THIRD SUPPLEMENT
TO THE OFFERING CIRCULAR DATED 21 JUNE 2017

NIBC

(Incorporated with limited liability under the laws of The Netherlands and having its corporate seat in The Hague)

Euro 20,000,000,000

Programme for the Issuance of Debt Instruments

This supplement (the "**Supplement**") is the third supplement to the offering circular dated 21 June 2017, as supplemented by the first supplement dated 24 August 2017 and the second supplement dated 3 October 2017, (the "**Offering Circular**") of the Euro 20,000,000,000 Programme for the Issuance of Debt Instruments (the "**Programme**") of NIBC Bank N.V. (the "**Issuer**") and is prepared to update and amend the Offering Circular and is supplemental to, forms part of and should be read in conjunction with the Offering Circular, with any documents incorporated by reference therein, which, in relation to any Notes that are the subject of Final Terms, must be read and construed together with the relevant Final Terms. Terms defined in the Offering Circular shall have the same meaning in this Supplement, unless specified otherwise.

This document is an amendment and a supplement to the Offering Circular within the meaning of article 16 of Directive 2003/71/EC including Directive 2010/73/EU (the "**PD Amending Directive**") (the "**Prospectus Directive**"). This Supplement has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**") in its capacity as competent authority under the Prospectus Directive and Dutch securities laws.

The Offering Circular and this Supplement are available free of charge on the website of the Issuer at www.nibc.com and are available for viewing at the specified office of the Principal Paying Agent (Citibank, N.A., London Branch) at Citigroup Center, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom and the office of the Issuer at Carnegieplein 4, 2517 KJ, The Hague, the Netherlands, where copies of the Offering Circular and this Supplement and any documents incorporated by reference may also be obtained free of charge.

The date of this Supplement is 3 January 2018.

IMPORTANT INFORMATION

The Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Any information from third-parties identified in this Supplement as such has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by a third party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger or the Dealers (other than the Issuer) as to the accuracy or completeness of the information contained or referred to in this Supplement or any other information provided or purported to be provided by or on behalf of the Arranger, a Dealer or the Issuer in connection with the Programme. The Arranger and each of the Dealers (other than the Issuer) disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of such information.

The Issuer will furnish a supplement to the Offering Circular in case of any significant new factor, material mistake or inaccuracy relating to the information contained in this Supplement which is capable of affecting the assessment of the Notes and which arises or is noticed between the time when this Supplement has been approved and the final closing of any Series or Tranche of Notes offered to the public or, as the case may be, when trading of any Series or Tranche of Notes on a regulated market begins, in respect of Notes issued on the basis of this Supplement.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Supplement or any other information supplied in connection with the Programme or the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers.

Neither this Supplement nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by the Issuer that any recipient of this Supplement or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer. Neither this Supplement nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes.

The distribution of this Supplement and the offering, sale and delivery of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Supplement or any Notes comes must inform themselves about, and observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Supplement and other offering material relating to the Notes, see “Subscription and Sale” in the Offering Circular.

The Notes have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the accuracy or adequacy of this Supplement. Any representation to the contrary is unlawful.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to United States tax law requirements. Notes may not be offered, sold or delivered within the United States or to United States persons as defined in Regulation S under the Securities Act, except in certain transactions permitted by US tax regulations and the Securities Act. See Subscription and Sale in the Offering Circular.

AMENDMENTS TO THE OFFERING CIRCULAR

This Supplement is prepared in connection with:

1. incorporation of a risk factor for Notes linked to or referencing benchmarks;
2. incorporation of the following press releases issued by the Issuer:
    a. "S&P upgrades NIBC Bank to 'BBB / A-2' on Improved Funding and Earnings Profiles; Outlook Stable" (12 October 2017); and
    b. "Fitch upgrades NIBC Bank to 'BBB' on Structural Improvement of Earnings; Outlook Stable" (21 December 2017);

    (together referred to as the "**Press Releases**"); and
3. incorporation of Alternative Performance Measures ("**APMs**").

The above qualifies as significant new factors relating to the information included in the Offering Circular which is capable of affecting the assessment of any Notes to be issued.

The Press Releases shall be deemed to be incorporated in, and to form part of, this Supplement. This Supplement is supplemental to, forms part of and should be read in conjunction with, the Offering Circular. Terms defined in this Supplement shall have the same meaning in the Offering Circular, unless specified otherwise.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference by means of this Supplement into the Offering Circular, and (b) any other statement in or incorporated by reference in the Offering Circular, the statements under (a) above will prevail.

