

2020 interim results

De Volksbank shows robust progress on its shared value ambition during the Covid-19 pandemic; growing appreciation for our mission of 'banking with a human touch'

Developments in shared value scores:

- Customers: customer-weighted Net Promoter Score to record high at +5 (year-end 2019: 0)
- Society: 48% climate-neutral balance sheet (year-end 2019: 44%); Financial Confidence Barometer slightly higher at 51% (year-end 2019: 48%)
- Employees: 'Genuine attention' KPI of 7.9 (year-end 2019: 7.7)
- Shareholder: return on equity of 6.2% (2019: 7.7%), on the basis of a strong capital position

Growth in current account customers, mortgage portfolio and savings deposits

- Net growth in the number of current account customers by 38,000 to 1.6 million; market share of new current accounts of approximately 20%
- Increase in new mortgage production to € 3.0 billion (first half of 2019: € 2.8 billion); market share of new mortgage loans lower at 5.6% (2019: 6.1%)
- Increase in retail savings by € 2.1 billion to € 40.5 billion; market share retail savings stable at 10.4%

Drop in net profit to € 106 million, driven by higher impairment charges related to the Covid-19 crisis

- Net profit of € 106 million, 31% lower compared with the first half of 2019 (€ 154 million)
- Slight increase in total income to € 480 million (first half of 2019: € 471 million), due to higher commissions and treasury results; decline in interest margin to 1.35% (first half of 2019: 1.40%)
- Increase in operating expenses excluding regulatory levies to € 268 million (first half of 2019: € 255 million), attributable to higher consultancy costs and a € 7 million positive revaluation in the first half of 2019
- Impairment charges of financial assets of € 45 million (first half of 2019: a reversal of € 13 million), as a result of more pessimistic economic scenarios for the future due to the Covid-19 crisis

Capital position as strong as ever

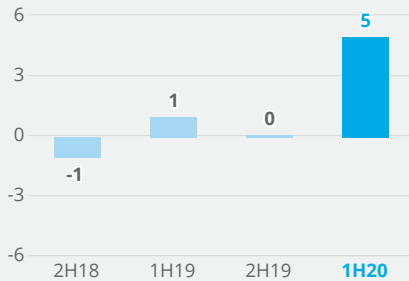
- Common Equity Tier 1 capital ratio up to 33.8% (year-end 2019: 32.6%; leverage ratio of 5.0% (year-end 2019: 5.1%)
- Successful issuance of € 500 million in green Tier 2 bonds on 15 July 2020

Maurice Oostendorp, Chairman of the Board of de Volksbank: "Faced with the Covid-19 crisis in the first half of 2020, de Volksbank made every effort to help its customers where possible and to guarantee continuity of its services. And we found that our customers appreciated our efforts. Our employees showed tremendous commitment.

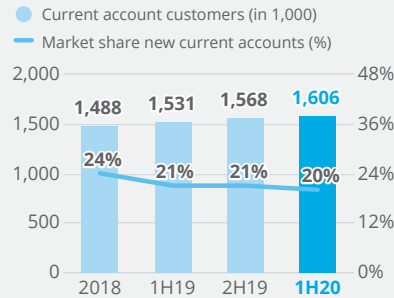
The impact of the Covid-19 crisis on income and operating expenses in the first half was limited. As a precaution, however, we have made a considerable provision for our mortgage portfolio in particular, taking into account more pessimistic economic scenarios for the future. Given our social role, we have wholeheartedly and successfully pursued our efforts to create value for our customers, society, , employees and our shareholder during this period. This gives us confidence for the future."

