



NORDIC  
INVESTMENT  
BANK

FINANCING  
THE  
FUTURE

# Interim Financial Report

## January–June 2021



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## Highlights

During the first half of 2021, a total of EUR 663.9 million in new loans were agreed and EUR 1,266.4 million was disbursed compared to EUR 3,449.4 million and EUR 2,836.3 million respectively in the corresponding period in 2020. This decrease in new loans was expected following last year's record highs due to the Bank's response to Covid-19.

The Bank is in a strong financial position with solid capital and liquidity ratios. The net profit for the six-month period amounted to EUR 82.5 million compared to EUR 15.5 million in 2020. This increase in profit is mainly due to lower unrealised losses on financial instruments and reduced loan loss provisioning.

At its annual meeting on 26 March 2021, the Board of Governors of NIB approved the Bank's annual report and audited financial statements. The Board also approved the proposal that no dividend would be paid to the Bank's owner countries for 2020. Assuming that the Covid-19 situation improves and the Bank's capital situation permits a higher than normal dividend to member countries for 2021 will be considered. The Board also expressed its view that NIB would be instrumental for green recovery and digital transformation in the years to come.

In March, the Bank joined the European Bank for Reconstruction and Development (EBRD) and the central banks of Estonia (Eesti Pank), Latvia (Latvijas Banka) and Lithuania (Lietuvos Bankas) in a joint effort to develop a regional market for commercial papers. In the same month, the Bank invested in Lithuania's leading food retailer's Maxima Grupė inaugural commercial paper issuance.

On 1 April, André Kūsvēk assumed office as NIB President and CEO, succeeding Henrik Normann who has retired from the Bank. Before starting in this role, André worked for over 25 years in various positions at the EBRD. Prior to that, he worked in leading private banks in Estonia and Germany.

In May, NIB issued a USD 700 million five-year benchmark bond linked to the SOFR (Secured Overnight Financing Rate) index. This issue was the Bank's inaugural Alternative Risk Free Rate transaction.

In June, NIB joined the Coalition of Finance Ministers for Climate Action as an institutional partner. The Coalition was launched in Washington DC in April 2019 on Finland's initiative. The objective is to bring considerations of climate change into decision-making about economic and financial policies.

## Key figures and ratios

In millions of euro unless otherwise specified	Jan-Jun 2021*	Jan-Jun 2020*	Jan-Dec 2020
Net interest income	102	99	206
Profit before net loan losses	68	53	221
Net profit	82	15	165
Lending disbursed	1,266	2,836	4,853
Lending agreed	664	3,449	5,666
Mandate fulfilment **	98%	99%	98%
Lending outstanding	22,260	20,478	21,555
Total assets	38,319	35,803	35,422
New debt issues	4,855	5,047	7,540
Debts evidenced by certificates	32,084	29,617	29,072
Total equity	3,936	3,689	3,861
Equity/total assets ***	10.3 %	10.3 %	10.9 %
Profit/average equity ***	4.2%	0.8 %	4.4 %
Cost/income ***	28.1 %	33.0 %	19.1 %
Number of employees at period end	224	228	222

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements

\*\* See page 9 for mandate fulfilment explanation

\*\*\* See page 27 for ratio definitions



# President & CEO's comments January–June 2021

Prior to joining NIB, my impression of the Bank was that of a professional institution with a strong financial position anchored to a clear mandate. I am pleased to report that my expectations have been met and my first impressions have been very positive indeed.

My arrival at NIB coincided with the Bank's 45th anniversary. At the outset, the Nordic countries established NIB to overcome investment barriers as well as to promote economic growth and cooperation in major investment projects. Today, NIB's mission is to finance projects that improve the productivity and benefit the environment of the Nordic and Baltic countries. This mission, together with the Bank's sound banking principles, has served the Bank well and should also guide its future.

NIB has been a pioneer in promoting green and energy efficient investments, and we need to continue this crucial work. We see that life on earth is threatened by climate change and the loss of biodiversity creating considerable risks to our environment, the economy and society. We need to transform our ways of living, consuming, and producing to ensure that future generations can survive.

For NIB, this means providing sustainable financing to the green transition, energy-efficient green buildings, clean transportation, renewable energy production, productivity improvements, pollution prevention, and protecting marine environments.

We should also realise that the economic impact of Covid-19 has been alleviated by the unprecedented amount of monetary and fiscal stimulus increasing the global debt burden. The real economic effect of the virus is yet to be seen and this and future years may be even more challenging than 2020.

NIB is well positioned to support member countries with these challenges due to its strong financial

position and the statutory changes made in 2020. The net profit for the six-month period amounted to EUR 82 million compared to EUR 15 million in 2020. The macro economic scenarios used to calculate loan loss provisioning are more positive than in 2020 and therefore loan loss provisioning has decreased. However, management has maintained the additional risk buffers made in 2020 due to uncertainty of how the economy will react when the various COVID-19 related monetary and fiscal stimulus are removed.

As expected, disbursements of EUR 1,266 million in the first half of the year were lower than the historically high level in 2020 due to the Bank's response to COVID-19 last year. During the six-month period ending 30 June 2021, a total of EUR 644 million in new loans were agreed.

During the first six months of 2020, the Bank raised EUR 4,855 million in new funding. Amongst other transactions, NIB issued its first benchmark bond linked to the SOFR [Secured Overnight Financing Rate] index.

Finally, I would like to take this opportunity to thank everyone at NIB and the Board members for making me feel very welcome and I look forward to our future cooperation together, for NIB to remain relevant to its members and to provide the best possible service to our clients..

**André Küüsvek**, President & CEO

# Operating and financial review

## Total comprehensive income

### January–June 2021 compared to January–June 2020

#### NET PROFIT

The net profit for the period January–June 2021 amounted to EUR 82.5 million, compared to EUR 15.5 million in the same period last year. Total operating income increased from EUR 78.9 million to EUR 94.1 million mainly due to lower unrealised valuation losses. Last year, the financial markets experienced significant Covid-19 related market movements, whereas in 2021 the markets have been more stable. Total operating expenses increased by EUR 0.4 million to EUR 26.4 million. Net loan losses for the period is a positive amount of EUR 14.8 million compared to a loss of EUR 37.3 million in 2020 when the Bank increased its provisions in response to uncertainties arising from the Covid-19 crisis.

#### NET INTEREST INCOME

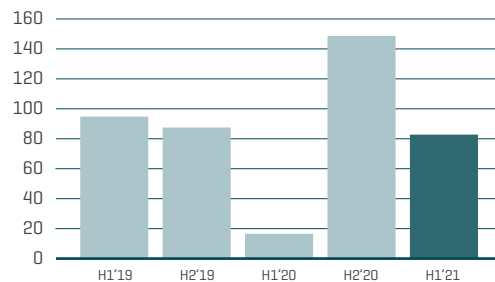
Net interest income for the period increased by 2.6 million to EUR 101.9 million, (January–June 2020: EUR 99.2). Net interest income on lending activities increased by EUR 4.5 million from EUR 76.5 million to EUR 80.9 million due to higher loan volumes. The net interest income on treasury activities of EUR 20.9 million was EUR 1.8 million lower than in 2020 due to the lower yield environment.

