONS

in EUR millions	30-Jun-24	31-Dec-23
ECL allowances for off-balance sheet financial instruments	2	3
Employee benefits	4	2
Other provisions	5	5
	11	**10**

Employee benefit obligations of EUR 2 million at 30 June 2024 are related to payments to be made in respect of special leave obligations (2023: EUR 1 million).

25 ACCRUALS AND OTHER LIABILITIES

in EUR millions	30-Jun-24	31-Dec-23
Payables	76	51
Lease liabilities[1]	2	1
Other accruals (including earn-out commitments)	26	24
Taxes and social securities	3	13
	106	**90**

1 Refer to note 20 Property and equipment for the right-of-use assets corresponding to the lease liabilities.

The valuation of the earn-out commitments contains estimation uncertainty as it relates to the future performance of the different businesses. Management has assessed the potential future cash flows of the different businesses, the likelihood of an earn-out payment being made and discounted using an appropriate discount rate. Neither the earn-out payments made in the first half of 2024 nor the reassessment of the different remaining earn-out commitments has a material impact on the 2024 financials.

26 SUBORDINATED LIABILITIES

in EUR millions	30-Jun-24	31-Dec-23
Subordinated loans (FVtPL)	163	159
Subordinated loans (AC)	64	66
	226	**224**
Non-qualifying as grandfathered additional Tier-1 capital	35	44
Subordinated loans other	192	181
	226	**224**
Legal maturity analysis of subordinated liabilities		
Three months or less	-	-
Longer than three months but not longer than one year	51	-
Longer than one year but not longer than five years	13	66
Longer than five years	163	159
	226	**224**

in EUR millions	2024	2023
Movement schedule of subordinated liabilities		
Balance at 1 January	**224**	**202**
Additions	2	2
Matured/redeemed	(5)	(82)
Changes in fair value	2	104
Other (including exchange rate differences)	2	(2)
Balance at 30 June/31 December	**226**	**224**

SUBORDINATED LOANS (FVTPL)

The fair value reflects movements due to both market interest rate changes and market credit spread changes. As NIBC hedges its interest rate risk from these liabilities, the movement due to market interest rate changes is compensated with results on financial derivatives.

The contractual amounts of these FVtPL liabilities to be repaid at maturity, including unpaid accrued interest, amounted to EUR 192 million at 30 June 2024 (31 December 2023: EUR 190 million).

All of the above loans are subordinated to the other liabilities of NIBC Holding. The non-qualifying as grandfathered additional Tier 1 capital consists of perpetual securities and may be redeemed by NIBC Holding only with the prior approval of the DNB.

The cumulative change in fair value included in the balance sheet amounts (designated at fair value through profit or loss) attributable to changes in interest rates and credit risk amounts to a gain of EUR 27 million (31 December 2023: gain of EUR 31 million). The change for 2024 H1 is a loss of EUR 10 million recognised in other comprehensive income (2023: loss of EUR 82 million).

27 EQUITY

in EUR millions	30-Jun-24	31-Dec-23
Equity attributable to the equity holders		
Share capital	3	3
Share premium	1,287	1,287
Revaluation reserves		
Revaluation reserve - hedging instruments	0	1
Revaluation reserve - debt investments	(5)	(6)
Revaluation reserve - property	15	15
Own credit risk reserve	12	25
Retained profit	573	626
	1,885	**1,952**

The movement in the own credit spread reserves is due to a decrease in own credit spread.

Share capital

Flora Holdings III Limited is the legal holder of 100% in the ordinary shares of NIBC Holding N.V. at 30 June 2024. NIBC's issued ordinary share capital is fully paid-up.

	30-Jun-24	31-Dec-23	30-Jun-24	31-Dec-23
	Numbers x 1,000		in EUR millions	
Ordinary shares (with par value of EUR 0.02)	350,000	350,000	7	7
Preference shares (with par value of EUR 0.02)	350,000	350,000	7	7
	700,000	**700,000**	**14**	**14**
Not issued share capital (ordinary and preference shares)	553,512	553,512	11	11
Issued share capital (ordinary shares)	**146,488**	**146,488**	**3**	**3**

Available distributable amount (subject to DNB approval)

in EUR millions	As at 30 June 2024	As at 30 June 2023
Equity attributable to the shareholders	1,885	1,994
Share capital	(3)	(3)
Legal reserves		
Within retained earnings	(5)	(2)
Revaluation reserves	(15)	(16)
Total legal reserves	**(20)**	**(18)**
Total available distributable amount	**1,862**	**1,973**

28 CAPITAL SECURITIES

in EUR millions	2024	2023
Movement schedule of capital securities issued by NIBC		
Balance at 1 January	**200**	**200**
Profit after tax attributable to holders of capital securities	6	12
Paid coupon on capital securities	(6)	(12)
Balance at 30 June/31 December	**200**	**200**

The capital securities are perpetual and have no expiry date. The distribution on the capital securities issued in September 2017 is as follows: the coupon is 6% per year and is made payable every six months in arrears as of the issue date (29 September 2017), for the first time on 29 March 2018. The capital securities are first redeemable on 29 September 2026. As of 29 September 2026, and subject to capital securities not being redeemed early, the distribution is set for a further five-year period, but without a step-up, based on the five-year euro swap rate +5.564%. Both the coupon and the notional are fully discretionary. The first optional call date is 15 October 2024. Please refer to note 33 Subsequent events for developments after 30 June 2024.

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

29.1 FINANCIAL INSTRUMENTS BY FAIR VALUE HIERARCHY

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 within the fair value hierarchy based on the degree to which the fair value is observable:

Fair value of financial instruments at 30 June 2024

in EUR millions	Level 1	Level 2	Level 3	30-Jun-24
Financial assets at fair value through profit or loss (including trading)				
Derivative financial assets	-	95	-	95
Debt investments	-	11	0	11
Loans	5	122	4	131
Equity investments (including investments in associates)	-	-	112	112
	5	**228**	**116**	**349**
Financial assets at fair value through other comprehensive income				
Debt investments	1,029	33	0	1,062
	1,029	**33**	**0**	**1,062**
	1,034	**262**	**116**	**1,411**
Financial liabilities at fair value through profit or loss (including trading)				
Derivative financial liabilities	-	130	-	130
Debt securities in issue	-	99	-	99
Subordinated liabilities	-	163	-	163
	-	**392**	**-**	**392**

Fair value of financial instruments at 31 December 2023

in EUR millions	Level 1	Level 2	Level 3	31-Dec-23
Financial assets at fair value through profit or loss (including trading)				
Derivative financial assets	-	156	-	156
Debt investments	2	9	0	11
Loans	6	124	23	153
Equity investments (including investments in associates)	-	-	118	118
	8	**289**	**141**	**438**
Financial assets at fair value through other comprehensive income				
Debt investments	851	46	0	897
	851	**46**	**0**	**897**
	859	**335**	**141**	**1,334**
Financial liabilities at fair value through profit or loss (including trading)				
Derivative financial liabilities	-	129	-	129
Debt securities in issue	-	96	-	96
Subordinated liabilities	-	159	-	159
	-	**384**	**-**	**384**

29.2 VALUATION TECHNIQUES

The following is a description of the determination of fair value for financial instruments that are recorded at fair value using either quoted prices or valuation techniques. These incorporate NIBC's interpretation of valuation assumptions (qualitative) that a market participant would consider when valuing the instruments.

