



# NIBC Debt Investor Presentation

March 2025





# Business Developments 2024



# Key messages 2024

## Strong business positioning...

Growing franchise

Retail clients  
**+29,000**

NPS score corporate lending clients

**70%**

Strong client satisfaction score

Mortgages  
**8.3**

Savings  
**8.1**

Successful sale of non-core business lines

- Shipping
- Equipment leasing (Beequip)
- Automotive financing (yesqar)

Green Asset ratio (GAR) of

**11.6%**

## ...with healthy fundamentals

Net profit **EUR 199m**

CET 1 ratio **23.3%**

Return on equity **11.0%**

Low cost/income ratio **45%**

Strong asset quality, with an impairment ratio of

**0.11%**

Rating upgrades from both Moody's and Fitch, resulting in a senior preferred debt rating of A2 from Moody's and A- from Fitch

# Business profile

Strong focus on retail...

## Mortgages

- Owner-occupied mortgages in the Netherlands
- Buy-to-let mortgage in the Netherlands
- Total on-balance-sheet mortgage exposure of EUR 13,880m
- Originate-to-manage mortgage exposure (off balance sheet) for institutional investors of EUR 13,617m

## Savings

- Online on-demand savings and term deposits through NIBC platform in the Netherlands, Germany and Belgium
- Total retail savings of EUR 12,075m (53% of total funding)

...and asset-based corporate lending

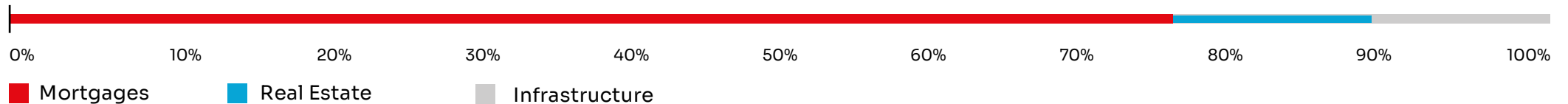
## Real Estate

- Real Estate financing with a strong focus on investment financing of residential real estate in the Netherlands
- Total real estate exposure of EUR 2,114m

## Infrastructure

- Infrastructure financing with a focus on data centers in Western Europe
- Total digital infrastructure exposure of EUR 2,037m

Core client assets<sup>1</sup>



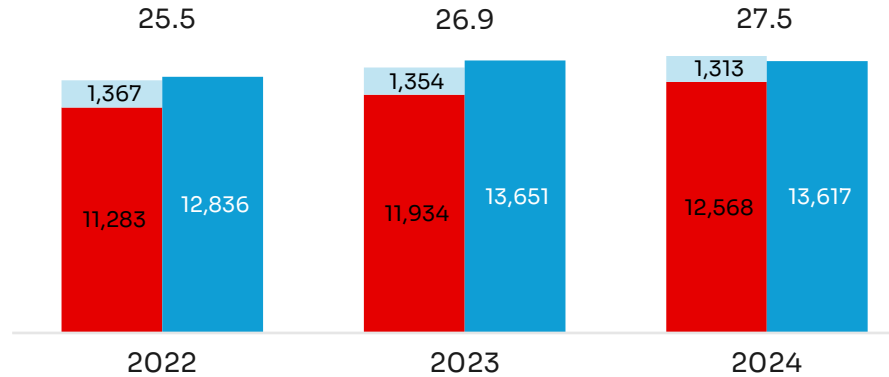
1. Core client assets exclude non-core exposures of EUR 1.0 billion (on-balance) and originate-to-manage assets of EUR 13.7 billion (off-balance)

# Mortgages

## Growing our mortgage franchise

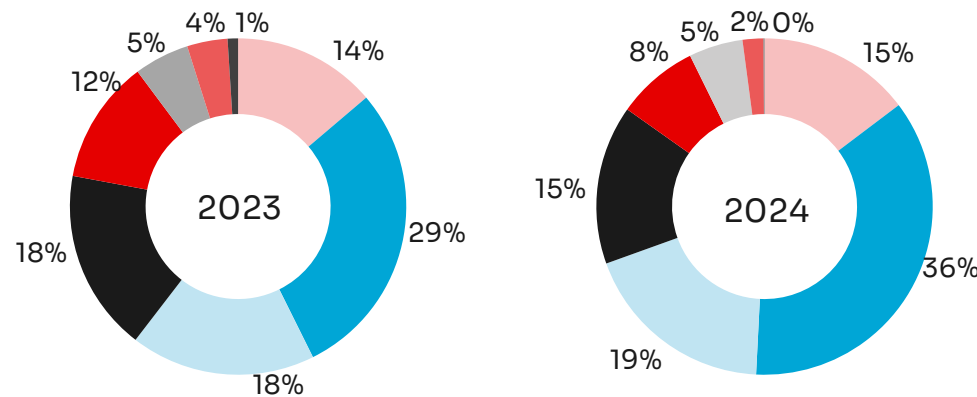
### Portfolios (EUR bn)

- Owner-occupied mortgages
- Buy-to-let mortgage loans
- Originate-to-manage mortgage loans



