



NORDIC INVESTMENT BANK

Financial information January–April 2012

(unaudited)

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Key figures*(in EUR million unless otherwise noted)*

| | Apr 2012* | <i>Apr 2011*</i> | <i>Dec 2011</i> |
|---------------------------------|------------------|------------------|-----------------|
| Net interest income | 79 | 76 | 228 |
| Profit/loss | 94 | 72 | 194 |
| Loans disbursed | 406 | 478 | 1,946 |
| Loans agreed | 475 | 813 | 2,608 |
| Loans outstanding | 14,104 | 13,548 | 14,153 |
| Guarantee commitments | 4 | 8 | 4 |
| New debt issues | 1,944 | 1,400 | 2,887 |
| Debts evidenced by certificates | 19,621 | 16,412 | 18,433 |
| Total assets | 25,046 | 21,701 | 23,802 |
| Equity/total assets (%) | 10.2 | 10.8 | 10.3 |
| Profit/average equity (%) | 11.3 | 9.5 | 8.2 |
| Number of employees (persons) | 179 | 173 | 178 |

* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto.

Comments

NIB's financial figures January–April 2012

After a year of deepening uncertainty in the global financial markets, early 2012 brought calmer outlooks and more stability. This was to a large extent due to central banks injecting liquidity into the banking system. However, following the first four months, hopes gave way to concerns about European economic growth due to the rising pressure on the euro in the South European members of the EMU.

NIB's operational results for January–April 2012 in terms of profit amounted to EUR 94 million, which was EUR 22 million higher compared to the same period a year ago. The profit increased on the basis of the stable net interest income and due to positive fair values on financial instruments in the trading portfolios.

During the first four months, NIB saw a good deal flow in the lending pipeline, while loan disbursements took off slowly, reaching EUR 406 million. The level of the disbursements may reflect the reduced appetite for investments due to uncertainties in the economic outlook.

Loans were provided for projects within the sectors of power generation and supply, renewable energy, sustainable transport infrastructure, research and development and in other sectors. Some 75% of disbursements were rated as highly compliant with the

mandate to support competitiveness and the environment. The remaining part was disbursed as credit facilities placed with intermediary banks for onlending to subprojects that in due course will be selected on the basis of the NIB mandate criteria.

NIB's total assets at the end of the period were EUR 25 billion. Loans outstanding totalled EUR 14.1 billion. Loan impairment charges made during the period amounted to EUR 1.7 million.

During the first four months of the year, NIB closed fourteen transactions, totalling EUR 1.9 billion out of the annual target of EUR 3.2 billion. In late January, NIB launched a 5-year global USD 1.25 billion benchmark issue. In April, a 10-year Australian dollar issue for AUD 300 million was launched, taking NIB's outstanding volume in the Australian market currently to more than AUD 1.7 billion.

It is expected that in the current economic circumstances, investors will continue to seek a safe harbour in the Nordic countries. This will help NIB maintain its strength in securing long-term financing which will continue to be in short supply from other sources due to increased uncertainty and changes expected in the regulatory environment.

Henrik Normann
President and CEO

Statement of comprehensive income

EUR 1,000

| | Jan–Apr 2012* | Jan–Apr 2011* | Jan–Dec 2011 |
|---|----------------|---------------|----------------|
| Interest income | 173,678 | 153,125 | 499,642 |
| Interest expense | -95,159 | -76,966 | -271,189 |
| Net interest income | 78,518 | 76,160 | 228,452 |
| Commission income and fees received | 2,592 | 2,835 | 10,310 |
| Commission expense and fees paid | -1,100 | -799 | -2,203 |
| Net profit/loss on financial operations | 30,795 | 20,539 | 7,575 |
| Foreign exchange gains and losses | -783 | -1,712 | -653 |
| Operating income | 110,021 | 97,022 | 243,483 |
| Expenses | | | |
| General administrative expenses | 12,761 | 12,071 | 32,955 |
| Depreciation | 1,170 | 1,329 | 4,048 |
| Impairment of loans | 1,703 | 11,129 | 12,442 |
| Total expenses | 15,634 | 24,529 | 49,446 |
| PROFIT/LOSS FOR THE PERIOD | 94,387 | 72,494 | 194,037 |
| Value adjustments on the available-for-sale portfolio | - | 779 | - |
| Total comprehensive income | 94,387 | 73,273 | 194,037 |

* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto.