#### NET FEE AND COMMISSION INCOME

Net fee and commission income for the period January–June 2021 was EUR 2.2 million lower than in 2020 due to the lower volume of loans agreed and disbursed.

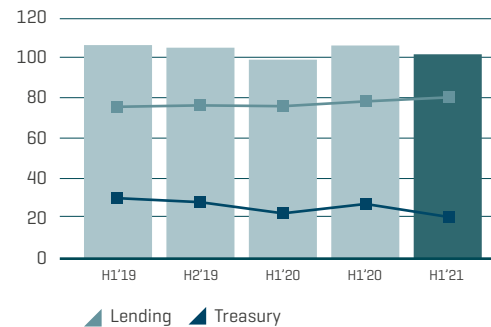
#### NET PROFIT FOR THE PERIOD

EUR m



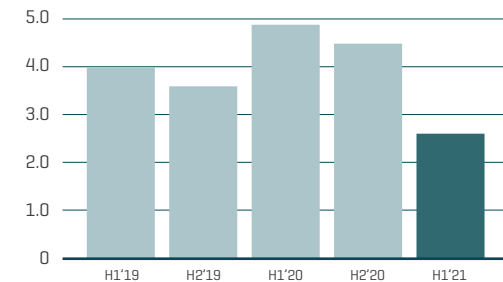
#### NET INTEREST INCOME

EUR m



#### NET COMMISSION INCOME AND FEES

EUR m



### NET LOSS/PROFIT ON FINANCIAL OPERATIONS

The loss on financial operations amounted to EUR 10.4 million compared to a loss of EUR 24.9 million in the same period last year. This result includes realised net gains of EUR 3.5 million and unrealised net losses of EUR 13.9 million compared to realised net profits of EUR 0.6 million and unrealised net losses of EUR 25.6 million in 2020. During 2020, the financial markets experienced significant market movements because of the Covid-19 outbreak. During the first quarter of 2020, these market movements resulted in significant unrealised losses on financial instruments that NIB holds to hedge its interest rate risks and in its liquidity portfolio. During the rest of 2020, the markets recovered and the Bank recorded unrealised gains resulting in an overall profit for the full year 2020. The markets have been relatively stable during 2021.

The unrealised valuation gains and losses on interest rate hedges mainly arise from the change of the interest rate spreads that are embedded in the Bank's funding and lending transactions. When the Bank raises funds with fixed rates or offers borrowers fixed rate loans, it hedges the resulting interest rate risk using swaps, in which the fixed rate is swapped to the short-term money market floating rates referred to as the IBORS [e.g., LIBOR, EURIBOR, STIBOR, NIBOR etc.]. In keeping with what NIB believes is industry best practice, the valuation of these swaps is based on a risk-free discounting rate called OIS [Overnight Interest rate Swap]. The changes in spread between the risk-free rates [the OIS rates] and the relevant IBORs applicable to each such swap creates unrealised valuation gains and losses. It should be noted that as the Bank intends to hold these transactions to maturity, so that they are not sold for a price based on their exit market value, these valuation gains and losses will not be realised as the transactions will settle at par.

The unrealised valuation gains and losses on assets in the Bank's liquidity portfolio arise from changes in credit spreads. The Bank maintains a large liquidity portfolio, which it invests in high quality bonds. When credit spreads widen, this results in negative valuations on the bonds. In periods of financial turbulence credit spreads tend to rise, which also affects NIB's high quality bonds. As the Bank intends to hold the bonds to maturity, so that they are not sold based on the current exit market value, the valuation gains and losses will reverse, as the bonds will settle at par.

### TOTAL OPERATING EXPENSES

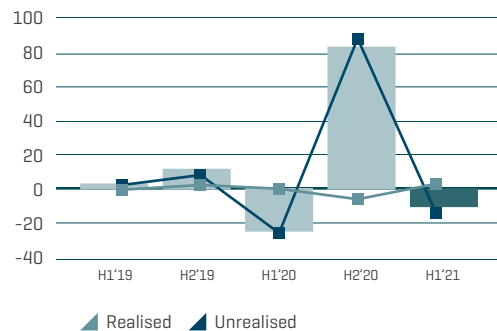
Total operating expenses amounted to EUR 26.4 million, an increase of EUR 0.4 million compared the corresponding period in 2020. This increase is due to higher depreciation and administrative expenses of EUR 2.0 million offset by lower personnel expenses of EUR 1.7 million. The Bank continues to focus on cost control and the cost/income ratio remains strong.

### NET LOAN LOSSES

Following the outbreak of Covid-19 in 2020, the global operating environment rapidly deteriorated and as a result, the Bank adjusted the macro-economic scenarios used to calculate the expected credit loss ("ECL") provision. In 2020, there was an increase in the ECL provision from EUR 122.3 million at 31 December 2019 to EUR 172.6 million at 31 December 2020. During 2021, the macro-economic scenarios have improved, resulting in a decrease of the ECL provision to EUR 159.9 million at 30 June 2021.

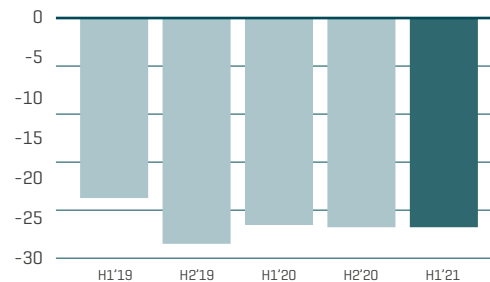
### NET PROFIT ON FINANCIAL OPERATIONS

EUR m



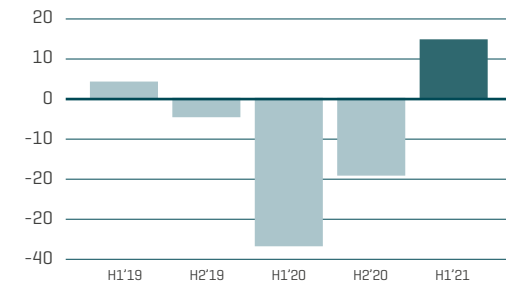
### TOTAL OPERATING EXPENSES

EUR m



### NET LOAN LOSSES

EUR m



There have been no significant observed changes in the credit quality of the overall loan portfolio and there were no new non-performing loans during the period and no realised losses. The gain recognised in the income statement for net loan losses of EUR 14.8 million relates to recoveries on non-performing loans of EUR 0.2 million and EUR 14.6 million related to the change in ECL on performing loans.

#### **OTHER COMPREHENSIVE INCOME**

The Bank separates the foreign currency basis spread from financial instruments used in fair value hedge accounting and this separated amount is recorded in "Other comprehensive income" (OCI) which amounted to a loss of EUR 8.4 million for the period (January–June 2020: loss EUR 20.6 million). This recorded loss is due to the widening of the Cross Currency Basis spreads, which negatively affect the valuation of basis swaps used to convert funding currencies into lending currencies.