### Breakdown Loan to Value

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



### Observations

Market share of 2.6%

Origination of EUR 2.7bn in 2024

NIBC client satisfaction survey score – Mortgages 8.3

Exposure residential mortgage loans arrears > 90 days 0.1%

Loan to value Dutch residential mortgage loans 55%

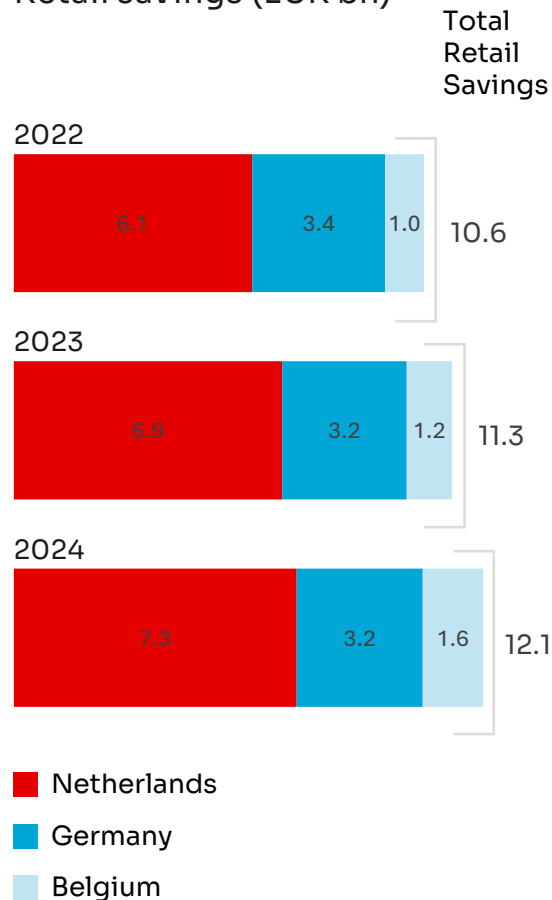
Loan to value BTL mortgage loans 51%

### Market developments

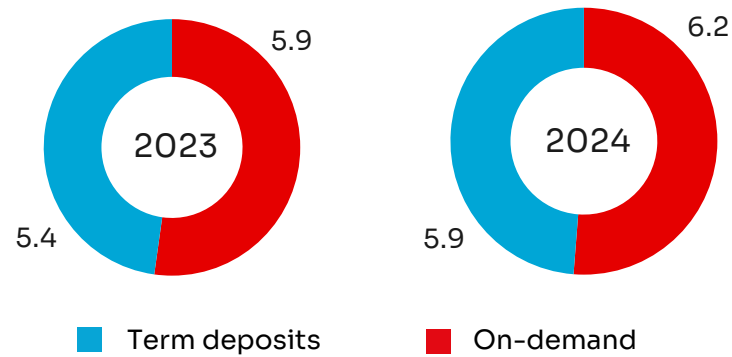
The mortgage market is dominated by a preference for shorter fixed-rate periods, mainly 10 years. The porting loan option remains attractive to existing borrowers due to relatively high mortgage rates. House prices remain strong and are expected to continue rising in 2025, although at a slower pace than in recent years. First-time buyers have significantly contributed to the strong volume growth in the mortgage market.

# Retail savings

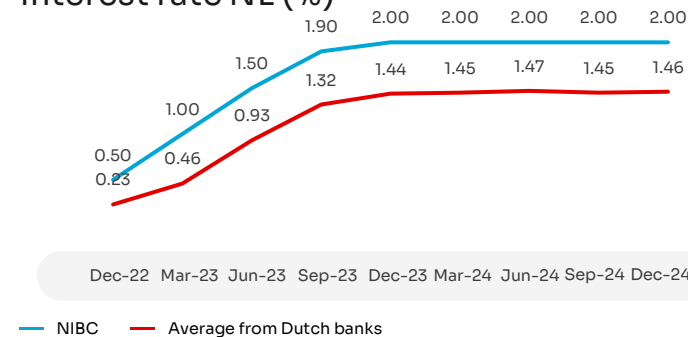
Retail savings (EUR bn)



Retail savings breakdown (EUR bn)



Development on-demand interest rate NL (%)