The following amendment is made to the text of the Offering Circular:

1. In chapter "RISK FACTORS", page 23, the following new paragraphs shall be inserted after the paragraph "Index Linked Notes":

    "*Notes linked to or referencing benchmarks*

    The London inter-bank offered rate ("**LIBOR**"), the Euro-zone inter-bank offered rate ("**EURIBOR**") and other interest rate or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing regulatory reform. Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences, including those which cannot be predicted.

    The potential elimination of, or the potential changes in the manner of administration of a benchmark could require an adjustment to the terms and conditions to reference an alternative benchmark, or result in other consequences, including those which cannot be predicted, in respect of any Notes linked to such benchmark.

    Investors should be aware that if a benchmark were discontinued or otherwise unavailable, the rate of interest on Notes which reference any such benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. Depending on the manner in which the relevant benchmark rate is to be determined under the Terms and Conditions of the Notes, this may (i) be reliant upon the provision by reference banks of offered quotations for such rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when the relevant benchmark was available.

Uncertainty as to the continuation of a benchmark, the availability of quotes from reference banks to allow for the continuation of the floating rate on any Notes, and the rate that would be applicable if the relevant benchmark is discontinued may adversely affect the trading market and the value of the Notes. At this time, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Notes will be. More generally, any of the above changes or any other consequential changes to LIBOR, EURIBOR or any other benchmark as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the liquidity and value of, and return on, any Notes based on or linked to a benchmark."

2. In chapter "DOCUMENTS INCORPORATED BY REFERENCE", page 44, the following new paragraphs shall be inserted after paragraph (v):

"(vi) the press release issued by the Issuer on 12 October 2017 entitled "*S&P upgrades NIBC Bank to 'BBB / A-2' on Improved Funding and Earnings Profiles; Outlook Stable*"; and

(vii) the press release issued by the Issuer on 21 December 2017 entitled "*Fitch upgrades NIBC Bank to 'BBB' on Structural Improvement of Earnings; Outlook Stable*"."

3. In chapter "SUPERVISION AND REGULATION", page 160, the following new paragraph shall be inserted after paragraph "4.7 Documents on Display":

"4.8 Alternative Performance Measures

The Issuer uses, throughout its financial publications, alternative performance measures ("**APMs**") in addition to the figures that are prepared in accordance with the International Financial Reporting Standards ("**IFRS**"), Capital Requirements Regulation ("**CRR**") and Capital Requirements Directive ("**CRD IV**"). The Issuer 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.

The Issuer uses the following APMs:

- Dividend payout ratio, %
- Cost/income ratio, %
- Return on equity, %
- Cost of risk, %
- 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

Under "*Documents incorporated by reference*" is set forth which financial publications of the Issuer are incorporated in, and form part of, this Offering Circular. The Issuer's financial publications are available online at https://www.nibc.com/investor-relations/.

Dividend payout ratio

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

$$\text{Dividend payout ratio} = \frac{\text{Dividend payout}}{\text{Profit after tax}}$$

Dividend payout ratio	**H1 2017**	**2016**	**2015**	**2014**
Dividend payout H1 2017 (page 53 condensed interim financial report holding)	30			
Profit after tax H1 2017 (page 58 condensed interim financial report holding)	87			
Dividend payout ratio 2017	***35***			
Dividend payout 2016 (page 36 annual report NIBC Bank N.V. Holding)		25		
Profit after tax 2016 (page 58 annual report NIBC Bank N.V. Holding)		102		
Dividend payout ratio 2016		***25***		
Dividend payout 2015 (N.A.)			N.A.	
Profit after tax 2015 (page 84 annual report NIBC Bank N.V. Holding)			71	
Dividend payout ratio 2015			***N.A.***	
Dividend payout 2014 (N.A.)				N.A.
Profit after tax 2014 (page 64 annual report NIBC Bank N.V. Holding)				24
Dividend payout ratio 2014				***N.A.***