Financial assets at fair value through profit or loss and at fair value through other comprehensive income

DERIVATIVES FINANCIAL ASSETS AND LIABILITIES (HELD FOR TRADING AND USED FOR HEDGING) - LEVEL 2

Derivative products valued using a valuation technique with market-observable inputs are mainly interest rate swaps, currency swaps, credit default swaps and FX contracts. The most frequently applied valuation techniques include swap models using present value calculations, discounted at the daily corresponding forward rates. The models incorporate various inputs including FX rates, credit spread levels and interest rate curves. Credit derivative valuation models also require input as to the estimated probability of default and recovery value.

DEBT INVESTMENTS - LEVEL 1

For the determination of fair value, NIBC used market-observable prices. NIBC has determined the fair value in a consistent manner over time, ensuring comparability and continuity of valuations.

DEBT INVESTMENTS - LEVEL 2

For the determination of fair value, NIBC applies a variety of valuation techniques, including reference to similair instruments for which market prices are available and valuation techniques such as discounted cashflow models. NIBC applies market-observable prices, interest rates and credit spreads derived from market-observable data. NIBC has determined fair value in a consistent manner over time, ensuring comparability and continuity of valuations.

DEBT INVESTMENTS - LEVEL 3

For the level 3 debt investments, NIBC uses valuation models that apply discounted cash flow analysis that incorporates both observable and unobservable data. Observable inputs include interest rates and collateral values; unobservable inputs include assumptions regarding credit spreads and market liquidity discounts.

LOANS - LEVEL 2 AND 3

Loans are marked-to-market by applying market bid quotes observed on the secondary market. The quotes received from other banks or brokers and applied in the marked-to-market process are calibrated to actual market trades whenever possible.

In certain instances a discounted cash flow model is used based on various assumptions including market interest rates, market credit spread levels and assumptions regarding market liquidity, where relevant. Additional pricing reference points have been obtained by collecting spreads using primary transactions that are comparable with the relevant loans.

EQUITY INVESTMENTS (INCLUDING INVESTMENTS IN ASSOCIATES) - LEVEL 3

The fair value of investments in equity funds is determined based on the net asset value reported by the managers of these funds. These net asset values are analysed for reasonableness, so as to ascertain that the reported net asset value has been appropriately derived using proper fair value principles as part of a robust process.

The fair value of equity investments is established by applying capitalisation multiples to maintainable earnings. Maintainable earnings are estimated based on the normalised last 12 months' Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). Capitalisation multiples are derived from the enterprise value and the normalised last 12 months EBITDA. On each reporting date, the capitalisation multiple of each equity investment is compared against those derived from the publicly available enterprise value and earnings information of traded peers, where these can be identified. Peer capitalisation multiples are normalised for factors such as differences in regional and economic environment, time lags in earnings information and one-off gains and losses.

The resulting enterprise value is adjusted for net debt, non-controlling interests, illiquidity and management incentive plans to arrive at the fair value of the equity.

Financial liabilities at fair value through profit or loss (including trading)

OWN LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS - LEVEL 2

This portfolio was designated at fair value through profit or loss and is reported on the face of the balance sheet under the following headings:

- Debt securities in issue structured (financial liabilities at fair value through profit or loss);
- Subordinated liabilities (financial liabilities at fair value through profit or loss).

The fair value of the notes issued and the back-to-back hedging swaps (refer to note 23 Debt securities in issue) is determined using valuation models developed by a third party employing Monte Carlo simulation, lattice valuations or closed formulas, depending on the type of embedded derivative. These models use market observable inputs (e.g. interest rates, equity prices) for valuation of these structures.

For each class of own financial liabilities at FVtPL, the expected cash flows are discounted to present value using market observed credit spread rates.

29.3 TRANSFERS BETWEEN LEVELS

Transfers between levels are reviewed semi-annually at the end of the reporting period. During the first half of 2024, there were no transfers between level 1, level 2 or level 3 fair value measurements.

29.4 MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The following table shows a reconciliation of the opening and closing amount of level 3 financial assets and liabilities which are recorded at fair value:

in EUR millions	At 1 January 2024	Amounts recognised in the income statement	Purchases/ Additions	Sales	Settle-ments/ Disposals	Transfers into/(out) level 3	At 30 June 2024
Financial assets at fair value through profit or loss (including trading)							
Debt investments	0	0	-	-	(0)	-	0
Loans	23	(0)	-	-	(19)	-	4
Equity investments (including investments in associates)	118	(1)	2	-	(7)	-	112
	141	**(1)**	**2**	**-**	**(26)**	**-**	**116**

in EUR millions	At 1 January 2023	Amounts recognised in the income statement	Purchases/ Additions	Sales	Settle-ments/ Disposals	Transfers into/(out) level 3	At 31 December 2023
Financial assets at fair value through profit or loss (including trading)							
Debt investments	1	0	2	-	(2)	-	0
Loans	3	4	0	(1)	(8)	24	23
Equity investments (including investments in associates)	162	(5)	4	(10)	(33)	-	118
	166	**(0)**	**6**	**(10)**	**(44)**	**24**	**141**

Total gains or losses on level 3 financial instruments in the previous table are presented in the income statement and other comprehensive income as follows:

	For the period ended							
	30 June 2024				31 December 2023			
in EUR millions	Net trading income	Net gains or (losses) from assets and liabilities at fair value through profit or loss	Invest-ment income	Total	Net trading income	Net gains or (losses) from assets and liabilities at fair value through profit or loss	Invest-ment income	Total
Financial assets at fair value through profit or loss (including trading)								
Debt investments	0	-	-	0	0	-	-	0
Loans	-	(0)	-	(0)	-	4	-	4
Equity investments (including investments in associates)	1	-	(2)	(1)	1	-	(5)	(5)
	1	**(0)**	**(2)**	**(1)**	**1**	**4**	**(5)**	**(0)**

The amount in total gains or losses presented in the income statement for the period relating to the assets and liabilities held in level 3 until the end of the reporting period is given in the following table:

	For the period ended			
	30 June 2024		31 December 2023	
in EUR millions	Held at balance sheet date	Derecognised during the period	Held at balance sheet date	Derecognised during the period
Financial assets at fair value through profit or loss (including trading)				
Debt investments	-	0	-	0
Loans	(0)	-	4	-
Equity investments (including investments in associates)	(1)	-	(7)	3
	(1)	**0**	**(3)**	**3**

RECOGNITION OF UNREALISED GAINS AND LOSSES IN LEVEL 3

Amounts recognised in the income statement relating to unrealised gains and losses during the year that relates to level 3 assets and liabilities are included in the income statement as follows:

	For the period ended					
	30 June 2024			31 December 2023		
in EUR millions	Net gains or (losses) from assets and liabilities at fair value through profit or loss	Invest-ment income	Total	Net gains or (losses) from assets and liabilities at fair value through profit or loss	Invest-ment income	Total
Financial assets at fair value through profit or loss (including trading)						
Loans	(0)	-	(0)	4	-	4
Equity investments (including investments in associates)	-	3	3	-	43	43
	(0)	**3**	**2**	**4**	**43**	**47**

29.5 IMPACT OF VALUATION ADJUSTMENTS

The following table shows the movement in the aggregate profit not recognised when financial instruments were initially recognised (Day-1 profit).

in EUR millions	2024	2023
Movement schedule of Day-1 profit		
Balance at 1 January	**6**	**10**
Deferral of profit on new transactions	0	1
Recognised in the income statement during the period:		
Subsequent recognition due to amortisation	(0)	(1)
Subsequent remeasurement	-	9
Derecognition of the instruments	-	(1)
Exchange differences & Other movements	0	0
Write-offs	-	(13)
Balance at 30 June	**6**	**6**

29.6 SENSITIVITY OF FAIR VALUE MEASUREMENTS TO CHANGES IN OBSERVABLE MARKET DATA

The following table shows the impact on the fair value of level 3 instruments of using reasonably possible alternative assumptions by class of instrument:

	For the period ended			
	30 June 2024		31 December 2023	
in EUR millions	Carrying amount	Effect of reasonably possible alternative assumptions	Carrying amount	Effect of reasonably possible alternative assumptions
Financial assets at fair value through profit or loss (including trading)				
Debt investments	0	0	0	-
Loans	4	0	23	1
Equity investments (including investments in associates)	112	6	118	6

In order to determine the reasonably possible alternative assumptions, NIBC adjusted key unobservable valuation technique inputs as follows:

- For the debt investments, NIBC adjusted the weighted average calculated model price by 100 basis points as a reasonably possible alternative outcome. The primary unobservable input in the calculated model price is the applicable credit spread;
- For equity investments, the material unobservable input parameters, such as capitalisation multiple, that are applied to the maintainable earnings to determine fair value are adjusted by 5%;
- For loans, the sensitivity in unobservable input parameters, such as the change in discount factor due to macroeconomic developments, company specific risk profile and yield offer vs. demand in sector is determined as 5%.

29.7 OWN CREDIT ADJUSTMENTS ON FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE

Changes in the fair value of financial liabilities designated at fair value through profit or loss related to own credit are recognised in Other comprehensive income and presented in the Statement of comprehensive income. The following table summarises the effects of own credit adjustments related to financial liabilities designated at fair value. Life-to-date amounts reflect the cumulative unrealised change since initial recognition.

in EUR millions	30-Jun-24	31-Dec-23
Recognised during the period (before tax)		
Unrealised gain/(loss)	(13)	(84)
Unrealised life-to-date gain/(loss)	12	25

A 10 basis point change in the weighted average credit spread used to discount future expected cash flows would change the fair value of financial liabilities at 30 June 2024 by EUR 2 million (31 December 2023: EUR 2 million).

The change of the unrealised gain is due to fair value changes resulting from changed market conditions.

29.8 NON-FINANCIAL ASSETS VALUED AT FAIR VALUE

NIBC's land and buildings (in-own-use) are valued based upon external appraisal at fair value through OCI, the carrying amount (level 3) as of 30 June 2024 is EUR 24 million (31 December 2023: EUR 24 million).

NIBC's investment property (available-for-rental) are valued based upon external appraisal at FVtPL, the carrying amount (level 3) as of 30 June 2024 is EUR 23 million (31 December 2023: EUR 24 million).

29.9 FAIR VALUE INFORMATION ON FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

The following table presents the carrying values and estimated fair values of financial assets and liabilities, excluding financial instruments which are carried at fair value on a recurring basis:

	Fair value information at 30 June 2024					
		Carrying value approximates	Fair value			
in EUR millions	Carrying value	fair value	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost						
Cash and balances with central banks	2,741	2,741	-	-	-	2,741
Due from other banks	550	550	-	-	-	550
Mortgage loans	12,889	-	-	-	12,671	12,671
Corporate loans	3,812	13	-	3,789	-	3,802
Lease receivables	7	7	-	-	-	7
Assets held for sale	1,752	30	-	1,722	-	1,751
Financial liabilities at amortised cost						
Due to other banks	427	427	-	-	-	427
Deposits from customers	12,554	6,669	-	6,383	-	13,052
Debt securities in issue	7,719	-	-	7,262	-	7,262
Subordinated liabilities	64	-	-	61	-	61

	Fair value information at 31 December 2023					
		Carrying value approximates	Fair value			
in EUR millions	Carrying value	fair value	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost						
Cash and balances with central banks	1,994	1,994	-	-	-	1,994
Due from other banks	551	551	-	-	-	551
Mortgage loans	12,911	-	-	-	12,621	12,621
Corporate loans	4,889	21	-	4,880	-	4,901
Lease receivables	1,281	5	-	1,274	-	1,278
Financial liabilities at amortised cost						
Due to other banks	372	372	-	-	-	372
Deposits from customers	11,769	6,530	-	5,647	-	12,176
Debt securities in issue	8,312	-	-	7,874	-	7,874
Subordinated liabilities	66	-	-	61	-	61

The carrying value of deposits from customers includes the accumulated amount of fair value adjustments on hedged liabilities. These balances are the result of the macro hedge relationships between the hedging instruments and the hedged items, which also include, in addition to deposits form customers, the fixed rate wholesale funding.

30 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

At any time, NIBC has outstanding commitments to extend credit. Outstanding loan commitments have a commitment period that does not extend beyond the normal underwriting and settlement period of one to three months. Commitments extended to customers related to mortgages at fixed-interest rates or fixed spreads are hedged with interest rate swaps recorded at fair value. These commitments are designated upon initial recognition at FvtPL.

NIBC provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These agreements have fixed limits and generally extend for a period of up to five years. Expirations are not concentrated in any period.