For financial liabilities recorded at fair value through profit or loss, valuation changes due to changes in own credit spreads need to be recorded in OCI. For the six-month period ending 30 June 2021, the Bank recorded a positive impact from these changes of EUR 1.5 million.

The resulting total comprehensive profit for the period amounted to EUR 75.7 million, compared to a loss of EUR 1.6 million in 2020.

# Financial position

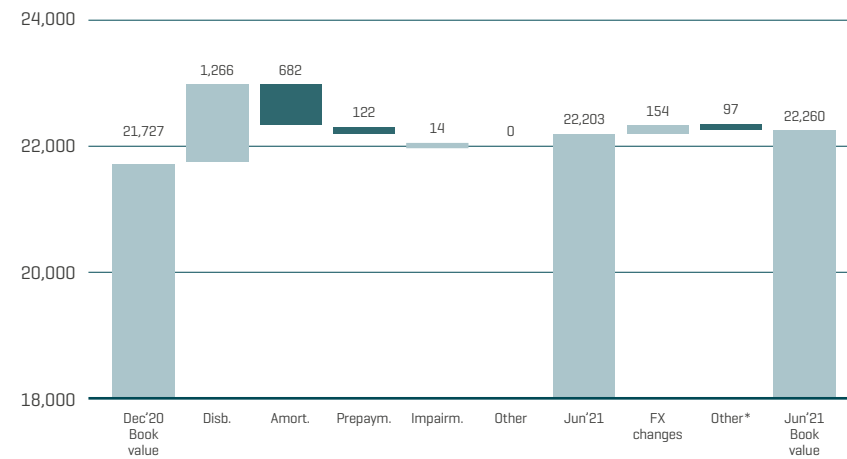
## LENDING OUTSTANDING

The lending outstanding amounted to EUR 22,259.6 million. This comprises EUR 22,009.2 million of loans outstanding and investments of EUR 250.4 million in labelled bonds and CPs. The total disbursements and investments during the period amounted to EUR 1,266.4 million, which is EUR 1,569.9 million lower than for the same period in 2020. This decrease is expected following last year's record disbursements. More information regarding loans agreed can be found on our website at [Agreed Loans](#).

Total lending outstanding, excluding exchange rate and valuation effects, increased from EUR 21,726.6 million at 31 December 2020 to EUR 22,203.4 million. The book value amounted to EUR 22,259.6 million due to foreign exchange movements and fair valuations/hedge accounting effects of EUR 153.7 million and EUR -97.4 million, respectively

## DEVELOPMENT OF LENDING OUTSTANDING DURING 2021

EUR m



\* Fair valuation of lending green bonds and hedging accounting.





## LENDING HIGHLIGHTS

in EUR millions, unless otherwise specified	Jan-Jun* 2021	Jan-Jun* 2020	2020	2019	2018	2017
Loans agreed excluding green bond investments	586	3,449	5,632	3,186	4,269	3,665
Green bond investments	78	-	34	131	61	147
Total disbursements	1,266	2,836	4,853	2,676	4,047	3,147
Number of loans agreements in period	13	31	59	55	58	55
Number of green bond investments in period	8	-	4	9	3	9
Lending outstanding	22,260	20,478	21,727	18,931	19,065	17,232
Member countries	21,714	19,753	21,098	18,055	17,960	15,867
Non-member countries	702	882	798	996	1,222	1,504
Loan impairment provision	-157	-156	-169	-119	-117	-139

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements

## MISSION FULFILMENT

NIB's vision is for a prosperous and sustainable Nordic-Baltic region. All projects proposed for financing undergo an assessment of their potential impact on productivity and the environment of the member country area. This mission fulfilment is rated on a five-grade scale from "negative" to "excellent". In response to the Covid-19 pandemic, NIB provided "response loans" to alleviate the economic and social consequences of the crisis. These response loans are tracked separately and are not included in the standard mandate rating. During the first half of 2021, projects achieving a "good" or "excellent" mandate rating accounted for 98% of the total amount of loans disbursed excluding response loans which exceeded the target of 90%.



## FUNDING

By the end of June, the Bank had raised EUR 4,854.9 million (January–June 2020: EUR 5,047.1 million) in new funding through 37 transactions in 9 currencies, with an average maturity of five years. NIB's funding plan for 2021 is EUR 6.5-7.5 billion.

On 7 January, NIB priced a five-year GBP 600 million issue. The transaction was NIB's largest ever new sterling benchmark, with the final orderbook reaching over GBP 800 million.

On 13 January, the Bank issued its first global USD benchmark issue for the year. The five-year USD 1.25 billion benchmark transaction has a final maturity on 21 January 2026 and was met with strong support from investors.

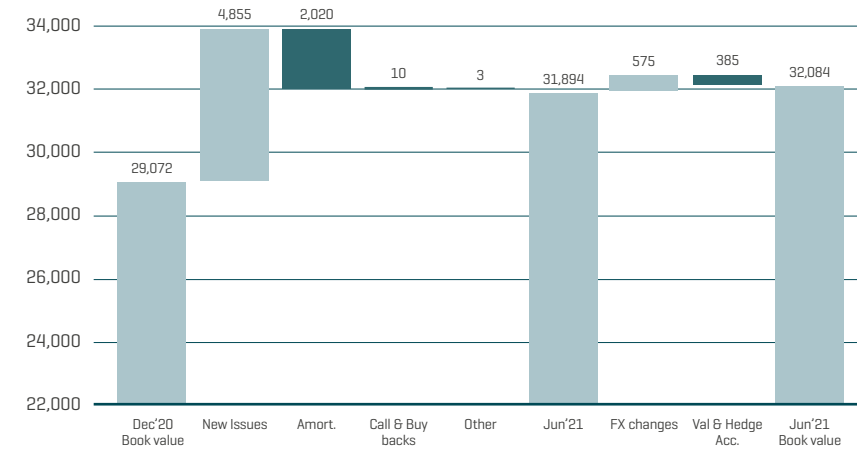
On 25 March, NIB issued its first NIB Environmental Bond (NEB) for the year. The EUR 500 million transaction was an increase of a NEB due April 2027, bringing the new total outstanding to EUR 1 billion. With this re-opening, NIB's total environmental bond issuance surpassed EUR 5 billion.

On 6 May, NIB issued its inaugural USD 700 million five-year benchmark bond linked to the SOFR [Secured Overnight Financing Rate] index.

A full list of funding transactions can be found on our website at [Funding Transactions](#).

