



NORDIC INVESTMENT BANK

# Financial information January–April 2010

(unaudited)

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## Key figures

(in EUR million unless otherwise noted)

	<b>Apr 2010*</b>	<i>Apr 2009*</i>	<i>Dec 2009</i>
Net interest income	78	69	219
Core earnings**	71	62	192
Profit	59	91	324
Loans disbursed	128	744	1,954
Loan agreements	183	450	1,417
Loans outstanding	13,886	13,740	13,763
Guarantee commitments	12	17	12
New debt issues	1,589	2,370	4,137
Debts evidenced by certificates	20,532	19,177	17,998
Total assets	24,784	23,502	22,423
Equity/total assets (%)	8.5	7.7	9.1
Number of employees (persons)	176	170	178

\* Unaudited figures,  
to be read in conjunction with NIB's audited financial statements for 2009 and the notes thereto

\*\* Core earnings consist of the profit before adjustments to hedge accounting, realised and unrealised gains/losses of the trading portfolio, credit losses and reversals thereof.

## Comments

### NIB's financial figures January–April 2010

In the first four months of the year, the global economy has continued to recover, but recent events have revealed that the situation is not back to normal. The large funding needs of governments have rapidly become structural in nature. In such a situation, the role of IFIs such as NIB becomes even more important.

NIB's operational results for January–April 2010 in terms of core earnings\* amounted to EUR 71 million, up from EUR 62 million during the same period last year. NIB's profit amounted to EUR 59 million. Positive valuations both on financial instruments in NIB's trading portfolios and in hedge accounting contribute to the profit.

NIB's balance sheet total at the end of the period was EUR 25 billion. Loans outstanding stood at EUR 14 billion, the same as per year-end 2009. Loan disbursements amounted to EUR 128 million, compared with EUR 744 million in January–April 2009. The main reason for the slow start can be traced back to the end of 2009, when a significant acceleration of disbursements took place. Furthermore, the liquidity among corporate clients has been very good from the beginning of the year and, in combination with cautious investments, the demand for

financing has somewhat decreased. Impairments to the loan book amounted to EUR 42 million as per the end of April 2010 (January–April 2009: EUR 12 million).

In its lending operations, NIB has continued to put an increasing emphasis on financing projects complying with the Bank's mandate. Some 70% of disbursements were in the focus sectors: the environment; energy; transport, logistics and communication; and innovation.

In the current circumstances, investors' demand for quality benefits NIB with its Nordic assets and ownership and result in relatively lower funding costs for NIB's customers. In January, the Bank issued a successful three-year USD 1 billion benchmark bond. During January–April 2010, NIB has raised EUR 1.6 billion in seven currencies.

NIB expects the demand for its loans to increase during the rest of the year and that the steady upward trend in its core earnings will continue.

*Johnny Åkerholm*  
President and CEO

\* Core earnings consist of the profit before adjustments to hedge accounting, realised and unrealised gains/losses of the trading portfolio, credit losses and reversals thereof.

## Statement of comprehensive income

EUR 1,000

	<i>Jan–Apr 2010*</i>	<i>Jan–Apr 2009*</i>	<i>Jan–Dec 2009</i>
Interest income	137,569	269,506	603,038
Interest expense	-60,052	-200,197	-384,040
<b>Net interest income</b>	<b>77,517</b>	<b>69,309</b>	<b>218,998</b>
Commission income and fees received	1,049	2,754	8,909
Commission expense and fees paid	-937	-848	-2,843
Net profit/loss on financial operations	35,803	44,935	177,754
Foreign exchange gains and losses	641	-84	-733
<b>Operating income</b>	<b>114,073</b>	<b>116,065</b>	<b>402,085</b>
<b>Expenses</b>			
General administrative expenses	11,126	11,050	30,601
Depreciation	1,593	1,630	5,074
Impairment of loans	42,257	12,129	42,511
<b>Total expenses</b>	<b>54,977</b>	<b>24,809</b>	<b>78,186</b>
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>59,096</b>	<b>91,256</b>	<b>323,900</b>
Value adjustments on the available-for-sale portfolio	133	-143	-3,533
<b>Total comprehensive income</b>	<b>59,229</b>	<b>91,113</b>	<b>320,367</b>

\* Unaudited figures,  
to be read in conjunction with NIB's audited financial statements for 2009 and the notes thereto

