NIBC INTERIM REPORT

2012

NIBC

Table of contents

Half Year Report of the Managing Board

Financial Highlights

- NIBC Holding H1 2012 net profit of EUR 58 million, an increase compared to H1 2011 (EUR 56 million) and H2 2011 (EUR 30 million)
- NIBC Bank H1 2012 net profit of EUR 30 million, a decrease compared to H1 2011 (EUR 43 million) and increase compared to H2 2011 (EUR 25 million)
- The higher net profit in H1 2012 of NIBC Holding compared to NIBC Bank is driven by realised profits on sales of non-core assets
- Strong liquidity and solid capital position; NIBC Holding to pay an interim dividend of EUR 18 million over H1 2012

Chairman's statement

Jeroen Drost, Chief Executive Officer of NIBC
"Despite the challenging macroeconomic market environment, NIBC continued to grow its corporate loan portfolio and delivered a solid performance in the first half of 2012. Corporate Banking closed good advisory, financing and investment transactions across all sectors and disciplines, while Consumer Banking grew retail savings by 23% and expanded NIBC Direct into a third country, Belgium.

We made progress on our strategic priorities: client focus; sustainable profitability; and strong liquidity and solvency, which is reflected by our decision to channel income from our activities into maintaining a robust cash position and repaying the remaining government-guaranteed funding. We have integrated all our business banking activities into one client-focused group of sector specialists and modified our organisational structure around our two main activities, Corporate Banking and Consumer Banking. We diversified our funding by issuing a EUR 300 million senior unsecured bond and expanding NIBC Direct. Furthermore, we repaid EUR 1.5 billion of government guaranteed bonds and bought back EUR 250 million of the outstanding government-backed debt securities. Our liquidity remained strong and our capital position solid, while we were able to bring operating expenses down by 12% compared to H1 2011.

Although we expect conditions to remain difficult in the second half of 2012, we are confident that we will continue to be a robust and reliable banking partner for our clients."

NIBC Bank profit & loss

In EUR millions	H1 2012	H2 2011	H1 2011
Net interest income	62	84	88
Net fee and commission income	8	20	16
Dividend income	7	4	1
Net trading income	51	4	14
Gains less losses from financial assets	8	25	25
Share in result of associates		1	2
Operating income	**136**	**138**	**144**
Personnel expenses	(45)	(48)	(50)
Other operating expenses	(25)	(35)	(30)
Depreciation and amortisation	(3)	(3)	(3)
Operating expenses	**(73)**	**(87)**	**(83)**
Impairments of financial assets	(28)	(34)	(9)
Total expenses	**(101)**	**(121)**	**(92)**
Profit before tax	**35**	**17**	**52**
Tax	(5)	7	(8)
Profit after tax	**30**	**24**	**44**
Result attributable to non-controlling interests		1	(1)
Net profit attributable to parent shareholder	**30**	**25**	**43**

NIBC Holding some key figures

In EUR millions	H1 2012	H2 2011	H1 2011
Net profit attributable to parent shareholders	58	30	56
Cost Income ratio	48%	60%	51%
Return on Tangible Equity	7.0%	3.7%	7.0%

Financial results NIBC Bank in H1 2012

- Net profit of EUR 30 million is an increase compared to H2 2011 but a decrease compared to H1 2011.
- Net interest income came under pressure in 2012 as a result of the bank's large cash position and as downward pricing adjustments on saving products lagged behind the steep decline of the Euribor rates in the last six to nine months.
- Net fee and commission income and gains less losses from financial assets decreased in line with adverse market circumstances.
- Net trading income increased amongst others as a result of releases of (unrealised) losses in the past on residential mortgages (pull-to-par) and realised sales of non-core assets.
- Operating expenses (EUR 73 million) 16% lower than H2 2011 (EUR 87 million) and 12% lower than H1 2011 (EUR 83 million), displaying tight cost control.
- Impairments of EUR 28 million are lower than H2 2011 (EUR 34 million) but higher than H1 2011 (EUR 9 million). The relatively low figure for H1 2011 mainly relates to releases of impairments on a number of loans.

NIBC Holding results

- Net profit of EUR 58 million is in line with H1 2011 but almost twice the result of H2 2011, mainly due to the increase of net trading income as a result of realised sales of non-core assets.
- As a result of tight cost control, the cost income ratio improved to 48%.
- Return on tangible equity in H1 2012 in line with H1 2011 and higher than H2 2011.
- NIBC Holding will pay an interim dividend of EUR 18 million over H1 2012.

Capital & liquidity position

- NIBC maintains a solid capital position with a Core Tier-1 ratio of 12.4% at Holding level (12.8% at 31 December 2011). It has a Tier-1 ratio of 15.0% and a BIS ratio of 16.1% (15.2% and 16.3% respectively at the end of 2011). At Bank level, the Core Tier-1 ratio is 13.7% versus 13.8% at the end of 2011, the Tier-1 ratio is 16.2% and the BIS ratio 17.5%, both unchanged compared to 31 December 2011. These figures are based on Basel ll. The introduction of Basel lll as per 1 January 2013 will have an impact on our ratios, but NIBC is well positioned to meet all upcoming Basel III capital requirements.

- A Basel III Liquidity Coverage Ratio of 152% and a Net Stable Funding Ratio of 117% illustrate NIBC's strong liquidity position.
- We further diversified our funding by issuing a EUR 300 million senior unsecured bond and growing NIBC Direct from EUR 6.1 billion to EUR 7.5 billion at 30 June 2012.

Transactions

NIBC was involved in important transactions across its key sectors and markets in H1 2012. These include:

- *Technology, Media & Services*: Financing for Intertrust Group's acquisition of Walkers Management Services (WMS); a senior secured financing facility for Dutch Radio 538 and its parent media company Talpa; and closing a new syndicated loan for SMARTRAC N.V.
- *Food, Agri & Retail:* Financing facility for Dutch supermarket chain Jumbo Groep; and mandated lead arranger on a borrowing-base facility for German brewer Karlsberg Brauerei GmbH.
- *Commercial Real Estate*: Financing, advising and an interest rate swap for the acquisition of the High Tech Campus in Eindhoven by private investor Marcel Boekhoorn – the biggest single-asset property transaction in the Netherlands; and a cross-border facility for three Citizen M Hotels in the Netherlands and France, as well as a five-year interest swap.
- *Infrastructure & Renewables*: Landmark-project financing for Rotterdam World Gateway, the world's most advanced container terminal under construction in the Port of Rotterdam; for the National Military Museum public-private partnership project with Dutch construction contractor Heijmans a joint financing deal with Dutch public sector bank BNG; and the financing of six solar parks in Germany.
- *Industries & Manufacturing*: Financial advisor to Dutch public-transport operator Connexxion on capital structuring and arranging a new five-year corporate facility; a structured lease facility and an interest rate swap for Damen Shipyards Group to facilitate its vendor-financing offering to its clients; mandated lead arranger and bookrunner for the working-capital financing for Hamburg-based Mabanaft's acquisition of Bomin; and arranger of a bilateral loan with Hunter Douglas.
- *Oil & Gas Services*: A secured term-loan facility with new client Intership Limited; and financing four semi-submersible heavy transport vessels of Fairstar Heavy Transport.
- *Shipping & Intermodal:* A club deal for French container lessor Touax; and a bilateral shipping-finance facility on charter to South Korean oil refiner GS Caltex.

Corporate responsibility

At NIBC we believe we can contribute towards creating a more sustainable society and deliver responsible financial services to our clients. Steps taken so far this year include:

- Stricter adherence to international sustainability standards such as the UN Global Compact, OECD guidelines and Equator Principles while assessing new clients and transactions.
- Signing the ‘Talent to the Top’ Charter, committing to having 30% women in senior management positions by 2015.
- Expanding our CSR reporting in line with our commitment to transparency. For the first time our 2011 Annual Report is based on GRI standards, meeting the GRI level B criteria.
- Reducing our own carbon footprint by renovating our head office buildings to make them more energy efficient; introducing a thermal energy storage system for heating and cooling. As a result of the EUR 4.2 million investment, our energy rating improved by three levels to an A/B average.

//////////

Note to the table

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

Responsibility Statement

In respect of Article 5:25d, section 2(c) (1 and 2) of the Financial Supervision Act, the members of the Managing Board of NIBC Bank N.V. hereby confirm, to the best of their knowledge, that:

I. The Condensed Consolidated Interim Financial Report for the six months ended 30 June 2012, which has been prepared in accordance with IAS 34 'Interim Financial Reporting', gives a true and fair view of the assets, liabilities, financial position and profit or loss of NIBC Bank N.V. and its consolidated group companies;

II. The Half Year Report of the Managing Board includes a fair review of information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act.

The Hague, 20 August 2012

Managing Board

Jeroen Drost, Chairman, Chief Executive Officer
Kees van Dijkhuizen, Vice-Chairman, Chief Financial Officer
Rob ten Heggeler, Member
Petra van Hoeken, Chief Risk Officer

Risk Management

In the first half of 2012, markets continued to focus on the developments regarding the periphery euro zone countries (Portugal, Ireland, Italy, Greece and Spain). Market parties and stakeholders demand increased transparency regarding the size and nature of any exposure towards Portugal, Ireland, Italy, Greece and Spain. At 30 June 2012, NIBC had no sovereign debt exposure to these countries on its books.

During the first half of 2012, despite the adverse market conditions, the credit quality of our Corporate Loan portfolio remained stable compared to the same period in 2011. In May 2012, the restructuring of a large, distressed German residential real estate transaction took place in our Real Estate portfolio. This restructuring resulted, among other, in an improved counterparty profile with a new equity investor; hence the credit rating of the counterparty was upgraded and is no longer in default.

During the first half year of 2012, NIBC's liquidity profile remained strong. We further strengthened our funding by the issuance of a large senior unsecured funding transaction and the total amount of additional savings in our retail savings programme increased substantially. Even in extremely stressed market conditions, where funding markets are closed, NIBC can comfortably meet its financial obligations for the coming year and beyond.

