

Press release
 Helsinki, 14th May 2019

Press Release

NIB USD 1billion 2.250% Global benchmark due 21 May 2024

Issuer:	Nordic Investment Bank (NIB)
Rating:	Aaa (Stable) by Moody's Investor Services, AAA (Stable) by Standard & Poor's
Format:	SEC Registered Global
Issue amount:	USD 1bn (no-grow)
Pricing date:	14 May 2019
Settlement date:	21 May 2019
Coupon:	2.250% payable semi-annually
Maturity date:	21 May 2024
Re-offer spread:	Mid-swaps + 6 bps / UST 2.250% 04/24 + 8.4bps
Re-offer price / yield:	99.906% / 2.270% s.a.
Joint lead managers:	Barclays, Citi, HSBC, Nomura

Execution Highlights

- *NIB's first USD benchmark in 2019*
- *The final orderbook stood in excess USD 2.2 billion with over 50 accounts participating*
- *Achieved the tightest pricing to US Treasuries for any NIB USD benchmark transaction and the tightest for a USD SSA benchmark in 2019 year to date.*

On Tuesday 14th May 2019, Nordic Investment Bank ("NIB") priced a new 5-year USD Global benchmark issue. The transaction is NIB's first public USD Global benchmark of 2019.

The issue has a final maturity of 21 May 2024, pays a semi-annual coupon of 2.250% and has an issue price of 99.906%, to give a spread of +8.4bps over the UST 2.250% due May 2024, equivalent to mid-swaps plus 6bps.

The mandate for the new USD 1 billion (no grow) 5-year benchmark was announced at 13:10 London time on Monday 13th May, with Initial Pricing Thoughts (IPTs) of mid-swaps plus 7bps area.

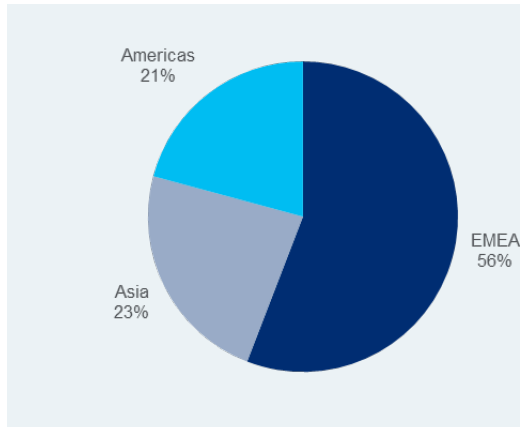
Despite the volatility in the underlying rates markets on the day of announcement, Indications of Interest (IOIs) stood in excess of USD 1 billion at 08:10 London time on Tuesday 14th May, at which point book were officially open and price guidance was announced simultaneously in line with IPTs at mid-swaps plus 7 bps area.

Regardless of swap spreads further tightening in the London morning, the momentum in the orderbook continued over the course of the morning, with demand reaching in excess of USD 2 billion by 09:40 London time. With limited price sensitivity in the orderbook, guidance was revised tighter by 1bp, to mid-swaps plus 6 bps area. At 11:30 London time, with demand of over USD 2 billion, the spread was set at mid-swaps plus 6 bps, and books closing time set at 8am New York time. The transaction was subsequently priced at 15:09 London time.

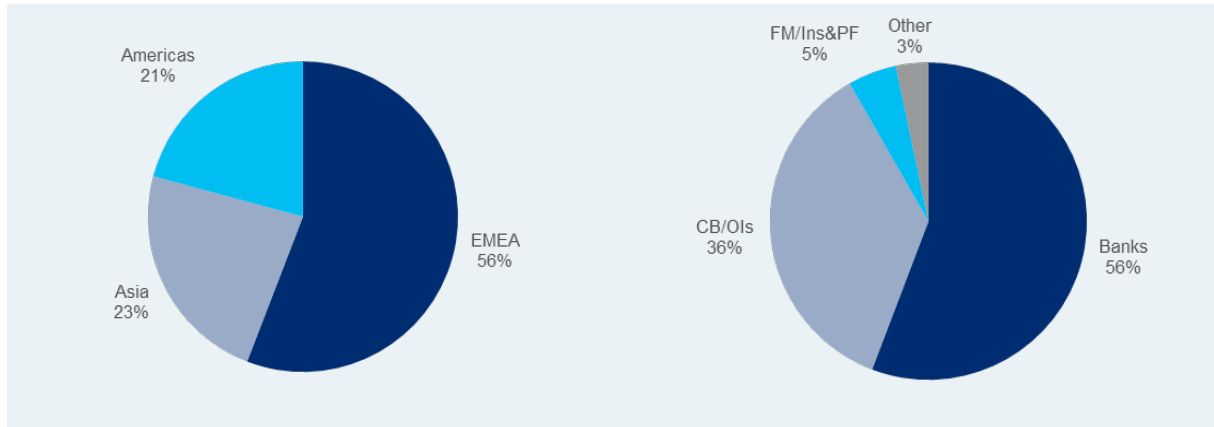
The final orderbook stood in excess of USD 2.2 billion, with over 50 investors participating in the transaction. The majority of demand came from EMEA, receiving 56% of allocations, followed by Asia and the Americas with 23% and 21% respectively. Banks and Central Banks & Official Institutions were the largest investor groups, receiving 56% and 36% of the allocations, followed by Fund Managers and Insurance & Pension Funds with 5% and other accounts with 3%.

Distribution statistics

By investor location:



By investor type:



Comments:

"The NIB team has a skillful habit of timing its deals to maximise the value of its excellent credit standing, modest funding needs and well-earned name recognition amongst high quality investors globally. Whilst recent market volatility may have deterred weaker borrowers, this only served to increase interest around this particular transaction, resulting in a well oversubscribed orderbook and a record tight spread to US Treasuries as investors took the opportunity for exposure to this relatively rare issuer. A great result." **said Lee Cumbes, Head of Public Sector EMEA, Barclays**

"Another impressive new issue execution for NIB. NIB is a popular and rare credit as highlighted by the twice oversubscribed order book and the tightest spread to Treasuries on a 5 year supra benchmark in many years. A spectacular outcome considering the volatile market environment. Citi was delighted to be involved." **said Ebba Wexler, Director SSA Debt Capital Markets, Citi**

"Once again, NIB showcased its ability to anticipate markets, printing the year's tightest 5yr USD benchmark versus treasuries. Despite a volatile market backdrop, the transaction generated broad-based investor demand, highlighting NIB's top tier credit status," **said Hector Snuggs, Head of London SSA DCM, HSBC**

"A tremendous outcome for today's Nordic Investment Bank 5Y Global Benchmark offering – despite a challenging market back drop, NIB demonstrated text book execution, providing them with a record breaking transaction and investors with another keenly priced and rare benchmark. The transaction garnered a broad following, by both; geography and investor type, paying homage to their safe haven appeal and credit standing" **said Mark Yeomans, Executive Director, Nomura**

"This week offered a clear window and recent transactions indicated that demand would be there. During yesterday and this morning we were affected by some strong headwinds from lower yield levels and tighter swap spread. Nonetheless, ending up with an order book of more than USD 2 billion sends a very strong message. We decided to set the spread at mid-swaps + 6bps, to leave room for performance in the secondary market, and yet the bond priced at the tightest treasury spread level this year." **said Jens Hellerup, Head of Funding & Investor Relations, NIB**

NIB is an international financial institution owned by eight member countries: Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden. The Bank finances private and public projects in and outside the member countries. NIB has the highest possible credit rating, AAA/Aaa, with the leading rating agencies Standard & Poor's and Moody's.

For further information, please contact:

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