

PRESS RELEASE

The Hague, 6 March 2013



NIBC Bank increases net profit to 73 million in 2012

Bank reports strong capital and liquidity position

- Net profit NIBC Bank up 7% to EUR 73 million in 2012 (EUR 68 million in 2011)
- NIBC Holding net profit increases 19% to EUR 102 million (2011: EUR 86 million)
- Strongly capitalised with core Tier-1 ratio of 14.1% for NIBC Holding (NIBC Bank 15.3%), among others by successful derisking of the balance sheet
- Consistently high liquidity ratios with Liquidity Coverage Ratio of 236% and Net Stable Funding Ratio of 114%
- Impairments stable and operating expenses down 14% in 2012

Jeroen Drost, Chief Executive Officer of NIBC:

"NIBC continued its solid performance in 2012, posting an increase in net profit of NIBC Holding to EUR 102 million. We are reaping the fruits of the early measures we took in 2008 to transform the bank. Our strategy of putting clients first, building a sustainably profitable business and strengthening our funding and solvency position is paying off. Despite our high liquidity buffers, we were able to increase our profitability again. At the same time, our strong liquidity position enabled us to accelerate the repayment of outstanding Government-guaranteed bonds.

Although economic circumstances remained fragile, we saw a slight improvement in market conditions towards the end of the year. This was underlined by a strong demand for several transactions we successfully closed in 2012, such as the senior unsecured bond of EUR 300 million, the Dutch MBS XVII EUR 526.5 million securitisation and a senior unsecured bond of NOK 500 million.

We made further progress in balancing our corporate and consumer banking activities, a new structure that we implemented in 2012. This enabled us to intensify our focus on the specific client segments we serve. Net revenues were well diversified across our service areas of financing, advising and investing with good performance by our international offices. An increased portion of these revenues came from our international offices. NIBC Direct increased its savings to EUR 7.7 billion from 6.1 billion in 2011.

Other key contributors to our profitable operations were a decline in expenses and impairments that remained well under control. As a result, the cost-to-income ratio declined further to 51% for NIBC Holding. The first cautious signs of economic recovery combined with our effective client-focused and profitable strategy allow us to view 2013 with full confidence."

NIBC Bank profit & loss

In EUR millions	FY 2012	FY 2011	H2 2012	H1 2012	H2 2011	H1 2011
Net interest income	127	172	65	62	84	88
Net fee and commission income	18	36	9	8	20	16
Dividend income	8	5	1	7	4	1
Net trading income	94	18	42	51	4	14
Gains less losses from financial assets	27	50	19	8	25	25
Share in result of associates	(1)	1	(1)			1
Operating income	272	282	136	136	138	144
Personnel expenses	(89)	(99)	(44)	(45)	(48)	(50)
Other operating expenses	(52)	(65)	(27)	(25)	(35)	(30)
Depreciation and amortisation	(6)	(6)	(3)	(3)	(3)	(3)
Operating expenses	(146)	(170)	(73)	(73)	(87)	(83)
Impairments of financial assets	(45)	(44)	(17)	(28)	(34)	(9)
Total expenses	(192)	(213)	(90)	(101)	(121)	(92)
Profit before tax	80	69	45	35	17	52
Tax	(7)	(1)	(2)	(5)	7	(8)
Profit after tax	73	68	43	30	24	44
Result attributable to non-controlling interests					1	(1)
Net profit attributable to parent shareholder	73	68	43	30	25	43

The income statement differs from that presented in the extract from the Condensed Consolidated Financial Report (enclosed with this press release) due to the treatment of non-financial companies controlled by NIBC. This only affects the presentation of the income statement and not the bottom-line profit figures. Small differences may occur in this table due to rounding.