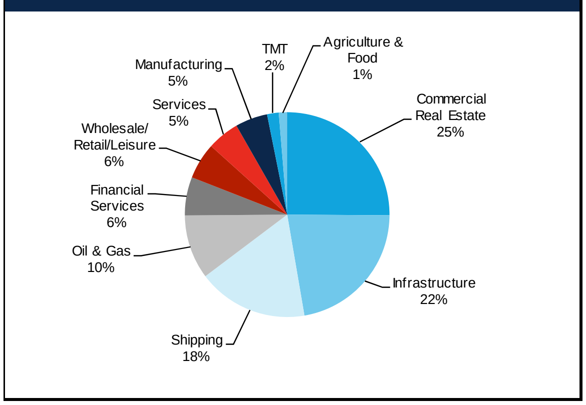
The following pages provide further details on NIBC's portfolios as at 30 June 2012.

Credit Risk Management

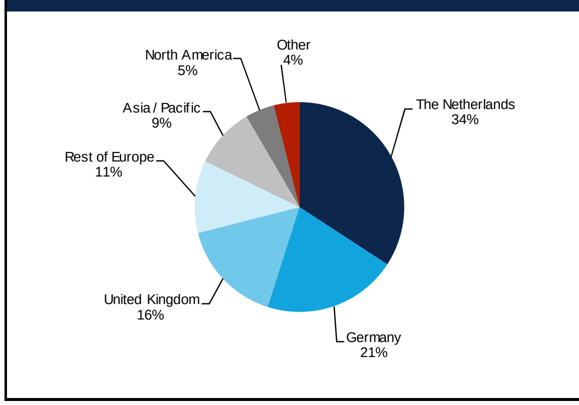
Corporate loans

The total exposure in the Corporate Loan portfolio amounted to EUR 9,918 million at 30 June 2012 (31 December 2011: EUR 9,879 million). The term 'exposure' includes both drawn and undrawn (on- and off-balance sheet) amounts and applies to all graphs in this section. The following graphs show the Corporate Loan portfolio split in industry sectors and regions at 30 June 2012.

Corporate Loan portfolio per sector at 30 June 2012 (EUR 9,918 million)



Corporate Loan portfolio per region at 30 June 2012 (EUR 9,918 million)



- The *Real Estate* sector (25% of the Corporate Loan portfolio at 30 June 2012; 31 December 2011: 23%) is split in two sub-sectors, Commercial Real Estate (CRE) and Residential Commercial Real Estate (RCRE). CRE primarily consists of offices, retail properties and hotel financing and comprises 53% of this sector. The RCRE sub-sector (47% of the real estate sector) comprises residential property financing, which significantly reduces the concentration risk in the underlying collateral pool. The Real Estate portfolio is mainly located in Germany and the Netherlands and does not contain Project Finance transactions. While activities in the residential real estate market in the Netherlands seem to have come to a standstill, the residential market in Germany (where the majority of NIBC's properties are located), and especially in Berlin, is in general still strong. As stated in NIBC's Annual Report 2011, the commercial real estate figures include an amount of EUR 611 million of securitised loans. This concerns the Mesdag Delta securitisation; NIBC has retained notes amounting to EUR 143 million, whereas EUR 468 million has been sold. The increase in the real estate portfolio from 23% at 31 December 2011 to 25% at 30 June 2012 is due to the restructuring and additional financing of a residential real estate transaction, collateralized by a granular multi-family residential real estate pool in Germany. This restructuring also resulted in the upgrade of the credit rating of the counterparty, which is no longer in default.

- The sector *Infrastructure* contains all the infrastructure projects of NIBC, such as roads, railways, energy plants, schools and hospitals. The sector contains 22% of NIBC's Corporate Loan portfolio at 30 June 2012 (31 December 2011: 21%).

- The sector *Financial Services* decreased from 10% at 31 December 2011 to 6% at 30 June 2012. The decrease is due to the partial repayment of a large loan granted to an investment-grade financial institution, collateralised by a pool of prime Dutch residential mortgages. The loans in this sector do not comprise financing to banks, but financing for pools of receivables (e.g. for car or equipment lease and residential mortgages).

In the first half of 2012, the exposures within the other sectors of the Corporate Loan portfolio remained relatively stable compared to 31 December 2011. In terms of regional distribution, NIBC's corporate loan exposure is mainly located in the Netherlands, Germany and the United Kingdom. Exposure to corporate counterparties in Spain, Portugal, Italy, Ireland and Greece is very limited (1.1% of the Corporate Loan portfolio).

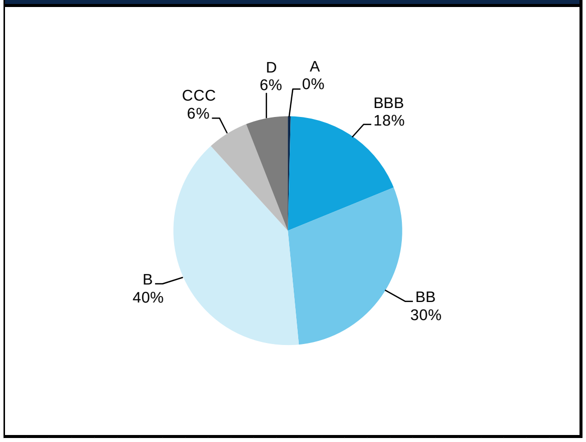
At 30 June 2012, the total corporate loan impairment amount was EUR 151 million (31 December 2011: EUR 115 million) and the impaired exposure (i.e. the gross amount of exposures affected by impairments) was EUR 450 million (31 December 2011: EUR 337 million). The new impairment amounts originate mainly from the *Shipping* portfolio. The Shipping industry has been experiencing adverse economic conditions for the past 3 years, but NIBC recorded its first losses since 2004 only at the end of 2011. The impairments taken within the Shipping portfolio only relate to a very few number of counterparties. The remaining increase in impairments (EUR 16 million) resulted from the internal transfer of certain Investment Management loans to the Corporate Loan portfolio in the beginning of 2012; these Investment Management loans already carried an impairment from the past.

The graph that follows displays the distribution of the Corporate Loan portfolio per counterparty credit rating (CCR). The fact that NIBC's Corporate Loan exposures are concentrated in sub-investment grade CCRs is counterbalanced by the fact that almost all loans have some form of collateralisation. Loans can be collateralised by mortgages on real estate and ships, by (lease) receivables, pledges on machinery and equipment, or by third-party guarantees and other similar agreements. As a result, NIBC's LGDs are concentrated in those LGD categories that correspond to recoveries in the range of 80% and 90%, which are relatively high for the banking industry.

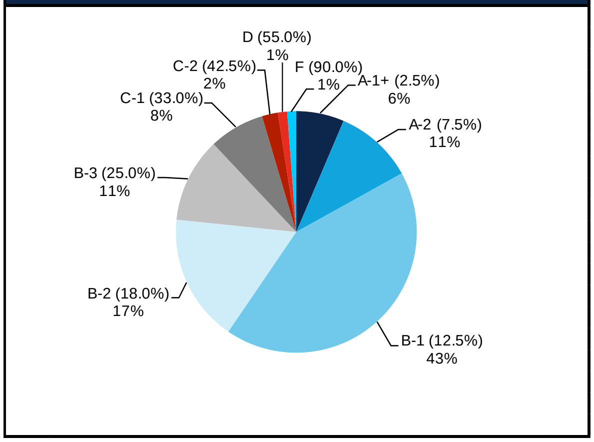
As was the case in 2011, NIBC continued its selective strategy in pursuing new deals and in focusing on credit quality. The adverse market conditions did not, therefore, influence the average credit quality of the book. The weighted average

CCR (excluding defaulted counterparties) remained stable at a rating of 6+ in NIBC's internal rating scale (B+ in external rating agencies' scales) at 30 June 2012 (31 December 2011: 6+). In line with Basel regulation, NIBC's (generally) strong collateral position is not taken into account in the determination of the CCR. Recovery expectations in the Corporate Loan portfolio, which are reflected in the LGD rating, also remained stable in the first half year of 2012 (weighted average LGD: B-2 (18.0%)).

Corporate Loan portfolio per CCR at 30 June 2012 (EUR 9,918 million)



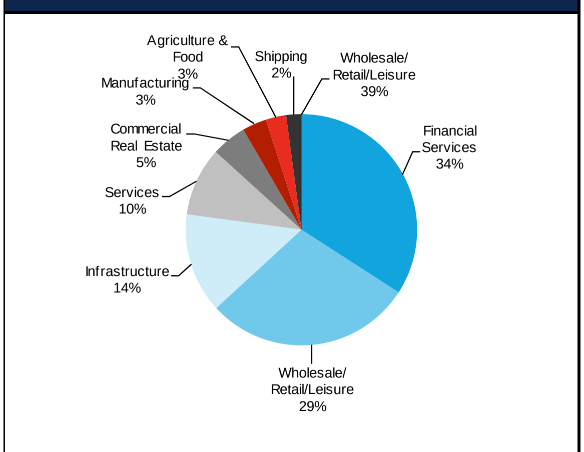
Corporate Loan portfolio per LGD rating at 30 June 2012 (EUR 9,918 million)



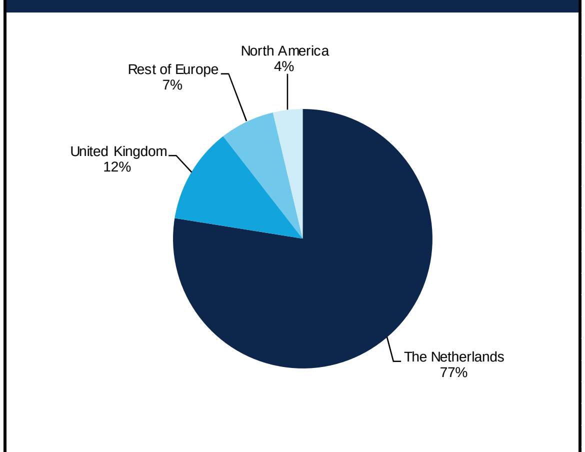
Investment Management loans and equity investments

The total exposure of Investment Management loans and equity investments was EUR 556 million at 30 June 2012 and is concentrated in Western Europe. Investment Management loans are unsecured, subordinated loans that may contain equity characteristics such as attached warrants or conversion features. Equity investments are positions in private equity, infrastructure equity and real estate equity. Investment Management loans amounted to EUR 199 million at 30 June 2012 and equity investments to EUR 358 million at 30 June 2012 (31 December 2011: Investment Management loans: EUR 232 million; equity investments: EUR 351 million).