## DEBT DEVELOPMENT DURING 2021

EUR m



# Financial statements

## Statement of comprehensive income

In thousands of euro	NOTE	Jan-Jun 2021*	Jan-Jun 2020*	Jan-Dec 2020
Interest income from financial assets measured at amortised cost		99,867	142,913	254,355
Interest income from financial assets measured at fair value		3,233	12,794	18,160
Interest expense		-1,249	-56,494	-66,973
<b>Net interest income</b>	(1)	<b>101,851</b>	<b>99,213</b>	<b>205,543</b>
Commission income and fees received		3,745	6,081	12,485
Commission expense and fees paid		-1,098	-1,192	-3,145
<b>Net fee and commission income</b>		<b>2,647</b>	<b>4,889</b>	<b>9,340</b>
Net loss/profit on financial operations	(3)	-10,386	-24,912	58,810
Foreign exchange gains and losses		13	-332	183
<b>Total operating income</b>		<b>94,125</b>	<b>78,858</b>	<b>273,876</b>
Expenses				
General administrative expenses				
Personnel expenses		-15,653	-17,322	-31,327
Other administrative expenses		-6,580	-5,412	-13,563
Depreciation		-4,190	-3,318	-7,546
<b>Total operating expenses</b>		<b>-26,423</b>	<b>-26,052</b>	<b>-52,437</b>
<b>Loss/profit before loan losses</b>		<b>67,701</b>	<b>52,806</b>	<b>221,439</b>
Net loan losses	(4) (5)	14,791	-37,329	-56,744
<b>Net loss/profit for the period</b>		<b>82,492</b>	<b>15,476</b>	<b>164,695</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to income statement</b>				
Fair value hedges – valuation of cross currency basis spread		-8,356	-20,632	9,120
Changes in own credit risk on liabilities recorded at fair value		1,521	3,573	-3,376
<b>Total other comprehensive income</b>		<b>-6,835</b>	<b>-17,059</b>	<b>5,744</b>
<b>Total comprehensive loss/income</b>		<b>75,657</b>	<b>-1,582</b>	<b>170,439</b>

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements  
The accompanying notes are an integral part of these financial statements.



## Statement of financial position

In thousands of euro	NOTE	30 Jun 2021*	30 Jun 2020*	31 Dec 2020
<b>ASSETS</b>				
Cash and cash equivalents		2,633,953	3,755,065	2,270,386
Placements with credit institutions		3,988,069	1,588,105	1,968,836
Debt securities		7,988,134	7,744,850	7,912,255
Other		6,532	6,694	8,907
Financial placements, total		<b>11,982,735</b>	<b>9,339,649</b>	<b>9,889,998</b>
Loans outstanding	[6]	22,009,213	20,350,487	21,554,808
Intangible assets		9,891	13,485	12,018
Tangible assets, property and equipment		36,099	37,645	37,256
Derivatives		1,225,676	1,765,249	1,405,770
Other assets		193,179	300,754	19,614
Other assets, total		<b>1,418,855</b>	<b>2,066,003</b>	<b>1,425,384</b>
Accrued interest and fees receivable		227,836	240,337	232,197
<b>TOTAL ASSETS</b>		<b>38,318,581</b>	<b>35,802,671</b>	<b>35,422,047</b>

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements

The accompanying notes are an integral part of these financial statements.



In thousands of euro	NOTE	30 Jun 2021*	30 Jun 2020*	31 Dec 2020
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
Short-term amounts owed to credit institutions		708,453	1,192,236	723,795
Owed to credit institutions, total		<b>708,453</b>	<b>1,192,236</b>	<b>723,795</b>
Debts evidenced by certificates	[7]	32,084,082	29,617,465	29,071,696
Derivatives		1,051,061	1,074,627	1,362,269
Other liabilities		362,087	40,749	227,905
Other liabilities, total		<b>1,413,149</b>	<b>1,115,376</b>	<b>1,590,174</b>
Accrued interest and fees payable		176,480	188,853	175,620
<b>Total liabilities</b>		<b>34,382,163</b>	<b>32,113,931</b>	<b>31,561,285</b>
<b>Equity</b>		<b>3,936,418</b>	<b>3,688,740</b>	<b>3,860,761</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>38,318,581</b>	<b>35,802,671</b>	<b>35,422,047</b>

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements

The accompanying notes are an integral part of these financial statements.



## Statement of changes in equity

In thousands of euro	PAID-IN CAPITAL	STATUTORY RESERVE	GENERAL CREDIT RISK FUND	SPECIAL CREDIT RISK FUND PIL	PROFIT AVAILABLE FOR APPROPRIATION	CHANGES IN OWN CREDIT RISK ON LIABILITIES RECORDED AT FAIR VALUE	HEDGING RESERVE	TOTAL
<b>EQUITY AT 31 DECEMBER 2019</b>	<b>418,602</b>	<b>686,325</b>	<b>2,002,562</b>	<b>426,941</b>	<b>181,982</b>	-	<b>18,910</b>	<b>3,735,323</b>
Profit for the period	-	-	-	-	15,476	-	-	15,476
Other comprehensive income	-	-	-	-	-	3,573	-20,632	-17,059
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,476</b>	<b>3,573</b>	<b>-20,632</b>	<b>-1,582</b>
<b>Transactions with owners in their capacity as owners</b>								
Appropriation of profit	-	-	136,982	-	-136,982	-	-	0
Dividends	-	-	-	-	-45,000	-	-	-45,000
<b>EQUITY AT 30 JUNE 2020</b>	<b>418,602</b>	<b>686,325</b>	<b>2,139,544</b>	<b>426,941</b>	<b>15,476</b>	<b>3,573</b>	<b>-1,722</b>	<b>3,688,740</b>
Profit for the period	-	-	-	-	149,219	-	-	149,219
Other comprehensive income	-	-	-	-	-	-6,949	29,752	22,803
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>149,219</b>	<b>-6,949</b>	<b>29,752</b>	<b>172,022</b>
<b>Transactions with owners in their capacity as owners</b>								
Change in Statutes	426,941	-	-	-426,941	-	-	-	0
<b>EQUITY AT 31 DECEMBER 2020</b>	<b>845,543</b>	<b>686,325</b>	<b>2,139,544</b>	<b>0</b>	<b>164,695</b>	<b>-3,376</b>	<b>28,030</b>	<b>3,860,761</b>
Profit for the period	-	-	-	-	82,492	-	-	82,492
Other comprehensive income	-	-	-	-	-	1,521	-8,356	-6,835
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>82,492</b>	<b>1,521</b>	<b>-8,356</b>	<b>75,657</b>
<b>Transactions with owners in their capacity as owners</b>								
Appropriation of profit	-	150,559	14,136	-	-164,695	-	-	0
<b>EQUITY AT 30 JUNE 2021</b>	<b>845,543</b>	<b>836,884</b>	<b>2,153,680</b>	<b>0</b>	<b>82,492</b>	<b>-1,855</b>	<b>19,674</b>	<b>3,936,418</b>

The accompanying notes are an integral part of these financial statements.