Cost/income ratio

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

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

Cost/Income ratio	H1 2017	2016	2015	2014
Operating expenses H1 2017 (page 68 Condensed interim financial report bank)	105			
Operating income H1 2017 (page 68 condensed interim financial report bank)	226			
Cost/Income ratio 2017	***46***			
Operating expenses 2016 (page 157 annual report NIBC Bank N.V.)		194		
Operating income 2016 (page 157 annual report NIBC Bank N.V.)		381		
Cost/Income ratio 2016		***51***		
Operating expenses 2015 (page 124 annual report NIBC Bank N.V.)			176	
Operating income 2015 (page 124 annual report NIBC Bank N.V.)			316	
Cost/Income ratio 2015*			***56***	
Operating expenses 2014 (comparative figures page 124 annual report NIBC Bank N.V.)				155
Operating income 2014 (comparative figures page 124 annual report NIBC Bank N.V.)				295
Cost/Income ratio 2014*				***53***

* Regulatory charges and levies should be incorporated in operating expenses in 2015 (also included in 2017 and 2016 operating expenses) for calculation of Cost-to-income ratio. One-off SNS levy (18 mln) is excluded in 2014

Return on equity

Return on equity 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 the Issuer’s ability to generate income from the equity available to it. Return on equity is calculated as the ratio of (i) annualised net profit attributable to parent shareholder to (ii) total shareholder's equity at the start of the financial year. All elements of the return on equity reconcile to the Issuer’s consolidated financial statement.

$$\text{Return on equity} = \frac{\text{Annualised net profit attributal to parent shareholder}}{\text{Total shareholder's equity at start of the financial year}}$$

Return on equity	H1 2017	2016	2015	2014
Annualised net profit attributal to parent shareholder (page 58 Condensed interim financial report bank)	174			
Total shareholder's equity at the start of financial year (page 61 Condensed interim financial report bank)	1,969			
Return on equity 2017	***8.9***			
Annualised net profit attributal to parent shareholder (page 108 annual report NIBC Bank N.V.)		102		
Total shareholder's equity at the start of financial year (page 111 annual report NIBC Bank N.V.)		1886		
Return on equity 2016		***5.4***		
Annualised net profit attributal to parent shareholder (page 84 annual report NIBC Bank N.V.)			71	
Total shareholder's equity at the start of financial year (page 87 annual report NIBC Bank N.V.)			1831	
Return on equity 2015			***3.9***	
Annualised net profit attributal to parent shareholder (page 64 annual report NIBC Bank N.V.)				24
Total shareholder's equity at the start of financial year (page 67 annual report NIBC Bank N.V.)				1789
Return on equity 2014				***1.3***

Cost of risk

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 Issuer’s performance in managing credit losses. The cost of risk is calculated as the ratio of (i) the sum of annualized impairments and the credit losses on the fair value residential mortgages and loans (as part of the net trading income) and to (ii) the total risk weighted assets averaged over the reporting period. With the exception of the credit losses on the fair value residential mortgages and loans, the elements of the cost of risk reconcile to our financial statements and regulatory reporting. The credit losses on the fair value residential mortgages are calculated in accordance with the applicable financial reporting framework and form part of the net trading income.

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

Cost of risk	H1 2017	2016	2015	2014
Annualised impairments (page 21 Condensed interim financial report bank)	24			
Annualised credit losses FVTPL Mortgages (page 21 Condensed interim financial report bank)	2			
Total annualised impairments and credit losses on fair value residential mortgages 2017	***26***			
Risk-weighted assets 2017 (page 8 Condensed interim financial report bank)	8,773			
Risk-weighted assets 2016 (page 8 Condensed interim financial report bank)	10,109			
Average risk-weighted assets 2017	***9,441***			
Cost of risk 2017	***0.27***			
Annualised impairments (page 32 annual report NIBC Bank N.V.)		58		
Annualised credit losses FVTPL Mortgages and AQR (page 32 annual report NIBC Bank N.V)		4		
Total annualised impairments and credit losses on fair value residential mortgages 2016		***62***		
Risk-weighted assets 2016 (page 8 annual report NIBC Bank N.V)		10,109		
Risk-weighted assets 2015 (page 8 annual report NIBC Bank N.V)		10,162		
Average risk-weighted assets 2016		***10,136***		
Cost of risk 2016		***0.60***		
Annualised impairments (page 137 Condensed interim financial report bank)			63	
Annualised credit losses FVTPL Mortgages and AQR (page 32 annual report NIBC Bank N.V 2016)			8	
Total annualised impairments and credit losses on fair value residential mortgages 2015			***71***	
Risk-weighted assets 2015 (page 5 annual report NIBC Bank N.V)			10,162	
Risk-weighted assets 2014 (page 5 annual report NIBC Bank N.V)			9,646	
Average risk-weighted assets 2015			***9,904***	
Cost of risk 2015			***0.71***	
Annualised impairments (page 117 annual report NIBC Bank N.V)				93
Annualised credit losses FVTPL Mortgages and AQR (page 32 annual report NIBC Bank N.V 2016)				12
Total annualised impairments and credit losses on fair value residential mortgages 2014				***105***
Risk-weighted assets 2014 (page 5 annual report NIBC Bank N.V)				9,646
Risk-weighted assets 2013 (page 5 annual report NIBC Bank N.V)				8,405
Average risk-weighted assets 2014				***9,026***
Cost of risk 2014				***1.16***