Investment Management loans and equity investments per sector at 30 June 2012 (EUR 556 million)



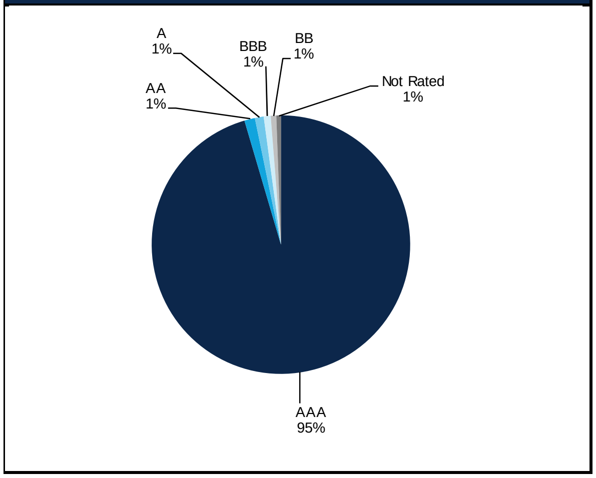
Investment Management loans and equity investments per region at 30 June 2012 (EUR 556 million)



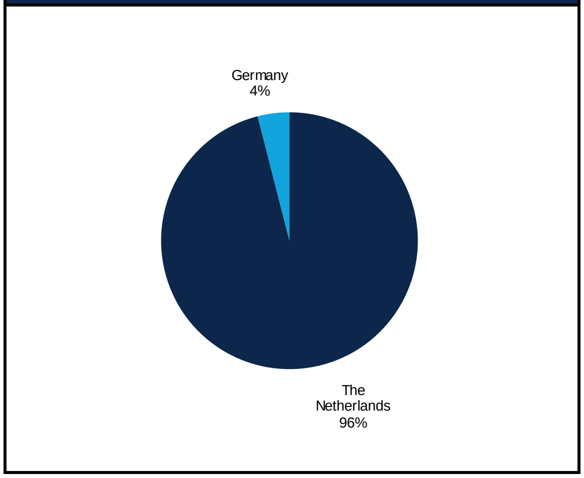
Residential mortgages

NIBC has a healthy Dutch and German Residential Mortgage portfolio of EUR 8,409 million (31 December 2011: EUR 8,745 million), of which a small part of EUR 363 million consists of German Residential mortgages. The portfolio decrease compared to 31 December 2011 is mainly due to regular repayments. The credit losses in the first half of 2012 amount to EUR 2 million for the Dutch mortgage portfolio. The following table shows the internal rating class allocation of the Residential Mortgage portfolio, based on NIBC's internal rating methodology for tranching a portfolio of residential mortgages. The expectation is that this tranching will be in line with the tranching in case of an external securitisation.

Residential Mortgage exposure by implied rating at 30 June 2012 (EUR 8,409 million)



Residential Mortgage exposure by region at 30 June 2012 (EUR 8,409 million)

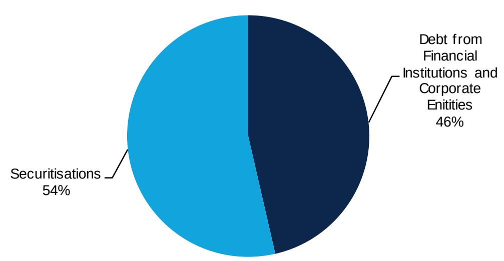


Debt investments

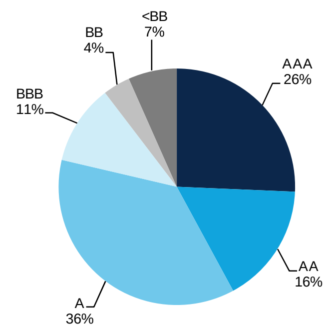
The total Debt Investments portfolio amounted to EUR 1,340 million at 30 June 2012 (31 December 2011: EUR 1,412 million). Of this amount, EUR 564 million related to debt from financial institutions and EUR 58 million to debt from corporate entities (mainly insurance companies). Debt from financial institutions consists for 98% of single-A or higher rated investments. There are no investments in financial institutions domiciled in the periphery euro zone countries, except for Spain where EUR 63 million is invested.

The Securitisations portfolio equalled EUR 718 million at 30 June 2012 (31 December 2011: EUR 705 million). This portfolio consists of 58% residential mortgage-backed securities (RMBS), 23% collateralised debt obligations (CDO), 18% commercial mortgage-backed securities (CMBS) and 1% asset-backed securities (ABS). 82% of this portfolio is investment grade and 55% has a rating of AA or higher. Approximately 36% of the total securitisation exposure is related to the Liquidity portfolio. Investments in this portfolio are restricted to AAA-rated assets collateralised by Dutch residential mortgages with an expected maturity of zero to four years.

Debt Investment exposure by product at 30 June 2012 (EUR 1,340 million)



Debt Investment exposure by rating at 30 June 2012 (EUR 1,340 million)



Market Risk Management

The main risk metric measured and managed by Market Risk Management is interest rate sensitivity. NIBC's interest rate BPV exposure (BPV stands for basis point value and reflects the sensitivity of the market value for a change of one basis point in interest rates) was EUR -59 thousand at 30 June 2012, and moved in the range EUR ±150 thousand in the last two quarters. The interest rate risk is concentrated in the Trading portfolio, the Mismatch portfolio and the Banking book. NIBC actively hedges the BPV exposure in the other portfolios.

The Trading portfolio consists solely of interest rate-driven exposures. The portfolio is used for facilitating derivative transactions with corporate clients. Activities also comprise short-term (up to two years) interest position taking, money market and bond futures trading, and swap spread position taking. The interest rate risk of this portfolio, in terms of BPV, was EUR -67 thousand at 30 June 2012.

NIBC concentrates the strategic interest rate positions of the bank in the Mismatch portfolio. This portfolio exclusively contains swap positions, which reflect NIBC's view on future interest rates and contributes positively to the interest income. In the second half of 2011, NIBC decided to close the EUR and USD mismatch positions, as long-term rates declined considerably. As such, currently NIBC does not have an open mismatch position. The residual positions have a sensitivity, in terms of BPV, of EUR -29 thousand at 30 June 2012.

The Banking book contains a number of portfolios predominantly containing the funding, the loans, the liquidity portfolio and investments of NIBC. Interest rate risk is hedged, with a remaining exposure of EUR 36 thousand at 30 June 2012.

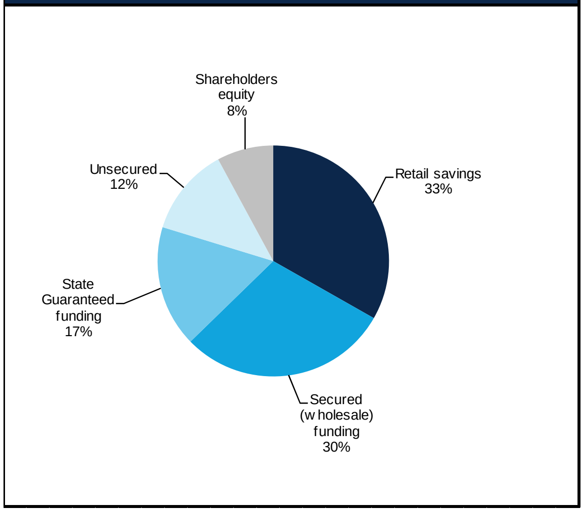
Market Risk also measures and manages currency risk, which is the current or prospective threat to earnings or capital as a result of adverse movements in exchange rates. NIBC aims to take as little currency risk as possible. When a significant currency risk exposure is recognized, then a hedge (spot FX transaction) is executed. Therefore FX risk is not a major risk factor for NIBC.

Liquidity Risk Management

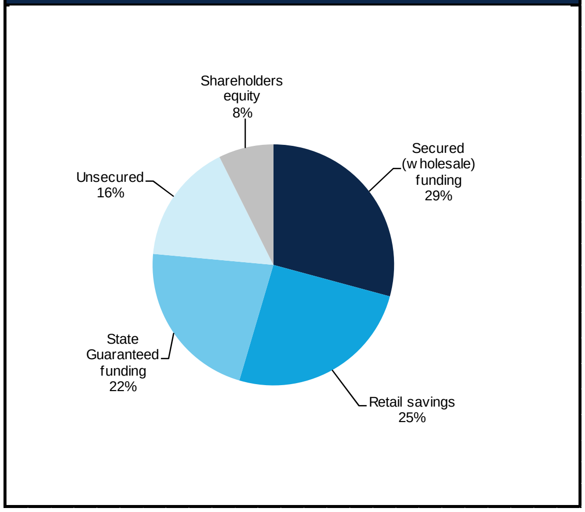
NIBC's liquidity profile remains strong. NIBC further strengthened its funding base by the issuance of a EUR 300 million senior unsecured funding transaction in the first half year of 2012. Furthermore, retail savings increased by EUR 1.5 billion. Even in stressed market conditions where funding markets would be closed, NIBC can comfortably meet its financial obligations.

The breakdown of the funding portfolio as at 30 June 2012 and 31 December 2011[1] is as follows:

Funding portfolio per funding type at 30 June 2012 (EUR 22,783 million)



Funding portfolio per funding type at 31 December 2011 (EUR 24,107 million)



[1]Please note that compared to the figures published in the 2011 annual report, the derivatives category and other category are not taken into account in the presented figures in order to better reflect the funding part of NIBC's liabilities.

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT
for the six months ended 30 June 2012

REVIEWED

NIBC Bank N.V.

