

**Press release**  
Helsinki, 18 February 2016

## **Press Release – NIB USD 1.25 bn 1.125% Global due 25 February 2019**

**This transaction confirms the supreme quality of the Nordic Investment Bank credit as an elite USD Supranational global issuer pricing 3bps tighter than Initial Price Talk; despite the volatile market backdrop that has characterised the market this year.**

### **Execution Highlights:**

- NIB's new 3yr Benchmark transaction is one of only two USD SSA transactions to walk pricing 3bps tighter from Initial Price Talk this year to date.
- The final orderbook closed at over USD1.7bn and was of very high quality.
- The rare nature of this issuer alongside their ability to provide liquidity proved very appealing across a broad sector of investors.
- In particular the combination of the stellar Nordic Investment Bank credit and the defensive 3 year maturity provided the perfect sweetspot for both the Central Bank and Bank Treasury communities.

Nordic Investment Bank ("NIB") today priced a new 3 year Global USD benchmark transaction. This is NIB's first public benchmark of 2016. NIB was last in the USD market with a USD 1 bn 5 year priced in September 2015.

Successive dovish comments from global central bankers in response to the global volatility that started the year provided NIB with a stable window in which to return to the Dollar Benchmark space after a 5 month absence.

The issue has a final maturity of 25th February 2019, pays a semi-annual coupon of 1.125% and has an issue price of 99.997% to give a spread of +22.45 basis points over the UST 0.75% due February 2019; equivalent to 22 bps over Midswaps.

The mandate was announced to the market in the London afternoon of Wednesday 17th February at 2.00pm with Initial Price Thoughts of Midswaps+25bps area. The transaction received strong investor demand from the outset, and Indications of Interest were in excess of USD 1bn by the London close the same day. The orderbook officially opened on Thursday 18th February at 8.00 am (London time) with initial guidance of Midswaps + 24 bps area on the back of strong indications of interest.

Responding to the high-quality investor demand, the final spread was set at Midswaps+22 bps at 11.10am (London time), and books closed at 9.00am New York time.

The final book was over USD 1.7bn, with 50 investors participating in the transaction. Bank Treasuries accounted for the largest share of demand (56%), while strong interest also came from Central Banks and Official Institutions (28%). In terms of geography, distribution was spread across all major centers with EMEA 50%, the Americas 31 % and Asia Pacific 19%.

**Bond Summary Terms:**

Rating: Aaa / AAA (Moody's / S&P)

Issue amount: USD 1.25 bn

Issue Date: 18 February 2016

Pricing Date: 18 February 2016

Settlement Date: 25 February 2016

Coupon: 1.125% payable semi-annually

Maturity Date: 25 February 2019

Reoffer Spread: Mid swaps + 22 bps, UST 0.75% 02/19 + 22.45 bps

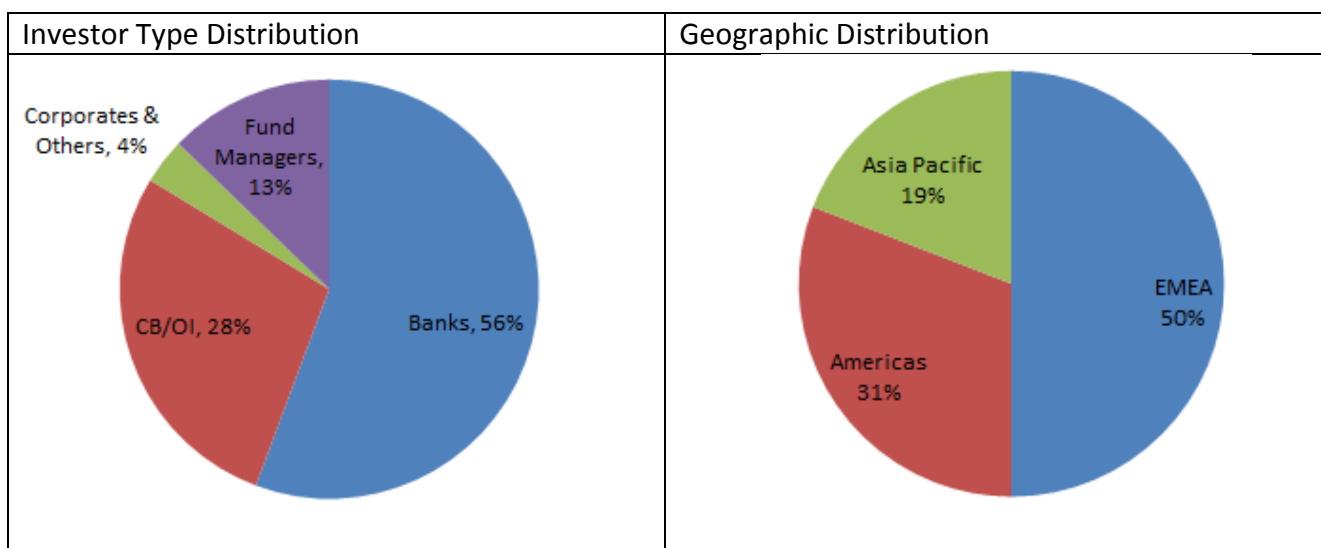
Reoffer Price: 99.997%

Reoffer Yield: 1.126% s.a.

Format: Global

Joint Lead Managers: Citi, HSBC, Nomura, TD Securities

**Distribution Stats**



**Comments:**

“Notwithstanding the challenging market backdrop, NIB has seamlessly executed a new 3 year Dollar benchmark with a rare 3 basis point tightening in pricing, on the back of an impressive high quality orderbook with 50 investors participating. The transaction illustrates NIB’s continued high standing and safe haven status within the international investor community”. ***Ebba Wexler, Director, Public Sector DCM at Citi***

"Another top notch transaction from NIB. NIB offers just the right combination of scarcity, credit quality and ongoing liquidity that investors are looking for in this market. Timing and maturity choice were spot on and the bonds will no doubt enjoy good secondary performance going forward". ***PJ Bye, Managing Director, Global Head of Public Sector Syndicate at HSBC***

“NIB’s first US\$ offering of 2016 has once again demonstrated the broad appeal of this rare credit. NIB clearly benefits from the consistency it offers with the US benchmark programme, and should be applauded for the way it engages with the investor community to retain such a strong and committed following. With market volatility remaining at elevated levels, NIB has ticked all the right boxes – rarity, credit quality and tenor – to ensure broad participation and competitive pricing”. ***Spencer Dove, Managing Director Public Sector DCM at Nomura***

“This is another strong transaction from Nordic Investment Bank and the quality of the orderbook is very impressive. It is a remarkable result to not only be able to move pricing 3bps tighter from Initial Price Talk but also to upsize the transaction in this environment. I am sure this will perform very well in the secondary market”. ***Laura Quinn, Director Debt Capital Markets at TD***

“NIB is very excited with the strong support the investor community has shown us once again with this transaction. We have been following the market for some time and felt this window offered us enough stability to issue a 3-year USD benchmark. It was very satisfying for us to be able to tighten price and upsize the deal after the recent volatility. This is testimony, I believe, to global investors recognizing NIB’s strong and enduring presence in the USD benchmark space”. ***Jens Hellerup, Senior Director, Nordic Investment Bank.***

*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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