

The Hague, 4 March 2021

NIBC posts a net profit of EUR 47 million for 2020 and a very strong capital base with a CET 1 ratio of 19.9%

NIBC shows resilience and is capable to respond to unprecedented times

- Our performance is significantly impacted by COVID-19 in 2020. However, with a net profit of EUR 47 million for 2020 and a return on equity of 2.6%, NIBC shows resilience;
- Strong origination of mortgages welcoming over 19,000 new clients led to a 4% market share and a 24% increase of our total mortgage loan portfolio to EUR 17.4 billion in 2020;
- De-risking of our corporate portfolio led to a decrease of 0.5 billion in Energy and Leveraged Finance while we continued to invest and grow in our more granular portfolios and new ventures;
- Operating income of EUR 431 million (2019: EUR 537 million) supported by a resilient net interest income of EUR 403 million and a small increase of fee and commission income to EUR 43 million (+6%). Both investment income and other income reflect the direct negative impact of the COVID-19 pandemic;
- Operating expenses amounting to EUR 232 million (incl. non-recurring costs of EUR 17 million) are 2% below 2019. Due to lower operating income, the cost/income ratio increased to 54%;
- Impairments increased to EUR 141 million (2019: EUR 49 million) reflecting the challenging environment we all face; and
- As a result of our actively de-risking the balance sheet, the risk weighted assets are reduced by almost 10%, which is reflected in a CET 1 ratio of 19.9% (2019: 17.1%).

Statement of the CEO

"NIBC celebrated its 75th anniversary this year - the right moment to reflect on how we have built on our strength and evolved over the decades since our origins in 1945. Our rich history has made us the entrepreneurial and inventive bank that we are today. And in our new shareholder Blackstone, we have found a strong partner to support our strategy as we look ahead and continue to seek growth.

Our enterprising, Think Yes mindset helps us in being flexible and to adapt to changing and challenging circumstances. 2020 was an exceptional example of this. Last year we lived in unprecedented times: the COVID-19 pandemic influenced our personal lives and there is no denying that conditions have been tough for businesses and economies as they continue to battle the impact of the pandemic. NIBC reacted swiftly to the crisis by implementing a COVID-19 crisis team with the aim of safeguarding the well-being of our colleagues and clients, and keeping a clear view on the developments across different countries. We have continued our investments in IT, which have helped to facilitate a smooth transition to fully working from home since 16 March 2020 for all our offices. It is obvious that our clients are also affected by COVID-19. Throughout the year, we have mainly used an individual approach, supporting our clients by seeking specific solutions that would work best for their situation. Through the use of payment holidays and other tailor-made solutions, we have supported them and their businesses. I am proud that we have been able to provide these services and support to our clients without any material disruptions in our business processes.

Last year, we used our strong capital and liquidity position to service our clients in support of their business ambitions and to continue strengthening our franchise. Against the current difficult market conditions, we continued to further invest in our growth engines which underlines our entrepreneurial culture. We invested in smart finance solutions with our new initiative yesqar, commercial real estate through our new OIMIO label, mortgage loans with our new label LOT and consumer lending via Lendex. We continued to grow our Buy-to-Let franchise and our lease receivables portfolio through Beequip. Within existing lending portfolios, we continued to focus on smaller, selective projects in specific asset classes such as Commercial Real Estate, Shipping, Fintech, Mobility & Structured Finance and Infrastructure. Our Originate-to-Manage (OTM) portfolio of corporate client assets has grown to over EUR 1 billion. On the retail side our mortgage origination levels were strong in 2020, especially for the longer tenures. With total retail client exposures reaching more than EUR 17 billion, a strong increase of 24% compared to last year, NIBC is servicing over 130,000 clients with a suitable mortgage offering. We further expanded our OTM activities with mandates for mortgage loans of almost EUR 10 billion per year end 2020.

We continue to focus on asset quality, managing exposures and risk-weighted assets into the strategic direction of more granular exposures and a better risk/reward ratio. In various asset classes, we observe an unhealthy development of margins decreasing further, as markets are flooded by liquidity, whereas risks are not reducing. Therefore we continued to reduce our positions in certain sectors. Overall, this has led to a decrease of total assets on the corporate client side, reflecting a conscious scaling back of our cyclical sectors and pre- and repayments in other sectors. This strategy is executed on the back of a strong capital position, as the CET 1 ratio increased to 19.9%, through the addition of the 2019 eligible profit and a reduction of risk-weighted assets. In response to the COVID-19 outbreak, we have chosen to manage our liquidity position carefully, ensuring ample liquidity buffers to be ready to support clients and to address any potential difficulties.

At the same time, we continued to emphasise operational efficiency and firm cost control, leading to operating expenses lower than 2019, even though we have again invested in new initiatives and improvements of the operational environment. However, due to lower operating income, the cost/income ratio increased to 54%. Given the difficult conditions, NIBC is proud to report a solid result over 2020. It is inevitable that our annual results are affected by COVID-19. The pandemic has led to a significant increase in credit losses, mainly related to corporate exposures. However, a net profit of EUR 47 million for 2020 shows the bank's resilience and ability to respond to difficult circumstances.