22 August 2012

Table of contents

Consolidated income statement

for the six months ended 30 June 2012

IN EUR MILLIONS	NOTE	30-Jun-12	30-Jun-11
Net interest income		61	82
Net fee and commission income		9	16
Dividend income		7	1
Net trading income	2	51	15
Gains less losses from financial assets	3	9	25
Share in result of associates		-	2
Other operating income		10	40
OPERATING INCOME		**147**	**181**
Personnel expenses	4	50	70
Other operating expenses		29	40
Depreciation and amortisation		5	11
OPERATING EXPENSES		**84**	**121**
Impairments of financial assets	5	28	9
TOTAL EXPENSES		**112**	**130**
PROFIT BEFORE TAX		**35**	**51**
Tax	6	5	8
PROFIT AFTER TAX		**30**	**43**
NET PROFIT ATTRIBUTABLE TO PARENT SHAREHOLDER		**30**	**43**

References relate to the accompanying notes. These form an integral part of the condensed consolidated interim financial report.

Consolidated statement of comprehensive income

for the six months ended 30 June 2012

	For the six months ended 30 June					
			2012			2011
IN EUR MILLIONS	Before tax	Tax charge/ (credit)	After tax	Before tax	Tax charge/ (credit)	After tax
PROFIT FOR THE PERIOD	**35**	**5**	**30**	**51**	**8**	**43**
OTHER COMPREHENSIVE INCOME						
Net result on hedging instruments	(12)	(4)	(8)	(21)	(2)	(19)
Revaluation loans and receivables	4	1	3	9	2	7
Revaluation equity investments	(9)	(2)	(7)	1	1	-
Revaluation debt investments	7	2	5	-	-	-
Revaluation property, plant and equipment	-	-	-	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	**(10)**	**(3)**	**(7)**	**(11)**	**1**	**(12)**
TOTAL COMPREHENSIVE INCOME	**25**	**2**	**23**	**40**	**9**	**31**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO						
Parent shareholder	25	2	23	40	9	31
Non-controlling interests	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	**25**	**2**	**23**	**40**	**9**	**31**

Consolidated balance sheet
at 30 June 2012

IN EUR MILLIONS	NOTE	30-Jun-12	31-Dec-11
Assets			
FINANCIAL ASSETS AT AMORTISED COST			
Cash and balances with central banks		1,867	2,430
Due from other banks		2,083	2,104
Loans and receivables			
Loans	7	7,980	7,504
Debt investments	8	394	507
Securitised loans	9	611	613
FINANCIAL ASSETS AT AVAILABLE-FOR-SALE			
Equity investments		56	66
Debt investments	10	901	887
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)			
Loans	11	531	998
Residential mortgages own book	12	3,052	3,185
Securitised residential mortgages	13	5,357	5,560
Debt investments	14	129	164
Equity investments (including investments in associates)		241	258
Derivative financial assets held for trading		3,513	3,657
Derivative financial assets used for hedging		261	292
OTHER			
Investments in associates (equity method)		23	27
Intangible assets		50	52
Property, plant and equipment		48	51
Investment property		26	27
Current tax		-	3
Deferred tax		1	-
Other assets		103	169
TOTAL ASSETS		**27,227**	**28,554**

References relate to the accompanying notes. These form an integral part of the condensed consolidated interim financial report.

Consolidated balance sheet
at 30 June 2012

IN EUR MILLIONS	NOTE	30-Jun-12	31-Dec-11
Liabilities			
FINANCIAL LIABILITIES AT AMORTISED COST			
Due to other banks		1,068	1,261
Deposits from customers		8,113	6,644
Own debt securities in issue	15	4,907	7,096
Debt securities in issue related to securitised mortgages	16	5,134	5,416
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)			
Own debt securities in issue	17	31	41
Debt securities in issue structured	18	1,681	1,733
Derivative financial liabilities held for trading		3,950	3,966
Derivative financial liabilities used for hedging		30	34
OTHER FINANCIAL LIABILITIES			
Other liabilities		119	149
Current tax		18	-
Deferred tax		-	18
Employee benefits		5	5
SUBORDINATED LIABILITIES			
Amortised cost	19	86	85
Fair value through profit or loss	20	273	296
TOTAL LIABILITIES		**25,415**	**26,744**
SHAREHOLDER'S EQUITY			
Share capital	22	80	80
Other reserves		315	322
Retained earnings		1,386	1,361
Net profit attributable to parent shareholder		30	68
(Interim) dividend paid		-	(22)
TOTAL PARENT SHAREHOLDER'S EQUITY		**1,811**	**1,809**
Non-controlling interests		1	1
TOTAL SHAREHOLDER'S EQUITY		**1,812**	**1,810**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**27,227**	**28,554**

References relate to the accompanying notes. These form an integral part of the condensed consolidated interim financial report.

Consolidated statement of changes in shareholder's equity

IN EUR MILLIONS	Attributable to parent shareholder: Share capital	Other reserves [1]	Retained earnings	Net profit	Distribution charged to profit	Total	Non-controlling interests	Total share-holder's equity
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	-	-	-
2010 Final dividend paid [2]	-	-	(22)	-	-	(22)	-	(22)
Total comprehensive income for the six months ended 30 June 2011	-	(12)	-	43	-	31	-	31
Capital contribution of third parties in a subsidiary controlled by NIBC	-	-	-	-	-	-	(3)	(3)
Capital contribution share-based payments	-	-	(1)	-	-	(1)	-	(1)
Other movements	-	-	-	-	-	-	-	-
BALANCE AT 30 JUNE 2011	**80**	**306**	**1,360**	**43**	**-**	**1,789**	**19**	**1,808**

IN EUR MILLIONS	Attributable to parent shareholder: Share capital	Other reserves [1]	Retained earnings	Net profit	Distribution charged to profit	Total	Non-controlling interests	Total share-holder's equity
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	-	-	-
2011 Final dividend paid [2]	-	-	(22)	-	-	(22)	-	(22)
Total comprehensive income for the six months ended 30 June 2012	-	(7)	-	30	-	23	-	23
Capital contribution of third parties in a subsidiary controlled by NIBC	-	-	-	-	-	-	-	-
Capital contribution share-based payments	-	-	-	-	-	-	-	-
Other movements	-	-	1	-	-	1	-	1
BALANCE AT 30 JUNE 2012	**80**	**315**	**1,386**	**30**	**-**	**1,811**	**1**	**1,812**

1. Other reserves include share premium, hedging reserve and revaluation reserves.
2. Final ordinary dividend paid in 2012 and 2011 to equity holder.

Condensed consolidated statement of cash flows

for the six months ended 30 June 2012

IN EUR MILLIONS	30-Jun-12	30-Jun-11
Cash flows from operating activities	1,531	1,127
Cash flows from investing activities	5	(4)
Cash flows from financing activities	(2,296)	(742)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(760)**	**381**
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**3,107**	**2,959**
Net increase / (decrease) in cash and cash equivalents	(760)	381
CASH AND CASH EQUIVALENTS AT 30 JUNE	**2,347**	**3,340**
RECONCILIATION OF CASH AND CASH EQUIVALENTS:		
Cash and balances with central banks	1,867	2,651
Due from other banks (maturity three months or less)	480	689
	2,347	**3,340**

General Information - most significant critical accounting estimates and judgements

General Information

*NIBC Bank N.V. (**NIBC**)*, together with its subsidiaries (NIBC or the group), is incorporated and domiciled in the Netherlands, and is a 100% subsidiary of NIBC Holding N.V. (***NIBC Holding***). NIBC is the bank of choice for decisive financial moments. Our Corporate Banking activities offer a combination of advice, financing and co-investment. For every transaction we put together a hand-picked cross-discipline team from our Corporate Banking activities; Food, Agri & Retail, Industries & Manufacturing, Infrastructure & Renewables, Commercial Real Estate, Oil & Gas Services, Shipping & Intermodal and Technology, Media & Services. NIBC Consumer Banking offers residential mortgages and online retail saving deposits via NIBC Direct in the Netherlands, Belgium and Germany.

Our clients are our top priority. We build long-term relationships with our clients -- corporations, financial institutions, institutional investors, financial sponsors, family offices, entrepreneurial investors and retail clients. Headquartered in The Hague, we also have offices in Brussels, Frankfurt, London and Singapore.

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union as issued by the International Accounting Standards Board.

The condensed consolidated interim financial report was approved by the Managing Board on 20 August 2012.

The published figures as included in this condensed consolidated interim financial report have been reviewed.

Basis of preparation

The condensed consolidated interim financial report for the six months ended 30 June 2012 does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with NIBC's consolidated financial statements for the year ended 31 December 2011. NIBC's Annual Report for 2011 is available on NIBC's website.

The same accounting policies and methods of computation are followed in this condensed consolidated interim financial report as were applied in the preparation of the consolidated financial statements for the year ended 31 December 2011, except, where applicable, for the impact of the adoption of the (amendments to / improvements in) standards and interpretations noted below.

New and amended standards adopted by NIBC:

- Amendment to IFRS 7 Disclosures – Transfer of Financial Assets. If the assets transferred are not derecognised entirely in the financial statements, an entity has to disclose information that enables users of financial statements to understand the relationship between those assets which are not derecognised and their associated liabilities. If those assets are derecognised entirely, but the entity retains a continuing involvement, disclosures have to be provided that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. Effective implementation date is for annual periods beginning on or after 1 July 2011 with no comparative requirements.

The amendment to IFRS 7 Disclosures did not have a significant effect on the condensed consolidated interim financial report for the six months ended 30 June 2012.

New standards, amendments and interpretations that are not yet effective and have not been early-adopted by NIBC:

- Amendments to IAS 1 Presentation of Items of Other Comprehensive Income - is effective for annual periods beginning on or after 1 July 2012. The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon de-recognition or settlement) would be presented separately from items which will never be reclassified.
- IAS 19 Employee Benefits (Revised) is effective for annual periods beginning on or after 1 January 2013. The impact on NIBC will be as follows: to eliminate the corridor approach and recognize all actuarial gains and losses in other comprehensive income as they occur; to immediately recognize past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The group is yet to assess the full impact of the amendments.

The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Exceptional items are disclosed and described separately in the condensed consolidated interim financial report where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income of expense that have been shown separately due to the significance of their nature or amount.

The preparation of financial information in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying NIBC's accounting policies. The most significant areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim financial information are described below under the paragraph 'most significant critical accounting estimates and judgements'.