The contractual amounts of commitments and contingent liabilities are set out in the following table by category. In the following table, it is assumed that amounts are fully advanced.

The amounts for guarantees and letters of credit represent the maximum accounting loss that would be recognised at the balance sheet date if counterparties failed completely to perform as contracted.

in EUR millions	30-Jun-24	31-Dec-23
Contract amount		
Committed facilities with respect to corporate loan financing	808	1,001
Committed facilities with respect to mortgage loans	552	332
Capital commitments with respect to equity investments	7	8
Guarantees granted (including guarantees related to assets held for sale)	18	24
Irrevocable letters of credit	26	31
	1,412	**1,395**

Refer to note 11 Credit loss expense for the ECL-allowances on off-balance sheet financial instrument positions classified at AC or fair value through OCI.

The increase of the committed facilities with respect to mortgage loans is due to the increase in requests as a result of an upward trend in the interest mortgages.

These commitments and contingent liabilities have off-balance sheet credit risk because only commitment/origination fees and accruals for probable losses are recognised in the balance sheet until the commitments are fulfilled or expire. Many of the contingent liabilities and commitments will expire without being advanced in whole or in part. The probability that the contingent liabilities and commitments result in cash flows is remote.

Claims, investigations, litigation or other proceedings or actions may have a material adverse effect on NIBC's business, results of operations, financial condition and prospects

NIBC is involved in a number of proceedings and settlement negotiations that arise with customers, counterparties, current or former employees or others in the course of its activities.

Proceedings may relate to, for example, alleged violations of NIBC's duty of care (zorgplicht) vis-à vis its (former) customers or the provision of allegedly inadequate services. Negative publicity associated with certain sales practices, compensation payable in respect of such issues or regulatory changes resulting from such issues could have a material adverse effect on NIBC's reputation, business, results of operations, financial condition and prospects. Dutch financial services providers are increasingly exposed to collective claims from groups of customers or consumer organisations seeking damages for an unspecified or indeterminate amount or involving unprecedented legal claims in respect of assumed mis-selling or other violations of law or customer rights.

While NIBC has made considerable investment in reviewing and assessing historic sales and 'know your customer' practices and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historic sales practices have been or will be identified, nor that any issues already identified will not be more widespread than presently estimated. Assessments of the likelihood of claims arising from former activities are often difficult to accurately assess, due to the difficulties in applying more recent standards or court judgements to past practices.

Furthermore, many individual transactions are heavily fact-specific and the likelihood of applicability to more transactions of a court decision received on one particular transaction, is difficult to predict until a claim actually materialises and is elaborated. Changes in customer protection regulations and in interpretation and perception by both the public at large and governmental authorities of acceptable market practices might also influence client expectations.

The costs and staffing capacity required to defend against future actions may be significant. Counterparties in these proceedings may also seek publicity, over which NIBC will have no control, and this publicity could lead to reputational harm to NIBC and potentially decrease customer acceptance of NIBC's services, regardless of whether the allegations are valid or whether NIBC is ultimately found liable. NIBC recognises provisions when losses with respect to such matters are more likely than not. Provisions are not recognised for matters for which an expected cash outflow cannot be reasonably estimated or which are not more likely than not to lead to a cash outflow.

NIBC is, with some regularity, subject to inspections from its regulators, from which obligations may arise, for which expected cash outflows are remote as at 30 June 2024.

Based upon legal advice, NIBC's management is of the opinion that, taking into consideration the facts as known at present, there is no on-going legal action being taken against NIBC which is likely to have a material adverse effect on the consolidated financial position or consolidated results of NIBC.

31 RELATED PARTY TRANSACTIONS

In the normal course of business, NIBC enters into various transactions with related parties. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. Related parties of NIBC include, amongst others, its subsidiaries, associates and key management personnel. The transactions were made at an arm's length price. Transactions between NIBC and its subsidiaries meet the definition of related party transactions. However, as all of these transactions are eliminated on consolidation, they are not disclosed as related party transactions.

Transactions involving NIBC's shareholders
During the first half of 2024, there are no new significant related party relationships, as well as no significant related party transactions, other than the dividend distribution of EUR 152 million, that are relevant for disclosure to get an understanding of the changes in the consolidated financial position and performance of NIBC, since the end of the last annual reporting period.

Transactions related to associates
At 30 June 2024 NIBC has EUR 7.0 million of loans outstanding to associates (31 December 2023: EUR 7 million) and EUR 5 million of undrawn loan commitments (31 December 2023: EUR 4 million), on which EUR 0.3 million income was earned (31 December 2023: EUR 0.5 million).

32 IMPORTANT EVENTS AND TRANSACTIONS

Sale of Shipping related loan portfolio
In the first half of 2024 NIBC decided to sell its lending portfolio of the Shipping sector. This sales transaction was closed in the second quarter of 2024. Consequently, the loan exposure to the Shipping sector has been decreased by approximately EUR 0.9 billion as per 30 June 2024. The total pre-tax gain of this sale was approximately EUR 15 million.

Envisaged legal merger between NIBC Holding N.V. with NIBC Bank N.V.
By the publication of its figures 2023 NIBC announced it would explore the simplication of its corporate structure by merging NIBC Holding N.V. with NIBC Bank N.V. Subject to all the necessary approvals, the merger, in which NIBC Bank N.V. is the surviving entity and NIBC Holding N.V. is the disappearing entity, is expected to be executed at the end of 2024. The regulatory approval for the intended merger has been received in June 2024.

33 SUBSEQUENT EVENTS

Subsequent events were evaluated up to 21 August 2024 which is the date the Condensed Consolidated Interim Financial Report included in this Interim Report for the six-month period ended 30 June 2024 was approved.

Reappointment Reinout van Riel as CRO of NIBC until March 2025
NIBC is in the process of appointing a new CEO, and in order to ensure continuity and a smooth transition within the Managing Board, Reinout van Riel has agreed to continue in his current role after his second term ended on 15 August 2024, until the 2024 financial year is closed. This reappointment runs until the next Annual General Meeting (AGM), in March 2025. Reinout van Riel will remain as a board advisor until 1 July 2025.

Interim dividend
In consultation with the Supervisory Board, it was decided to propose payment of an interim dividend of EUR 0.37 per ordinary share, in total EUR 54 million from the net result over the first half of 2024. The dividend will, in principle be subject to 15% withholding tax. The pay-out from the net result over the first half of 2024 will not affect NIBC's capital ratios.

In addition to the regular interim dividend, NIBC has decided to propose payment of an additional dividend of EUR 0.79 per ordinary share, in total EUR 116 million, following the significant reduction of risk weighted assets through the sale of the Shipping portfolio. The proposed payment is intended to be made fully from retained earnings. This will lead to a decrease of the CET 1 ratio to 18.4%.