## Observations

NIBC client satisfaction score NL: 8.1, BE: 8.4, DE: 8.0

Retail savings growth of 7% in 2024

Retail savings makes up 53% of total funding

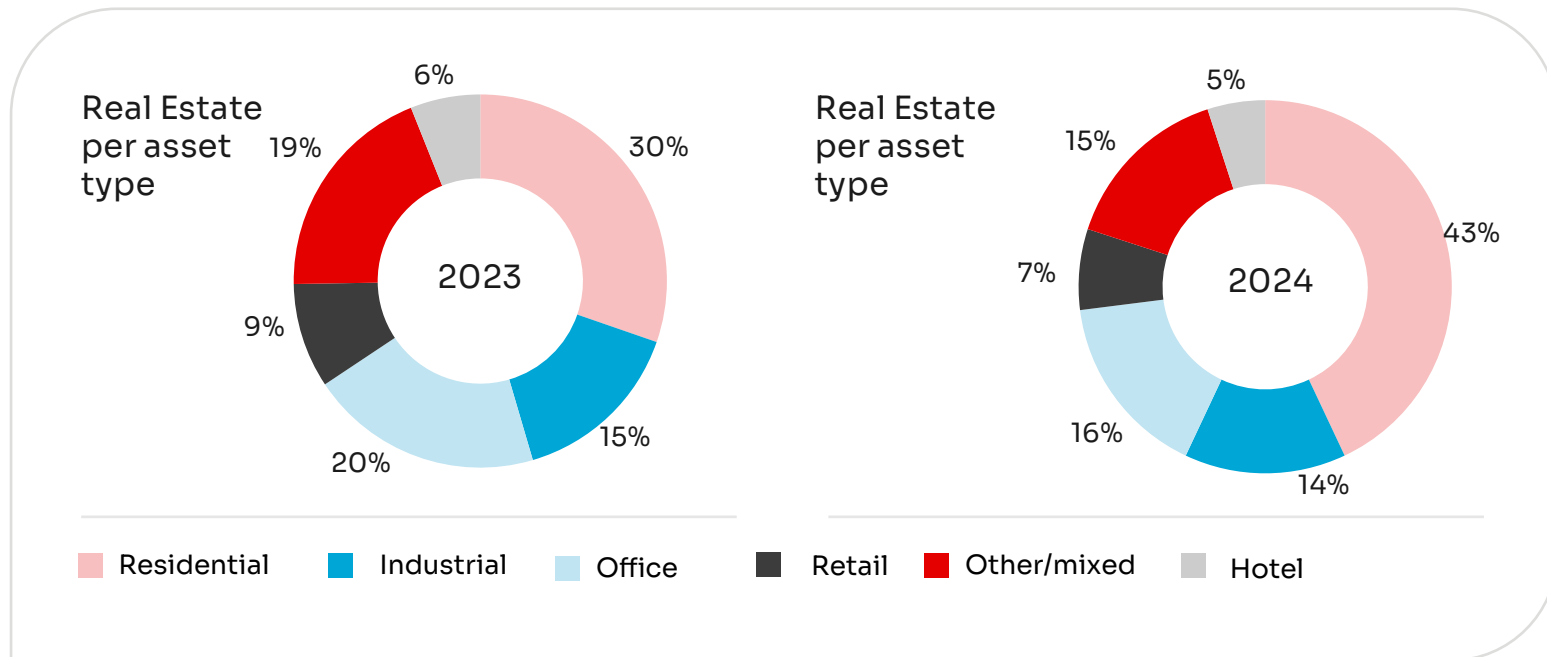
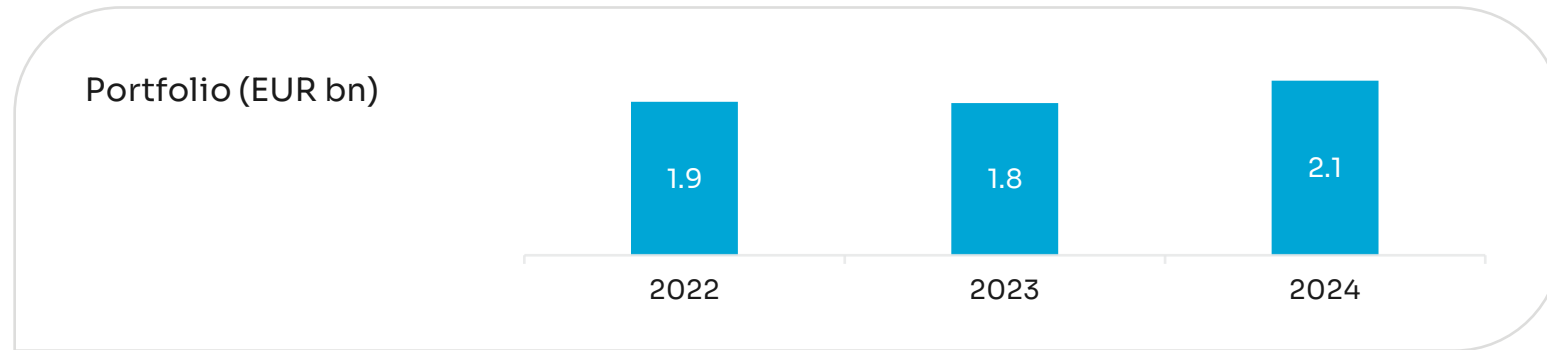
More than 91% of all retail savings is DGS protected

## Market developments

Interest rates are falling, leading to increased competition for deposits from both traditional banks and (foreign) neobanks and fintechs. European markets have shifted from easily accessible overnight deposits to term deposits.

# Real Estate

Strong track record through selective origination



## Observations

Focus on residential investment financing led to strong origination of EUR 770m in 2024

85% of the portfolio is in the Netherlands, with no exposures in Germany or the US

Average loan to value real estate portfolio at 57%

NPL exposure at 0%

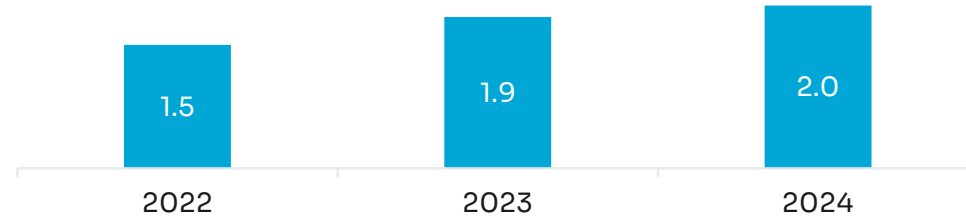
## Market developments

Continuing shortage in housing in the Netherlands drives growth and opportunities in financing residential real estate. International opportunities in “Living” are driven by strong fundamentals as urbanization, housing affordability, rental demand and demographic shifts, and provides opportunities going forward.