The information provided as of reclassification dates (various notes) relates only to financial assets remaining on the balance sheet as of the reporting date 30 June 2012.

Unless otherwise stated, all amounts are stated in millions of EUR.

Most significant critical accounting estimates and judgements

NIBC makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fair value of certain financial instruments

The fair value of financial instruments is determined based on quoted market prices in an active market or, where no active market exists, by using valuation techniques. In cases where valuation techniques are used, the fair values are estimated from market observable data, where available, or by using models. Where market-observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those who prepared them. All models are reviewed prior to use and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent possible, models use only observable data; however, in areas such as applicable credit spreads (both own credit spread and counterparty credit spreads), volatilities and correlations may require management to estimate inputs. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Own liabilities designated at fair value through profit or loss

At 30 June 2012, the fair value of these liabilities was estimated to be EUR 1,985 million (31 December 2011: EUR 2,070 million). This portfolio was designated at fair value through profit or loss and is reported on the face of the balance sheet under the following headings:

- Financial liabilities at fair value through profit or loss: Own debt securities;
- Financial liabilities at fair value through profit or loss: Debt securities in issue structured; and
- Financial liabilities at fair value through profit or loss: Subordinated liabilities.

The credit spread used to revalue these liabilities was based to the extent possible on the observable issuance spread movements of new primary unsecured debt issuances by financial institutions. Bearing in mind the market inactivity, both for cash and synthetic NIBC funding and protection, these observations are combined with data for both cash and synthetic indices indicators such as iTtraxx indices and credit curve developments. The resulting overall market view supports the reasonableness of the range in which the applied credit spread falls.

The valuation of all the above classes of financial liabilities designated at fair value through profit or loss is sensitive to the estimated credit spread used to discount future expected cash flows. A 10 basis point change in the weighted average credit spread used to discount future expected cash flows would increase or decrease the fair value of these own financial liabilities at 30 June 2012 by EUR 12.9 million (31 December 2011: EUR 13.4 million).

Valuation corporate derivatives (credit value adjustment)

Credit Value Adjustments (**CVAs**) are incorporated into derivative valuations to reflect the risk of default of the counterparty. In essence, CVA represents an estimate of the discounted expected loss on an *Over The Counter* (**OTC**) derivative during the lifetime of the contract. It is applied to all OTC derivative contracts, except for those that benefit from a strong collateral agreement where cash collateral is regularly exchanged, mitigating credit risk. In practice, this means that CVAs are only applied to OTC derivative contracts that generate credit risk on corporate (i.e. non-financial) counterparties. In line with market practice, the CVA of a derivative contract is calculated at the counterparty level as the sum of the present value of the expected loss estimated over the lifetime of all outstanding OTC derivative contracts that generate credit risk. This requires the application of *Probability of Default* (**PD**) and *Loss Given Default* (**LGD**) estimates to the *Expected Exposure* (**EE**) profile. The EE profile estimate takes into account amortisation of notional amounts and the passage of time to maturity. PD and LGD estimates are based on internal *Counterparty Credit Rating* (**CCR**) and LGD ratings due to the absence of a credit market for most of NIBC's corporate counterparties. The CVA is sensitive to changes in credit quality of the counterparties, as well as to changes in interest rates affecting current exposure. Based on the current composition of the portfolio, the CVA, in general, reduces when interest rates rise.

Impairments of corporate loans

NIBC assesses whether there is an indication of impairment of corporate loans classified as loans and receivables at amortised cost on an individual basis on at least a quarterly basis. NIBC considers a range of factors that have a bearing on the expected future cash flows that it expects to receive from the loan, including the business prospects of the borrower and its industry sector, the realisable value of collateral held, the level of subordination relative to other lenders and creditors, and the likely cost and likely duration of any recovery process. Subjective judgements are made in the process including the determination of expected future cash flows and their timing and the market value of collateral. Furthermore, NIBC's judgements change with time as new information becomes available, or as recovery strategies evolve, resulting in frequent revisions to individual impairments, on a case-by-case basis. NIBC regularly reviews the methodology and assumptions used for estimating both the amount and timing of future cash flows, to reduce any differences between loss estimates and actual loss experience.

If, as at 30 June 2012, for each of NIBC's impaired corporate loans, the net present value of the estimated cash flows had been 5% lower or higher than estimated, NIBC would have recognised an additional impairment loss or gain of EUR 14.4 million (31 December 2011: EUR 10.8 million).

Notes to the condensed consolidated interim financial report

1. Segment report

The segment information has been prepared in accordance with IFRS 8, Operating Segments, which defines requirements for the disclosure of financial information about an entity's operating segments. IFRS 8 requires operating segments to be identified on the basis of internal management reports on components of the entity that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess segment performance.

The Managing Board is the group's chief operating decision-maker. Based on the information reported to the chief operating decision-maker for the allocation of resources and performance of the business, the Bank as a whole was identified as a single operating segment in the second half of 2011. The previous two existing operating segments, Specialised Finance and Merchant Banking, have therefore been converted into one operating segment.

The segment information presented in the first half of 2011 has been restated to reflect the above mentioned change in reportable operating segments in the second half of 2011.

Segment information is presented in this condensed consolidated interim financial report on the same basis as used for internal management reporting within NIBC. Internal management reporting within NIBC is based on IFRS. Segment reporting under IFRS 8 requires a presentation of the segment results based on management reporting methods and a reconciliation between the results of the operating segments and the condensed consolidated interim financial report.

The following table presents the results of the single operating segment, being NIBC Bank, including a reconciliation to the consolidated results under IFRS for the periods ended 30 June 2012 and 30 June 2011.

	Internal management report operating segment NIBC Bank [1]		Consolidation effects [2]		Total (condensed consolidated interim financial report)	
	For the six months ended 30 June					
IN EUR MILLIONS	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Net interest income	62	88	(1)	(5)	61	82
Net fee and commission income	8	16	-	-	9	16
Dividend income	7	1	-	-	7	1
Net trading income	51	14	-	1	51	15
Gains less losses from financial assets	8	25	1	-	9	25
Share in result of associates	-	2	-	-	(0)	2
Other operating income	-	-	10	41	10	41
OPERATING INCOME	136	144	10	37	147	181
OPERATING EXPENSES	73	83	10	37	84	120
Impairments of financial assets	28	9	-	-	28	9
TOTAL EXPENSES	101	92	10	37	112	129
PROFIT BEFORE TAX	35	52	-	-	35	51
Tax	5	8	1	-	5	8
PROFIT AFTER TAX	30	44	-	-	30	44
Result attributable to non-controlling interests	-	1	-	-	-	1
NET PROFIT ATTRIBUTABLE TO PARENT SHAREHOLDER	30	43	-	-	30	43
Average allocated economic capital	1,418	1,438	-	-	1,418	1,438
Average unallocated capital	209	86	-	-	209	86
	30-Jun-12	**31/Dec/11**	**30-Jun-12**	**31/Dec/11**	**30-Jun-12**	**31/Dec/11**
Segment assets	27,103	28,424	124	130	27,227	28,554
Segment liabilities	25,326	26,651	89	93	25,415	26,744

1. Small differences are possible in the table due to rounding.
2. Concerning controlled non-financial companies included in the consolidation.

The items displayed under 'consolidation effects' refer to the non-financial entities over which NIBC has control. IFRS requires NIBC to consolidate these entities. The internal management report differs from this, as the investments in these entities are non-strategic and the activities of these entities are non-financial. Therefore, in the income statement of the Bank, only NIBC's share in the net result of these entities is included in the line-item 'gains less losses from financial assets'. Subsequently, under 'consolidation effects' this is eliminated and replaced by the figures of these entities used in the condensed consolidated interim financial report.

2. Net trading income

Net trading income in the first six months of 2012 of EUR 51 million (first six months of 2011: EUR 15 million) reflects EUR 18 million (first six months of 2011: EUR 6 million) of realised net gains on disposals of assets and liabilities and EUR 33 million (first six months of 2011: EUR 9 million) net gains and or losses due to mark to market movements on assets and liabilities held for trading or designated at fair value through profit or loss.

3. Gains less losses from financial assets

IN EUR MILLIONS	30-Jun-12	30-Jun-11
EQUITY INVESTMENTS		
GAINS LESS LOSSES FROM EQUITY INVESTMENTS (AVAILABLE-FOR-SALE)		
Net gain/(losses) on disposal	-	10
Net revaluation gain/(losses) transferred from equity on disposal	-	(4)
Gains less losses from associates (fair value through profit or loss)	9	13
Gains less losses from other equity investments (fair value through profit or loss)	(1)	5
	8	**24**
DEBT INVESTMENTS		
Gains less losses from debt investments (available-for-sale)	1	1
	1	**1**
	9	**25**

Impairment losses relating to debt investments (available-for-sale) are presented under impairments of financial assets (see note 5).

4. Personnel expenses

The number of *Full Time Equivalents* (**FTE**) (excluding FTEs of non-financial companies included in the consolidation) decreased from 670 at 30 June 2011 to 632 at 30 June 2012.

5. Impairments of financial assets

IN EUR MILLIONS	30-Jun-12	30-Jun-11
IMPAIRMENTS		
Loans classified at amortised cost	29	28
Debt investments classified at amortised cost	1	-
Debt investments classified at available-for-sale	1	-
	31	**28**
REVERSALS OF IMPAIRMENTS		
Loans classified at amortised cost	(3)	(14)
Debt investments classified at amortised cost	-	-
Debt investments classified at available-for-sale	-	(5)
	(3)	**(19)**
	28	**9**

6. Tax

IN EUR MILLIONS	30-Jun-12	30-Jun-11
TAX DIFFERENCES CAN BE ANALYSED AS FOLLOWS:		
PROFIT BEFORE TAX	**35**	**51**
Tax calculated at the nominal Dutch corporate tax rate of 25.0% (2011: 25.0%)	9	13
Effect of different tax rates in other countries	1	(1)
Impact of income not subject to tax	(5)	(4)
Impact of expenses not deductible for tax purposes	-	-
Result final tax assessment previous years	-	-
	5	**8**
Effective tax rate	15.0%	15.4%

The impact of income not subject to tax mainly relates to income from equity investments and investments in associates, in which NIBC has a stake of more than 5%, being income that is tax exempt under Dutch tax law. NIBC Holding N.V. is the parent company of NIBC Bank N.V., NIBC Investments N.V. and NIBC Investment Management N.V., which are all part of the same fiscal entity.