Issuance of new AT1 notes and buy-back of old AT1 notes
On 4 July 2024, NIBC issued EUR 200 million of Additional Tier 1 (AT1) notes with a perpetual maturity, a first call after 6 years and a fixed coupon of 8.25%. AT1 bonds are subordinated notes and serve as capital instruments that banks utilise to enhance their core equity base.

On 3 July 2024, after a successful tender offer on its outstanding Additional Tier 1 (AT1) notes with a perpetual maturity and a fixed coupon of 6%, NIBC decided to buy back approximately EUR 156 million of its outstanding AT1 notes. The buy-back of AT1 notes (including accrued interest) was settled on 5 July 2024. The remainder outstanding amount of approximately EUR 44 million will be called at the first upcoming call date 15 October 2024.

The Hague, 21 August 2024

Managing Board
Paulus de Wilt , Chief Executive Officer and Chair
Reinout van Riel, Chief Risk Officer and Vice-Chair
Claire Dumas, Chief Financial Officer
Anke Schlichting, Chief Technology Officer

Other information

Independent auditor's review report

To: the shareholders and supervisory board of NIBC Holding N.V.

Our conclusion

We have reviewed the condensed consolidated interim financial report included in the accompanying condensed interim report of NIBC Holding N.V. based in The Hague for the period from 1 January 2024 to 30 June 2024.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial report of NIBC Holding N.V. for the period from 1 January 2024 to 30 June 2024, is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed consolidated interim financial report comprises:

- The consolidated statement of financial position as at 30 June 2024
- The following consolidated statements for the period from 1 January 2024 to 30 June 2024: the income statement, the statement of comprehensive income, the condensed statement of changes in equity and the condensed cash flow statement
- The notes comprising material accounting policy information and selected explanatory information

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed consolidated interim financial report section of our report.

We are independent of NIBC Holding N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of management and the Supervisory Board for the condensed consolidated interim financial report

Management is responsible for the preparation and presentation of the condensed consolidated interim financial report in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the condensed consolidated interim financial report that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing NIBC Holding N.V.'s financial reporting process.

Our responsibilities for the review of the condensed consolidated interim financial report

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410. Our review included among others:

- Updating our understanding of NIBC Holding N.V. and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed interim financial information where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of condensed consolidated interim financial report
- Making inquiries of management and others within NIBC Holding N.V.
- Applying analytical procedures with respect to information included in the condensed consolidated interim financial report
- Obtaining assurance evidence that the condensed consolidated interim financial report agrees with, or reconciles to, NIBC Holding N.V.'s underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether management has identified all events that may require adjustment to or disclosure in the condensed consolidated interim financial report
- Considering whether the condensed consolidated interim financial report has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement

Amsterdam, 21 August 2024

Ernst & Young Accountants LLP

Signed by R. Koekkoek

Alternative Performance Measures

NIBC uses, throughout its financial publications, alternative performance measures (**APMs**) in addition to the figures that are prepared in accordance with the IFRS, CRR and CRD IV. NIBC uses APMs to provide additional information to investors and to enhance the understanding of the results. The APMs should be viewed as complementary to, rather than a substitute for, the figures determined according to IFRS, CRR and CRD IV. All measures that are covered by IFRS, CRR and CRD IV are not considered to be APMs.

NIBC uses the following APMs:
- Dividend pay-out ratio, %
- Cost/income ratio, %
- Return on equity, %
- Return on Common Equity Tier 1 capital at 13%, %
- Return on assets, %
- Cost of risk (on average RWA), %
- Impairment ratio, %
- NPL ratio, %
- Impairment coverage ratio, %
- Loan-to-deposit ratio, %
- Net interest margin, %

Investors should consider that similarly titled APMs reported by other companies may be calculated differently. For that reason, the comparability of APMs across companies might be limited. In accordance with the guidelines of the European Securities and Markets Authority (**ESMA**), the following information is given in regards to the above mentioned alternative performance measures:
1. Definition of the APM;
2. Reconciliation of the APM to the most directly reconcilable line item, subtotal or total presented in the financial statements

NIBC's most recent financial publications at any time are available online on our website.

DIVIDEND PAY-OUT RATIO

The dividend pay-out ratio is the fraction of net income for a period to be paid to NIBC's shareholders in dividends. It provides meaningful information on the portion of NIBC's profit that is distributed to its shareholders. The elements of the dividend pay-out ratio reconcile to the income statement of NIBC.

$$\text{Dividend pay-out ratio} = \frac{\text{Dividend pay-out}}{\text{Profit after tax}}$$

Dividend pay-out ratio	H1 2024	2023	2022
Dividend pay-out H1 2024	54		
Profit after tax attributable to the shareholders H1 2024	99		
Dividend pay-out ratio H1 2024 (%)	**55**		
Dividend pay-out 2023		204	
Profit after tax attributable to the shareholders 2023		204	
Dividend pay-out ratio 2023 (%)		**100**	
Dividend pay-out 2022			116
Profit after tax attributable to the shareholders 2022			155
Dividend pay-out ratio 2022 (%)			**75**

COST/INCOME RATIO

The cost/income ratio displays operating expenses as a percentage of operating income. The concept provides meaningful information on NIBC's operating efficiency. Cost/income ratio is calculated as the ratio (i) operating expenses before non-recurring items and (ii) operating income before non-recurring items. The elements of the cost/income ratio reconcile to the income statement of NIBC.

$$\text{Cost/income ratio} = \frac{\text{Operating expenses}}{\text{Operating income}}$$

Cost/Income ratio	H1 2024	2023	2022
Operating expenses H1 2024	119		
Operating income H1 2024	273		
Cost/income ratio H1 2024 (%)	**44**		
Operating expenses 2023		237	
Operating income 2023		545	
Cost/income ratio 2023 (%)		**44**	
Operating expenses 2022			247
Operating income 2022			473
Cost/income ratio 2022 (%)			**52**

RETURN ON EQUITY

Return on Equity (**ROE**) measures net profit in relation to the book value of shareholder's equity. It provides meaningful information on the performance of Issuer's business, as well as on NIBC's ability to generate income from the equity available to it. ROE is calculated as the ratio of (i) (annualised) net profit attributable to parent shareholder to (ii) post proposed dividend total shareholder's equity at the start of the financial year. All elements of the ROE reconcile to NIBC's consolidated financial statements.

$$\text{Return on equity} = \frac{\text{Annualised net profit attributable to parent shareholder}}{\text{Post proposed dividend total shareholders equity at start of the financial year}}$$

