



NORDIC
INVESTMENT
BANK

FINANCING
THE
FUTURE

Financial information January–April 2014

(unaudited)



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16 June 2014

Key figures

<i>(in EUR million unless otherwise specified)</i>	Apr 2014*	Apr 2013*	Dec 2013
Net interest income	76	82	244
Profit/loss	79	70	217
Loans disbursed	270	615	1,922
Loans agreed	345	367	1,810
Loans outstanding	14,426	15,300	14,667
Guarantee commitments	-	-	-
New debt issues	1,786	2,707	4,080
Debts evidenced by certificates	18,677	21,416	18,421
Total assets	23,472	26,837	23,490
Equity/total assets (%)	12.4	10.2	12.1
Profit/average equity (%)	8.2	7.8	7.9
Number of employees (average during year)	186	183	183

* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2013 and the notes thereto.

Comments on NIB's financial figures January–April 2014

During the first four months of the year, the global economic context overall has been mildly supportive, while the Nordic-Baltic economies showed no clear direction of improvement or deterioration.

Despite the cautious investment climate and muted demand for long-term corporate capital expenditure finance, NIB's profit for January–April 2014 amounted to EUR 79 million, up by EUR 8 million on the same period a year ago. Profit increased on the basis of positive valuations on financial instruments and due to lower charges for loan impairments.

During the period, NIB continued to extend financing to projects in various sectors, including new loans for energy, transport, municipal infrastructure as well as industries and services. The amount of loans approved during the period totalled EUR 730 million. Loan disbursements took off slowly, reaching EUR 270 million. The Bank is, however, expecting that the volume of disbursements will pick up during the year.

The total amount of the new funding transactions issued by NIB in the first four months was EUR 1.8 billion, which accounts for approximately half of the year's funding programme. In the beginning of April, NIB launched a new five-year global USD 1 billion benchmark transaction.

Forecasts for economic growth in advanced economies in 2014–2015 reflect the low level of longer-term interest rates. As in many other regions, idle production capacity and ample liquidity continue weighing on the demand for long-term investment and lending in most Nordic-Baltic economies. Tentative indications are that industrial investment activity may pick in Denmark and Sweden in the months ahead, but geopolitical risk still casts a large cloud over the near-term outlook.

Henrik Normann
President & CEO

Statement of comprehensive income

EUR 1,000

	<i>Jan–Apr 2014*</i>	<i>Jan–Apr 2013*</i>	<i>Jan–Dec 2013</i>
Interest income	126,174	137,491	404,179
Interest expense	-50,105	-55,464	-159,975
Net interest income	76,069	82,027	244,204
Commission income and fees received	3,386	3,825	10,199
Commission expense and fees paid	-1,160	-801	-2,454
Net profit/loss on financial operations	14,099	10,081	19,840
Foreign exchange gains and losses	-44	-117	-384
Operating income	92,351	95,014	271,404
Expenses			
General administrative expenses	14,775	13,337	35,217
Depreciation	1,097	1,179	3,592
Impairment of loans	-2,224	10,199	15,385
Total expenses	13,648	24,715	54,194
PROFIT/LOSS FOR THE PERIOD	78,703	70,300	217,210
Total comprehensive income	78,703	70,300	217,210

* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2013 and the notes thereto.

Statement of financial position

EUR 1,000

	30 Apr 2014*	30 Apr 2013*	31 Dec 2013
ASSETS			
Cash and cash equivalents	1,931,925	3,798,306	1,757,616
Financial placements			
Placements with credit institutions	5,741	4,541	5,741
Debt securities	5,390,795	5,126,202	5,343,419
Other	23,198	19,867	24,247
	5,419,733	5,150,610	5,373,407
Loans outstanding	14,426,416	15,299,871	14,666,747
Intangible assets	5,275	4,342	5,111
Tangible assets, property and equipment	29,247	29,362	29,640
Other assets			
Derivatives	1,374,339	2,246,733	1,308,990
Other assets	30,445	26,985	30,279
	1,404,784	2,273,718	1,339,269
Accrued interest and fees receivable	254,700	280,526	318,151
TOTAL ASSETS	23,472,080	26,836,735	23,489,941
LIABILITIES AND EQUITY			
Liabilities			
Amounts owed to credit institutions			
Short-term amounts owed to credit institutions	272,019	1,434,972	372,402
Long-term amounts owed to credit institutions	-	5,500	-
	272,019	1,440,472	372,402
Debts evidenced by certificates			
Debt securities issued	18,600,595	21,337,191	18,346,651
Other debt	76,068	79,185	73,906
	18,676,663	21,416,376	18,420,557
Other liabilities			
Derivatives	1,428,611	1,029,952	1,615,146
Other liabilities	10,190	13,835	8,094
	1,438,801	1,043,787	1,623,240
Accrued interest and fees payable	175,007	200,123	242,855
Total liabilities	20,562,490	24,100,758	20,659,054
Equity			
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	686,325	686,325	686,325
General Credit Risk Fund	1,275,041	1,112,831	1,112,831
Special Credit Risk Fund PIL	395,919	395,919	395,919
Appropriation to dividend payment	55,000	52,000	-
Profit/loss for the period	78,703	70,300	217,210
Total equity	2,909,590	2,735,977	2,830,887
TOTAL LIABILITIES AND EQUITY	23,472,080	26,836,735	23,489,941