## Statement of financial position

EUR 1,000

	30 Apr 2010*	30 Apr 2009*	31 Dec 2009
<b>ASSETS</b>			
Cash and cash equivalents	3,017,538	4,899,201	973,837
Financial placements			
Placements with credit institutions	130,709	101,609	84,954
Debt securities	5,360,432	2,610,365	5,659,220
Other	23,109	14,352	19,999
	<b>5,514,250</b>	<b>2,726,325</b>	<b>5,764,173</b>
Loans outstanding	13,886,369	13,739,523	13,762,661
Intangible assets	6,135	6,701	6,703
Tangible assets, property and equipment	32,825	34,670	33,457
Other assets			
Derivatives	1,936,004	1,705,989	1,463,803
Other assets	41,627	16,318	28,789
	<b>1,977,631</b>	<b>1,722,307</b>	<b>1,492,592</b>
Payments to the Bank's reserves, receivable	11,519	23,997	17,758
Accrued interest and fees receivable	338,150	349,073	372,289
<b>TOTAL ASSETS</b>	<b>24,784,417</b>	<b>23,501,796</b>	<b>22,423,470</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Amounts owed to credit institutions			
Short-term amounts owed to credit institutions	640,813	771,747	452,395
Long-term amounts owed to credit institutions	184,093	142,419	201,052
	<b>824,906</b>	<b>914,166</b>	<b>653,447</b>
Debts evidenced by certificates			
Debt securities issued	20,294,703	18,918,718	17,775,437
Other debt	237,082	258,183	222,117
	<b>20,531,785</b>	<b>19,176,901</b>	<b>17,997,553</b>
Other liabilities			
Derivatives	1,046,223	1,298,235	1,423,870
Other liabilities	7,525	6,475	7,747
	<b>1,053,749</b>	<b>1,304,710</b>	<b>1,431,617</b>
Accrued interest and fees payable	264,438	284,962	290,544
<b>Total liabilities</b>	<b>22,674,878</b>	<b>21,680,740</b>	<b>20,373,161</b>
<b>Equity</b>			
Authorised and subscribed capital	4,141,903		
of which callable capital	-3,723,302		
Paid-in capital	418,602	418,602	418,602
Reserve funds			
Statutory Reserve	676,807		
General Credit Risk Fund	550,757		
Special Credit Risk Fund PIL	395,919		
	<b>1,623,483</b>	1,287,105	1,293,344
Payments to the Bank's reserves, receivable	11,519	23,997	17,758
Other value adjustments	-3,161	96	-3,294
Profit/loss for the period	59,096	91,256	323,900
<b>Total equity</b>	<b>2,109,538</b>	<b>1,821,056</b>	<b>2,050,310</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>24,784,417</b>	<b>23,501,796</b>	<b>22,423,470</b>
Guarantee commitments	12,500	16,667	12,500

\* Unaudited figures,  
to be read in conjunction with NIB's audited financial statements for 2009 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 2008</b>	<b>418,602</b>	<b>656,770</b>	<b>622,131</b>	<b>281,919</b>	<b>31,556</b>	<b>0</b>	<b>239</b>	<b>-281,273</b>	<b>1,729,943</b>
Appropriations between reserve funds			-281,273					281,273	0
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable		7,559			-7,559				0
Comprehensive income for the period 1/1–30/4/2009							-143	91,256	91,113
<b>Equity at 30 April 2009</b>	<b>418,602</b>	<b>664,329</b>	<b>340,857</b>	<b>281,919</b>	<b>23,997</b>	<b>0</b>	<b>96</b>	<b>91,256</b>	<b>1,821,056</b>
Payments to the Bank's Statutory Reserve and credit risk funds, receivable		6,239			-6,239				0
Comprehensive income for the period 1/5–31/12/2009							-3,390	232,644	229,254
<b>Equity at 31 December 2009</b>	<b>418,602</b>	<b>670,568</b>	<b>340,857</b>	<b>281,919</b>	<b>17,758</b>	<b>0</b>	<b>-3,294</b>	<b>323,900</b>	<b>2,050,310</b>
Appropriations between reserve funds			209,900	114,000				-323,900	0
Paid-in capital									0
Called in authorised and subscribed capital									0
Payments to the Bank's Statutory Reserve and credit risk funds, receivable		6,239			-6,239				0
Comprehensive income for the period 1/1–30/4/2010							133	59,096	59,229
<b>Equity at 30 April 2010</b>	<b>418,602</b>	<b>676,807</b>	<b>550,757</b>	<b>395,919</b>	<b>11,519</b>	<b>0</b>	<b>-3,161</b>	<b>59,096</b>	<b>2,109,538</b>

