



NORDIC INVESTMENT BANK

Financial information January–April 2008 (unaudited)

Table of contents

Key figures.....	2
Comments	3
Income statement.....	4
Balance sheet.....	5
Changes in equity.....	6
Cash flow statement.....	7

Key figures

EUR million

	Apr 2008*	Apr 2007*	Dec 2007
Net interest income	66	60	187
Core earnings**	57	52	161
Profit	19	49	69
Loans disbursed	626	838	2,390
Loan agreements	764	702	2,214
Loans outstanding	12,408	11,854	12,291
Guarantee commitments	25	25	25
New debt issues	2,313	1,608	4,288
Debts evidenced by certificates	14,975	13,898	15,023
Net liquidity	4,182	3,386	4,039
Total assets	20,142	18,534	19,973
Equity/total assets (%)	10.2	11.2	10.2
Profit/average equity (%)	2.8	7.1	3.3
Number of employees	161	155	158

* Unaudited figures
to be read in conjunction with NIB's audited financial statements for 2007 and the notes thereto

** Core earnings consist of the profit before adjustments to hedge accounting, fair value adjustments made to the trading portfolio and credit losses and reversals of these.

Comments

NIB's financial figures January–April 2008

The first four months of 2008 were challenging for the financial sector in general, due to the unease that has been prevailing on the financial markets since the summer of 2007. However, NIB's lending and borrowing activities were brisk.

NIB's operational results for January–April 2008 in terms of core earnings* amounted to EUR 57 million, compared to EUR 52 million during the same period last year. Nevertheless, NIB's profit decreased to EUR 19 million (January–April 2007: EUR 49 million). This was due to unrealised losses emanating from market valuation effects on the treasury portfolios as a result of widening spreads following the uncertainty on the markets. Increased long-term interest rates also had an impact on the market valuation of assets in the treasury portfolios.

NIB's balance sheet total at the end of the period was EUR 20.1 billion, compared to EUR 20.0 billion at year-end 2007.

NIB lending was supported by the developments on the markets. Lending volumes were high, with loans agreed amounting to EUR 764 million (EUR 702 million) and loans disbursed amounting to EUR 626 million (EUR 838 million). No credit losses were recorded during the period.

During volatile times on the markets, NIB has benefited from its reputation as a strong triple-A-rated multilateral issuer and has been able to raise funds on favourable terms. New debt issues amounted to EUR 2,313 million (EUR 1,608 million), including a USD 1.25 billion benchmark bond issue in January. After the period, in May, NIB launched a USD 1 billion benchmark bond.

NIB expects lending volumes for the whole year to develop positively and the operational results in terms of core earnings to remain good. NIB's profit for 2008 will be dependent on the developments on the financial markets and related value adjustments. During the year NIB will place emphasis on its lending focus areas: environment, energy and transport. The Bank will also place emphasis on asset and liability management and will review its liquidity policy, with the aim of securing the liquidity and return of its assets.

Johnny Åkerholm
President and CEO

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Income statement

EUR 1,000

	Jan - Apr 2008*	Jan - Apr 2007*	Jan - Dec 2007
Interest income	318,393	257,831	856,280
Interest expense	-252,519	-197,394	-669,155
Net interest income	65,874	60,437	187,125
Commission income and fees received	2,273	1,950	6,135
Commission expense and fees paid	-953	-690	-2,425
Net profit / loss on financial operations	-36,558	-2,921	-89,719
Foreign exchange gains and losses	-119	-108	-361
Operating income	30,517	58,667	100,755
Expenses			
General administrative expenses	10,177	8,711	27,507
Depreciation	1,455	1,424	4,529
Credit loss / recovery	-	-	-
Total expenses	11,632	10,135	32,036
PROFIT FOR THE PERIOD	18,884	48,533	68,719