Return on equity	H1 2024	2023	2022
Annualised net profit attributable to parent shareholder	198		
Post proposed dividend total shareholders equity at the start of financial year	1,799		
Return on equity H1 2024 (%)	**11.0**		
Net profit attributable to parent shareholder		204	
Post proposed dividend total shareholders equity at the start of financial year		1,879	
Return on equity 2023 (%)		**10.9**	
Net profit attributable to parent shareholder			155
Post proposed dividend total shareholders equity at the start of financial year			1,804
Return on equity 2022 (%)			**8.6**

RETURN ON CET 1 CAPITAL AT 13%

The return on Common Equity Tier 1 capital at 13% measures net profit in relation to the medium-term-objective of a minimum of 13% of Common Equity Tier 1 capital. It provides meaningful information on the performance of Issuer's business, as well as on NIBC's ability to generate income from the equity available to it. It is calculated as the ratio of (i) (annualised) net profit attributable to parent shareholder to (ii) the Common Equity Tier 1 capital at 13% at the beginning of the fiscal year.

$$\textbf{Return on Common Equity Tier 1 capital at 13\%} = \frac{\textbf{Annualised net profit attributable to parent shareholder}}{\textbf{Common Equity Tier 1 capital at 13\% at start of the financial year}}$$

Return on Common Equity Tier 1 capital at 13%	H1 2024	2023	2022
Annualised net profit attributable to parent shareholder	198		
Common Equity Tier 1 capital at 13% at start of the financial year	1,211		
Return on Common Equity Tier 1 capital at 13% H1 2024 (%)	**16.3**		
Net profit attributable to parent shareholder		204	
Common Equity Tier 1 capital at 13% at start of the financial year		1,240	
Return on Common Equity Tier 1 capital at 13% 2023 (%)		**16.5**	
Net profit attributable to parent shareholder			155
Common Equity Tier 1 capital at 13% at start of the financial year			1,336[1]
Return on Common Equity Tier 1 capital at 13% 2022 (%)			**11.6**

1 RWAs at the start of the year include an increase due to the implementation of the DNB mortgage floor and an increase for the BtL mortgage portfolio under the standardised approach.

RETURN ON ASSETS

Return on assets (**ROA**) measures the net profit in relation to the total outstanding assets as of the beginning of the financial year. It provides meaningful information on NIBC's ability to generate income from the available assets. ROA is calculated as the ratio of (i) (annualised) net profit attributable to parent shareholder to (ii) total assets at the beginning of the financial year. All elements of the ROA reconcile to NIBC's consolidated financial statements.

$$\textbf{Return on assets} = \frac{\textbf{Annualised net profit attributable to parent shareholder}}{\textbf{Total assets at the beginning of the year}}$$

Return on assets	H1 2024	2023	2022
Annualised net profit attributable to parent shareholder	198		
Total assets at the beginning of the financial year	23,177		
Return on assets H1 2024 (%)	**0.85**		
Net profit attributable to parent shareholder		204	
Total assets at the beginning of the financial year		22,807	
Return on assets 2023 (%)		**0.90**	
Net profit attributable to parent shareholder			155
Total assets at the beginning of the financial year			22,722
Return on assets 2022 (%)			**0.68**

COST OF RISK (ON AVERAGE RWA)

The cost of risk compares the total credit losses included in the income statement to the total risk weighted assets. This measure provides meaningful information on the issuer's performance in managing credit losses. The cost of risk is calculated as the ratio of (i) the sum of (annualised) impairments and the credit losses on loans (as part of net trading income) and to (ii) the total RWAs averaged over the current and previous reporting period. With the exception of the credit losses on fair value loans, the elements of the cost of risk reconcile to our financial statements and regulatory reporting. The credit losses on the fair value loans are calculated in accordance with the applicable financial reporting framework and form part of the net trading income.

$$\textbf{Cost of Risk} = \frac{\textbf{Annualised impairments and the credit losses on fair value loans (as part of net trading income)}}{\textbf{Average risk weighted assets (Basel III regulations)}}$$

Cost of risk (on average RWA)	H1 2024	2023	2022
Annualised credit losses on AC loans	16		
Annualised credit losses FVTPL loans	2		
Total credit losses	18		
Risk-weighted assets H1 2024	8,894		
Risk-weighted assets 2023	9,319		
Average risk-weighted assets H1 2024	9,107		
Cost of risk H1 2024 (%)	**0.19**		
Credit losses on AC loans		25	
Credit losses FVTPL loans		2	
Total credit losses		27	
Risk-weighted assets 2023		9,319	
Risk-weighted assets 2022		9,541	
Average risk-weighted assets 2023		9,430	
Cost of risk 2023 (%)		**0.28**	
Credit losses on AC loans			20
Credit losses FVTPL loans			1
Total credit losses			22
Risk-weighted assets 2022			9,541
Risk-weighted assets 2021			8,918
Average risk-weighted assets 2022			9,229
Cost of risk 2022 (%)			**0.24**

IMPAIRMENT RATIO

The impairment ratio compares impairments included in the income statement on loans, lease receivables and mortgage loans to the carrying value of these loans. The measure provides meaningful information on NIBC's performance in managing credit losses arising from its business. The impairment ratio is calculated as the ratio of (i) the (annualised) impairment expenses to (ii) the average loans, lease receivables and mortgages loans. All elements of the impairment ratio reconcile to NIBC's income statement and the consolidated financial position.

$$\textbf{Impairment ratio} = \frac{\textbf{Annualised impairment expenses}}{\textbf{Average financial assets regarding loans, lease receivables and mortgage loans}}$$

Impairment ratio	H1 2024	2023	2022
Annualised credit losses on amortised cost loans, lease receivables and mortgage loans	16		
Average financial assets at amortised cost: loans and lease receivables	5,856		
Average financial assets at amortised cost: mortgage loans	12,900		
Average financial assets regarding loans, lease receivables and mortgage loans (total)	**18,756**		
Impairment ratio H1 2024 (%)	**0.08**		
Credit losses on amortised cost loans, lease receivables and mortgage loans		25	
Average financial assets at amortised cost: loans and lease receivables		6,141	
Average financial assets at amortised cost: mortgage loans		12,451	
Average financial assets regarding loans, lease receivables and mortgage loans (total)		**18,591**	
Impairment ratio 2023 (%)		**0.13**	
Credit losses on amortised cost loans, lease receivables and mortgage loans			20
Average financial assets at amortised cost: loans and lease receivables			6,209
Average financial assets at amortised cost: mortgage loans			11,965
Average financial assets regarding loans, lease receivables and mortgage loans (total)			**18,174**
Impairment ratio 2022 (%)			**0.11**