7. Financial assets - Loans and receivables (amortised cost)

Loans

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Loans	7,980	7,504
	7,980	**7,504**
THE LEGAL MATURITY ANALYSIS OF LOANS IS ANALYSED AS FOLLOWS:		
Three months or less	381	564
Longer than three months but not longer than one year	395	487
Longer than one year but not longer than five years	3,725	3,094
Longer than five years	3,479	3,359
	7,980	**7,504**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN IMPAIRMENTS MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**130**	**153**
Additional allowances	29	32
Write-offs	(3)	(5)
Amounts released	(3)	(14)
Unwinding of discount adjustment	(3)	(2)
Other (including exchange rate differences)	3	(1)
BALANCE AT 30 JUNE	**153**	**163**

If NIBC had fair valued the loans classified at amortised cost using the valuation methodology applied to loans designated as available-for-sale as per 30 June 2012, then the carrying amount would have decreased at balance sheet date by EUR 293 million (31 December 2011: EUR 313 million). This decrease would reflect both changes due to interest rates and credit spreads. NIBC hedges its interest rate risk from these assets.

As of 1 July 2008, NIBC reclassified financial assets (application of amendments to IAS 39 and IFRS 7) from available-for-sale to loans and receivables. At the date of reclassification NIBC had the intention and ability to hold these reclassified loans and receivables for the foreseeable future or until maturity. NIBC believes that the deterioration of the world's financial markets that occurred during the course of 2008 represents a rare circumstance that allows such a reclassification.

The following table presents the fair value and carrying value of the financial assets reclassified as of 1 July 2008 to loans at amortised cost:

IN EUR MILLIONS	Fair value on date of reclassification	Carrying amount as per 30 June 2012	Fair value as per 30 June 2012
Loan portfolio reclassified from available-for-sale category	1,930	1,888	1,810

The effective interest rates on financial assets reclassified into loans and receivables as at the date of reclassification - 1 July 2008 - ranged from 5% to 9% with expected undiscounted recoverable cash flows of EUR 2,147 million. Ranges of effective interest rates were determined based on weighted average rates.

8. Financial assets - Loans and receivables (amortised cost)
Debt investments

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Debt investments	394	507
	394	**507**
THE LEGAL MATURITY ANALYSIS OF DEBT INVESTMENTS IS ANALYSED AS FOLLOWS:		
Three months or less	-	1
Longer than three months but not longer than one year	10	-
Longer than one year but not longer than five years	58	110
Longer than five years	326	396
	394	**507**

In the first six months of 2012, EUR 1 million impairments were recorded on the debt investments at amortised cost (first six months of 2011: nil).

If NIBC had fair valued the debt investments classified as amortised cost using the valuation methodology applied to debt investments at held for trading or available for sale as per 30 June 2012, the carrying amount would have decreased at balance sheet date by EUR 104 million (31 December 2011: EUR 113 million). This decrease would reflect both changes due to interest rates and credit spreads. NIBC hedges its interest rate risk from these assets.

As of 1 July 2008, NIBC reclassified financial assets (application of amendments to IAS 39 and IFRS 7) from held for trading and available-for-sale to loans and receivables. At the date of reclassification NIBC had the intention and ability to hold these reclassified financial assets for the foreseeable future or until maturity. NIBC believes that the deterioration of the world's financial markets that occurred during the course of 2008 represents a rare circumstance that allows such a reclassification.

The following table presents the fair value and carrying value of the financial assets reclassified as of 1 July 2008 to debt investments at amortised cost:

IN EUR MILLIONS	Fair value on date of reclassification	Carrying amount as per 30 June 2012	Fair value as per 30 June 2012
DEBT INVESTMENTS RECLASSIFIED FROM:			
Held for trading category	421	291	195
Available-for-sale category	88	75	68

The effective interest rates on held for trading assets reclassified into debt investments at amortised cost as at the date of reclassification - 1 July 2008 - ranged from 6% to 20% with expected undiscounted recoverable cash flows of EUR 657 million.

The effective interest rates on available for sale debt investments as at the date of reclassification - on 1 July 2008 - ranged from 5% to 8% with expected undiscounted recoverable cash flows of EUR 128 million. Ranges of effective interest rates were determined based on weighted average rates.

9. Financial assets - Loans and receivables (amortised cost)
Securitised loans

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Loans to corporate entities	611	613
	611	**613**
THE LEGAL MATURITY ANALYSIS OF SECURITISED LOANS IS ANALYSED AS FOLLOWS:		
Three months or less	1	3
Longer than three months but not longer than one year	-	-
Longer than one year but not longer than five years	610	610
Longer than five years	-	-
	611	**613**

No impairments were recorded in the first six months of 2012 and 2011 on securitised loans at amortised cost.

If NIBC had fair valued the securitised loans classified as amortised cost using the valuation methodology applied to loans designated as available-for-sale as per 30 June 2012, then the balance sheet amount would have decreased at balance sheet date EUR 54 million (31 December 2011: EUR 53 million). The fair value reflects movements due to both interest rate changes and credit spread changes. NIBC hedges its interest rate risk from these assets.

10. Financial assets (available-for-sale)
Debt investments

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Debt investments	901	887
	901	**887**
THE LEGAL MATURITY ANALYSIS OF DEBT INVESTMENTS IS ANALYSED AS FOLLOWS:		
Three months or less	51	86
Longer than three months but not longer than one year	221	161
Longer than one year but not longer than five years	245	342
Longer than five years	384	298
	901	**887**

In the first six months of 2012, there was an additional impairment on debt investments at available-for-sale of EUR 1 million (2011: reversal of impairment of EUR 5 million).

As of 1 July 2008, NIBC reclassified non-derivative trading financial assets (application of amendments to IAS 39 and IFRS 7), which do not meet the definition of loans and receivables and are no longer held for the purpose of selling them in the near term, from held for trading to available-for-sale. NIBC believes that the deterioration of the world's financial markets that occurred in the course of 2008 represents a rare circumstance that allows such a reclassification.

The following table presents the fair value and carrying value of the financial assets reclassified to debt investments at available-for-sale as per 1 July 2008:

IN EUR MILLIONS	Fair value on date of reclassification	Carrying amount as per 30 June 2012	Fair value as per 30 June 2012
Debt investments reclassified from held for trading category	28	6	6

The effective interest rates on trading assets reclassified into debt investments available for sale as at the date of reclassification - 1 July 2008 - ranged from 13% to 26% with expected undiscounted recoverable cash flows of EUR 62 million. Ranges of effective interest rates were determined based on weighted average rates.

11. Financial assets (designated at fair value through profit or loss)
Loans

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Loans to corporate entities	531	998
	531	**998**
THE LEGAL MATURITY ANALYSIS OF LOANS IS ANALYSED AS FOLLOWS:		
Three months or less	2	5
Longer than three months but not longer than one year	14	17
Longer than one year but not longer than five years	278	808
Longer than five years	237	168
	531	**998**

12. Financial assets (designated at fair value through profit or loss)
Residential mortgages own book

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Residential mortgages own book	3,052	3,185
	3,052	**3,185**
THE LEGAL MATURITY ANALYSIS OF RESIDENTIAL MORTGAGES OWN BOOK IS ANALYSED AS FOLLOWS:		
Three months or less	24	20
Longer than three months but not longer than one year	30	15
Longer than one year but not longer than five years	28	36
Longer than five years	2,970	3,114
	3,052	**3,185**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN RESIDENTIAL MORTGAGES OWN BOOK MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**3,185**	**4,429**
Additions (including repurchases from consolidated SPEs)	11	15
Disposals (sale and/or redemption, including replenishment of consolidated SPEs)	(153)	(1,035)
Changes in fair value	9	(81)
BALANCE AT 30 JUNE	**3,052**	**3,328**

The changes in fair value in the previous table reflect movements due to both interest rate changes and credit spread changes. As NIBC hedges its interest rate risk from these assets, the movement due to interest rate changes is compensated with results on financial derivatives.

Interest income from residential mortgages own book is recognised in net interest income based on the effective interest rate. Fair value movements excluding interest are recognised in net trading income.

The maximum credit exposure including committed but undrawn facilities was EUR 3,057 million at 30 June 2012 (31 December 2011: EUR 3,190 million).

13. Financial assets (designated at fair value through profit or loss) Securitised residential mortgages

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Securitised residential mortgages	5,357	5,560
	5,357	**5,560**
THE LEGAL MATURITY ANALYSIS OF SECURITISED RESIDENTIAL MORTGAGES IS ANALYSED AS FOLLOWS:		
Three months or less	1	1
Longer than three months but not longer than one year	2	2
Longer than one year but not longer than five years	19	22
Longer than five years	5,335	5,535
	5,357	**5,560**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN SECURITISED RESIDENTIAL MORTGAGES MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**5,560**	**5,338**
Additions	-	750
Disposals (sale and/or redemption including transfers to own book)	(220)	(316)
Changes in fair value	17	(86)
BALANCE AT 30 JUNE	**5,357**	**5,686**

The changes in fair value in the previous table reflect movements due to both interest rate changes and credit spread changes. As NIBC hedges its interest rate risk from these assets, the movement due to interest rate changes is compensated with results on financial derivatives.

Interest income from securitised residential mortgages is recognised in net interest income and similar income at the effective interest rate. Fair value movements (excluding interest) are recognised in net trading income.

At 30 June 2012, securitised residential mortgages in the amount of EUR 5,357 million (31 December 2011: EUR 5,560 million) were pledged as collateral for NIBC's own liabilities.

The maximum credit exposure was EUR 5,357 million at 30 June 2012 (31 December 2011: EUR 5,560 million).