Impairment ratio

The impairment ratio compares impairments included in the income statement on corporate and retail loans to the carrying value of these loans. The measure provides meaningful information on the Issuer'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 and residential mortgages. All elements of the impairment ratio reconcile to the Issuer's income statement and the consolidated balance sheet.

$$\text{Impairment ratio} = \frac{\text{Annualised impairment expenses including AQR}}{\text{Average financial assets regarding loans and residential mortgages}}$$

Impairment ratio	H1 2017	2016	2015	2014
Annualised impairments including AQR (page 21 Condensed interim financial report bank)	***24***			
Average financial assets at amortised cost: loans (page 60 Condensed interim financial report bank)	8,207			
Average financial assets at amortised cost: residential mortgages (page 60 Condensed interim financial report bank)	3,662			
Average financial assets at available for sale: loans (page 60 Condensed interim financial report bank)	27			
Average financial assets at fair value through profit or loss: loans (page 60 Condensed interim financial report bank)	203			
Average financial assets at fair value through profit or loss: residential mortgages own book (page 60 Condensed interim financial report bank)	4,235			
Average financial assets at fair value through profit or loss: securitised residential mortgages (page 60 Condensed interim financial report bank)	1,246			
Average financial assets regarding loans and residential mortgages (total)	***17,577***			
Impairment ratio H1 2017	***0.14***			
Annualised impairments including AQR (page 32 annual report NIBC Bank N.V.)		***58***		
Average financial assets at amortised cost: loans (page 110 Condensed interim financial report bank)		7,969		
Average financial assets at amortised cost: residential mortgages (page 110 Condensed interim financial report bank)		2,868		
Average financial assets at available for sale: loans (page 110 Condensed interim financial report bank)		21		
Average financial assets at fair value through profit or loss: loans (page 110 Condensed interim financial report bank)		263		
Average financial assets at fair value through profit or loss: residential mortgages own book (page 110 Condensed interim financial report bank)		4,118		
Average financial assets at fair value through profit or loss: securitised residential mortgages (page 110 Condensed interim financial report bank)		1,908		
Average financial assets regarding loans and residential mortgages (total)		***17,146***		
Impairment ratio 2016		***0.34***		
Annualised impairments including AQR (page 137 Condensed interim financial report bank)			***63***	
Average financial assets at amortised cost: loans (page 86 Condensed interim financial report bank)			7,447	
Average financial assets at amortised cost: residential mortgages (page 86 Condensed interim financial report bank)			1,734	
Average financial assets at available for sale: loans (page 86 Condensed interim financial report bank)			9	
Average financial assets at fair value through profit or loss: loans (page 86 Condensed interim financial report bank)			345	
Average financial assets at fair value through profit or loss: residential mortgages own book (page 86 Condensed interim financial report bank)			3,648	
Average financial assets at fair value through profit or loss: securitised residential mortgages (page 86 Condensed interim financial report bank)			2,937	
Average financial assets regarding loans and residential mortgages (total)			***16,120***	
Impairment ratio 2015			***0.39***	
Annualised impairments including AQR (page 117 annual report NIBC Bank N.V)				***93***
Average financial assets at amortised cost: loans (page 66 Condensed interim financial report bank)				6,706
Average financial assets at amortised cost: residential mortgages (page 66 Condensed interim financial report bank)				588
Average financial assets at available for sale: loans (page 66 Condensed interim financial report bank)				0
Average financial assets at fair value through profit or loss: loans (page 66 Condensed interim financial report bank)				427
Average financial assets at fair value through profit or loss: residential mortgages own book (page 66 Condensed interim financial report bank)				3,464
Average financial assets at fair value through profit or loss: securitised residential mortgages (page 66 Condensed interim financial report bank)				3,758
Average financial assets regarding loans and residential mortgages (total)				***14,943***
Impairment ratio 2014				***0.63***