NON-PERFORMING LOANS RATIO

The non-performing loans (**NPL**) ratio compares the non-performing exposure (as defined by the European Banking Authority) of loans, lease receivables, and mortgage loans to the total exposure of these loans. The measure provides meaningful information on the credit quality of NIBC's assets. The ratio is calculated by dividing the total of non-performing exposure for both loans, lease receivables and mortgage loans by the total exposure for loans, lease receivables and mortgage loans. The elements of the NPL ratio reconcile to the consolidated financial statements and the regulatory reporting of NIBC.

$$\textbf{NPL ratio} = \frac{\textbf{Non performing exposure (loans, lease receivables and mortgage loans)}}{\textbf{Total exposure (loans, lease receivables and mortgage loans)}}$$

NPL ratio	H1 2024	2023	2022
Non-performing exposure ABF and Non-core H1 2024	228		
Non-performing exposure Platforms H1 2024	31		
Non-performing exposure Mortgages H1 2024	113		
Non-performing exposure H1 2024	**373**		
Total Asset Based Finance and Non-core exposure H1 2024	4,868		
Total Platforms exposure H1 2024	1,907		
Total Mortgages exposure H1 2024	13,431		
Total exposure H1 2024	**20,207**		
NPL ratio H1 2024 (%)	**1.8**		
Non-performing exposure ABF and Non-core 2023		223	
Non-performing exposure Platforms 2023		24	
Non-performing exposure Mortgages 2023		110	
Non-performing exposure 2023		**358**	
Total Asset Based Finance and Non-core exposure 2023		5,874	
Total Platforms exposure 2023		1,784	
Total Mortgages exposure 2023		13,288	
Total exposure 2023		**20,946**	
NPL ratio 2023 (%)		**1.7**	
Non-performing exposure ABF and Non-core 2022			305
Non-performing exposure Platforms 2022			8
Non-performing exposure Mortgages 2022			98
Non-performing exposure 2022			**410**
Total Asset Based Finance and Non-core exposure 2022			6,471
Total Platforms exposure 2022			1,371
Total Mortgages exposure 2022			12,650
Total exposure 2022			**20,492**
NPL ratio 2022 (%)			**2.0**

IMPAIRMENT COVERAGE RATIO

The impairment coverage ratio compares impaired amounts on loans, lease receivables and mortgage loans to the total impaired exposures, providing meaningful information on the residual risk related to NIBC's impaired assets. The ratio is calculated by dividing the total impairments on loans, lease receivables and mortgage loans by the total exposure of impaired loans, lease receivables and mortgage loans. The elements of the impaired coverage ratio reconcile to NIBC's consolidated financial statements.

$$\textbf{Impairment coverage ratio} = \frac{\textbf{Total stage 3 and POCI impairments on loans, lease receivables and mortgage loans}}{\textbf{Total impaired exposure of loans, lease receivables and mortgage loans}}$$

Impairment coverage ratio	H1 2024	2023	2022
Balance stage 3 and POCI credit losses on loans, leases and mortgages	128		
Total impaired exposure H1 2024	401		
Impairment coverage ratio H1 2024 (%)	**32**		
Balance stage 3 and POCI credit losses on loans, leases and mortgages		112	
Total impaired exposure 2023		388	
Impairment coverage ratio 2023 (%)		**29**	
Balance stage 3 and POCI credit losses on loans, leases and mortgages			155
Total impaired exposure 2022			417
Impairment coverage ratio 2022 (%)			**37**

LOAN-TO-DEPOSIT RATIO

The loan-to-deposit ratio compares NIBC's loans to customers to its deposits from customers. It provides meaningful information on the issuer's funding and liquidity position. The loan-to-deposit ratio is calculated by dividing the total loans, lease receivables and mortgage loans by the deposits from customers. The elements of the loan-to-deposit ratio reconcile to NIBC's consolidated financial position.

$$\textbf{Loan to deposit ratio} = \frac{\textbf{Financial assets regarding loans, lease receivables and mortgage loans}}{\textbf{Deposits from customers}}$$

Loan to deposit ratio	H1 2024	2023	2022
Financial assets at amortised cost: loans and lease receivables	5,541		
Financial assets at amortised cost: mortgages loans	12,889		
Financial assets at amortised cost: securitised mortgages loans	-		
Financial assets at fair value through profit or loss: loans	131		
Financial assets regarding loans, lease receivables and mortgage loans (total)	18,561		
Deposits from customers	12,554		
Loan to deposit ratio H1 2024 (%)	**148**		
Financial assets at amortised cost: loans and lease receivables		6,170	
Financial assets at amortised cost: mortgages loans		12,911	
Financial assets at amortised cost: securitised mortgages loans		0	
Financial assets at fair value through profit or loss: loans		153	
Financial assets regarding loans, lease receivables and mortgage loans (total)		19,234	
Deposits from customers		11,769	
Loan to deposit ratio 2023 (%)		**163**	
Financial assets at amortised cost: loans and lease receivables			6,111
Financial assets at amortised cost: mortgages loans			11,749
Financial assets at amortised cost: securitised mortgages loans			241
Financial assets at fair value through profit or loss: loans			143
Financial assets regarding loans, lease receivables and mortgage loans (total)			18,244
Deposits from customers			11,176
Loan to deposit ratio 2022 (%)			**163**

NET INTEREST MARGIN

The net interest margin is a measure to display the difference between interest income and the amount of interest paid out to lenders, relative to the amount of interest-earning assets. It is similar to the gross margin (or gross profit margin) of non-financial companies and provides meaningful information on the contribution of Issuer's business to its operating income. It is calculated as the ratio of (i) the net interest income from the last 12 months and (ii) the 12 months moving average interest bearing assets. Interest bearing assets equal the total assets from the consolidated financial position excluding equity investments, derivatives, investments in associates, property, plant and equipment and other assets. The net interest income reconciles to the income statement of NIBC. The average interest bearing assets cannot be directly reconciled with the financial publications of NIBC as the monthly figures are not disclosed, however the monthly figures are prepared in accordance with the applicable financial reporting framework.

Since the denominator of the net interest margin calculation is subject to volatility in the balance, a moving average provides more reliable information on the underlying developments. The moving average however does not tie back to disclosed balances.

$$\text{Net interest margin} = \frac{\text{Sum net interest income last 12 Months}}{\text{12 Months average interest bearing assets}}$$

Net interest margin	H1 2024	2023	2022
Sum net interest income last 12 months H1 2024 and H2 2023	471		
12 Month average interest bearing assets	22,732		
Net interest margin H1 2024 (%)	**2.07**		
Sum net interest income last 12 months 2023		463	
12 Month average interest bearing assets		22,465	
Net interest margin 2023 (%)		**2.06**	
Sum net interest income last 12 months 2022			423
12 Month average interest bearing assets			22,143
Net interest margin 2022 (%)			**1.91**

Definitions for Sustainability performance indicators

The following definitions have been used for the non-financial key figures presented in NIBC's interim report.