\* Only the year-end figures are audited, to be read in conjunction with NIB's audited financial statements for 2009 and the notes thereto

## Cash flow statement

EUR 1,000

	Jan-Apr 2010*	Jan-Apr 2009*	Jan-Dec 2009
<b>Cash flows from operating activities</b>			
Profit/loss from operating activities	59,096	91,256	323,900
<b>Adjustments:</b>			
Market value adjustment, trading portfolio	-26,313	-23,900	-135,915
Impairment on accrued interest and matured financial assets		1,164	
Depreciation and write-down in value of tangible and intangible assets	1,593	1,630	5,074
Change in accrued interest and fees (assets)	34,017	16,353	-5,699
Change in accrued interest and fees (liabilities)	-26,105	-47,945	-42,364
Impairment of loans	42,257	12,129	42,511
Adjustment to hedge accounting	-3,060	-22,112	-37,661
Other adjustments to the period's profit	-12	-12	-36
<b>Adjustments, total</b>	<b>22,377</b>	<b>-62,695</b>	<b>-174,090</b>
<b>Lending</b>			
Disbursements of loans	-128,009	-744,316	-1,953,924
Repayments of loans	362,124	302,971	1,326,496
Realised impairment losses on loans			16,630
Capitalisations, redenominations, index adjustments etc.	-151	-271	-865
Transfer of loans to other financial placements			8,584
Transfer of loans to claims in other assets			64,423
Exchange rate adjustments	-371,426	-234,614	-204,805
<b>Lending, total</b>	<b>-137,462</b>	<b>-676,230</b>	<b>-743,461</b>
<b>Cash flows from operating activities, total</b>	<b>-55,989</b>	<b>-647,669</b>	<b>-593,651</b>
<b>Cash flows from investing activities</b>			
<b>Placements and debt securities</b>			
Purchase of debt securities	-1,243,559	-1,259,278	-2,934,459
Sold and matured debt securities	1,623,429	1,143,426	2,292,851
Placements with credit institutions	-45,674	-19,702	-3,182
Other financial placements	-2,978	-337	-9,369
Exchange rate adjustments etc.	-55,930	-6,719	-2,580
<b>Placements and debt securities, total</b>	<b>275,288</b>	<b>-142,610</b>	<b>-656,739</b>
<b>Other items</b>			
Acquisition of intangible assets	-328	-713	-2,505
Acquisition of tangible assets	-65	-364	-807
Change in other assets	-2,828	-8,195	-130,076
<b>Other items, total</b>	<b>-3,220</b>	<b>-9,273</b>	<b>-133,388</b>
<b>Cash flows from investing activities, total</b>	<b>272,068</b>	<b>-151,883</b>	<b>-790,127</b>
<b>Cash flows from financing activities</b>			
<b>Debts evidenced by certificates</b>			
Issues of new debt	1,588,798	2,370,276	4,136,814
Redemptions	-454,783	-1,414,159	-3,644,632
Exchange rate adjustments	1,229,621	746,604	281,597
<b>Debts evidenced by certificates, total</b>	<b>2,363,636</b>	<b>1,702,721</b>	<b>773,780</b>
<b>Other items</b>			
Long-term placements from credit institutions	-16,959	63,312	121,945
Change in swap receivables	-344,061	-6,360	118,636
Change in swap payables	-369,429	-510,758	-487,173
Change in other liabilities	-222	1,271	2,543
Paid-in capital and reserves	6,239	7,559	13,798
<b>Other items, total</b>	<b>-724,432</b>	<b>-444,976</b>	<b>-230,251</b>
<b>Cash flows from financing activities, total</b>	<b>1,639,204</b>	<b>1,257,745</b>	<b>543,529</b>
<b>CHANGE IN NET LIQUIDITY</b>	<b>1,855,283</b>	<b>458,194</b>	<b>-840,249</b>
<b>Opening balance for net liquidity</b>	<b>521,442</b>	<b>1,361,690</b>	<b>1,361,690</b>
<b>Closing balance for net liquidity</b>	<b>2,376,725</b>	<b>1,819,884</b>	<b>521,442</b>
<b>Additional information to the statement of cash flows</b>			
Interest income received	171,708	287,022	597,339
Interest expense paid	-86,158	-248,142	-426,403

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.

\* Unaudited figures,  
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