# Cash flow statement

In thousands of euro	Jan-Jun 2021*	Jan-Jun 2020*	Jan-Dec 2020
<b>Cash flows from operating activities</b>			
<b>Net loss/profit for the period</b>	<b>82,492</b>	<b>15,476</b>	<b>164,695</b>
<b>Adjustments:</b>			
Unrealised gains/losses of financial assets and liabilities held at fair value	1,923	29,093	-12,900
ECL non-lending activities	-240	253	301
Depreciation and write-down in value of tangible and intangible assets	4,190	3,318	7,546
Change in accrued interest and fees (assets)	6,464	34,488	42,646
Change in accrued interest and fees (liabilities)	-1,305	-33,320	-46,184
Net loan losses (ECL lending activities)	-14,791	37,329	56,744
Adjustment to hedge accounting	12,361	-2,036	-51,157
Other adjustments to the period's profit	664	2,187	3,023
<b>Adjustments, total</b>	<b>9,266</b>	<b>71,313</b>	<b>18</b>
<b>Lending</b>			
Disbursements of loans	-1,188,037	-2,836,334	-4,818,897
Repayments of loans	803,858	927,783	1,867,353
Capitalisations, redenominations, index adjustments, etc.	141	615	430
<b>Lending, total</b>	<b>-384,038</b>	<b>-1,907,936</b>	<b>-2,951,115</b>
<b>Cash flows from operating activities, total</b>	<b>-292,280</b>	<b>-1,821,147</b>	<b>-2,786,402</b>
<b>Cash flows from investing activities</b>			
<b>Placements and debt securities</b>			
Purchase of debt securities	-1,012,796	-1,810,887	-1,090,285
Sold and/or matured debt securities	774,782	1,114,019	786,599
Placements with credit institutions	-1,999,874	2,002,039	1,335,090
Other financial placements	-19	-	5,379
<b>Placements and debt securities, total</b>	<b>-2,237,908</b>	<b>1,305,170</b>	<b>1,036,783</b>

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements

The accompanying notes are an integral part of these financial statements.



In thousands of euro	Jan-Jun 2021*	Jan-Jun 2020*	Jan-Dec 2020
<b>Other items</b>			
Acquisition of intangible assets	-674	-3,644	-4,872
Acquisition of tangible assets	-231	-3,153	-4,296
Change in other assets	-31,600	-64,243	1,684
<b>Other items, total</b>	<b>-32,505</b>	<b>-71,040</b>	<b>-7,484</b>
<b>Cash flows from investing activities, total</b>	<b>-2,270,413</b>	<b>1,234,130</b>	<b>1,029,299</b>
<b>Cash flows from financing activities</b>			
<b>Debts evidenced by certificates</b>			
Issues of new debt	4,728,674	4,819,115	7,540,409
Redemptions	-2,034,024	-1,965,553	-4,142,020
<b>Debts evidenced by certificates, total</b>	<b>2,694,650</b>	<b>2,853,563</b>	<b>3,398,389</b>
<b>Other items</b>			
Long-term placements from credit institutions		-8,435	-8,435
Change in swap receivables excluding fair value changes	2,284	-11,455	-274,019
Change in swap payables excluding fair value changes	12,825	100,796	-248,028
Change in other liabilities	227,344	-1,823	-3,808
Dividend paid	-	-45,000	-45,000
<b>Other items, total</b>	<b>242,453</b>	<b>34,084</b>	<b>-579,290</b>
<b>Cash flows from financing activities, total</b>	<b>2,937,103</b>	<b>2,887,646</b>	<b>2,819,099</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS, NET</b>	<b>374,410</b>	<b>2,300,630</b>	<b>1,061,996</b>
<b>Opening balance for cash and cash equivalents, net</b>	<b>1,546,591</b>	<b>471,700</b>	<b>471,700</b>
Exchange rate adjustments	4,500	-209,501	12,895
<b>Closing balance for cash and cash equivalents, net</b>	<b>1,925,500</b>	<b>2,562,829</b>	<b>1,546,591</b>
<b>Additional information to the statement of cash flows</b>			
Interest income received	107,461	190,196	315,144
Interest expense paid	-390	-89,446	-113,157

\* Unaudited figures, to be read in conjunction with NIB's 2020 audited financial statements

The accompanying notes are an integral part of these financial statements. The cash flow statement has been prepared using the indirect method and cash flow items cannot be directly concluded from the statements of financial positions.





# Notes to the interim financial statements

## Note 1: Segment information

In thousands of euro	LENDING	ASSET AND LIABILITY MANAGEMENT	PORTFOLIO MANAGEMENT	TREASURY TOTAL	TOTAL
Net interest income	<b>80,926</b>	<b>12,033</b>	<b>8,892</b>	<b>20,925</b>	<b>101,851</b>
Commission income and fees received	3,683	62	0	62	3,745
Commission expense and fees paid	-25	-1,067	-7	-1,074	-1,098
Net profit on financial operations	2,334	-18,567	5,846	-12,721	-10,386
Foreign exchange gains and losses	0	13	0	13	13
Operating expenses	-17,294	-6,391	-2,739	-9,130	-26,423
Net loan losses	14,791	-	-	0	14,791
<b>Profit for period ended 30 June 2021</b>	<b>84,415</b>	<b>-13,916</b>	<b>11,992</b>	<b>-1,924</b>	<b>82,492</b>



<b>In thousands of euro</b>	<b>LENDING</b>	<b>ASSET AND LIABILITY MANAGEMENT</b>	<b>PORTFOLIO MANAGEMENT</b>	<b>TREASURY TOTAL</b>	<b>TOTAL</b>
<b>Net interest income</b>	<b>76,472</b>	<b>10,600</b>	<b>12,141</b>	<b>22,741</b>	<b>99,213</b>
Commission income and fees received	5,990	91	-	91	6,081
Commission expense and fees paid	-35	-945	-213	-1,158	-1,192
Net profit on financial operations	-5,149	-7,630	-12,133	-19,763	-24,912
Foreign exchange gains and losses	-	-332	-	-332	-332
Operating Expenses	-16,834	-6,453	-2,765	-9,218	-26,052
Net loan losses	-37,329	-	-	-	-37,329
<b>Profit for period ended 30 June 2020</b>	<b>23,115</b>	<b>-4,669</b>	<b>-2,970</b>	<b>-7,638</b>	<b>15,476</b>

<b>In thousands of euro</b>	<b>LENDING</b>	<b>ASSET AND LIABILITY MANAGEMENT</b>	<b>PORTFOLIO MANAGEMENT</b>	<b>TREASURY TOTAL</b>	<b>TOTAL</b>
<b>Net interest income</b>	<b>155,362</b>	<b>27,068</b>	<b>23,113</b>	<b>50,181</b>	<b>205,543</b>
Commission income and fees received	12,338	147	-	147	12,485
Commission expense and fees paid	-130	-2,790	-225	-3,015	-3,145
Net profit on financial operations	2,492	47,621	8,698	56,319	58,810
Foreign exchange gains and losses	-	183	-	183	183
Operating expenses	-33,477	-13,273	-5,688	-18,960	-52,437
Net loan losses	-56,744	-	-	-	-56,744
<b>Profit for year ended 31 December 2020</b>	<b>79,840</b>	<b>58,957</b>	<b>25,897</b>	<b>84,855</b>	<b>164,695</b>