On the organisational side we have seen several developments as well. In Germany, we have streamlined our organisation to service our German clients in selected niches where we can make a difference through focus and an efficient organisation. To improve operational excellence and efficiency, we have reorganised the Frankfurt office and we have merged NIBC Bank Deutschland AG with NIBC Bank N.V.. We will continue our services as a branch, being active more than 15 years now. In addition, we have increased our focus by discontinuing subscale activities. In the UK, we celebrated the 25th anniversary of our London office, as we continued preparations for a post-Brexit world, in which we will continue to service UK clients and manage our CLO platform from our branch. In our Belgian branch, our team has succeeded to provide its services for our savings platform under difficult circumstances. Following the discontinuation of our capital market activities, we have closed the Amsterdam office in 2020.

In February last year, we announced the public offer by Blackstone on all NIBC shares. With the macro-economic developments and the changes we have seen in the world around us, the whole process has taken longer than expected. On 24 December 2020 we were very pleased to announce that the deal was officially finalised, which was followed by settlement of the offer on 30 December 2020. This has resulted in a formal delisting of NIBC from Euronext on 18 February 2021.

I am excited we have been able to complete this important next step for the future of our company. Together with Blackstone, NIBC is well positioned to further strengthen its role as a leading niche banking player. Blackstone will support our strategy as we continue to look ahead and innovate through new avenues of growth. I would like to thank our former shareholder J.C. Flowers & Co. and want to emphasize that without their unfailing support in good and in challenging times, we would never have been the lean and mean entrepreneurial bank we are today.

As always, nothing would have been possible without the hard work and dedication of our staff. Their commitment and engagement was re-emphasised in our Employee Experience Survey. We performed a special COVID survey to monitor the atmosphere amongst our employees. The overall engagement was high, putting NIBC ahead of other financial services organisations and reiterating the overall employee satisfaction. I am proud and grateful that our people maintained their focus and concentration despite the uncertain and difficult external climate.

In addition to our employees, I would like to thank all our stakeholders for their commitment, patience and trust in 2020. For the year ahead, the (economic) environment remains uncertain and there is no clarity yet on when this uncertainty will end. Now, more than ever, we are clearly focused on our strength being a dynamic and entrepreneurial banking partner to our clients. Just as in the last 75 years, NIBC will be there for its clients in 2021. NIBC has a strong basis for further growth, and with the support of our new shareholders, we look ahead to 2021 and beyond with confidence.”

NIBC Holding N.V. – Key Figures

in EUR millions	2020	2019
Operating income	431	537
Operating expenses	232	237
Net operating income	199	300
Impairments of financial and non-financial assets	141	49
Tax	(2)	45
Profit after tax	59	206
Profit attributable to non-controlling shareholders (AT-I)	12	12
Profit after tax attributable to shareholders	47	194
Return on equity	2.6%	11.4%
CET I ratio	19.9%	17.1%
Cost/income ratio	54%	44%
Credit rating S&P	BBB+ Negative Outlook	BBB+ Stable Outlook
Credit rating Fitch	BBB Negative Outlook	BBB stable Outlook

We refer to our Annual Report 2020 NIBC Holding N.V. published on our [website](#) for full details.

For more information, visit our website at <https://www.nibc.com> or contact:

NIBC Press enquiries

Martin Groot Wesseldijk
T: +31 6 5160 8425 | E: martin.groot.wesseldijk@nibc.com

Eveline van Wesemael
T: +31 70 342 5412 | E: eveline.van.wesemael@nibc.com

NIBC Investor enquiries

Toine Teulings
T: +31 70 342 9836 | E: toine.teulings@nibc.com

About NIBC

NIBC is best suited to help entrepreneurs at their decisive moments. Now and in the future. As a bank for entrepreneurs, we are committed to cultivating our 'THINK YES' mentality by being flexible and agile and by matching our clients' can-do attitude. We support our corporate clients in building their businesses. For our retail clients in the Netherlands, Germany and Belgium we offer mortgages, online savings and brokerage products that are accessible, easy to understand and fairly priced. Operating in the Netherlands (The Hague), Germany and UK, our corporate clients business (mainly mid-market) offers advice and debt, mezzanine and equity financing solutions to entrepreneurs across select sectors and sub-sectors in which we have strong expertise and market positions. The midmarket is dynamic by nature and requires a bank that can respond quickly and in a highly flexible way. Our aim is to meet the market's requirements at decisive moments such as mergers and acquisitions, management buy-outs, investments and strategic financings and re-financings.

Notes to the press release

Parts of this press release contain inside information within the meaning of article 7 of Regulation (EU) No 596/2014 (Market Abuse Regulation). This public announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in NIBC Holding N.V.

Forward-looking Statements

This press release may include forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including but not limited to terms such as guidance, expected, step up, announced, continued, incremental, on track, accelerating, ongoing, innovation, drives, growth, optimising, new, to develop, further, strengthening, implementing, well positioned, roll-out, expanding, improvements, promising, to offer, more, to be or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. The forward-looking statements included in this press release with respect to the business, results of operation and financial condition of NIBC Holding N.V. are subject to a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements, 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 Holding N.V. 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.