



NORDIC INVESTMENT BANK

# Financial information January–April 2012

(unaudited)

**Table of contents**

Key figures .....	3
Comments .....	4
Statement of comprehensive income.....	5
Statement of financial position .....	6
Changes in equity.....	7
Cash flow statement.....	8

**Key figures***(in EUR million unless otherwise noted)*

	<b>Apr 2012*</b>	<i>Apr 2011*</i>	<i>Dec 2011</i>
Net interest income	79	76	228
Profit/loss	94	72	194
Loans disbursed	406	478	1,946
Loans agreed	475	813	2,608
Loans outstanding	14,104	13,548	14,153
Guarantee commitments	4	8	4
New debt issues	1,944	1,400	2,887
Debts evidenced by certificates	19,621	16,412	18,433
Total assets	25,046	21,701	23,802
Equity/total assets (%)	10.2	10.8	10.3
Profit/average equity (%)	11.3	9.5	8.2
Number of employees (persons)	179	173	178

\* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto.

## Comments

### NIB's financial figures January–April 2012

After a year of deepening uncertainty in the global financial markets, early 2012 brought calmer outlooks and more stability. This was to a large extent due to central banks injecting liquidity into the banking system. However, following the first four months, hopes gave way to concerns about European economic growth due to the rising pressure on the euro in the South European members of the EMU.

NIB's operational results for January–April 2012 in terms of profit amounted to EUR 94 million, which was EUR 22 million higher compared to the same period a year ago. The profit increased on the basis of the stable net interest income and due to positive fair values on financial instruments in the trading portfolios.

During the first four months, NIB saw a good deal flow in the lending pipeline, while loan disbursements took off slowly, reaching EUR 406 million. The level of the disbursements may reflect the reduced appetite for investments due to uncertainties in the economic outlook.

Loans were provided for projects within the sectors of power generation and supply, renewable energy, sustainable transport infrastructure, research and development and in other sectors. Some 75% of disbursements were rated as highly compliant with the

mandate to support competitiveness and the environment. The remaining part was disbursed as credit facilities placed with intermediary banks for onlending to subprojects that in due course will be selected on the basis of the NIB mandate criteria.

NIB's total assets at the end of the period were EUR 25 billion. Loans outstanding totalled EUR 14.1 billion. Loan impairment charges made during the period amounted to EUR 1.7 million.

During the first four months of the year, NIB closed fourteen transactions, totalling EUR 1.9 billion out of the annual target of EUR 3.2 billion. In late January, NIB launched a 5-year global USD 1.25 billion benchmark issue. In April, a 10-year Australian dollar issue for AUD 300 million was launched, taking NIB's outstanding volume in the Australian market currently to more than AUD 1.7 billion.

It is expected that in the current economic circumstances, investors will continue to seek a safe harbour in the Nordic countries. This will help NIB maintain its strength in securing long-term financing which will continue to be in short supply from other sources due to increased uncertainty and changes expected in the regulatory environment.

*Henrik Normann*  
President and CEO

## Statement of comprehensive income

EUR 1,000

	Jan–Apr 2012*	Jan–Apr 2011*	Jan–Dec 2011
Interest income	173,678	153,125	499,642
Interest expense	-95,159	-76,966	-271,189
<b>Net interest income</b>	<b>78,518</b>	<b>76,160</b>	<b>228,452</b>
Commission income and fees received	2,592	2,835	10,310
Commission expense and fees paid	-1,100	-799	-2,203
Net profit/loss on financial operations	30,795	20,539	7,575
Foreign exchange gains and losses	-783	-1,712	-653
<b>Operating income</b>	<b>110,021</b>	<b>97,022</b>	<b>243,483</b>
<b>Expenses</b>			
General administrative expenses	12,761	12,071	32,955
Depreciation	1,170	1,329	4,048
Impairment of loans	1,703	11,129	12,442
<b>Total expenses</b>	<b>15,634</b>	<b>24,529</b>	<b>49,446</b>
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>94,387</b>	<b>72,494</b>	<b>194,037</b>
Value adjustments on the available-for-sale portfolio	-	779	-
<b>Total comprehensive income</b>	<b>94,387</b>	<b>73,273</b>	<b>194,037</b>

\* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto.