## Note 2: Net interest income

In thousands of euro	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Cash and cash equivalents	-9,722	-6,894	-10,735
Placements with credit institutions	-6,153	-5,245	-14,505
Debt securities	17,263	28,507	47,747
Loans outstanding	101,492	139,312	249,853
Other interest income	220	27	155
<b>Total, interest income</b>	<b>103,100</b>	<b>155,707</b>	<b>272,515</b>
<i>Of which, interest income from financial assets measured at amortised cost</i>	<i>99,867</i>	<i>142,913</i>	<i>254,355</i>
Short-term amounts owed to credit institutions	3,252	2,780	4,999
Long-term amounts owed to credit institutions	-	21	21
Short-term repurchase agreements	-	5	25
Debts evidenced by certificates	-181,451	-239,616	-448,733
Swap contracts and other interest expenses, net	176,949	180,315	376,714
<b>Total, interest expense</b>	<b>-1,249</b>	<b>-56,494</b>	<b>-66,973</b>
<i>Of which, interest expense from financial liabilities measured at amortised cost</i>	<i>-9,893</i>	<i>-100,647</i>	<i>-121,316</i>
<b>Net interest income</b>	<b>101,851</b>	<b>99,213</b>	<b>205,543</b>

## Note 3: Net loss/profit on financial operations

In thousands of euro	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Financial instruments held at fair value, realised gains and losses	3,529	685	-4,985
Financial instruments held at fair value, unrealised gains and losses	-1,810	-27,345	12,959
Financial instruments held at amortised cost, realised gains and losses	17	-36	-21
Expected credit loss on financial placements	240	-253	-301
Adjustment to hedge accounting, unrealised gains and losses of fair value hedges	-12,361	2,036	51,157
<b>Net loss/profit on financial operations</b>	<b>-10,386</b>	<b>-24,912</b>	<b>58,810</b>

## Note 4: Expected credit loss

In thousands of euro	STAGE 1	STAGE 2	STAGE 3	TOTAL
<b>Balance at 31 December 2019</b>	<b>28,575</b>	<b>13,682</b>	<b>80,031</b>	<b>122,287</b>
Transfer to Stage 1	47	-47	-	0
Transfer to Stage 2	-5,038	5,038	-	0
Transfer to Stage 3	-	-	-	0
New assets originated or disbursed	3,935	504	-	4,439
Amortisations and repayments	-1,577	-1,050	-	-2,627
Impact of remeasurment on existing assets	6,507	29,560	-296	35,770
Foreign exchange adjustments and other changes	-	-	266	266
<b>Net change income statement</b>	<b>3,874</b>	<b>34,004</b>	<b>-30</b>	<b>37,848</b>
<b>Balance at 30 June 2020</b>	<b>32,449</b>	<b>47,687</b>	<b>80,000</b>	<b>160,136</b>
Transfer to Stage 1	-47	47	-	0
Transfer to Stage 2	-174	174	-	0
Transfer to Stage 3	-	-	-	0
New assets originated or disbursed	4,547	620	-	5,168
Amortisations and repayments	-2,395	-1,137	-	-3,532
Impact of remeasurment on existing assets	17,368	922	-463	17,827
Foreign exchange adjustments and other changes	-	-	-6,992	-6,992
<b>Net change income statement</b>	<b>19,298</b>	<b>627</b>	<b>-7,455</b>	<b>12,471</b>
<b>Balance at 31 December 2020</b>	<b>51,747</b>	<b>48,314</b>	<b>72,545</b>	<b>172,606</b>
Transfer to Stage 1	1,572	-1,572	-	0
Transfer to Stage 2	-139	139	-	0
Transfer to Stage 3	-	-	-	0
New assets originated or disbursed	1,434	357	-	1,791
Amortisations and repayments	-1,008	-1,071	-	-2,079
Impact of remeasurment on existing assets	-14,986	477	-233	-14,742
Foreign exchange adjustments and other changes	-	-	2,297	2,297
<b>Net change income statement</b>	<b>-13,127</b>	<b>-1,671</b>	<b>2,065</b>	<b>-12,733</b>
<b>Balance at 30 June 2021</b>	<b>38,620</b>	<b>46,643</b>	<b>74,610</b>	<b>159,873</b>

### ECL - STATEMENT OF FINANCIAL POSITION

In thousands of euro	30 Jun 2021	30 Jun 2020	31 Dec 2020
Loans outstanding	157,118	156,254	169,105
Other receivables	1,735	1,844	1,682
Commitments (recorded in other liabilities)	668	1,494	1,228
Financial placements	352	544	592
<b>Total</b>	<b>159,873</b>	<b>160,136</b>	<b>172,606</b>

### ECL - STATEMENT OF COMPREHENSIVE INCOME

In thousands of euro	Jan-Jun 2021	Jul-Dec 2020	Jan-Jun 2020
Net result on financial operations (Note 3)	240	-48	-253
Net loan losses (Note 5)	14,791	-19,415	-37,329
Foreign exchange gains and losses	-2,297	6,992	-266
<b>Total recognised in income statement</b>	<b>12,733</b>	<b>-12,471</b>	<b>-37,848</b>

## Note 5: Net loan losses

In thousands of euro	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Change in expected credit loss on performing loans	14,558	-37,625	-57,504
Change in expected credit loss on non-performing loans	233	296	759
Decrease of provisions to cover realised loan losses	-	-	-
Realised loan losses	-	-	-
<b>Net loan losses</b>	<b>14,791</b>	<b>-37,329</b>	<b>-56,744</b>

There were no realised losses for the periods Jan-Jun 2021, Jan-Jun 2020 or Jan-Dec 2020.



## Note 6: Lending outstanding

In thousands of euro	Jan-Jun 2021	Jul-Dec 2020	Jan-Jun 2020
<b>Opening Balance</b>	<b>21,726,644</b>	<b>20,478,477</b>	<b>18,931,294</b>
Disbursements	1,266,429	2,016,494	2,836,334
Amortisations	-681,933	-720,044	-737,096
Prepayments	-121,925	-219,526	-190,686
Changes in expected credit losses	14,230	-19,680	-36,830
Foreign exchange movements	153,670	219,334	-402,975
Fair value adjustments	332	4,603	-1,430
Hedge accounting adjustments	-97,743	-33,205	80,474
Other	-117	193	-608
<b>Closing balance</b>	<b>22,259,588</b>	<b>21,726,644</b>	<b>20,478,477</b>
Loans outstanding	22,009,213	21,554,808	20,350,487
Labelled bonds and CPs	250,375	171,836	127,990
<b>Total Lending</b>	<b>22,259,588</b>	<b>21,726,644</b>	<b>20,478,477</b>

NIB has allocated EUR 500 million to be invested in labelled bonds comprising of green bonds, social bonds, sustainability bonds and sustainability-linked bonds issued by companies or municipalities in the Bank's member countries. The investments are used to finance environmentally sustainable projects that can contribute to mitigating climate change and achieve positive social outcomes in the Nordic-Baltic region. During 2021, the Bank joined the European Bank for Reconstruction and Development (EBRD) and the central banks of Estonia (Eesti Pank), Latvia (Latvijas Banka) and Lithuania (Lietuvos Bankas) in a joint effort to develop a regional market for commercial papers. In March, the Bank invested in a Lithuanian commercial paper issuance.