Net Promoter Score

Outcome of Net Promoter Score (**NPS**) survey with corporate lending, who executed a (lending) deal/deals with NIBC Bank Corporate Banking during the reporting period, and for existing lending clients of NIBC.

The NPS methodology is a widely used methodology in which scores from 0 to 6 are classified as 'detractor', scores. 7 or 8 are classified as 'passive' and only those scores that are 9 or 10 are classified as 'promoters'. The result is calculated by the percentage of promoters minus the percentage of detractors, giving the NPS. The NPS can therefore range from -100% to +100%.

The NPS is measured over a 12 month period, from the 1st December to the 30th November each year. It takes place in four batches and each respondent weighs the same in the score. It is calculated over the corporate lending client base, where we are in direct contact with the client, excluding distressed asset clients, internal clients and certain legacy clients. In case of multiple deals for one client, the client is counted once. When the online survey is sent to multiple contact persons for a client, only the first response is included.

219 Asset Based Finance clients were surveyed as part of NIBC's 2023 NPS survey process. Of these there was an 11% response rate (23 respondents). NIBC considers this to be representative of the total population.

NIBC Customer Satisfaction Score

The results of the latest, annual online Customer Satisfaction Survey (**CSS**) for NIBC Bank's retail clients, i.e. NIBC Savings Netherlands (NL, including Mortgages), Belgium (BE) and Germany (DE, also including Brokerage clients), that was completed in the reporting period.

The digital surveys were conducted in November 2023 through a third party, using a random selection of NIBC's new and existing Dutch NIBC Mortgage and Savings clients, Belgian NIBC Savings clients and German NIBC Savings and Brokerage clients. Clients were selected based amongst other criteria on country and product. The average scores per country and product are totaled and divided by the total number of clients in the population.

2023 score per product: Netherlands Mortgages 8.3; Netherlands Savings 8.1; Germany Savings 7.9; Germany Brokerage 7.7; Belgium Savings 8.3.

The population of NIBC's CSS was approximately 322,000 clients in November 2023, of which 30,000 have been surveyed (10,000 per country), and around 2,560 responses were received. NIBC considers this to be representative for the population. This research was carried out by Kien in accordance with the guidelines of ISO 20252.

Percentage of new Corporate loans screened against sustainability policy framework

New NIBC Bank corporate deals which have been assessed for social and environmental risks during the reporting period. A deal may include one or more underlying facilities with different tenors as part of a deal or loan structure. Amendments to existing deals are excluded from this figure.

Stakeholders view this as a material indicator in regard to climate resilience & environment, human rights and business conduct. Sustainability impacts and good corporate governance are among the financial and non-financial aspects taken into consideration during NIBC Bank’s corporate client engagement and financing decision processes.

Screenings were performed by Corporate Banking account managers as part of NIBC Bank’s ongoing and mandatory due diligence process using a third party toolkit system.

Fines or sanctions for non-compliance with laws and regulations

Number of significant fines and number of non-monetary sanctions for non-compliance with laws and regulations. The definition is limited to fines from a regulator. This excludes any pending claims and/or litigation. Significant: values of fine > EUR 10.000 (in line with category 2 and 3 fines of AFM).

Stakeholders view this as a material indicator of regulatory compliance, corporate governance and business ethics of NIBC’s own operations and day-to-day business.

NIBC includes non-punitive fines agreed as part of settlement of regular tax audits within its interpretation of the definition for this indicator.

Total number of employees (FTEs) end of financial period

Number of FTEs of NIBC worldwide at the end of the year. Only employees on NIBC's payroll and having an 'internal' position are accounted for. NIBC Bank N.V. includes all its international offices, though excludes minor participations of the bank.

An FTE represents, per employee, the total number of contract hours per week related to the maximum number of contract hours per week (e.g. 40 hours). This maximum can differ per NIBC office (depending on local guidelines) and kind of job contract.

Male/female ratio

Percentage of number of male and female employees for NIBC worldwide, at the end of the year. The number of males and females is based upon headcount as reported from NIBC's human resources information management system at the end of the year

Male/female ratio top management

The gender distribution in number and percentage at top management level amongst its employees at the end of the year. Top management consists of management with corporate title 'Director' or 'Managing Director'.

Employee turnover (employees left)

Employee turnover consists of outflow of existing employees ('left'). The (annualised) number of employees that left NIBC worldwide throughout the calendar year divided by the total number of employees at the start of the year.

Disclaimer

Presentation of information

The Annual Accounts of NIBC Holding N.V. ('NIBC') are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with Title 9 of Book 2 of The Dutch Civil Code. In preparing the financial information in this Condensed Consolidated Interim Financial Report for the six months period ended 30 June 2024 (the 'Financial Report'), the same accounting principles are applied as in NIBC's 2023 Annual Accounts, save for any change described in the accounting policies. The figures in this Financial Report have been reviewed by NIBC's external auditor. The Financial Report is presented in euros (**EUR**), rounded to the nearest million (unless otherwise stated). Small differences are possible in the tables due to rounding.

Cautionary statement regarding forward-looking statements

Certain statements in this Financial Report are not historical facts and are 'forward-looking' statements that relate to, among other things, NIBC's business, result of operation, financial condition, plans, objectives, goals, strategies, future events, future revenues and/or performance, capital expenditures, financing needs, plans or intentions, as well as assumptions thereof. These statements are based on NIBC's current view with respect to future events and financial performance. Words such as 'believe', 'anticipate', 'estimate', 'expect', 'intend', 'predict', 'project', 'could', 'may', 'will', 'plan', 'forecast', 'target' and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve uncertainties and are subject to certain risks, including, but not limited to (i) general economic conditions, in particular in NIBC's core and niche markets, (ii) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness (iii) performance of financial markets, including developing markets, (iv) interest rate levels, (v) credit spread levels, (vi) currency exchange rates, (vii) general competitive factors, (viii) general changes in the valuation of assets (ix) changes in law and regulations, including taxes (x) changes in policies of governments and/or regulatory authorities, (xi) the results of our strategy and investment policies and objectives, and (xii) the risks and uncertainties as addressed in this Financial Report, the occurrence of which could cause NIBC's actual results and/or performance to differ from those predicted in such forward-looking statements and from past results.

The forward-looking statements speak only as of the date hereof. NIBC does not undertake any obligation to update or revise forward-looking statements contained in this Financial Report, whether as a result of new information, future events or otherwise. Neither do NIBC nor any of its directors, officers or employees make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.