

25 April, 2018

NIB successfully launches a new EUR denominated Environmental Bond due November 2025

Transaction Summary

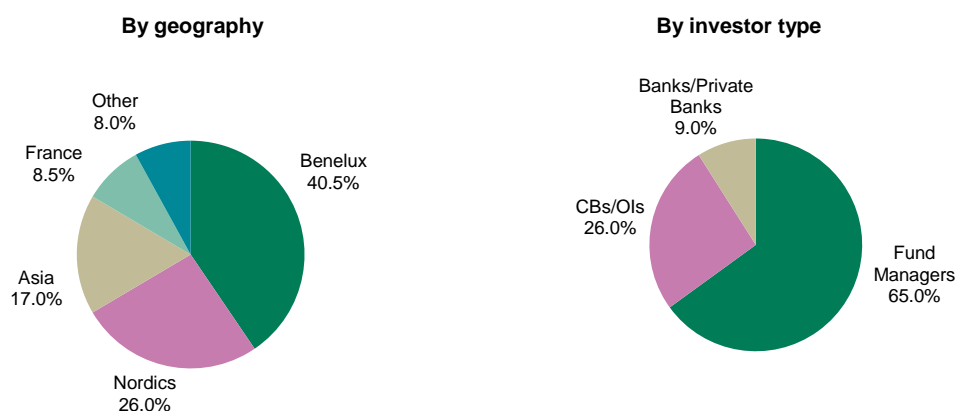
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| Rating: | Aaa (Moody's, stable) / AAA (S&P, stable) |
| Issuer: | Nordic Investment Bank (NIB) |
| Format: | RegS / Bearer form - TEFRA rules apply |
| Amount: | EUR 500 million |
| Settlement date: | 03 May 2018 (T+6) |
| Maturity date: | 03 November 2025 |
| Issue price: | 99.656% |
| Coupon: | 0.500% |
| Reoffer yield: | 0.547% |
| Spread: | Midswap - 24bps |
| Denomination: | EUR 100,000 / EUR 1,000 |
| Listing: | London Stock Exchange's Regulated Market |
| Joint-Lead Managers: | BofA Merrill Lynch, Crédit Agricole CIB and Nordea |
| ISIN: | XS1815070633 |

Transaction highlights

- On Tuesday, 24th April 2018, the Nordic Investment Bank (NIB), rated Aaa (Moody's, stable) / AAA (S&P, stable), successfully issued a new 7.5-year euro-denominated NIB Environmental Bond (NEB) to support lending to selected environmental projects considered to enhance the environment in a NIB member or EU country. In accordance with NIB's Environmental Bond Framework, the use of proceeds from this transaction will be allocated to a separate portfolio for onward disbursement of loans to new projects.
- The new EUR 500mn NEB benchmark transaction is due on 3rd November 2025, pays a coupon of 0.500% and priced with a spread of MS-24bps, equivalent to 23.2bps over the DBR 1.000% August 2025. It had a reoffer price of 99.656%, equivalent to a yield of 0.547%. BofA Merrill Lynch, Crédit Agricole CIB and Nordea acted as Joint Book runners.
- Following calls with investors held on Monday, 23rd April, and a backdrop of stable market conditions, NIB decided to take advantage of a favorable window of issuance ahead of the ECB meeting scheduled on 26th April.
- Books opened at 9am CET on Tuesday, 24th April with an official price guidance of MS-22bps area for a EUR 500mn (no-grow) 7.5-year transaction. Momentum picked up rapidly in the morning with orders exceeding EUR 750mn (including EUR 50mn JLM interest) within just two hours of the book opening and the spread guidance was revised to MS-23bps area. By 11:40am CET, books were excess of EUR 850mn (including JLM interest) allowing for the spread to be set at MS-24 bps, 2bps tighter from initial guidance and books were closed shortly after.
- Throughout the book building process, overall orderbooks were characterized by low spread sensitivity and strongly supported by real money investors.

- ESG investors present in the books included¹: Achmea Investment Management, APG, De Volksbank, Kempen Capital Management, and PGGM on behalf of its clients.
- This transaction contributed to the investor diversification of NIB, with more than 50 different investors, of which a significant take up of new investors. Benelux and Nordic investors were allocated over 65% the transaction, followed by Asia (17%), France (8.5%), and Other (8%). By investor type, the largest share went to Fund Managers with 65% and 26% to Central Banks/Official Institutions. The remaining 9% went to Private Banks and Bank Treasuries.
- With this successful transaction, NIB once again demonstrates its leadership in the Green Bond market and reaffirms its status as the largest Nordic Green Bond issuer.

Distribution statistics



"NIB is thrilled on how investors are supporting the NIB Environmental Bond program. It is encouraging to see that more than 50 investors supported this deal and nearly half of them bought NIB for the first time. The result shows that NIB's environmental mandate and projects appeal to investors and will inspire us to continue our contribution to the development of the green bond market", – Jens Hellerup, Head of Funding and Investor Relations, at NIB.

"A fantastic result for NIB, combining attractive pricing with a high quality oversubscribed order book. In particular, strong participation from Environmental, Social and Governance (ESG) accounts is a testament to the quality of NIB's green bond framework", – Adrien de Naurois, SSA Syndiate, at Bank of America Merrill Lynch.

"Being one of the pioneers and one of the largest issuer in the Green Bond market, NIB also provides the market with a best-in-class impact reporting. It is therefore no surprise to see this new transaction strongly supported by investors with active commitment to the Green Bond market", – Tanguy Claquin, Head of Sustainable Banking, at Crédit Agricole CIB.

"Once again NIB receives an outstanding reception for its Environmental Bond, in terms of pricing outcome, oversubscription, and sustainable investor participation. Investors clearly value the opportunity to support NIB's quest in furthering the sustainable global development, which again is illustrated by NIB's explicit environmental mandate from its shareholders and being an elected member of the Green Bond Principles Executive Committee", – Kamal Grossard-Amin, Head of SSA DCM, at Nordea.

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¹ This list is not exhaustive and only includes ESG investors that specifically asked to be mentioned in this press release.