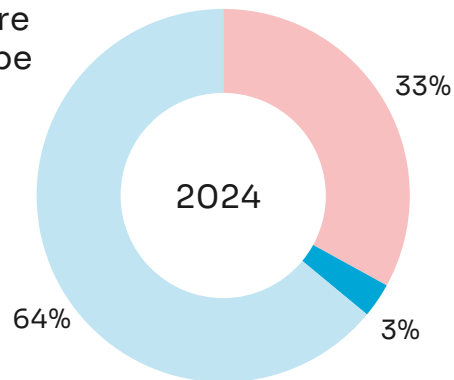
# Infrastructure

Enabling European digitisation

Portfolio (EUR bn)

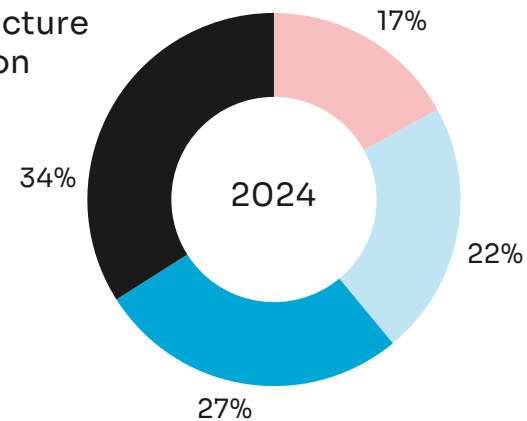


Infrastructure per asset type



■ Datacenter ■ Fiber  
■ Other

Infrastructure per region



■ Netherlands ■ Germany  
■ United Kingdom ■ Rest of Europe

## Observations

Origination of EUR 500m in 2024

Focus on growth going forward in datacenter financing in Western Europe

NPL exposure 0.7%

## Market developments

The market for digital in infrastructure financing remains very robust. Continuously growing data consumption provide ample growth opportunities across the European space in the field of data centers and fiber business to business.



# ESG: sustainability embedded in our strategy

Supporting consumers and companies in their transition towards a sustainable future

## Key figures

11.6% Green asset ratio (GAR)  
taxonomy aligned assets to  
total balance sheet assets

624 thousand tCO<sub>2</sub>e  
2024 Scope 1, 2 and 3

62% Emissions reduction  
2024 Scope 1, 2 and 3  
compared to 2023

## Diversity

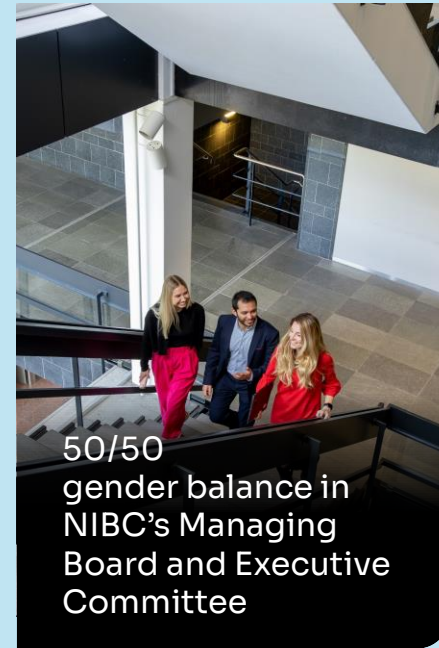
44 nationalities

25% non-Dutch

41% Female employees

Age balanced workforce

Gender pay equality



Sustainalytics has assessed NIBC's updated Green Bond Framework to be fully aligned with the relevant criteria in the EU Taxonomy (February 2025).

### ESG Ratings

Peer rating range  
 Current NIBC rating

ISS: C+/Prime



Sustainalytics: 19.9



Moody's credit impact score (CSI)



### Ambition and strategy

#### Strategy

Our strategy is driven by the belief that sustainability and decarbonisation are everyone's responsibility. These principles should be integrated into all our business activities, balancing environmental, social, and governance factors.

#### Environmental Objectives

NIBC aims to support the transition to a sustainable economy, aligning with the Paris Agreement's goal of limiting global warming to 1.5°C.

NIBC seeks to reduce adverse climate risks and impacts of financed assets while pursuing positive impacts and opportunities.



# Financial Results 2024



# P&L NIBC

Solid performance 2024, driven by strong net interest income and good cost control

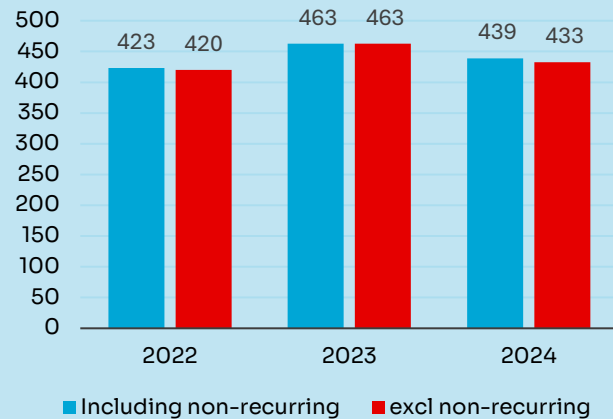
in EUR millions	2024	2023	Change	H2	H1	Change
Net interest income	439	463	-5%	203	236	-14%
Fee income	38	41	-7%	19	19	0%
Investment income	1	-2	-150%	3	-2	-264%
Other income	39	43	-11%	19	20	-7%
Operating income	517	545	-5%	244	273	-11%
Operating expenses	231	237	-2%	112	119	-6%
Net operating income	286	308	-7%	132	154	-14%
Credit loss expense / (recovery)	20	25	-19%	12	8	59%
Gains or (losses) on disposal of assets	12	7	77%	12	0	
Income tax	69	73	-5%	28	41	-32%
Profit after tax	208	216	-4%	103	105	-1%
Profit attributable to non-controlling shareholders	9	12	-25%	3	6	-50%
Profit after tax attributable to shareholders of the company	199	204	-3%	100	99	1%