Financial results NIBC Bank for 2012

- Net profit up 7% to EUR 73 million in 2012 (EUR 68 million in 2011).
- Interest income was lower due to temporarily higher funding costs as the decrease of savings rates lag behind the decrease of euribor, and the fact that we have an excess cash position.
- Net trading income increased significantly, mainly as a result of unrealised revaluation losses in the past on our mortgage book now returning as unrealised gains and from re-fixing of interest rates.
- Operating expenses declined with 14%, due to strict cost management.
- Impairments were stable and at similarly low levels to 2011.

Transactions

NIBC was involved in a number of important transactions across its key sectors and markets. A selection of transactions in 2012 include:

- An important role in the acquisition of the High Tech Campus Eindhoven – one of the biggest single asset acquisitions in the Netherlands in 2012;
- The sale of luxury swimwear company Vilebrequin to US clothing group G-III Apparel;
- A structured lease facility and hedging for Damen Shipyards Group;
- Project financing for Rotterdam World Gateway, the world's most advanced container terminal which is currently under construction;
- A senior secured financing facility for Dutch Radio 538 and its parent media company Talpa;
- Advising public transport operator Connexxion on capital structuring and arranging a new five-year corporate facility;
- Mandated lead arranger for a facility for German brewer Karlsberg Brauerei;
- Financing four semisubmersible heavy transport vessels for Fairstar Heavy Transport;
- Closing a financing facility for Dutch supermarket chain Jumbo Groep.
- NIBC, via one of its subsidiaries, sold its minority stake in Financial Architects N.V. to Wolters Kluwer Financial Services, adding to the positive 2012 result.

A few years ago, we took steps towards working with institutional investors on, amongst others, infrastructure investments. These partnerships are starting to bear fruit and we now increasingly play an intermediary and structuring role in these relationships. As the lending capacity continues to be restricted by Basel III and other regulatory requirements, we foresee an increase in such partnerships in the years ahead.

Strategy NIBC Bank

In order to fulfill our growth ambitions, we have set three strategic priorities:

- **Client focus**
 - Our organisational focus on our two divisions Corporate Banking and Consumer Banking allows us to dedicate ourselves fully to our clients.
 - Within Corporate Banking we focus on seven client sectors. This allows us to excel for our clients within these segments and to put to work our in-depth knowledge of these sectors.
 - Consumers and authorities value us for our openness and our clarity in communicating and in structuring our products, shown by high scores in client research.
- **Sustainable profitability**
 - NIBC posted its most profitable year since 2007.
 - Net profit developed steadily in the past few years.
- **Funding and solvency**
 - NIBC successfully continued to diversify its funding base in various ways. We issued a senior unsecured bond of EUR 300 million, placed EUR 526.5 million of securitisations from our mortgage book, issued a 4-year senior unsecured transaction of NOK 500 million and further increased our NIBC Direct savings to EUR 7.7 billion. We will continue to diversify our funding in 2013.
 - NIBC Bank is strongly capitalised with a core Tier-1 ratio of 15.3%. We are already well positioned to meet all upcoming Basel III capital requirements.

NIBC Bank – other key figures

	31-Dec 2012	31-Dec 2011
core Tier-1 ratio	15.3%	13.8%
Tier-1 ratio	18.1%	16.2%
BIS ratio	19.1%	17.5%
Shareholder's equity (in EUR million)	1,832	1,811
Number of FTEs (end of period)	627	664
Risk weighted assets (in EUR billion)	9.7	11.8

NIBC Holding results

- NIBC Holding is the parent company of NIBC Bank.
- The US securities portfolio in NIBC Holding constitutes the main difference between NIBC Holding and NIBC Bank. This portfolio has been reduced substantially and had a carrying value of EUR 0.1 billion per 31 December 2012.
- The total net profit in 2012 for NIBC Holding was EUR 102 million, an increase of 19% compared to 2011. The difference with NIBC Bank is primarily the result of gains made on the sale of part of the US commercial real estate portfolio.
- NIBC Holding proposes paying a dividend (in kind) of EUR 42 million over the year 2012. Of this, EUR 19 million has already been paid as an interim dividend in 2012.
- Return on equity up to 5.8% from 5.0% (2011).