## Statement of financial position

EUR 1,000

	30 Apr 2012*	30 Apr 2011*	31 Dec 2011
<b>ASSETS</b>			
Cash and cash equivalents	3,235,577	1,225,172	2,414,954
Financial placements			
Placements with credit institutions	3,525	57,665	3,517
Debt securities	4,982,694	4,711,199	4,343,767
Other	27,862	28,576	25,508
	<b>5,014,081</b>	<b>4,797,440</b>	<b>4,372,792</b>
Loans outstanding	14,103,967	13,548,081	14,152,905
Intangible assets	4,564	4,638	4,560
Tangible assets, property and equipment	30,697	31,590	30,806
Other assets			
Derivatives	2,304,625	1,763,687	2,420,570
Other assets	34,441	38,208	38,625
	<b>2,339,066</b>	<b>1,801,896</b>	<b>2,459,195</b>
Payments to the Bank's reserves, receivable	1,320	3,960	2,640
Accrued interest and fees receivable	316,422	288,515	363,687
<b>TOTAL ASSETS</b>	<b>25,045,694</b>	<b>21,701,291</b>	<b>23,801,539</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Amounts owed to credit institutions			
Short-term amounts owed to credit institutions	1,488,885	877,952	1,495,517
Long-term amounts owed to credit institutions	95,941	142,129	101,666
	<b>1,584,827</b>	<b>1,020,081</b>	<b>1,597,183</b>
Debts evidenced by certificates			
Debt securities issued	19,546,368	16,195,172	18,359,521
Other debt	74,824	216,854	73,200
	<b>19,621,192</b>	<b>16,412,025</b>	<b>18,432,721</b>
Other liabilities			
Derivatives	1,042,923	1,718,618	1,025,842
Other liabilities	11,227	7,462	9,942
	<b>1,054,149</b>	<b>1,726,080</b>	<b>1,035,785</b>
Accrued interest and fees payable	234,667	208,176	279,378
<b>Total liabilities</b>	<b>22,494,835</b>	<b>19,366,362</b>	<b>21,345,067</b>
<b>Equity</b>			
Authorised and subscribed capital	6,141,903		
of which callable capital	-5,723,302		
Paid-in capital	418,602	418,602	418,602
Reserve funds			
Statutory Reserve	685,005		
General Credit Risk Fund	955,626		
Special Credit Risk Fund PIL	395,919		
	<b>2,036,550</b>	1,841,874	1,841,193
Payments to the Bank's reserves, receivable	1,320	3,960	2,640
Other value adjustments	-	-2,000	-
Profit/loss for the period	94,387	72,494	194,037
<b>Total equity</b>	<b>2,550,859</b>	<b>2,334,929</b>	<b>2,456,472</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>25,045,694</b>	<b>21,701,291</b>	<b>23,801,539</b>

\* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto.

**Changes in equity\***

EUR 1,000

	Paid-in capital	Statutory Reserve	General Credit Risk Fund	Special Credit Risk Fund PIL	Payments to the Bank's Statutory Reserve and Credit Risk funds	Appropriation to dividend payment	Other value adjustments**	Profit/loss for the period	Total
<b>Equity at 31 December 2010</b>	<b>418,602</b>	<b>683,046</b>	<b>550,756</b>	<b>395,919</b>	<b>5,280</b>	<b>0</b>	<b>-2,780</b>	<b>210,832</b>	<b>2,261,656</b>
Appropriations between reserve funds			210,832					-210,832	0
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable		1,320			-1,320				0
Comprehensive income for the period 1/1–30/4/2011							779	72,494	73,273
<b>Equity at 30 April 2011</b>	<b>418,602</b>	<b>684,366</b>	<b>761,589</b>	<b>395,919</b>	<b>3,960</b>	<b>0</b>	<b>-2,000</b>	<b>72,494</b>	<b>2,334,929</b>
Appropriations between reserve funds**		-2,000					2,000		0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable		1,320			-1,320				0
Comprehensive income for the period 1/5–31/12/2011**								121,543	121,543
<b>Equity at 31 December 2011</b>	<b>418,602</b>	<b>683,685</b>	<b>761,589</b>	<b>395,919</b>	<b>2,640</b>	<b>0</b>	<b>0</b>	<b>194,037</b>	<b>2,456,472</b>
Appropriations between reserve funds			194,037					-194,037	0
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable		1,320			-1,320				0
Comprehensive income for the period 1/1–30/4/2011								94,387	94,387
<b>Equity at 30 April 2012</b>	<b>418,602</b>	<b>685,005</b>	<b>955,626</b>	<b>395,919</b>	<b>1,320</b>	<b>0</b>	<b>0</b>	<b>94,387</b>	<b>2,550,859</b>

\* Only the year-end figures are audited, to be read in conjunction with NIB's audited financial statements for 2011 and the notes thereto

\*\* Other value adjustments have been moved from the available for sale portfolio to the statutory reserve on 1 May 2011 when IFRS 9 was implemented regarding the classification of financial assets.