# Improved base for future income generation

Slight decrease in interest income as a result of the sale of Shipping, Beequip and yesqar

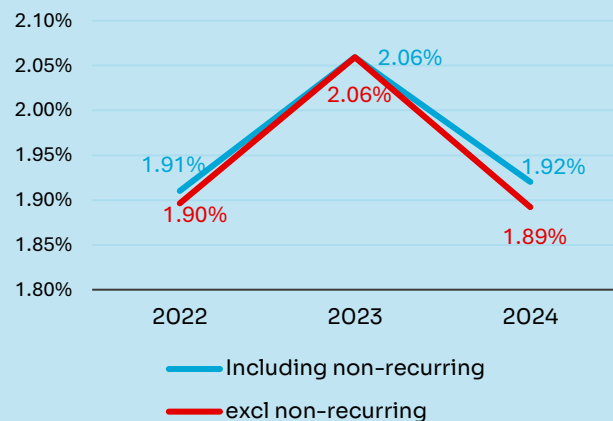
## Net Interest Income

In EUR millions



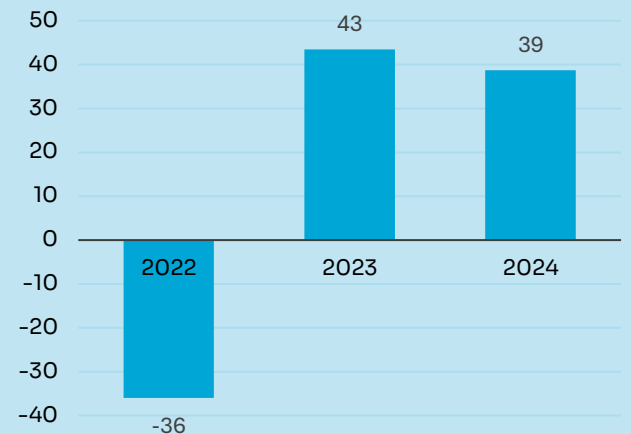
## Net Interest Margin

In %



## Other Income

In EUR millions



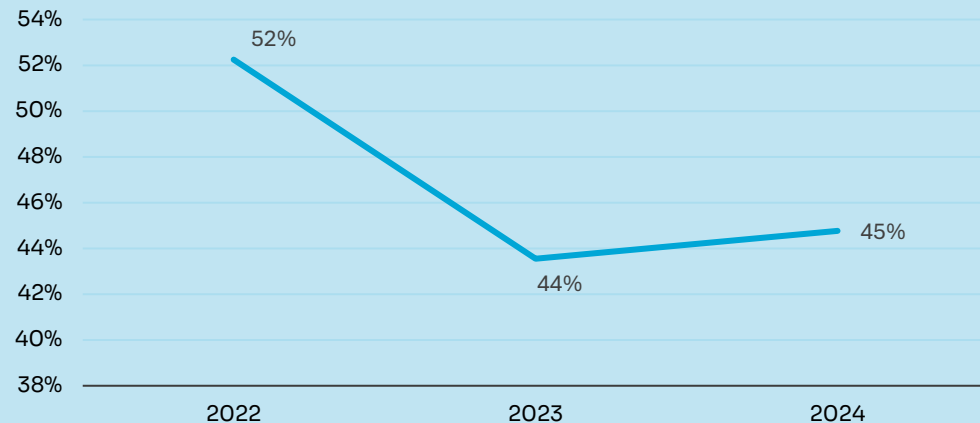
### Observations

- Net interest income (NII) decreased to EUR 439m ('23: EUR 463m). Excluding non-recurring items, NII is EUR 433m, mainly driven by growth in core portfolios, on average lower funding spread over '24, offset by a further decrease of the non-core loan portfolio and divestments of our Shipping portfolio and Platform companies.
- Fee income decreased marginally in 2024 due to the sale of our non-core CLO platform in 2023.
- Other Income contains realised and unrealised fair value results (including hedge accounting), income from operating leases and revaluation results of our investment property (own office building available for rent).