Key figures

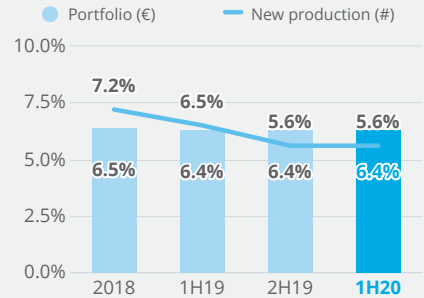
Net Promoter Score¹



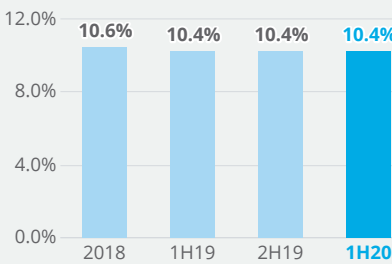
Current account customers²



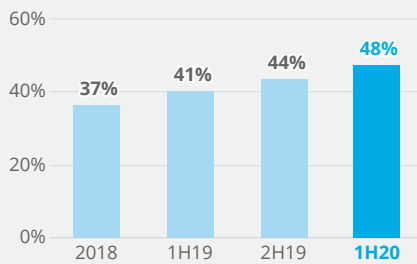
Market share of retail mortgages³



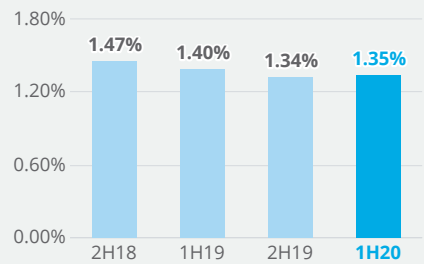
Market share of retail savings



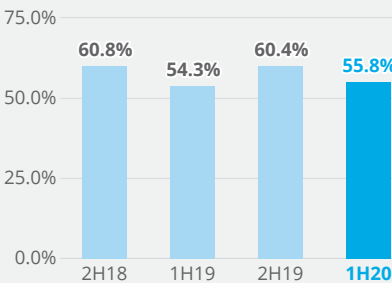
Climate-neutral balance sheet



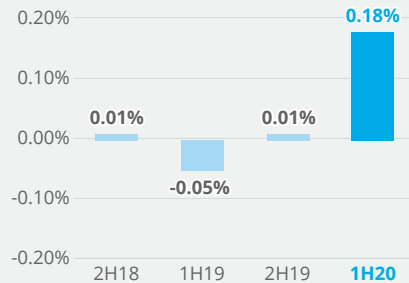
Net interest margin



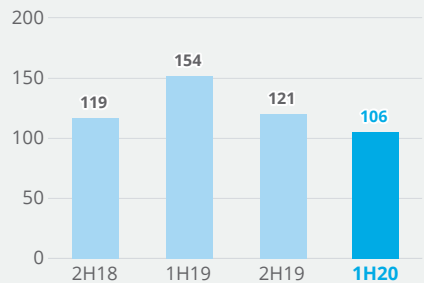
Cost/income ratio



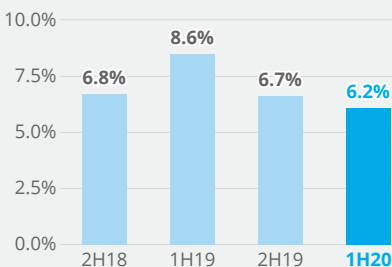
Cost of risk total loans



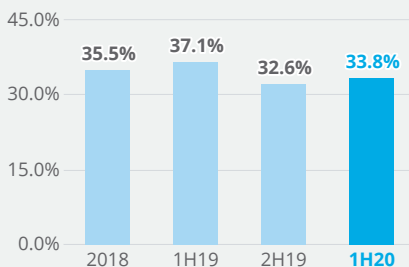
Net result



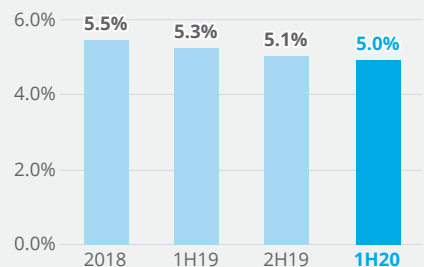
Return on equity



Common Equity Tier 1 ratio



Leverage ratio



1 Customer-weighted average NPS of all brands. Source: market research company Miles Research.

2 Source: market share of new current accounts: Ipsos market research, based on Moving Annual Total (MAT), at the end of each reporting period looking back over the last 12 months.

3 Market share of the portfolio concerns the first quarter of 2020 because total market size figures were not yet available. Market shares 1H19 and 2H19 have been adjusted due to adjustments of market size figures by CBS.

For a detailed explanation of the financial results for the first half of 2020, please refer to the Interim Financial Report 2020 on the website of de Volksbank.

FOR MORE INFORMATION, PLEASE CONTACT:

Corporate Communications

Harmen van der Schoor
harmen.vanderschoor@devolksbank.nl
Mobile phone: +31 (0)6 – 10 11 73 63

Sijmen Veenstra
sijmen.veenstra@devolksbank.nl
Mobile phone: +31 (0)6 – 30 90 61 19

Investor Relations

Jacob Bosscha
jacob.bosscha@devolksbank.nl
Tel: +31 (0)30 - 291 42 46

Davey Hak
davey.hak@devolksbank.nl
Tel: +31 (0)30 - 291 48 07

ABOUT DE VOLKSBANK N.V.

De Volksbank is a financial services provider engaged in banking, with a particular focus on the Dutch retail market, including small and medium-sized enterprises. De Volksbank carries four brands (SNS, ASN Bank, RegioBank and BLG Wonen) and has a single back office and IT organisation. The product range consists of three core product groups: payments, mortgages and savings. De Volksbank has a balance sheet total of € 65 billion and approximately 3,000 employees (FTEs), which makes it a major player in the Dutch market. The head office of de Volksbank is located in Utrecht, the Netherlands.

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