## Note 7: Debts evidenced by certificates

In thousands of euro	Jan-Jun 2021	Jul-Dec 2020	Jan-Jun 2020
<b>Opening Balance</b>	<b>29,071,696</b>	<b>29,617,465</b>	<b>26,673,647</b>
New debt issues	4,854,884	2,493,269	5,047,140
Amortisations	-2,019,914	-2,176,843	-1,802,812
Calls and buy backs	-9,786	0	-163,544
Foreign exchange movements	574,776	-638,603	-686,189
Fair value adjustments	494	-1,697	3,189
Hedge accounting adjustments	-385,041	-222,270	545,231
Other	-3,027	375	803
<b>Closing balance</b>	<b>32,084,082</b>	<b>29,071,696</b>	<b>29,617,465</b>

## Note 8: Classification of financial instruments

In thousands of euro	AMORTISED COST (AC)	FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)	DERIVATIVES FOR HEDGING	TOTAL
<b>Financial assets</b>				
Cash and cash equivalents	1,353,320	1,280,633	-	2,633,953
Financial placements with credit institutions	8,217	3,979,851	-	3,988,069
Debt securities	1,794,003	6,194,131	-	7,988,134
Other financial placements		6,532	-	6,532
Loans outstanding	21,995,473	13,740	-	22,009,213
Derivatives		435,224	790,452	1,225,676
<b>Total 30 June 2021</b>	<b>25,151,014</b>	<b>11,910,112</b>	<b>790,452</b>	<b>37,851,577</b>
<b>Financial liabilities</b>				
Short-term amounts owed to credit institutions	708,453	-	-	708,453
Debt securities issued	31,614,655	469,427	-	32,084,082
Derivatives	-	318,728	732,333	1,051,061
<b>Total 30 June 2021</b>	<b>32,323,108</b>	<b>788,155</b>	<b>732,333</b>	<b>33,843,596</b>

In thousands of euro	AMORTISED COST (AC)	FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)	DERIVATIVES FOR HEDGING	TOTAL
<b>Financial assets</b>				
Cash and cash equivalents	1,159,607	2,595,458	-	3,755,065
Financial placements with credit institutions	9,021	1,579,084	-	1,588,105
Debt securities	2,121,079	5,623,770	-	7,744,850
Other financial placements	-	6,694	-	6,694
Loans outstanding	20,333,444	17,043	-	20,350,487
Derivatives	-	777,560	987,689	1,765,249
<b>Total 30 June 2020</b>	<b>23,623,151</b>	<b>10,599,609</b>	<b>987,689</b>	<b>35,210,449</b>
<b>Financial liabilities</b>				
Short-term amounts owed to credit institutions	1,192,236	-	-	1,192,236
Debt securities issued	29,151,296	466,169	-	29,617,465
Derivatives	-	179,490	895,138	1,074,627
<b>Total 30 June 2020</b>	<b>30,343,532</b>	<b>645,659</b>	<b>895,138</b>	<b>31,884,328</b>



In thousands of euro	AMORTISED COST (AC)	FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)	DERIVATIVES FOR HEDGING	TOTAL
<b>Financial assets</b>				
Cash and cash equivalents	1,371,960	898,426	-	2,270,386
Financial placements with credit institutions	7,468	1,961,368	-	1,968,836
Debt securities	1,880,420	6,031,836	-	7,912,255
Other financial placements	-	8,907	-	8,907
Loans outstanding	21,540,033	14,775	-	21,554,808
Derivatives	-	451,404	954,366	1,405,770
<b>Total 31 Dec 2020</b>	<b>24,799,881</b>	<b>9,366,715</b>	<b>954,366</b>	<b>35,120,962</b>
<b>Financial liabilities</b>				
Short-term amounts owed to credit institutions	723,795	-	-	723,795
Debt securities issued	28,612,658	459,038	-	29,071,696
Derivatives	-	651,062	711,207	1,362,269
<b>Total 31 Dec 2020</b>	<b>29,336,453</b>	<b>1,110,100</b>	<b>711,207</b>	<b>31,157,760</b>



## Note 9: Fair value of financial assets and liabilities

In thousands of euro	30 Jun 2021		30 Jun 2020		31 Dec 2020	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
<b>Financial assets</b>						
Cash and cash equivalents	2,633,953	2,633,953	3,755,065	3,755,065	2,270,386	2,270,386
Financial placements with credit institutions	3,988,069	3,988,069	1,588,105	1,588,105	1,968,836	1,968,836
Debt securities	7,988,134	8,026,013	7,744,850	7,806,357	7,912,255	7,976,000
Other financial placements	6,532	6,532	6,694	6,694	8,907	8,907
Loans outstanding	22,009,213	22,297,076	20,350,487	20,193,414	21,554,808	21,848,432
Derivatives	1,225,676	1,225,676	1,765,249	1,765,249	1,405,770	1,405,770
<b>Total</b>	<b>37,851,577</b>	<b>38,177,318</b>	<b>35,210,449</b>	<b>35,114,884</b>	<b>35,120,962</b>	<b>35,478,331</b>
<b>Financial liabilities</b>						
Short-term amounts owed to credit institutions	708,453	708,453	1,192,236	1,192,236	723,795	723,795
Debt securities issued	32,084,082	32,126,072	29,617,465	29,519,935	29,071,696	29,136,915
Derivatives	1,051,061	1,051,061	1,074,627	1,074,627	1,362,269	1,362,269
<b>Total</b>	<b>33,843,596</b>	<b>33,885,586</b>	<b>31,884,328</b>	<b>31,786,799</b>	<b>31,157,760</b>	<b>31,222,979</b>