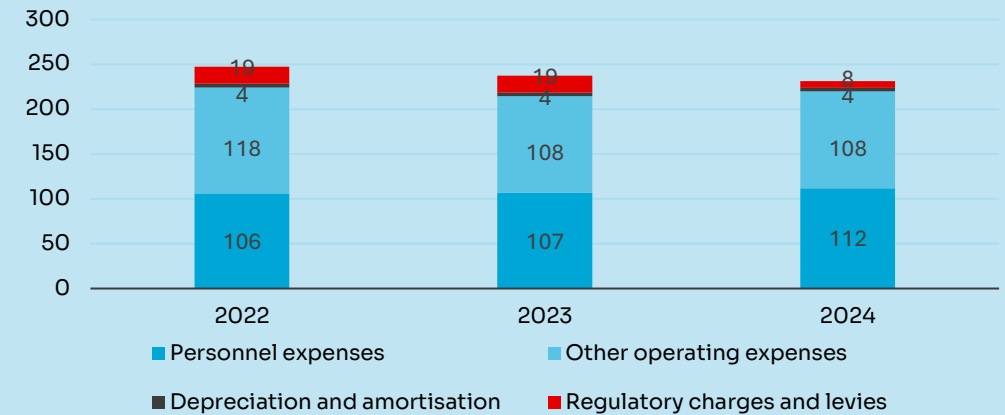
# Stable operating expenses

Stable operating expenses and Cost/Income ratio despite inflationary environment

Cost/Income Ratio  
Including regulatory charges



Operating Expenses  
In EUR millions



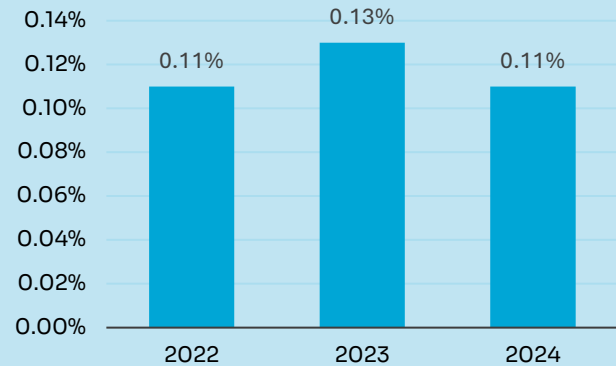
## Observations

- ▶ Cost/Income ratio is within target, with our medium-term objective bandwidth set at 40%-45%
- ▶ Stable operating expenses where higher expenses on consultants and projects offset by lower regulatory charges and levies
- ▶ 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

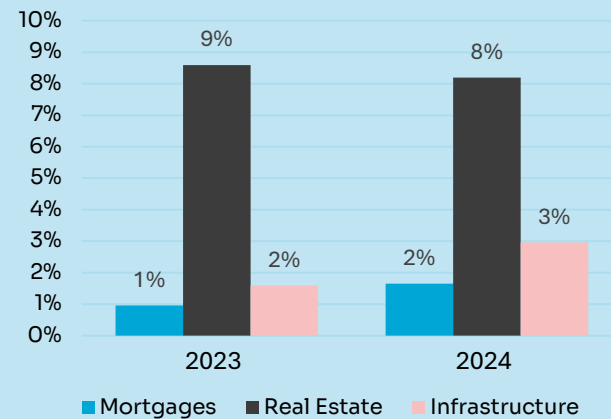
# De-risking reflected in low impairments

Credit losses also remain moderate

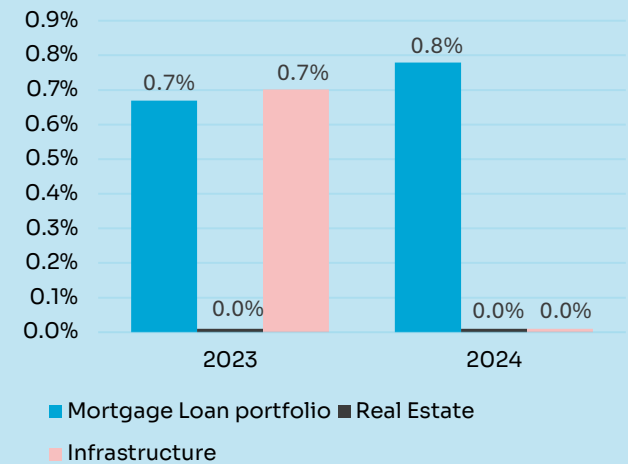
Impairment Ratio



STAGE 2<sup>1</sup>



STAGE 3<sup>1</sup>



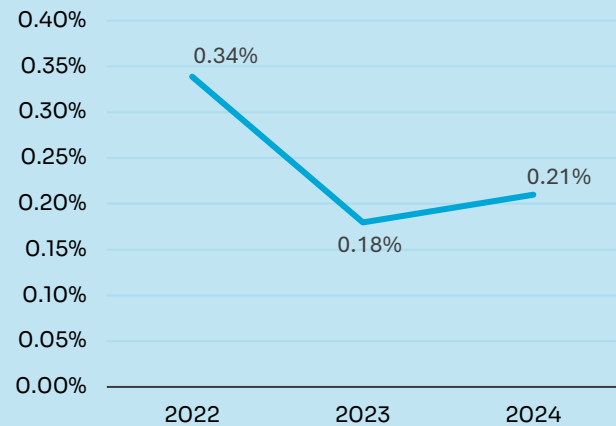
## Observations

- Asset quality is largely improved, partially as a result of the reduction of the non-core portfolio, improvements in NIBC's core business areas as well as write-offs.
- NIBC continues to apply a management overlay to reflect increased uncertainties and risks not sufficiently covered in its ECL models. The total management overlay amounts to EUR 19m as of 31 Dec. '24 (2023: EUR 19m)
- Continued reduction in non-core portfolio in line with strategy

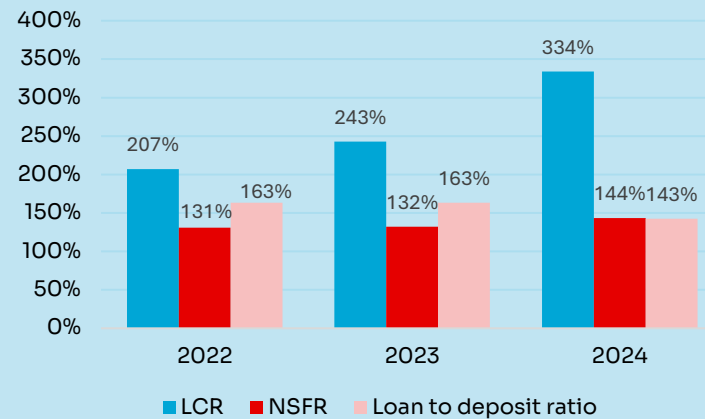
# Liquidity management

Although the EOY 2024 spread increased slightly, the average funding spread over the year declined

