

22nd February 2024

## Nordic Investment Bank extends USD curve with a successful 5-year Global benchmark

### Transaction Summary:

<b>Issuer:</b>	Nordic Investment Bank (BBG Ticker: NIB)
<b>Format:</b>	Global, SEC Registered, senior unsecured
<b>Amount:</b>	\$1.5bn
<b>Settlement date:</b>	28-Feb-2024 (T+5)
<b>Maturity date:</b>	28-Feb-2029
<b>Issue price:</b>	99.471%
<b>Coupon:</b>	4.250% Semi Annual, Fixed
<b>Issue yield:</b>	4.369% Semi-Annual
<b>Spread vs. UST:</b>	CT5+13.1bps
<b>Spread vs. SOFR:</b>	MS+37bps
<b>Denomination:</b>	200k x 1k
<b>Listing:</b>	Luxembourg Stock Exchange's Regulated Market
<b>Joint-Lead Managers:</b>	Citibank, Deutsche Bank, HSBC and J.P. Morgan

### Highlights:

- Almost 3-times oversubscribed orderbook for NIB's first syndicated USD issuance of the year was backed by over 110 orders including rare investors
- The orderbook had high quality investors from around the globe. CB/OI investors was the dominant investor type with an allocation of 47%
- The largest orderbook for a Global USD benchmark from NIB in recent history allowed for final pricing to be set 3 basis points tighter to Initial Price Thoughts (IPTs)
- High quality demand for this tenor allowed NIB to offer minimal new issue concession
- One of the tightest spreads over 5-year US Treasuries from a supranational this year

### Transaction details:

On Wednesday 21<sup>st</sup> February 2024, Nordic Investment Bank (NIB), rated Aaa/AAA, priced a USD 1.5 billion bullet 5yr Global Benchmark at SOFR mid-swaps plus 37 basis points. This represents NIB's first USD syndication in 2024, following the successful green NOK and green EUR transactions in January.

The transaction garnered the largest USD orderbook in recent history from NIB and one of the tightest spreads to 5-year US Treasuries from a supranational in 2024. The new global benchmark comes with a minimal new issue concession and is yet another attestation of NIB's exceptional perception within the global SSA investor community.

The new issue carries a semi-annual coupon of 4.250% and will mature on 28<sup>th</sup> February 2029. It was priced with a spread of 13.1 basis points over the current 5-year US Treasury note (T 4% 01/31/2029), equivalent to SOFR mid-swaps plus 37 basis points. The bond offers a semi-annual yield of 4.369%.

The mandate for a new USD 5-year Global benchmark was announced on Tuesday 20<sup>th</sup> February at 12.55pm London time, with initial pricing thoughts (IPTs) released at SOFR mid-swaps plus 40 basis points. Books officially opened the following morning at around 7.53am London time with overnight indications of interest ("IOIs") already in excess of USD 3.1 billion (incl. 200 million JLM interest). Alongside IOIs, the price guidance was revised 2bps tighter to SOFR mid-swap plus 38 basis points area as book-building started.

The strong announcement of the IOIs and official price guidance allowed to build momentum and the orderbook progressed steadily. By the time the first book update was released at 11.07am London time, the orderbook stood above USD 4.2 billion (incl. 200m JLMs), at which point the decision was taken to

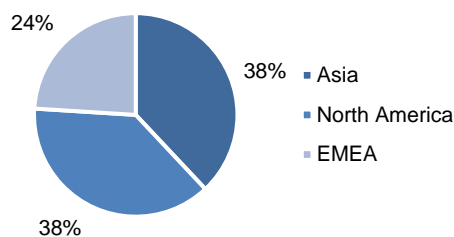
tighten the spread by another basis point, setting the spread for the global benchmark at SOFR mid-swaps plus 37 basis points, 3 basis points inside IPTs.

The orderbook showed limited price sensitivity and at 12.24pm, the transaction was launched on the back of orderbooks closing in excess of USD 4.5 billion (incl. 200 million JLM interest), allowing NIB to comfortably set the size to USD 1.5 billion.

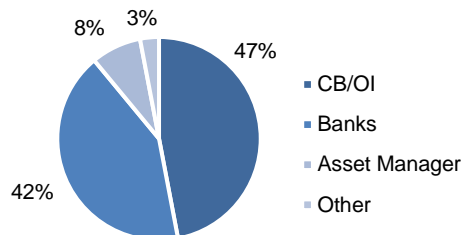
In terms of investor participation, geographical distribution was mainly dominated by Asian and North American Investors with each 38%, followed by EMEA with 24%. In terms of investor type, CB/OIs got the lions share with 47%, followed by Banks with 42%, Asset Managers with 8% and Others with 3%.

### Transaction Highlights:

By investor region:



By investor type:



### Issuer quotes:

“The yearly five-year global USD benchmark transaction is a cornerstone in our funding program. Hence, we are very pleased to see such a fantastic outcome with our issuance yesterday being supported by a well-diversified global investor group. I am pleased to see that the Funding team, based on the strong interest, decided to increase the size from USD 1bn to 1.5bn,” says **Kim Skov Jensen, CFO & Head of Treasury & Finance, Nordic Investment Bank.**

“We have been targeting the week after Chinese holidays for our first USD benchmark for the year and it seems the strategy paid well off. With a record book of 4.5 billion, we are very happy to see investors appreciate a rare USD benchmark issuer from a strong region,” comments **Jens Hellerup, Head of Funding & Investor Relations at Nordic Investment Bank.**

### Joint Lead Manager quotes:

“Citi was delighted to be part of NIB’s first Global Dollar benchmark of 2024 which achieved the tightest 5-year pricing in the SSA space so far this year. The diverse and high-quality composition of the final orderbook speaks to NIB’s compelling credit story and diverse investor footprint. Many congratulations to the NIB funding team for such an impressive result!”

**Ebba Wexler, Managing Director, Head of Public Sector DCM, Citi**

“NIB yet again delivered a truly outstanding transaction with their first USD Global of the year, a new USD 1.5 billion 5-year. Taking advantage of stable conditions and a clear issuance window in a busy market, NIB’s new benchmark appealed to a broad range of investors across the globe, allowing for more than 110 individual orders. Representing one of the tightest 5yr USD benchmarks vs treasuries in 2024 so far, this result highlights the strong perception NIB enjoys. Congratulations to the NIB team, Deutsche Bank is proud to have been part of this transaction.”

**Katrin Wehle, Managing Director, Head of SSA DCM Origination, Deutsche Bank**

“Congratulations to the NIB team for its first USD benchmark transaction of the year. NIB reacted swiftly to a favourable issuance window and achieved a record orderbook in excess of \$4.5bn, NIB’s largest USD orderbook. The three-times oversubscribed transaction highlights the strong investor support for NIB’s credit. It was a pleasure for HSBC to be a part of this landmark transaction!”

**Sabrina Khalfoune, Director DCM SSA at HSBC**



“Congratulations to the NIB Team for a fantastic first USD outing of the year, reaching a new orderbook record of \$4.4bn+ and achieving the tightest 5-year funding spread year to date, versus both mid-swap and US Treasuries. The deal’s outperformance on multiple metrics amid a busy pipeline again confirms NIB’s strong appeal to a diverse range of global investors, over 110 of whom participated in the book. J.P. Morgan is delighted to have been involved in this transaction!”

**Matthieu Batard, Head of SSA Syndicate, J.P. Morgan**