* Unaudited figures

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Balance sheet

EUR 1,000

	30 Apr 2008*	30 Apr 2007*	31 Dec 2007
ASSETS			
Cash and cash equivalents	4,568,508	3,974,612	4,493,285
Financial placements			
Placements with credit institutions	75,060	91,571	93,432
Debt securities	1,614,617	1,468,158	1,582,750
Other	9,273	7,621	7,043
	1,698,950	1,567,350	1,683,225
Loans outstanding	12,407,892	11,854,210	12,290,768
Intangible assets	6,511	6,850	6,740
Tangible assets, property and equipment	36,301	36,585	36,767
Other assets			
Derivatives	1,043,727	751,877	1,049,725
Other assets	3,557	7,124	1,596
	1,047,284	759,002	1,051,321
Paid-in capital and payments to the Bank's reserves, receivable	36,474	42,713	42,713
Accrued interest and fees receivable	340,491	292,540	368,422
TOTAL ASSETS	20,142,412	18,533,861	19,973,242
LIABILITIES AND EQUITY			
Liabilities			
Amounts owed to credit institutions			
Short-term amounts owed to credit institutions	346,667	293,628	454,498
Long-term amounts owed to credit institutions	73,235	89,978	91,674
	419,902	383,606	546,172
Repurchase agreements	40,000	295,088	-
Debts evidenced by certificates			
Debt securities issued	14,785,268	13,683,603	14,829,821
Other debt	189,479	213,924	192,979
	14,974,747	13,897,527	15,022,800
Other liabilities			
Derivatives	2,349,162	1,627,717	1,999,356
Other liabilities	6,148	5,569	4,496
	2,355,309	1,633,286	2,003,852
Accrued interest and fees payable	297,811	255,226	363,468
Total liabilities	18,087,769	16,464,732	17,936,292
Equity			
Authorised and subscribed capital	4,141,903		
of which callable capital	-3,723,301		
Paid-in capital	418,602	418,602	418,602
Reserve funds			
Statutory Reserve	651,851	645,612	645,612
General Credit Risk Fund	622,131	622,131	622,131
Special Credit Risk Fund PIL	281,919	238,200	238,200
Payments to the Bank's reserves, receivable	36,474	42,713	42,713
Other value adjustments	-217	3,338	973
Appropriation to dividend payment	25,000	50,000	-
Profit for the period	18,884	48,533	68,719
Total equity	2,054,644	2,069,129	2,036,950
TOTAL LIABILITIES AND EQUITY	20,142,412	18,533,861	19,973,242
Guarantee commitments	25,000	25,000	25,000

* Unaudited figures

to be read in conjunction with NIB's audited financial statements for 2007 and the notes thereto

Changes in equity*

EUR 1,000

	Paid-in capital	Statutory Reserve	General Credit Risk Fund	Special Credit Risk Fund PIL	Fund, HIPC Programme	Payments to the Bank's Statutory Reserve and Credit Risk funds	Appropriation to dividend payment	Other value adjustments	Profit for the period	Total
Equity at 31 December 2006	418,602	644,983	534,662	238,200	629	42,713	0	3,592	137,469	2,020,850
Appropriations between reserve funds		629	87,469		-629		50,000		-137,469	0
Paid-in capital	4,780									4,780
Called in authorised and subscribed capital	-4,780									-4,780
Payments to the Bank's Statutory Reserve and credit risk funds, receivable										0
Profit for the period 1/1-30/4/2007									48,533	48,533
Available-for-sale portfolio 1/1-30/4/2007								503		503
Cash flow hedge accounting 1/1-30/4/2007								-757		-757
Total income and expense for the period 1/1-30/4/2007	0	0	0	0	0	0	0	-254	48,533	48,279
Equity at 30 April 2007	418,602	645,612	622,131	238,200	0	42,713	50,000	3,338	48,533	2,069,129
Dividend payment							-50,000			-50,000
Profit for the period 1/5-31/12/2007									20,186	20,186
Available-for-sale portfolio 1/5-31/12/2007								-1,526		-1,526
Cash flow hedge accounting 1/5-31/12/2007								-839		-839
Total income and expense for the period 1/5-31/12/2007	0	0	0	0	0	0	0	-2,365	20,186	17,820
Equity at 31 December 2007	418,602	645,612	622,131	238,200	0	42,713	0	973	68,719	2,036,950
Appropriations between reserve funds				43,719			25,000		-68,719	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
Profit for the period 1/1-30/4/2008									18,884	18,884
Available-for-sale portfolio 1/1-30/4/2008								410		410
Cash flow hedge accounting 1/1-30/4/2008								-1,601		-1,601
Total income and expense for the period 1/1-30/4/2008	0	0	0	0	0	0	0	-1,190	18,884	17,694
Equity at 30 April 2008	418,602	651,851	622,131	281,919	0	36,474	25,000	-217	18,884	2,054,644