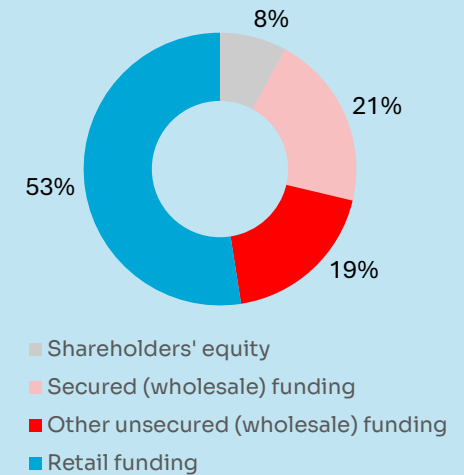
### Funding spread development



### Key ratios



### Funding composition



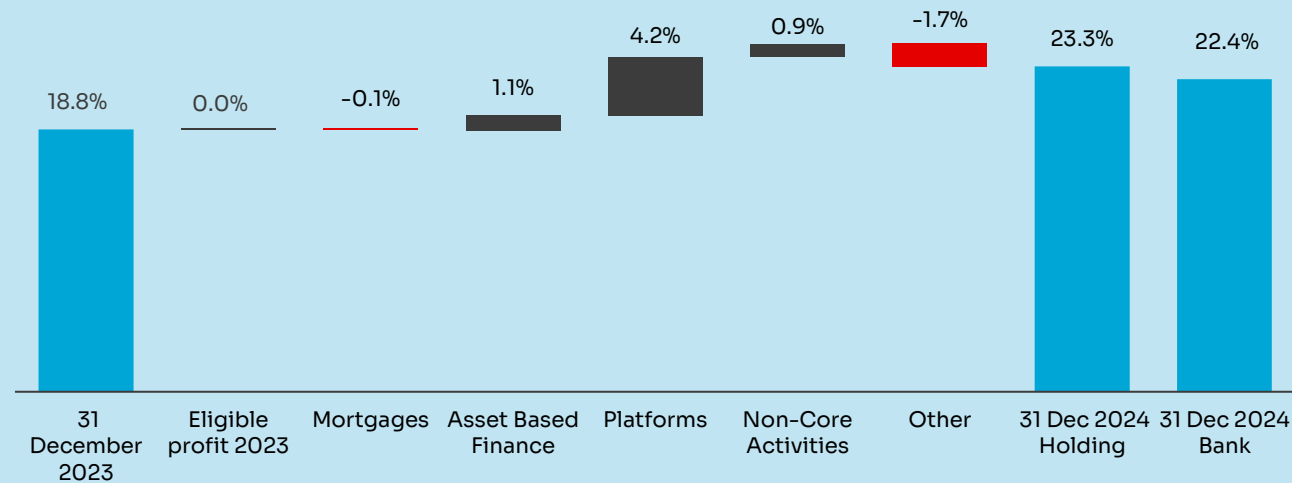
## Observations

- ▶ Corporate deposits of EUR 224m  
 NIBC has a limited amount of corporate deposits, largely provided as a service to some of our corporate clients.
- ▶ HQLA portfolio  
 The amount of HQLA increased in 2024 as a result of the sale of Beequip, yesqar and the Shipping portfolio.
- ▶ Funding composition  
 The share of retail savings in the funding composition increased in 2024 which decreased our loan-to-deposit ratio

# Improved capital position

The CET1 ratio is expected to result in a post-merger, post-dividend Basel IV ratio between 16% and 17%

CET 1 ratio development



## Observations

Movement 2024 driven by the sale of Shipping in Asset Based Finance and our Platforms (Beequip and yesqar)

Developments NIBC Bank after 31 Dec 2024

- Merger Holding and Bank Increases NIBC Bank's CET 1 ratio with 1.2%-point
- Basel IV implementation, including the new model landscape, is estimated to decrease the CET 1 ratio between 3.1 and 3.9%-point
- Proposed Dividend related to the capital release realised by the sale of both platform companies reduces the CET 1 ratio by approximately 3.7%-point

▶ **Holding – Bank**  
On 1 Jan. 2025 a legal merger has been effectuated between NIBC Holding N.V. (disappearing entity) and NIBC Bank N.V. (surviving entity)

▶ **Basel IV**  
Effective from 1 Jan. 2025, increasing risk weights for Asset Based Finance (move to Standardised Approach), partly compensated by lower risk weights for Buy-to-let portfolio

▶ **Dividends**  
NIBC will pay-out a final dividend of EUR 441m, based on both the 2024 net profit as well as the capital release from the sale of the platform companies

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



# Medium-Term Objectives

Based on our strong financial performance, we meet all medium-term objectives

	Target		2024
Return on target CET 1 capital	≥ 15%	✓	18.7%
Cost Income Ratio	40-45%	✓	45%
Common Equity Tier 1 ratio	≥ 13%	✓	23.3%
Rating Bank <sup>1</sup>	BBB+	✓	BBB+
Dividend pay-out ratio <sup>2</sup>	≥ 50%	✓	100%



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)

2. NIBC Bank Consolidated excluding proposed extra dividend

# Appendix



# Balance sheet

Stable balance sheet with a changing composition as a result of our focused strategy