NPL ratio

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

$$\text{NPL ratio} = \frac{\text{Non performing exposure (corporate loans and residential mortgages)}}{\text{Total exposure (corporate loans and residential mortgages)}}$$

NPL ratio	H1 2017	2016	2015	2014
Non performing exposure corporate loans 2017 (page 44 Condensed interim financial report bank)	483			
Non performing exposure residential mortgages 2017 (page 44 Condensed interim financial report bank)	46			
Non performing exposure 2017	***529***			
Total corporate loans drawn and undrawn 2017 (page 8 Condensed interim financial report bank)	9,560			
Total retail client assets 2017 (page 8 Condensed interim financial report bank)	9,075			
Total exposure 2017	***18,635***			
NPL ratio 2017	***2.8***			
Non performing exposure corporate loan and residential mortgages 2016 (page 93 annual report NIBC Bank N.V.)		682		
Total corporate loans drawn and undrawn 2016 (page 8 annual report NIBC Bank N.V.)		9,658		
Total retail banking assets 2016 (page 8 annual report NIBC Bank N.V.)		8,831		
Total exposure 2016		***18,489***		
NPL ratio 2016		***3.7***		
Non performing exposure corporate loan and residential mortgages 2015 (page 74 annual report NIBC Bank N.V.)			656	
Total corporate loans drawn and undrawn 2015 (page 4 annual report NIBC Bank N.V.)			9,232	
Total consumer banking assets 2015 (page 5 annual report NIBC Bank N.V.)			8,580	
Total exposure 2015			***17,812***	
NPL ratio 2015			***3.7***	
Non performing exposure 2014 (page 52 annual report NIBC Bank N.V.)				581
Total corporate loans drawn and undrawn 2014 (page 4 annual report NIBC Bank N.V.)				8,789
Total consumer banking assets 2014 (page 5 annual report NIBC Bank N.V.)				8,058
Total exposure 2016				***16,847***
NPL ratio 2014				***3.4***

Impairment coverage ratio

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

$$\text{Impairment coverage ratio} = \frac{\text{Total impairments on corporate and retail loans}}{\text{Total exposure of impaired corporate and retail loans}}$$

Impairment coverage ratio	H1 2017	2016	2015	2014
Balance impairment losses on loans (page 74 Condensed interim financial report bank)	195			
Total impaired exposure 2017 (page 9 Condensed interim financial report bank)	396			
Impairment coverage ratio 2017	***49***			
Balance impairment losses on loans 2016 (page 173 annual report NIBC Bank N.V.)		204		
Total impaired exposure 2016 (page 93 annual report NIBC Bank N.V.)		604		
Impairment coverage ratio 2016		***33***		
Balance impairment losses on loans 2015 (page 173 annual report NIBC Bank N.V. 2016)*			172	
Total impaired exposure 2015 (page 74 annual report NIBC Bank N.V.)			503	
Impairment coverage ratio 2015			***34***	
Balance impairment losses on loans 2014 (page 173 annual report NIBC Bank N.V. 2016)*				170
Total impaired exposure 2014 (page 52 annual report NIBC Bank N.V.)				454
Impairment coverage ratio 2014				***38***

* In 2016 the impairment balance 2015 was restated including calculation of the impairment coverage ratio. Comparative numbers (ending balance 2015 and ending balance 2014) reflect the numbers used in this calculation

Loan-to-deposit ratio

The loan-to-deposit ratio compares the Issuer's loans to customers to its deposits from customers. It provides meaningful information on Issuer's funding and liquidity position. The loan-to-deposit ratio is calculated by dividing the total loans and residential mortgages by the deposits from customers. The elements of the loan-to-deposit ratio reconcile to the Issuer's balance sheet.

$$\text{Loan to deposit ratio} = \frac{\text{Financial assets regarding loans and residential mortgages}}{\text{Deposits from customers}}$$