	31-Dec 2012	31-Dec 2011
core Tier-1 ratio	14.1%	12.8%
Tier-1 ratio	16.9%	15.2%
BIS ratio	17.9%	16.3%
Risk weighted assets (in EUR billion)	9.6	11.4

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Profile of NIBC

NIBC is the bank of choice for decisive financial moments. Our Corporate Banking activities offer a combination of advice, financing and co-investment in the sectors Food, Agri & Retail, Industries & Manufacturing, Infrastructure & Renewables, Commercial Real Estate, Oil & Gas Services, Shipping & Intermodal and Technology, Media & Services. Consumer Banking offers residential mortgages and online retail saving deposits via NIBC Direct in the Netherlands, Belgium and Germany. Headquartered in The Hague, NIBC also has offices in Brussels, Frankfurt, London and Singapore.

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Forward-looking statements

The forward-looking statements included in this press release with respect to the business, results of operation and financial condition of NIBC are subject to a number of risks and uncertainties that could cause actual results to differ materially from forecasts, estimates or other statements set forth in this release, including but not limited to the following: changes in economic conditions in Western Europe, changes in credit spreads or interest rates, the results of our strategy and investment policies and objectives. NIBC undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances that may arise after the date of this release.

Enclosures

- Extract from the Condensed Consolidated Financial Report for the year ended 31 December 2012 of NIBC Bank N.V.
- Supplementary Financial Information for the year ended 31 December 2012 of NIBC Holding N.V.

Disclaimer

The financial information included in this press release and the extract from the Condensed Consolidated Financial Report (NIBC Bank) and the Supplementary Financial Information (NIBC Holding) as included in the appendix to this press release have been derived from the audited 2012 financial statements of NIBC Bank N.V. and NIBC Holding N.V. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.



Extract from the CONDENSED CONSOLIDATED FINANCIAL REPORT
for the year ended 31 December 2012

NIBC Bank N.V.
6 March 2013

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Extract from the condensed consolidated financial report

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Consolidated statement of comprehensive income
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Consolidated income statement

for the year ended 31 December 2012

NIBC Bank N.V.

IN EUR MILLIONS	2012	2011
Net interest income	126	165
Net fee and commission income	17	36
Dividend income	8	5
Net trading income	94	19
Gains less losses from financial assets	28	48
Share in result of associates	(1)	1
Other operating income	22	64
OPERATING INCOME	294	338
Personnel expenses and share-based payments	98	128
Other operating expenses	60	79
Depreciation and amortisation	10	19
OPERATING EXPENSES	168	226
Impairments of financial assets	45	44
TOTAL EXPENSES	213	270
PROFIT BEFORE TAX	81	68
Tax	8	1
PROFIT AFTER TAX	73	67
Result attributable to non-controlling interests	-	(1)
NET PROFIT ATTRIBUTABLE TO PARENT SHAREHOLDER	73	68

Consolidated statement of comprehensive income

for the year ended 31 December 2012

NIBC Bank N.V.

IN EUR MILLIONS	2012			2011		
	Before tax	Tax charge/ (credit)	After tax	Before tax	Tax charge/ (credit)	After tax
PROFIT FOR THE YEAR	81	8	73	68	1	67
OTHER COMPREHENSIVE INCOME						
Net result on hedging instruments	(30)	(7)	(23)	28	6	22
Revaluation loans and receivables	4	1	3	14	3	11
Revaluation equity investments	(10)	(1)	(9)	1	1	-
Revaluation debt investments	24	6	18	(25)	(6)	(19)
Revaluation property, plant and equipment	1	-	1	(13)	(3)	(10)
TOTAL OTHER COMPREHENSIVE INCOME	(11)	(1)	(10)	5	1	4
TOTAL COMPREHENSIVE INCOME	70	7	63	73	2	71
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO						
Parent shareholder	70	7	63	74	2	72
Non-controlling interests	-	-	-	(1)	-	(1)
TOTAL COMPREHENSIVE INCOME	70	7	63	73	2	71

Consolidated balance sheet

at 31 December 2012

NIBC Bank N.V.