Securitised residential mortgages are recognised on NIBC's balance sheet based on the risks and rewards NIBC retains in the SPEs issuing the mortgage-backed notes. Risks and rewards can be retained by NIBC by retaining issued notes, providing overcollateralisation to the SPEs or implementing reserve accounts in the SPEs. At balance sheet date, NIBC retained EUR 624 million (31 December 2011: EUR 600 million) of notes issued by the SPEs, overcollateralisation provided to the SPEs amounted to EUR 21 million (31 December 2011: EUR 21 million) and reserve accounts amounted to EUR 15 million (31 December 2011: EUR 15 million).

14. Financial assets (designated at fair value through profit or loss, including trading)
Debt investments

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Held for trading	55	58
Designated at fair value through profit or loss	74	106
	129	**164**

All debt investments are non-government.

IN EUR MILLIONS	30-Jun-12	31-Dec-11
THE LEGAL MATURITY ANALYSIS OF DEBT INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS IS ANALYSED AS FOLLOWS:		
Three months or less	-	-
Longer than three months but not longer than one year	66	31
Longer than one year but not longer than five years	2	67
Longer than five years	6	8
	74	**106**

15. Financial liabilities (amortised cost)
Own debt securities in issue

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Bonds and notes issued	4,907	7,096
	4,907	**7,096**
THE LEGAL MATURITY ANALYSIS OF OWN DEBT SECURITIES IN ISSUE IS ANALYSED AS FOLLOWS:		
Three months or less	-	2,373
Longer than three months but not longer than one year	-	62
Longer than one year but not longer than five years	4,830	4,588
Longer than five years	77	73
	4,907	**7,096**

The Dutch State has unconditionally and irrevocably guaranteed the due payment of all amounts of principal and interest due by NIBC for EUR 3,908 million at 30 June 2012 (31 December 2011: EUR 5,410 million) of the issued notes according and subject to (i) the Rules governing the 2008 Dutch State's Credit Scheme and (ii) the Guarantee Certificate issued under those Rules in respect of these notes. These Rules and that Guarantee Certificate are available at www.dutchstate.nl.

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN OWN DEBT SECURITIES IN ISSUE MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**7,096**	**8,209**
Additions	272	545
Disposals	(2,528)	(676)
Other movements and exchange rate differences	67	(184)
BALANCE AT 30 JUNE	**4,907**	**7,894**

The disposals of own debt securities in issue at amortised cost in the first six months of 2012 include redemptions at the scheduled maturity date to an amount of EUR 2,488 million (first six months of 2011: EUR 119 million) and repurchases of debt securities before the legal maturity date to an amount of EUR 40 million (first six months of 2011: EUR 557 million). The remaining legal maturity at time of repurchase of these debt securities is between 2 and 4 years.

16. Financial liabilities (amortised cost)
Debt securities in issue related to securitised mortgages

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Bonds and notes issued	5,134	5,416
	5,134	**5,416**
THE LEGAL MATURITY ANALYSIS OF DEBT SECURITIES IN ISSUE RELATED TO SECURITISED MORTGAGES IS ANALYSED AS FOLLOWS:		
Three months or less	7	15
Longer than three months but not longer than one year	-	-
Longer than one year but not longer than five years	-	-
Longer than five years	5,127	5,401
	5,134	**5,416**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN DEBT SECURITIES IN ISSUE RELATED TO SECURITISED MORTGAGES MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**5,416**	**5,562**
Additions	-	750
Disposals	(282)	(632)
BALANCE AT 30 JUNE	**5,134**	**5,680**

17. Financial liabilities (designated at fair value through profit or loss)
Own debt securities in issue

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Bonds and notes issued	31	41
	31	**41**
THE LEGAL MATURITY ANALYSIS OF OWN DEBT SECURITIES IN ISSUE IS ANALYSED AS FOLLOWS:		
Three months or less	-	11
Longer than three months but not longer than one year	-	-
Longer than one year but not longer than five years	6	6
Longer than five years	25	24
	31	**41**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN OWN DEBT SECURITIES IN ISSUE MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**41**	**46**
Additions	1	1
Disposals	(11)	(1)
Changes in fair value	-	(2)
BALANCE AT 30 JUNE	**31**	**44**

The disposals of own debt securities in issue designated at fair value through profit or loss in the six months of 2012, are the redemptions at the scheduled maturity date. The changes in fair value reflects movements due to both interest rate changes and credit spread changes. As NIBC hedges its interest rate risk from these liabilities, the movement due to interest rate changes is compensated with results on financial derivatives.

18. Financial liabilities (designated at fair value through profit or loss)
Debt securities in issue structured

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Bonds and notes issued	1,681	1,733
	1,681	**1,733**
THE LEGAL MATURITY ANALYSIS OF DEBT SECURITIES IN ISSUE STRUCTURED IS ANALYSED AS FOLLOWS:		
Three months or less	50	25
Longer than three months but not longer than one year	638	701
Longer than one year but not longer than five years	300	326
Longer than five years	693	681
	1,681	**1,733**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN DEBT SECURITIES IN ISSUE STRUCTURED MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**1,733**	**2,120**
Additions	12	10
Disposals	(64)	(197)
Changes in fair value	(9)	(141)
Exchange rate differences	9	(45)
BALANCE AT 30 JUNE	**1,681**	**1,747**

The disposals of debt securities in issue designated at fair value through profit or loss in the first six months of 2012 include redemptions at the scheduled maturity date to an amount of EUR 60 million (first six months of 2011: EUR 177 million) and repurchases of debt securities before the legal maturity date to an amount of EUR 4 million (first six months of 2011: EUR 20 million). The remaining legal maturity at time of repurchase of these debt securities are 3 years. The changes in fair value reflects movements due to both interest rate changes and credit spread changes. As NIBC hedges its interest rate risk from these liabilities, the movement due to interest rate changes is compensated with results on financial derivatives.

19. Subordinated liabilities - amortised cost

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Subordinated loans qualifying as Tier-I capital	49	48
Other subordinated loans	37	37
	86	**85**
THE LEGAL MATURITY ANALYSIS OF SUBORDINATED LIABILITIES - AMORTISED COST IS ANALYSED AS FOLLOWS:		
One year or less	-	-
Longer than one year but not longer than five years	25	25
Longer than five years but not longer than ten years	1	1
Longer than ten years	60	59
	86	**85**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN SUBORDINATED LIABILITIES - AMORTISED COST MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**85**	**119**
Additions	-	1
Disposals	-	(9)
Exchange rate differences	1	(6)
BALANCE AT 30 JUNE	**86**	**105**

20. Subordinated liabilities - designated at fair value through profit or loss

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Subordinated loans qualifying as Tier-I capital	127	138
Other subordinated loans	146	158
	273	**296**
THE LEGAL MATURITY ANALYSIS OF SUBORDINATED LIABILITIES - FAIR VALUE IS ANALYSED AS FOLLOWS:		
One year or less	-	-
Longer than one year but not longer than five years	42	39
Longer than five years but not longer than ten years	-	4
Longer than ten years	231	253
	273	**296**

IN EUR MILLIONS	2012	2011
THE MOVEMENT IN SUBORDINATED LIABILITIES - FAIR VALUE MAY BE SUMMARISED AS FOLLOWS:		
BALANCE AT 1 JANUARY	**296**	**369**
Additions	1	1
Changes in fair value	(30)	(47)
Exchange rate differences	6	(17)
BALANCE AT 30 JUNE	**273**	**306**

The fair value reflects movements due to both interest rate changes and credit spread changes. As NIBC hedges its interest rate risk from these liabilities, the movement due to interest rate changes is compensated with results on financial derivatives.

21. Impact reclassification financial assets on comprehensive income
(application of amendments to IAS 39 and IFRS 7)

As of 1 July 2008, NIBC reclassified non-derivative trading financial assets, which do not meet the definition of loans and receivables and are no longer held for the purpose of selling them in the near term, from held for trading to available-for-sale. NIBC believes that the deterioration of the world's financial markets that occurred in the course of 2008 represents a rare

In addition, NIBC reclassified financial assets from held for trading and available-for-sale to loans and receivables. At the date of reclassification NIBC had the intention and ability to hold these reclassified loans and receivables for the foreseeable future or

NIBC has recognised the following gains, losses, income and expenses in the income statement in respect of reclassified

	For the first six months ended 30 June			
		2012		2011
IN EUR MILLIONS	After reclassification	Before reclassification	After reclassification	Before reclassification
Net interest income	41	39	47	43
Net trading income	(2)	7	4	31
Impairment of financial assets	(12)	(10)	11	6

If the reclassifications had not been made in 2008, the income statement for the first six months of 2012 would have included an additional net of tax profit on the reclassified financial assets of EUR 6 million (first six months of 2011: net of tax gain of EUR 13 million) mainly due to year-to-date fair value increases of debt investments. On the reclassified financial assets there would have been an additional net of tax gain in the first six months of 2012 of EUR 10 million (net of tax gain in the first six months of 2011: EUR 22 million) in other comprehensive income (revaluation reserve) representing unrealised fair value gains and losses on the reclassified financial assets available for sale which are not impaired.

22. Capital and shares

The ultimate controlling company is New NIB Limited, a company incorporated in Ireland.

Share capital

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Paid-up capital	80	80
	80	**80**

	30-Jun-12	31-Dec-11
THE NUMBER OF AUTHORISED SHARES IS SPECIFIED AS FOLLOWS:		
Number of authorised shares [1]	183,597,500	183,597,500
Number of shares issued and fully paid [2]	62,586,794	62,586,794
Par value per A share	1.28	1.28
Par value class B, C, D, E1 and E3 preference share	1.00	1.00
Par value class E4 preference share	5.00	5.00

1. The authorised capital amounts to EUR 214.9 million and is divided into 110,937,500 A shares of EUR 1.28 nominal value each, 72,600,000 of different classes of preference shares with a nominal value of EUR 1.00 and 60,000 of preference shares with a nominal value of EUR 5.00
2. The shares issued and fully paid consist of A shares.

23. Fair value of financial instruments

The following table provides disclosures for financial instruments that are measured at fair value in the balance sheet. The disclosure of each class of financial assets and liabilities within a three-level hierarchy, referring to the respective basis of fair

- Quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- Inputs that are not based on observable market data (unobservable inputs) (level 3).