## Cash flow statement

EUR 1,000

	Jan-Apr 2012*	Jan-Apr 2011*	Jan-Dec 2011
<b>Cash flows from operating activities</b>			
Profit/loss from operating activities	94,387	72,494	194,037
<b>Adjustments:</b>			
Unrealised gains/losses of financial assets held at fair value	-34,988	-18,010	-11,223
Impairment of bonds held at amortised cost	3,733		11,819
Depreciation and write-down in value of tangible and intangible assets	1,170	1,329	4,048
Change in accrued interest and fees (assets)	47,265	83,417	8,427
Change in accrued interest and fees (liabilities)	-44,711	-86,127	-14,925
Impairment of loans	1,703	11,129	12,442
Adjustment to hedge accounting	3,346	-2,253	1,574
Other adjustments to the period's profit	-13	-12	-37
<b>Adjustments, total</b>	<b>-22,495</b>	<b>-10,526</b>	<b>12,126</b>
<b>Lending</b>			
Disbursements of loans	-406,002	-477,799	-1,946,500
Repayments of loans	439,955	431,592	1,835,279
Capitalisations, redenominations, index adjustments etc.	215	-79	-846
Transfer of loans to claims in other assets	2,854		7,972
Exchange rate adjustments	25,337	240,689	-100,179
<b>Lending, total</b>	<b>62,360</b>	<b>194,403</b>	<b>-204,274</b>
<b>Cash flows from operating activities, total</b>	<b>134,252</b>	<b>256,371</b>	<b>1,889</b>
<b>Cash flows from investing activities</b>			
<b>Placements and debt securities</b>			
Purchase of debt securities	-1,611,995	-1,114,013	-2,082,224
Sold and matured debt securities	995,017	1,421,353	2,830,234
Placements with credit institutions	-8	72,597	126,745
Other financial placements	-3,054	-1,558	-751
Exchange rate adjustments etc.	11,693	63,781	-2,575
<b>Placements and debt securities, total</b>	<b>-608,346</b>	<b>442,160</b>	<b>871,430</b>
<b>Other items</b>			
Acquisition of intangible assets	-596	-227	-1,655
Acquisition of tangible assets	-469	-283	-712
Change in other assets	4,956	-415	-4,979
<b>Other items, total</b>	<b>3,891</b>	<b>-925</b>	<b>-7,346</b>
<b>Cash flows from investing activities, total</b>	<b>-604,455</b>	<b>441,235</b>	<b>864,084</b>
<b>Cash flows from financing activities</b>			
<b>Debts evidenced by certificates</b>			
Issues of new debt	1,943,697	1,399,728	2,886,621
Redemptions	-650,552	-3,123,020	-4,632,648
Exchange rate adjustments	-143,819	-1,342,163	416,864
<b>Debts evidenced by certificates, total</b>	<b>1,149,326</b>	<b>-3,065,455</b>	<b>-1,329,163</b>
<b>Other items</b>			
Long-term placements from credit institutions	-5,725	-2,001	-42,464
Change in swap receivables	153,789	491,457	33,463
Change in swap payables	-2,537	628,278	-209,510
Change in other liabilities	1,284	1,646	4,127
Paid-in capital and reserves	1,320	1,320	2,640
<b>Other items, total</b>	<b>148,133</b>	<b>1,120,700</b>	<b>-211,744</b>
<b>Cash flows from financing activities, total</b>	<b>1,297,459</b>	<b>-1,944,755</b>	<b>-1,540,907</b>
<b>CHANGE IN NET LIQUIDITY</b>	<b>827,255</b>	<b>-1,247,149</b>	<b>-674,934</b>
<b>Opening balance for net liquidity</b>	<b>919,437</b>	<b>1,594,370</b>	<b>1,594,370</b>
<b>Closing balance for net liquidity</b>	<b>1,746,692</b>	<b>347,221</b>	<b>919,437</b>
<b>Additional information to the statement of cash flows</b>			
Interest income received	220,943	236,681	508,025
Interest expense paid	-139,870	-163,092	-286,114

The cash flow statement has been prepared using the indirect method and the cash flow items cannot be directly concluded from the statements of financial positions.

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