Statement of financial position

EUR 1,000

| | 30 Apr 2012* | 30 Apr 2011* | 31 Dec 2011 |
|--|-------------------|-------------------|-------------------|
| ASSETS | | | |
| Cash and cash equivalents | 3,235,577 | 1,225,172 | 2,414,954 |
| Financial placements | | | |
| Placements with credit institutions | 3,525 | 57,665 | 3,517 |
| Debt securities | 4,982,694 | 4,711,199 | 4,343,767 |
| Other | 27,862 | 28,576 | 25,508 |
| | 5,014,081 | 4,797,440 | 4,372,792 |
| Loans outstanding | 14,103,967 | 13,548,081 | 14,152,905 |
| Intangible assets | 4,564 | 4,638 | 4,560 |
| Tangible assets, property and equipment | 30,697 | 31,590 | 30,806 |
| Other assets | | | |
| Derivatives | 2,304,625 | 1,763,687 | 2,420,570 |
| Other assets | 34,441 | 38,208 | 38,625 |
| | 2,339,066 | 1,801,896 | 2,459,195 |
| Payments to the Bank's reserves, receivable | 1,320 | 3,960 | 2,640 |
| Accrued interest and fees receivable | 316,422 | 288,515 | 363,687 |
| TOTAL ASSETS | 25,045,694 | 21,701,291 | 23,801,539 |
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| Amounts owed to credit institutions | | | |
| Short-term amounts owed to credit institutions | 1,488,885 | 877,952 | 1,495,517 |
| Long-term amounts owed to credit institutions | 95,941 | 142,129 | 101,666 |
| | 1,584,827 | 1,020,081 | 1,597,183 |
| Debts evidenced by certificates | | | |
| Debt securities issued | 19,546,368 | 16,195,172 | 18,359,521 |
| Other debt | 74,824 | 216,854 | 73,200 |
| | 19,621,192 | 16,412,025 | 18,432,721 |
| Other liabilities | | | |
| Derivatives | 1,042,923 | 1,718,618 | 1,025,842 |
| Other liabilities | 11,227 | 7,462 | 9,942 |
| | 1,054,149 | 1,726,080 | 1,035,785 |
| Accrued interest and fees payable | 234,667 | 208,176 | 279,378 |
| Total liabilities | 22,494,835 | 19,366,362 | 21,345,067 |
| Equity | | | |
| Authorised and subscribed capital | 6,141,903 | | |
| of which callable capital | -5,723,302 | | |
| Paid-in capital | 418,602 | 418,602 | 418,602 |
| Reserve funds | | | |
| Statutory Reserve | 685,005 | | |
| General Credit Risk Fund | 955,626 | | |
| Special Credit Risk Fund PIL | 395,919 | | |
| | 2,036,550 | 1,841,874 | 1,841,193 |
| Payments to the Bank's reserves, receivable | 1,320 | 3,960 | 2,640 |
| Other value adjustments | - | -2,000 | - |
| Profit/loss for the period | 94,387 | 72,494 | 194,037 |
| Total equity | 2,550,859 | 2,334,929 | 2,456,472 |
| TOTAL LIABILITIES AND EQUITY | 25,045,694 | 21,701,291 | 23,801,539 |

* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto.

Changes in equity*

EUR 1,000

| | Paid-in capital | Statutory Reserve | General Credit Risk Fund | Special Credit Risk Fund PIL | Payments to the Bank's Statutory Reserve and Credit Risk funds | Appropriation to dividend payment | Other value adjustments** | Profit/loss for the period | Total |
|--|-----------------|-------------------|--------------------------|------------------------------|--|-----------------------------------|---------------------------|----------------------------|------------------|
| Equity at 31 December 2010 | 418,602 | 683,046 | 550,756 | 395,919 | 5,280 | 0 | -2,780 | 210,832 | 2,261,656 |
| Appropriations between reserve funds | | | 210,832 | | | | | -210,832 | 0 |
| Paid-in capital | | | | | | | | | 0 |
| Called in authorised and subscribed capital | | | | | | | | | 0 |
| Payments to the Bank's Statutory Reserve and credit risk funds, receivable | | 1,320 | | | -1,320 | | | | 0 |
| Comprehensive income for the period 1/1–30/4/2011 | | | | | | | 779 | 72,494 | 73,273 |
| Equity at 30 April 2011 | 418,602 | 684,366 | 761,589 | 395,919 | 3,960 | 0 | -2,000 | 72,494 | 2,334,929 |
| Appropriations between reserve funds** | | -2,000 | | | | | 2,000 | | 0 |
| Payments to the Bank's Statutory Reserve and credit risk funds, receivable | | 1,320 | | | -1,320 | | | | 0 |
| Comprehensive income for the period 1/5–31/12/2011** | | | | | | | | 121,543 | 121,543 |
| Equity at 31 December 2011 | 418,602 | 683,685 | 761,589 | 395,919 | 2,640 | 0 | 0 | 194,037 | 2,456,472 |
| Appropriations between reserve funds | | | 194,037 | | | | | -194,037 | 0 |
| Paid-in capital | | | | | | | | | 0 |
| Called in authorised and subscribed capital | | | | | | | | | 0 |
| Payments to the Bank's Statutory Reserve and credit risk funds, receivable | | 1,320 | | | -1,320 | | | | 0 |
| Comprehensive income for the period 1/1–30/4/2011 | | | | | | | | 94,387 | 94,387 |
| Equity at 30 April 2012 | 418,602 | 685,005 | 955,626 | 395,919 | 1,320 | 0 | 0 | 94,387 | 2,550,859 |

* Only the year-end figures are audited, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto

** Other value adjustments have been moved from the available for sale portfolio to the statutory reserve on 1 May 2011 when IFRS 9 was implemented regarding the classification of financial assets.