Fair value of financial instruments at 30 June 2012

IN EUR MILLIONS	Level 1	Level 2	Level 3	30-Jun-12
FINANCIAL ASSETS AVAILABLE-FOR-SALE				
Equity investments				
Unlisted	-	-	56	**56**
Debt investments	-	895	6	**901**
	-	**895**	**62**	**957**
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)				
Loans	-	531	-	**531**
Residential mortgages own book	-	3,052	-	**3,052**
Securitised residential mortgages	-	5,357	-	**5,357**
Debt investments	-	129	-	**129**
Equity investments (including investments in	-	-	241	**241**
Derivative financial assets held for trading	-	3,513	-	**3,513**
Derivative financial assets used for hedging	-	261	-	**261**
	-	**12,843**	**241**	**13,084**
	-	**13,738**	**303**	**14,041**

IN EUR MILLIONS	Level 1	Level 2	Level 3	30-Jun-12
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)				
Own debt securities in issue	-	31	-	**31**
Debt securities in issue structured	-	1,681	-	**1,681**
Derivative financial liabilities held for trading	-	3,950	-	**3,950**
Derivative financial liabilities used for hedging	-	30	-	**30**
Subordinated liabilities	-	273	-	**273**
	-	**5,965**	**-**	**5,965**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 within the fair value hierarchy based on the degree to which the fair value is observable:

Fair value of financial instruments at 31 December 2011

IN EUR MILLIONS	Level 1	Level 2	Level 3	31-Dec-11
FINANCIAL ASSETS AVAILABLE-FOR-SALE				
Equity investments				
Unlisted	-	-	66	**66**
Debt investments	-	879	8	**887**
	-	**879**	**74**	**953**
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)				
Loans	-	998	-	**998**
Residential mortgages own book	-	3,185	-	**3,185**
Securitised residential mortgages	-	5,560	-	**5,560**
Debt investments	-	164	-	**164**
Equity investments (including investments in	-	-	258	**258**
Derivative financial assets held for trading	-	3,657	-	**3,657**
Derivative financial assets used for hedging	-	292	-	**292**
	-	**13,856**	**258**	**14,114**
	-	**14,735**	**332**	**15,067**

IN EUR MILLIONS	Level 1	Level 2	Level 3	31-Dec-11
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)				
Own debt securities in issue	-	41	-	**41**
Debt securities in issue structured	-	1,733	-	**1,733**
Derivative financial liabilities held for trading	-	3,966	-	**3,966**
Derivative financial liabilities used for hedging	-	34	-	**34**
Subordinated liabilities	-	296	-	**296**
	-	**6,070**	**-**	**6,070**

During the six months ended 30 June 2012, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements. No transfers between any level of the fair value hierarchy took place in the equivalent comparative period.

The following table shows the impact on the fair value of level 3 instruments of using reasonably possible alternative assumptions by class of instrument:

	For the period ended			
	30-Jun-12		31-Dec-11	
IN EUR MILLIONS	Carrying amount	Effect of reasonably possible alternative assumptions	Carrying amount	Effect of reasonably possible alternative assumptions
AVAILABLE-FOR-SALE FINANCIAL ASSETS				
Equity investments (unlisted)	56	3	66	3
Debt investments	6	1	8	1
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (INCLUDING TRADING)				
Equity investments (including investments in associates)	241	12	258	13

In order to determine the reasonably possible alternative assumptions, NIBC adjusted key unobservable valuation technique inputs as follows:

- For equity investments, the material unobservable input parameter is the capitalisation multiple that is applied to the maintainable earnings to determine fair value. NIBC adjusted the capitalisation multiples by increasing and decreasing the capitalisation multiples by 5 per cent, which is considered by NIBC to be within a range of reasonably possible alternatives based on capitalisation multiples of companies with similar industry and risk profiles; and
- For the debt investments, NIBC adjusted the weighted average calculated model price by 100 basis points as a reasonably possible alternative outcome. The primary unobservable input in the calculated model price is the applicable credit spread.

In 2012, there were no significant changes in the business or economic circumstances that affect the fair value of the NIBC's financial assets and liabilities.

In 2012, there were no reclassifications of financial assets.

24. Related party transactions

Transactions related to associates

As at 30 June 2012, NIBC had EUR 64 million of loans advanced to its associates (31 December 2011: EUR 59 million). In addition to net interest income on these loans, NIBC earned no fees from these associates in 2012 and 2011.

Transactions involving NIBC's shareholders

At 30 June 2012, NIBC had EUR 336 million of net exposure (assets minus liabilities) to its parent and to entities controlled by its parent entity (31 December 2011: EUR 389 million). The interest received and paid on this exposure was at arm's length.

25. Legal proceedings

There were a number of legal proceedings outstanding against NIBC at 30 June 2012. No provision has been made, as legal advice indicates that it is unlikely that any significant loss will arise.

26. Business combinations

Business combinations in the period ended 30 June 2012

There were no new business combinations in the period ended 30 June 2012.

At 30 June 2012, NIBC has the obligation to sell a minority stake (less than 10%) in Olympia Nederland Holding B.V. to a third party. No material gain or loss is expected on this disposal.

27. Commitments and contingent assets and liabilities

At 30 June 2012, NIBC has outstanding commitments to extend credit. Outstanding loan commitments have a commitment period that does not extend beyond the normal underwriting and settlement period of one to three months. Commitments extended to customers relating to mortgages at fixed interest rates or fixed spreads are hedged with interest rate swaps recorded at fair value. These commitments are designated upon initial recognition at fair value through profit or loss.

NIBC provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These agreements have fixed limits and generally extend for a period of up to five years. Expirations are not concentrated in any period.

The contractual amounts of commitments (excluding residential mortgage commitments of EUR 5 million at 30 June 2012 (at 31 December 2011: EUR 5 million), which in this condensed consolidated interim financial report are measured at fair value through profit or loss) and contingent liabilities are set out in the following table by category. In the table, it is assumed that amounts are fully advanced. The amounts for guarantees and letters of credit represent the maximum accounting loss that would be recognised at the balance sheet date if counterparties failed completely to perform as contracted.

IN EUR MILLIONS	30-Jun-12	31-Dec-11
Contract amount		
Committed facilities with respect to corporate loan financing (including investment management loans)	1,299	1,428
Capital commitments with respect to equity investments	56	67
Guarantees granted	104	104
Irrevocable letters of credit	30	4
	1,489	**1,603**

These commitments and contingent liabilities have off-balance sheet credit risk because only commitment/origination fees and accruals for probable losses are recognised in the balance sheet until the commitments are fulfilled or expire. Many of the contingent liabilities and commitments will expire without being advanced in whole or in part. Therefore, the amounts do not

28. Subsequent events

There are no subsequent events.

Review report

To: The Managing Board and Supervisory Board of NIBC Bank N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial report for the six-month period ended 30 June 2012 of NIBC Bank N.V., The Hague, which comprises the consolidated balance sheet as at 30 June 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity, the condensed consolidated statement of cash flows and the selected explanatory notes for the six-month period then ended. The Managing Board is responsible for the preparation and presentation of this condensed consolidated interim financial report in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial report based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the company. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial report as at 30 June 2012 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 21 August 2012
PricewaterhouseCoopers Accountants N.V.

Original signed by R.E.H.M. van Adrichem RA

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands
T: +31 (0) 88 792 00 20, F: +31 (0) 88 792 96 40, www.pwc.nl

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. For every transaction we put together a hand-picked cross-discipline team from our Corporate Banking activities; 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.

Our clients are our top priority. We build long-term relationships with our clients -- corporations, financial institutions, institutional investors, financial sponsors, family offices, entrepreneurial investors and retail customers. Headquartered in The Hague, we also have offices in Brussels, Frankfurt, London and Singapore.

For more information, please contact Corporate Communications.

Press Relations:	+31 (0)70 342 56 25
Debt Investor Relations:	+31 (0)70 342 98 36
E-mail:	info@nibc.com
Web:	www.nibc.com

Disclaimer

Presentation of information

The Annual Accounts of NIBC Bank N.V. ('NIBC') are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU').
In preparing the financial information in this Condensed Consolidated Interim Financial Report (NIBC Bank N.V.) for the six months ended 30 June 2012 (the 'Financial Report'), the same accounting principles are applied as in the 2011 NIBC's Annual Accounts, save for any change described in the paragraph 'General information, most significant critical accounting estimates and judgements'. All figures in this Financial Report have been reviewed.

Cautionary statement regarding forward-looking statements

Certain statements in the Financial Report are not historical facts and are 'forward-looking' statements that relate to, among other things, NIBC's business, result of operation, financial condition, plans, objectives, goals, strategies, future events, future revenues and/or performance, capital expenditures, financing needs, plans or intentions, as well as assumptions thereof. These statements are based on NIBC's current view with respect to future events and financial performance. Words such as 'believe', 'anticipate', 'estimate', 'expect', 'intend', 'predict', 'project', 'could', 'may', 'will', 'plan' and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve uncertainties and are subject to certain risks, including, but not limited to (i) general economic conditions, in particular in NIBC's core and niche markets, (ii) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness (iii) performance of financial markets, including developing markets, (iv) interest rate levels, (v) credit spread levels, (vi) currency exchange rates, (vii) general competitive factors, (viii) general changes in the valuation of assets (ix) changes in law and regulations, including taxes (x) changes in policies of governments and/or regulatory authorities, (xi) the results of our strategy and investment policies and objectives (xii) the consequences of a potential (partial) break-up of the Euro zone and/or its currency and (xiii) the risks and uncertainties as addressed in the Financial Report, the occurrence of which could cause NIBC's actual results and/or performance to differ from those predicted in such forward-looking statements and from past results.

The forward-looking statements speak only as of the date hereof. NIBC does not undertake any obligation to update or revise forward-looking statements contained in the financial report, whether as a result of new information, future events or otherwise.
Neither NIBC nor any of its directors, officers, employees do make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

The Hague, 20 August 2012

Managing Board

Jeroen Drost, Chairman, Chief Executive Officer

Kees van Dijkhuizen, Vice-Chairman, Chief Financial Officer

Rob ten Heggeler, Member

Petra van Hoeken, Chief Risk Officer