Loan to deposit ratio	H1 2017	2016	2015	2014
Financial assets at amortised cost: loans (page 60 Condensed interim financial report bank)	7,977			
Financial assets at amortised cost: residential mortgages (page 60 Condensed interim financial report bank)	3,977			
Financial assets at available for sale: loans (page 60 Condensed interim financial report bank)	29			
Financial assets at fair value through profit or loss: loans (page 60 Condensed interim financial report bank)	195			
Financial assets at fair value through profit or loss: residential mortgages own book (page 60 Condensed interim financial report bank)	4,345			
Financial assets at fair value through profit or loss: securitised residential mortgages (page 60 Condensed interim financial report	941			
Financial assets regarding loans and residential mortgages (total)	***17,464***			
Deposits from customers (page 61 Condensed interim financial report bank)	***11,947***			
Loan to deposit ratio H1 2017	***146***			
Financial assets at amortised cost: loans (page 110 annual report NIBC Bank N.V.)		8,269		
Financial assets at amortised cost: residential mortgages (page 110 annual report NIBC Bank N.V.)		3,346		
Financial assets at available for sale: loans (page 110 annual report NIBC Bank N.V.)		24		
Financial assets at fair value through profit or loss: loans (page 110 annual report NIBC Bank N.V.)		210		
Financial assets at fair value through profit or loss: residential mortgages own book (page 110 annual report NIBC Bank N.V.)		4,124		
Financial assets at fair value through profit or loss: securitised residential mortgages (page 110 annual report NIBC Bank N.V.)		1,550		
Financial assets regarding loans and residential mortgages (total)		***17,523***		
Deposits from customers (page 111 Condensed interim financial report bank)		***11,827***		
Loan to deposit ratio 2016		***148***		
Financial assets at amortised cost: loans (page 86 annual report NIBC Bank N.V.)			7,668	
Financial assets at amortised cost: residential mortgages (page 86 annual report NIBC Bank N.V.)			2,390	
Financial assets at available for sale: loans (page 86 annual report NIBC Bank N.V.)			18	
Financial assets at fair value through profit or loss: loans (page 86 annual report NIBC Bank N.V.)			316	
Financial assets at fair value through profit or loss: residential mortgages own book (page 86 annual report NIBC Bank N.V.)			3,954	
Financial assets at fair value through profit or loss: securitised residential mortgages (page 86 annual report NIBC Bank N.V.)			2,236	
Financial assets regarding loans and residential mortgages (total)			***16,582***	
Deposits from customers (page 87 Condensed interim financial report bank)			***11,586***	
Loan to deposit ratio 2015			***143***	
Financial assets at amortised cost: loans (page 66 annual report NIBC Bank N.V.)				7,226
Financial assets at amortised cost: residential mortgages (page 66 annual report NIBC Bank N.V.)				1,078
Financial assets at available for sale: loans (page 66 annual report NIBC Bank N.V.)				0
Financial assets at fair value through profit or loss: loans (page 66 annual report NIBC Bank N.V.)				374
Financial assets at fair value through profit or loss: residential mortgages own book (page 66 annual report NIBC Bank N.V.)				3,342
Financial assets at fair value through profit or loss: securitised residential mortgages (page 66 annual report NIBC Bank N.V.)				3,638
Financial assets regarding loans and residential mortgages (total)				***15,658***
Deposits from customers (page 61 Condensed interim financial report bank)				***10,182***
Loan to deposit ratio 2014				***154***

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 balance sheet excluding equity investments, derivatives, investments in associates, property, plant and equipment and other assets. The net interest income reconciles to the income statement of the Issuer. The average interest bearing assets cannot be directly reconciled with the financial publications of the Issuer 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. For reference purposes, the following table shows the calculation method and the comparative outcome for 2017 when the net interest margin is calculated on ending balances instead of moving averages.

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

Net interest margin	**H1 2017**	**2016**	**2015**	**2014**
Sum interest income last 12 Months H1 2017 + H2 2016 (page 13 Condensed interim financial report bank)	334			
12 Month moving average interest bearing assets	21,719			
Net interest margin 2017	***1.54***			
Net interest margin 2017 on balance sheet instead of moving average	*1.53*			
Net interest margin 2016		***1.44***		
Net interest margin 2015			***1.37***	
Net interest margin 2014				***1.28***

Interest bearing assets:

Financial assets at amortised costs

- Cash and balances with central banks
- Due from other banks
- Loans
- Debt investments
- Residential mortgages

Financial assets at available for sale

- Loans
- Debt investments

Financial assets at fair value through profit or loss

- Loans
- Residential mortgages own book
- Securitised residential mortgages
- Debt investments

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