IN EUR MILLIONS	2012	2011
Assets		
FINANCIAL ASSETS AT AMORTISED COST		
Cash and balances with central banks	1,604	2,430
Due from other banks	2,123	2,104
Loans and receivables		
Loans	7,343	7,517
Debt investments	366	507
Securitised loans	611	613
FINANCIAL ASSETS AT AVAILABLE FOR SALE		
Equity investments	49	66
Debt investments	985	887
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)		
Loans	515	998
Residential mortgages own book	3,675	3,185
Securitised residential mortgages	4,512	5,560
Debt investments	124	164
Equity investments (including investments in associates)	215	258
Derivative financial assets held for trading	3,642	3,657
Derivative financial assets used for hedging	275	292
OTHER		
Investments in associates (equity method)	10	14
Intangible assets	50	52
Property, plant and equipment	47	51
Investment property	1	27
Current tax	2	3
Other assets	93	169
TOTAL ASSETS	26,242	28,554

Consolidated balance sheet

at 31 December 2012

NIBC Bank N.V.

IN EUR MILLIONS	2012	2011
Liabilities		
FINANCIAL LIABILITIES AT AMORTISED COST		
Due to other banks	1,026	1,261
Deposits from customers	8,347	6,644
Own debt securities in issue	4,314	7,096
Debt securities in issue related to securitised mortgages	4,470	5,416
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)		
Own debt securities in issue	34	41
Debt securities in issue structured	1,654	1,733
Derivative financial liabilities held for trading	4,026	3,966
Derivative financial liabilities used for hedging	20	34
OTHER FINANCIAL LIABILITIES		
Other liabilities	159	149
Current tax	9	-
Deferred tax	-	18
Employee benefits	4	5
SUBORDINATED LIABILITIES		
Amortised cost	83	85
Fair value through profit or loss	264	296
TOTAL LIABILITIES	24,410	26,744
SHAREHOLDER'S EQUITY		
Share capital	80	80
Other reserves	312	322
Retained earnings	1,385	1,361
Net profit attributable to parent shareholder	73	68
(Interim) dividend paid	(19)	(22)
TOTAL PARENT SHAREHOLDER'S EQUITY	1,831	1,809
Non-controlling interests	1	1
TOTAL SHAREHOLDER'S EQUITY	1,832	1,810
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	26,242	28,554

Consolidated statement of changes in shareholder's equity

NIBC Bank N.V.

IN EUR MILLIONS	Attributable to parent shareholder				Distribution charged to net profit	Total	Non-controlling interests	Total shareholder's equity
	Share capital	Other reserves ¹	Retained earnings	Net profit				
BALANCE AT 1 JANUARY 2011	80	318	1,329	76	(22)	1,781	22	1,803
Transfer of net profit 2010 to retained earnings	-	-	54	(76)	22	-	-	-
Total comprehensive income for the year ended 31 December 2011	-	4	-	68	-	72	(1)	71
Divestment of third party interests in a subsidiary formerly controlled by NIBC	-	-	-	-	-	-	(20)	(20)
Dividend paid ²	-	-	(22)	-	(22)	(44)	-	(44)
BALANCE AT 31 DECEMBER 2011	80	322	1,361	68	(22)	1,809	1	1,810