### LEVEL OF FAIR VALUE MEASUREMENT FOR FINANCIAL INSTRUMENTS

In thousands of euro	30 Jun 2021			30 Jun 2020			31 Dec 2020		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
<b>Financial assets</b>									
Cash and cash equivalents	2,633,953	-	-	3,755,065	-	-	2,270,386	-	-
Financial placements with credit institutions	-	3,988,069	-	-	1,588,105	-	-	1,968,836	-
Debt securities	8,011,686	-	14,327	7,788,082	-	18,276	7,959,232	-	16,561
Other financial placements	-	-	6,532	-	-	6,694	-	-	8,907
Loans outstanding	-	22,283,333	13,744	-	20,176,369	17,045	-	21,833,655	14,777
Derivatives	-	1,167,118	58,558	-	1,691,451	73,797	-	1,337,118	68,652
<b>Total</b>	<b>10,645,639</b>	<b>27,438,519</b>	<b>93,161</b>	<b>11,543,147</b>	<b>23,455,925</b>	<b>115,812</b>	<b>10,229,825</b>	<b>25,139,609</b>	<b>108,896</b>
<b>Financial liabilities</b>									
Short-term amounts owed to credit institutions	-	708,453	-	-	1,192,236	-	-	723,795	-
Debt evidenced by certificates	-	31,438,516	687,556	-	28,642,520	877,415	-	28,452,300	684,615
Derivatives	-	735,021	316,040	-	762,108	312,519	-	1,081,117	281,153
<b>Total</b>	<b>0</b>	<b>32,881,990</b>	<b>1,003,596</b>	<b>0</b>	<b>30,596,865</b>	<b>1,189,934</b>	<b>0</b>	<b>30,257,211</b>	<b>965,768</b>



### CHANGES IN FAIR VALUES CATEGORISED AT LEVEL 3

In thousands of euro	Financial assets				LEVEL 3, TOTAL ASSETS	Financial liabilities		
	DEBT SECURITIES HELD AT FAIR VALUE	OTHER FINANCIAL PLACEMENTS HELD AT FAIR VALUE	LOANS OUTSTANDING	DERIVATIVE ASSETS		DEBT EVIDENCED BY CERTIFICATES	DERIVATIVE LIABILITIES	LEVEL 3, TOTAL LIABILITIES
<b>31 December 2019</b>	<b>20,521</b>	<b>7,585</b>	<b>27,237</b>	<b>64,025</b>	<b>119,368</b>	<b>1,200,200</b>	<b>293,664</b>	<b>1,493,865</b>
New trades	-	-	-	-	0	43,407	-	43,407
Matured, buy backs and calls	-	-	-	-	0	-254,159	-62,950	-317,109
Amortisation	-1,346	-	-2,527	-4,098	-7,970	-	-13,946	-13,946
Capitalisations	-	-	-	1,646	1,646	-	-	0
Inflation adjustments	-	-	662	-4,117	-3,455	4,117	662	4,779
Changes in fair values	-900	-891	-122	-8,840	-10,753	6,762	-	6,762
Exchange rate adjustments	-	-	-8,204	25,181	16,977	-122,912	95,090	-27,822
<b>30 June 2020</b>	<b>18,276</b>	<b>6,694</b>	<b>17,045</b>	<b>73,797</b>	<b>115,812</b>	<b>877,415</b>	<b>312,519</b>	<b>1,189,934</b>
Financial instruments reclassified to level 3	-	-	-	-	-	-	31,887	31,887
New trades	-	-	-	874	874	57,647	635	58,281
Matured, buy backs and calls	-	-5,379	-	-10,470	-15,849	-213,815	-51,745	-265,561
Amortisation	-1,189	-	-2,088	-10,466	-13,743	-	419	419
Capitalisations	-	-	-	31,873	31,873	-	34,746	34,746
Inflation adjustments	-	-	1,339	7,836	9,175	1,603	-662	941
Changes in fair values	-526	7,592	675	10,371	18,112	-8,646	-770	-9,415
Exchange rate adjustments	-	-	-2,194	-35,163	-37,357	-29,588	-45,876	-75,465
<b>31 December 2020</b>	<b>16,561</b>	<b>8,907</b>	<b>14,777</b>	<b>68,652</b>	<b>108,896</b>	<b>684,615</b>	<b>281,153</b>	<b>965,768</b>
New trades	-	19	-	-	19	50,732	657	51,389
Matured, buy backs and calls	-	-	-	-	0	-28,089	-6,901	-34,990
Amortisation	-2,468	-	-2,034	-10,743	-15,245	-	-	0
Capitalisations	-	-	-	-	0	-	11,404	11,404
Inflation adjustments	-	-	1,245	-1,298	-52	1,298	-1,245	52
Changes in fair values	235	-2,394	265	163	-1,731	-2,015	226	-1,788
Exchange rate adjustments	-	-	-510	1,784	1,274	-18,985	30,746	11,761
<b>30 June 2021</b>	<b>14,327</b>	<b>6,532</b>	<b>13,744</b>	<b>58,558</b>	<b>93,161</b>	<b>687,556</b>	<b>316,040</b>	<b>1,003,596</b>

## Note 10: Basis of preparation

These interim financial statements are presented in accordance with IAS 34 "Interim Financial Reporting". The accounting policies and methods of computation are the same as described in Note 1 of NIB's Financial Report 2020.

There have been no material changes in relation to transactions with related parties compared to those described in Note 25 "Related party disclosures" in the 2020 IFRS financial statements.

## Note 11: Post balance sheet events

Kim Skov Jensen [Denmark] has been appointed Chief Financial Officer, Vice-President and Head of Treasury & Finance at NIB. He will be a member of the Executive Committee and responsible for the Bank's financial planning, reporting and accounting, balance sheet management, treasury activities, relationships with financial institutions and investors. Mr Skov Jensen will take up his appointment by 1 November 2021 at the latest. Kim Skov Jensen has a longstanding career at Nordea. Currently he holds a position as Head of Markets & Treasury Financial Control in Nordea's Group Finance. Over the years, he has held several senior leadership positions in Nordea's Group Treasury and brings solid experience from commercial banking in the financial services industry

### RATIO DEFINITIONS

$$\text{Equity/total assets} = \frac{\text{Total equity at reporting date}}{\text{Total assets at reporting date}}$$

$$\text{Profit/average equity} = \frac{\text{Annualised profit for the period}}{\text{Average equity for the period}}$$

$$\text{Cost/income} = \frac{\text{Total operating expenses for the period}}{\text{Total operating income for the period}}$$



**HELSINKI, 26 AUGUST 2021**

Esther Finnbogadóttir  
[Chair of the Board]

Julie Sonne

Madis Üürike

Pekka Morén

Līga Kļaviņa

Jurgita Uzieliene

Ole Hovland  
[Deputy Chair of the Board]

Karolina Ekholm

André Kүүsvek  
[President & CEO]



# Review Opinion

To the Board of Directors of Nordic Investment Bank

## Report on Review of Interim Financial Report

### INTRODUCTION

We have reviewed the interim financial report of Nordic Investment Bank consisting of statement of financial position as of June 30, 2021 and the related statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of this interim financial report in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial report based on our review.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of the interim financial report 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 International Standards on Auditing 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 interim financial report does not present fairly, in all material respects, the financial position of the entity as at June 30, 2021, and of its financial performance and its cash flows for the six-month period then ended in accordance with IAS 34.

Helsinki, 26 August 2021

Ernst & Young Oy	Ernst & Young AB
Authorized Public	Authorized Public
Accountant Firm	Accountant Firm

Terhi Mäkinen	Mona Alfredsson
Authorized Public	Authorized Public
Accountant	Accountant



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