* Unaudited figures, to be read in conjunction with NIB's audited financial statements for 2013 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
Equity at 31 December 2012	418,602	686,325	955,626	395,919	0	0	0	209,205	2,665,677
Appropriations between reserve funds			157,205		52,000			-209,205	0
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable									0
Comprehensive income for the period 1/1–30/4/2014								70,300	70,300
Equity at 30 April 2013	418,602	686,325	1,112,831	395,919	0	52,000	0	70,300	2,735,977
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable									0
Dividend payment						-52,000			-52,000
Comprehensive income for the period 1/5–31/12/2013								146,911	146,911
Equity at 31 December 2013	418,602	686,325	1,112,831	395,919	0	0	0	217,210	2,830,887
Appropriations between reserve funds			162,210		55,000			-217,210	0
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable									0
Dividend payment									0
Comprehensive income for the period 1/1–30/4/2014								78,703	78,703
Equity at 30 April 2014	418,602	686,325	1,275,041	395,919	0	55,000	0	78,703	2,909,590

* Only the year-end figures are audited, to be read in conjunction with NIB's audited financial statements for 2013 and the notes thereto

Cash flow statement

EUR 1,000

	Jan-Apr 2014*	Jan-Apr 2013*	Jan-Dec 2013
Cash flows from operating activities			
Profit/loss from operating activities	78,703	70,300	217,210
Adjustments:			
Unrealised gains/losses of financial assets held at fair value	-19,215	-10,825	-13,500
Depreciation and write-down in value of tangible and intangible assets	1,097	1,179	3,592
Change in accrued interest and fees (assets)	63,451	71,350	33,724
Change in accrued interest and fees (liabilities)	-67,848	-64,316	-21,584
Impairment of loans	-2,224	10,199	15,385
Adjustment to hedge accounting	465	-405	-2,294
Other adjustments to the period's profit	1,178	1,135	-1,820
Adjustments, total	-23,096	8,316	13,503
Lending			
Disbursements of loans	-269,761	-614,843	-1,921,755
Repayments of loans	519,785	416,867	1,818,766
Capitalisations, redenominations, index adjustments etc.	-31	-111	-686
Exchange rate adjustments	40,274	18,779	414,332
Lending, total	290,267	-179,307	310,656
Cash flows from operating activities, total	345,874	-100,692	541,369
Cash flows from investing activities			
Placements and debt securities			
Purchase of debt securities	-1,364,357	-752,172	-2,437,468
Sold and matured debt securities	1,337,660	885,428	2,310,584
Placements with credit institutions	-	-350	-1,550
Other financial placements	621	1,662	1,222
Exchange rate adjustments etc.	-68	-4,229	27,783
Placements and debt securities, total	-26,145	130,340	-99,429
Other items			
Acquisition of intangible assets	-549	-492	-2,440
Acquisition of tangible assets	-319	-89	-1,602
Change in other assets	2,915	1,157	172
Other items, total	2,047	576	-3,870
Cash flows from investing activities, total	-24,098	130,916	-103,300
Cash flows from financing activities			
Debts evidenced by certificates			
Issues of new debt	1,786,445	2,707,132	4,079,958
Redemptions	-1,729,730	-1,492,866	-3,776,926
Exchange rate adjustments	158,473	-154,208	-1,608,276
Debts evidenced by certificates, total	215,189	1,060,059	1,305,244
Other items			
Long-term placements from credit institutions	-	-9,722	-15,222
Change in swap receivables	-96,192	94,813	638,041
Change in swap payables	-168,177	-40,327	459,022
Change in other liabilities	2,096	4,437	-1,304
Dividend paid	-	-	-52,000
Paid-in capital and reserves	-	-	-
Other items, total	-262,273	49,201	1,028,537
Cash flows from financing activities, total	-47,083	1,109,259	-276,706
CHANGE IN CASH AND CASH EQUIVALENTS, NET	274,693	1,139,483	161,363
Opening balance for cash and cash equivalents, net	1,385,213	1,223,851	1,223,851
Closing balance for cash and cash equivalents, net	1,659,906	2,363,334	1,385,213
Additional information to the statement of cash flows			
Interest income received	189,626	208,840	437,903
Interest expense paid	-117,953	-119,779	-181,559

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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