

NIB in 2014: Increased lending in sluggish investment environment

Despite a subdued investment climate in 2014, NIB saw an increase in its lending operations. NIB's profit for 2014 amounted to EUR 210 million (2013: EUR 217 million). Based on last year's financial results, NIB's Board of Directors is proposing to pay out EUR 55 million in dividends to the member countries.

"Last year was characterised by ample market liquidity, still subdued economic growth and a lack of larger investment projects in the region. Our results show, however, an increase in lending. It indicates that the demand for long-term financing, if muted, persisted among NIB's customers", says Henrik Normann, NIB President & CEO.

In 2014, the Bank signed 45 loan agreements, totalling EUR 2,389 million, one third higher than the year before.

Projects financed by NIB have to contribute to improving competitiveness or the environment of the Nordic and Baltic countries. Last year, NIB extended loans to a number of renewable energy projects supporting the transformation of the member countries into more resource-efficient, low-carbon economies. A substantial part of the Bank's financing is issued for research and development. In the public sector, the focus was on investments in transport, roads, transmission lines, healthcare development and education facilities.

During 2014, NIB raised EUR 3.4 billion in new funding. The five-year, USD 1 billion global benchmark was the Bank's largest transaction of the year. NIB also launched its first green benchmark—a seven-year, USD 500 million Environmental Bond.

Despite a very demanding financial environment with low interest rates and modest economic growth, NIB's profit for 2014 amounted to EUR 210 million (2013: EUR 217 million).

On the profit recorded for the year, the Board of Directors proposes to the Board of Governors that EUR 55 million be paid as dividends to the Bank's member countries.

"The need for renewal and investment, postponed due to weak growth, has been accumulating in recent years. It is difficult to predict when investment activity will pick up. We need to be prepared to finance those projects in cooperation with commercial banks and other financial institutions", says Mr Normann.

Key figures

in million EUR unless otherwise specified	2014	2013	2012
Net interest income	239	244	252
Profit	210	217	209
Loans disbursed	2,274	1,922	2,355
Loans agreed	2,389	1,810	2,366
Loans outstanding	15,156	14,667	15,131
New debt issues	3,361	4,080	4,355
Debts evidenced by certificates	19,446	18,421	20,332
Total assets	24,870	23,490	25,983
Equity/total assets (%)	12	12.1	10.3
Profit/average equity (%)	7.2	7.9	8.1
Number of employees (average during year)	186	183	180

The Nordic Investment Bank (NIB) is the common international financial institution of the eight Nordic and Baltic countries. NIB provides long-term financing for projects that strengthen competitiveness and enhance the environment. 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

Mr Henrik Normann, President & CEO, at +358 10 618 001, info@nib.int

Mr Jukka Ahonen, Director, Head of Communications, at +358 10 618 0295, jukka.ahonen@nib.int