Cash flow statement

EUR 1,000

| | Jan-Apr 2012* | Jan-Apr 2011* | Jan-Dec 2011 |
|--|------------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Profit/loss from operating activities | 94,387 | 72,494 | 194,037 |
| Adjustments: | | | |
| Unrealised gains/losses of financial assets held at fair value | -34,988 | -18,010 | -11,223 |
| Impairment of bonds held at amortised cost | 3,733 | | 11,819 |
| Depreciation and write-down in value of tangible and intangible assets | 1,170 | 1,329 | 4,048 |
| Change in accrued interest and fees (assets) | 47,265 | 83,417 | 8,427 |
| Change in accrued interest and fees (liabilities) | -44,711 | -86,127 | -14,925 |
| Impairment of loans | 1,703 | 11,129 | 12,442 |
| Adjustment to hedge accounting | 3,346 | -2,253 | 1,574 |
| Other adjustments to the period's profit | -13 | -12 | -37 |
| Adjustments, total | -22,495 | -10,526 | 12,126 |
| Lending | | | |
| Disbursements of loans | -406,002 | -477,799 | -1,946,500 |
| Repayments of loans | 439,955 | 431,592 | 1,835,279 |
| Capitalisations, redenominations, index adjustments etc. | 215 | -79 | -846 |
| Transfer of loans to claims in other assets | 2,854 | | 7,972 |
| Exchange rate adjustments | 25,337 | 240,689 | -100,179 |
| Lending, total | 62,360 | 194,403 | -204,274 |
| Cash flows from operating activities, total | 134,252 | 256,371 | 1,889 |
| Cash flows from investing activities | | | |
| Placements and debt securities | | | |
| Purchase of debt securities | -1,611,995 | -1,114,013 | -2,082,224 |
| Sold and matured debt securities | 995,017 | 1,421,353 | 2,830,234 |
| Placements with credit institutions | -8 | 72,597 | 126,745 |
| Other financial placements | -3,054 | -1,558 | -751 |
| Exchange rate adjustments etc. | 11,693 | 63,781 | -2,575 |
| Placements and debt securities, total | -608,346 | 442,160 | 871,430 |
| Other items | | | |
| Acquisition of intangible assets | -596 | -227 | -1,655 |
| Acquisition of tangible assets | -469 | -283 | -712 |
| Change in other assets | 4,956 | -415 | -4,979 |
| Other items, total | 3,891 | -925 | -7,346 |
| Cash flows from investing activities, total | -604,455 | 441,235 | 864,084 |
| Cash flows from financing activities | | | |
| Debts evidenced by certificates | | | |
| Issues of new debt | 1,943,697 | 1,399,728 | 2,886,621 |
| Redemptions | -650,552 | -3,123,020 | -4,632,648 |
| Exchange rate adjustments | -143,819 | -1,342,163 | 416,864 |
| Debts evidenced by certificates, total | 1,149,326 | -3,065,455 | -1,329,163 |
| Other items | | | |
| Long-term placements from credit institutions | -5,725 | -2,001 | -42,464 |
| Change in swap receivables | 153,789 | 491,457 | 33,463 |
| Change in swap payables | -2,537 | 628,278 | -209,510 |
| Change in other liabilities | 1,284 | 1,646 | 4,127 |
| Paid-in capital and reserves | 1,320 | 1,320 | 2,640 |
| Other items, total | 148,133 | 1,120,700 | -211,744 |
| Cash flows from financing activities, total | 1,297,459 | -1,944,755 | -1,540,907 |
| CHANGE IN NET LIQUIDITY | 827,255 | -1,247,149 | -674,934 |
| Opening balance for net liquidity | 919,437 | 1,594,370 | 1,594,370 |
| Closing balance for net liquidity | 1,746,692 | 347,221 | 919,437 |
| Additional information to the statement of cash flows | | | |
| Interest income received | 220,943 | 236,681 | 508,025 |
| Interest expense paid | -139,870 | -163,092 | -286,114 |

The cash flow statement has been prepared using the indirect method and the cash flow items cannot be directly concluded from the statements of financial positions.

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