PRESS RELEASE

The Hague, 27 February 2019

NIBC again reports a very strong year with net profit of EUR 217 mln (FY 2017: EUR 213 mln)

- **Return on Equity (ROE) of 13.6% for the full year 2018, compared to 11.9% FY 2017**
- **Cost/income ratio of 43%, compared to 42% in 2017**
- **Impairments of EUR 54 million (FY 2017: EUR 56 million)**
- **Strong capital ratios, with a fully loaded CET 1 ratio of 18.5%**
- **NIBC proposes a final dividend of EUR 0.36 per share (EUR 53 million) totalling the full dividend for 2018 to EUR 0.86 per share (EUR 126 million)**

Statement of the CEO, Paulus de Wilt:

"The financial year 2018 was an exceptional year for NIBC in many aspects. Having experienced our own decisive moment with the listing of NIBC on the Amsterdam Stock Exchange on the 23rd of March, we remain focused on our clients' decisive moments, driven by our core values of being Professional, Entrepreneurial and Inventive. We continue to rebalance our portfolios and to build curves into the future. Propelled by realised equity exits and higher interest income, we outperformed our medium-term objectives. Return on Equity (ROE) for the full year 2018 was 13.6%, although excluding the non-recurring items, we feel a ROE of 10.8% provides a better reflection of the real performance. All in all, 2018 was a very successful year for NIBC with, for the second consecutive year, a net profit in excess of EUR 200 million.

So, where are we today? At the core of our strategy is our ability to re-balance and reinvent our business. Even though from the outside it might seem that we are quite constant looking at the headline sectors, the focus we have, the sub-markets we service and the clients that we help to facilitate their growth, may clearly vary over time. On a continuous basis we prudently rebalance portfolios, not only to grow in areas where we see opportunities, but also to deliberately reduce where certain exposures are needed to be managed within our risk appetite.

As a professional and fully regulated bank, we are uniquely positioned in the market between on the one hand the large and very large players and the smaller and more innovative fintechs on the other hand. Being in between, we can partner with both sides. We have the professionalism and the agility to work together to streamline the bank through partnerships there where scale is required or innovation is needed.

We embrace the fintech domain to learn from them and to work together with them in partnerships. Mostly, the relationship with a fintech starts by a financing relationship for their receivable portfolios and as such, we import their growth to our balance sheet. Next to OakNorth and Ebury, also names like iwoca, an award-winning UK fintech in the SME financing space, RatePAY, or FinLeap in Berlin, can be mentioned. In these receivable finance portfolios, we have seen fast growth over the last year and we have the ambition to bring it to a EUR 1.5 billion portfolio.

Our strategic investment BEEQUIP, started in 2016 as a greenfield with no legacy, like a fintech, has grown its portfolio close to EUR 400 million, demonstrating a remarkable growth of over 50% in 2018. Our ambition is to grow this business to at least EUR 800 million in the next two years.

In some sectors, where the curve is possibly at or close to its tipping point, we see more downward challenges than upward potential. This relates to our high cyclical businesses, being Shipping and Offshore Energy, the latter of which we reduced our exposure from EUR 1.3 billion to currently below EUR 1.0 billion. We will further reduce the combined exposure of those two cyclical sectors by approximately EUR 150 million annually. But at the same time, we will remain open for business, as we follow our clients to adapt to their new role in a sustainable energy transition.
Last but not least, we feel the leverage finance market is overheated, evidenced by low returns, high leverage and loose covenant structures. Nevertheless, also here, we remain open for business but we are quite restrictive in taking new deals in. With the high churn of our portfolio, driven by the oversupply of liquidity, we have brought back this portfolio by EUR 200 million in 2018 and we will reduce it further to approximately EUR 1.0 billion in the coming years.

At the same time, origination and refinancings for our corporate client offering increased to a record level of EUR 3.7 billion although elevated (p)repayments kept total volume more or less stable, and as such, we were able to compensate the deliberate rebalancing started in 2018.

Retail also experienced record origination levels with a production of EUR 3.4 billion new mortgages. Not only on our own balance sheet, but especially with our strategic partner AXA Investment Managers, where we are well positioned to benefit from the ever-increasing demand from consumers for longer fixed-term interest rates. We have seen double-digit growth in our Originate-to-Manage business and our ambition for 2019 is to surpass the EUR 5.0 billion mark in mandates.

We place margin over volume and we do not necessarily strive for market share. Especially in today's markets of low-for-long interest rates, abundance of liquidity and subsequent high levels of pre- and repayments, we focus on quality above quantity. This remains a delicate balance to be managed as in both businesses, margins remain under pressure, affecting overall revenues going forward. This can be even more challenging as interest rate hike expectations have been pushed forward while funding markets have tightened, economic growth is levelling off, credit quality is less benign, and geopolitical risks ranging from trade wars to Brexit continue to define volatility.

The permanent and increased focus on know your customer and Anti-Money Laundering has, on the corporate client side of the business, resulted in a project aimed at further strengthening our processes. Alongside, the retail client side is also in the process of enhancing its systemic integrity risk assessment related policies and procedures.

Our DNA starts with our 'Think Yes' mentality, built around our three core values. That is how we do the business. That is also what we get back from our clients and the high appreciation for our services that has always been translated in a high NPS score as well as a high client satisfaction score. We are well embedded in our franchise and we will further rebalance our portfolios as we will continue to grow in our chosen segments.

Concluding, on behalf of my team, I am proud that we are delivering on our promises. Despite uncertainty and challenges in the markets around us, I remain confident about our future, strengthened by our distinct business model and our clearly defined role in the financial ecosystem. I am therefore grateful to our employees, for their perseverance and commitment they have shown, as they are the driving force behind our ability to be there for our clients at their decisive moments and continue to build profitable growth well into the future. And last but not least, I am thankful for the support from our investors since our IPO, and to the ongoing trust from our clients to fulfil their needs."

NIBC Holding N.V. – Key Figures

in EUR millions	IFRS 9 2018	IFRS 9 ex. non-recurring 2018	IAS 39 2017	IAS 39 ex. Vijlma 2017
Operating income	**551**	**513**	**559**	**473**
Operating expenses	**239**	**230**	**233**	**229**
Net operating income	**312**	**284**	**326**	**244**
Credit loss expense / (recovery)	54	54	56	55
Tax	29	45	54	26
Profit after tax	**229**	**185**	**216**	**163**
Profit attributable to non-controlling shareholders (AT-1)	12	12	3	3
Profit after tax attributable to shareholders	**217**	**173**	**213**	**160**
Return on equity	13.6%	10.8%	11.9%	9.0%
CET 1 ratio	18.5%		19.3%	
Cost/income ratio	43%	45%	42%	48%
Credit rating	BBB Positive Outlook	BBB Positive Outlook	BBB	BBB

Footnote: The items identified as non-recurring in 2018 are EUR 37 million of income related to the sale of fund investments, EUR 9 million of operating expenses related to NIBC's IPO and the adjustment of the deferred tax asset (EUR 17 million) following the improved results. These are explained in more detail in the '*significant events impacting our financial statements*' section in the Financial Review of the Annual Report 2018.

We refer to our Annual Year Report 2018 NIBC Holding N.V. published on our website, for full details.

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 prices. Operating in the Netherlands (The Hague and Amsterdam), 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. You can read more about NIBC on www.nibc.com.

For more information, please contact:

Michèle Negen – Jacobusse
Investor Relations
T: +31 70 342 9590
E: michele.negen@nibc.com

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

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, 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.