IN EUR MILLIONS	Attributable to parent shareholder				Distribution charged to net profit	Total	Non-controlling interests	Total shareholder's equity
	Share capital	Other reserves ¹	Retained earnings	Net profit				
BALANCE AT 1 JANUARY 2012	80	322	1,361	68	(22)	1,809	1	1,810
Transfer of net profit 2011 to retained earnings	-	-	46	(68)	22	-	-	-
Total comprehensive income for the year ended 31 December 2012	-	(10)	-	73	-	63	-	63
Dividend paid ²	-	-	(22)	-	(19)	(41)	-	(41)
BALANCE AT 31 DECEMBER 2012	80	312	1,385	73	(19)	1,831	1	1,832

1. Other reserves include share premium, hedging reserve and revaluation reserves.

2. Ordinary interim and final dividend paid in 2012 and 2011 to equity holder.

Condensed consolidated statement of cash flows

for the year ended 31 December 2012

NIBC Bank N.V.

IN EUR MILLIONS	2012	2011
Cash flows from operating activities	1,975	2,601
Cash flows from investing activities	98	158
Cash flows from financing activities	(2,943)	(1,656)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(870)	1,103
CASH AND CASH EQUIVALENTS AT 1 JANUARY	3,107	2,004
Net increase/(decrease) in cash and cash equivalents	(870)	1,103
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	2,237	3,107
RECONCILIATION OF CASH AND CASH EQUIVALENTS:		
Cash and balances with central banks	1,604	2,430
Due from other banks (maturity three months or less)	633	677
	2,237	3,107



SUPPLEMENTARY FINANCIAL INFORMATION
for the year ended 31 December 2012

NIBC Holding N.V.
6 March 2013

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Consolidated income statement

for the year ended 31 December 2012

NIBC Holding N.V.

IN EUR MILLIONS	2012	2011
Net interest income	119	165
Net fee and commission income	12	33
Dividend income	8	5
Net trading income	124	51
Gains less losses from financial assets	28	48
Share in result of associates	(1)	2
Other operating income	22	64
OPERATING INCOME	312	368
Personnel expenses	98	130
Other operating expenses	60	81
Depreciation and amortisation	10	19
OPERATING EXPENSES	168	230
Impairments of financial assets	25	46
TOTAL EXPENSES	193	276
PROFIT BEFORE TAX	119	92
Tax	17	7
PROFIT AFTER TAX	102	85
Result attributable to non-controlling interests	-	(1)
NET PROFIT ATTRIBUTABLE TO PARENT SHAREHOLDERS	102	86

Consolidated statement of comprehensive income

for the year ended 31 December 2012

NIBC Holding N.V.

IN EUR MILLIONS	2012			2011		
	Before tax	Tax charge/ (credit)	After tax	Before tax	Tax charge/ (credit)	After tax
PROFIT FOR THE YEAR	119	17	102	92	7	85
OTHER COMPREHENSIVE INCOME						
Net result on hedging instruments	(30)	(7)	(23)	28	6	22
Revaluation loans and receivables	4	1	3	14	3	11
Revaluation equity investments	(10)	(1)	(9)	1	1	-
Revaluation debt investments	24	6	18	(25)	(6)	(19)
Revaluation property, plant and equipment	1	-	1	(13)	(3)	(10)
TOTAL OTHER COMPREHENSIVE INCOME	(11)	(1)	(10)	5	1	4
TOTAL COMPREHENSIVE INCOME	108	16	92	97	8	89
TOTAL COMPREHENSIVE INCOME						
ATTRIBUTABLE TO						
Parent shareholders	108	16	92	98	8	90
Non-controlling interests	-	-	-	(1)	-	(1)
TOTAL COMPREHENSIVE INCOME	108	16	92	97	8	89

Consolidated balance sheet

at 31 December 2012

NIBC Holding N.V.