## Assets

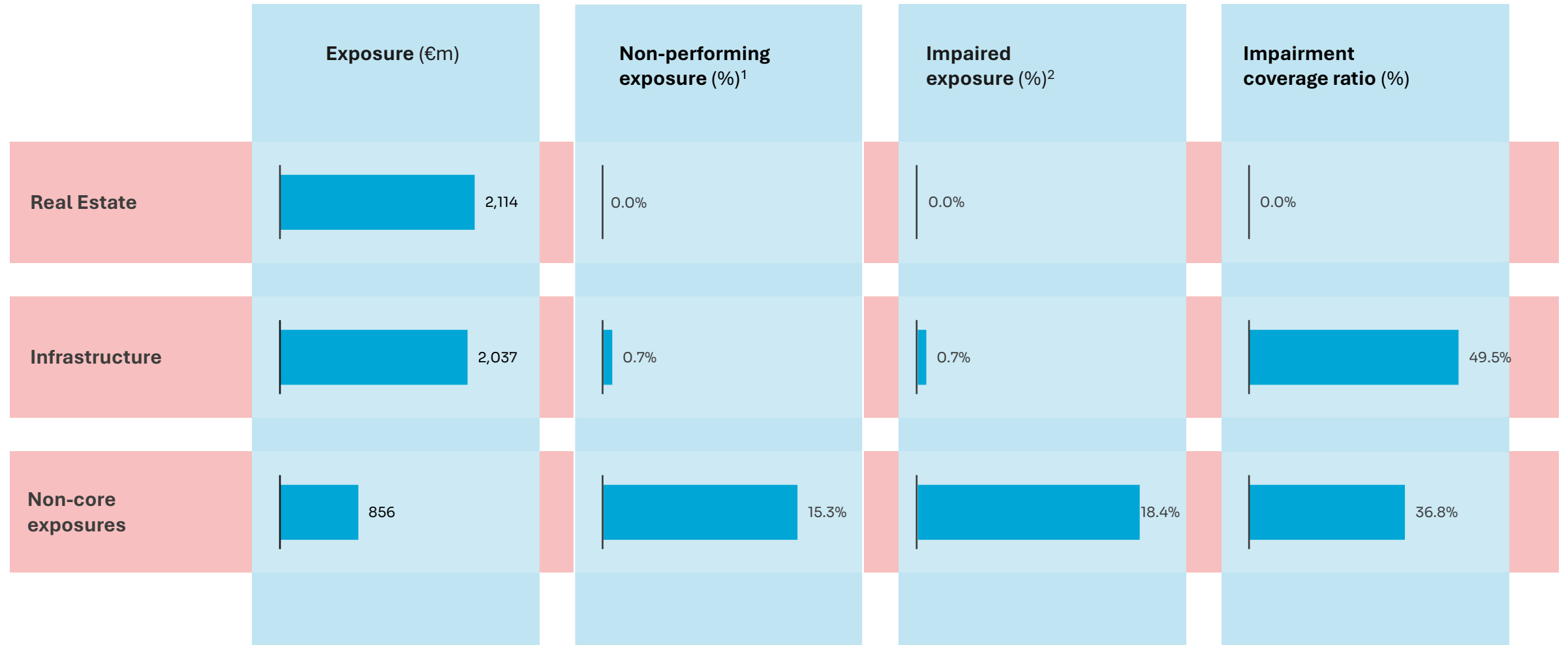
in EUR millions	2024	2023	2022
Cash and banks	3,694	2,545	2,948
Loans	4,191	5,042	5,164
Lease receivables	1	1,281	1,090
Mortgage loans	13,622	12,911	11,990
Debt investments	1,186	908	876
Equity investments	115	124	166
Derivatives	83	156	162
Assets held for sale	-	-	202
All other assets	60	210	209
<b>Total assets</b>	<b>22,951</b>	<b>23,177</b>	<b>22,807</b>

## Liabilities and equity

in EUR millions	2024	2023	2022
Retail funding	12,075	11,148	10,310
Funding from securitised mortgage loans	0	-	221
Covered bonds	4,529	4,529	4,016
All other senior funding	3,688	4,873	5,534
Tier 1 and subordinated funding	442	224	202
Derivatives	104	129	232
Liabilities held for sale	-	-	-
All other liabilities	109	122	128
<b>Total liabilities</b>	<b>20,948</b>	<b>21,025</b>	<b>20,643</b>
Equity attributable to shareholders of the company	1,803	1,952	1,964
Capital securities (non-controlling interest)	200	200	200
Equity attributable to non-controlling interests	-	-	-
<b>Total liabilities and equity</b>	<b>22,951</b>	<b>23,177</b>	<b>22,807</b>

# Corporate portfolio management

## Loan portfolio across segments



1: Non-performing exposure over total exposure  
 2: Impaired exposure over total exposure

# P&L NIBC excluding Shipping, Beequip, yesqar

Solid performance 2024, driven by strong net interest income and good cost control

in EUR millions	2024	Proforma 2024	Change
Net interest income	439	360	-18%
Fee income	38	38	0%
Investment income	1	1	0%
Other income	39	19	-51%
Operating income	517	419	-19%
Operating expenses	231	203	-12%
Net operating income	286	215	-25%
Credit loss expense / (recovery)	20	15	-26%
Gains or (losses) on disposal of assets	12	0	
Tax	69	54	-22%
Profit after tax	208	147	-29%
Profit attributable to non-controlling shareholders	9	9	4%
Profit after tax attributable to shareholders of the company	199	137	-31%



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