IN EUR MILLIONS	2012	2011
Assets		
FINANCIAL ASSETS AT AMORTISED COST		
Cash and balances with central banks	1,604	2,430
Due from other banks	2,148	2,127
Loans and receivables		
Loans	6,725	6,879
Debt investments	366	556
Securitised loans	611	613
FINANCIAL ASSETS AT AVAILABLE FOR SALE		
Equity investments	49	66
Debt investments	985	887
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)		
Loans	515	998
Residential mortgages own book	3,675	3,185
Securitised residential mortgages	4,512	5,560
Debt investments	193	241
Equity investments (including investments in associates)	215	259
Derivative financial assets held for trading	3,654	3,655
Derivative financial assets used for hedging	275	292
OTHER		
Investments in associates (equity method)	11	16
Intangible assets	170	172
Property, plant and equipment	47	51
Investment property	1	27
Current tax	2	-
Deferred tax	64	73
Other assets	93	170
TOTAL ASSETS	25,915	28,257

Consolidated balance sheet

at 31 December 2012

NIBC Holding N.V.

IN EUR MILLIONS	2012	2011
Liabilities		
FINANCIAL LIABILITIES AT AMORTISED COST		
Due to other banks	1,034	1,268
Deposits from customers	8,020	6,398
Own debt securities in issue	4,314	7,096
Debt securities in issue related to securitised mortgages	4,470	5,416
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)		
Own debt securities in issue	34	41
Debt securities in issue structured	1,654	1,733
Derivative financial liabilities held for trading	4,026	3,961
Derivative financial liabilities used for hedging	20	34
OTHER		
Other liabilities	163	150
Current tax	9	1
Employee benefits	4	5
SUBORDINATED LIABILITIES		
Amortised cost	83	85
Fair value through profit or loss	264	296
TOTAL LIABILITIES	24,095	26,484
SHAREHOLDERS' EQUITY		
Share capital	1,408	1,408
Other reserves	600	612
Retained earnings	(272)	(305)
Net result attributable to parent shareholders	102	86
(Interim) dividend paid	(19)	(29)
TOTAL PARENT SHAREHOLDERS' EQUITY	1,819	1,772
Non-controlling interests	1	1
TOTAL SHAREHOLDERS' EQUITY	1,820	1,773
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	25,915	28,257

Consolidated statement of changes in shareholders' equity

NIBC Holding N.V.

IN EUR MILLIONS	Attributable to parent shareholder				Distribution charged to net profit	Total	Non-controlling interests	Total shareholders' equity
	Share capital	Other reserves ¹	Retained earnings	Net profit				
BALANCE AT 1 JANUARY 2011	1,408	608	(338)	77	(22)	1,733	22	1,755
Transfer of net result 2010 to retained earnings	-	-	55	(77)	22	-	-	-
Total comprehensive income for the year ended 31 December 2011	-	4	-	86	-	90	(1)	89
Divestment of third party interests in a subsidiary formerly controlled by NIBC Holding	-	-	-	-	-	-	(20)	(20)
Dividend paid ²	-	-	(22)	-	(29)	(51)	-	(51)
BALANCE AT 31 DECEMBER 2011	1,408	612	(305)	86	(29)	1,772	1	1,773

IN EUR MILLIONS	Attributable to parent shareholder				Distribution charged to net profit	Total	Non-controlling interests	Total shareholders' equity
	Share capital	Other reserves ¹	Retained earnings	Net profit				
BALANCE AT 1 JANUARY 2012	1,408	612	(305)	86	(29)	1,772	1	1,773
Transfer of net result 2011 to retained earnings	-	-	57	(86)	29	-	-	-
Total comprehensive income for the year ended 31 December 2012	-	(10)	-	102	-	92	-	92
Proceeds from shares issued	-	(3)	(1)	-	-	(4)	-	(4)
Release liability NIBC choice	-	1	(1)	-	-	-	-	-
Dividend paid ²	-	-	(22)	-	(19)	(41)	-	(41)
BALANCE AT 31 DECEMBER 2012	1,408	600	(272)	102	(19)	1,819	1	1,820

1. Other reserves include share premium, hedging reserve and revaluation reserves.

2. Ordinary interim and final dividend paid in 2012 and 2011 to equity holders.