* Only the year-end figures are audited to be read in conjunction with NIB's audited financial statements for 2007 and the notes thereto

Cash flow statement

EUR 1,000

	Jan - Apr 2008*	Jan -Apr 2007*	Jan - Dec 2007
Cash flows from operating activities			
Profit from operating activities	18,884	48,533	68,719
Adjustments:			
Amortisation of issuing charges	3,600	3,235	10,840
Market value adjustment, trading portfolio	473	1,896	7,381
Depreciation and write-down in value of tangible and intangible assets	1,455	1,424	4,529
Change in accrued interest and fees (assets)	27,931	39,455	-36,427
Change in accrued interest and fees (liabilities)	-65,657	-50,753	57,489
Credit loss / recovery	-	-	-
Adjustment to hedge accounting and changes in fair value of non-hedging derivatives	-14,873	1,896	10,319
Other adjustments to the year's profit	-10	-12	-35
Adjustments, total	-47,082	-2,859	54,097
Lending			
Disbursements of loans	-625,893	-837,994	-2,390,392
Repayments of loans	409,081	408,711	1,281,546
Capitalisations, redenominations, index adjustments etc.	-384	48	-338
Exchange rate adjustments	108,532	95,780	331,656
Lending, total	-108,664	-333,455	-777,527
Cash flows from operating activities, total	-136,861	-287,780	-654,711
Cash flows from investing activities			
Placements and debt securities			
Purchase of debt securities	-319,418	-250,453	-458,493
Sold and matured debt securities	286,597	197,078	285,238
Placements with credit institutions	18,373	-148	-2,010
Other financial placements	-1,819	17	-931
Exchange rate adjustments etc	224	-63	-3
Placements and debt securities, total	-16,044	-53,569	-176,200
Other items			
Acquisition of intangible assets	-425	-284	-1,799
Acquisition of tangible assets	-335	-1,598	-3,262
Change in other assets	-1,704	4,674	9,948
Other items, total	-2,464	2,791	4,886
Cash flows from investing activities, total	-18,509	-50,778	-171,314
Cash flows from financing activities			
Debts evidenced by certificates			
Issues of new debt **	2,312,105	1,606,476	4,278,931
Redemptions	-1,627,936	-934,550	-1,958,157
Exchange rate adjustments	-674,281	-291,693	-1,063,724
Debts evidenced by certificates, total	9,889	380,233	1,257,050
Other items			
Placements from credit institutions	-18,439	-284	1,412
Change in swap receivables	-24,234	-62,181	-222,019
Change in swap payables	323,319	176,988	649,743
Change in other liabilities	1,651	1,237	165
Dividend paid	-	-	-50,000
Paid-in capital and reserves	6,239	4,780	4,780
Used fund, HIPC Programme	-	-	-
Other items, total	288,536	120,540	384,081
Cash flows from financing activities, total	298,424	500,773	1,641,131
CHANGE IN NET LIQUIDITY	143,054	162,215	815,106
Opening balance for net liquidity	4,038,787	3,223,681	3,223,681
Closing balance for net liquidity	4,181,841	3,385,895	4,038,787
Additional information to the statement of cash flows			
Interest income received	290,462	218,376	892,707
Interest expense paid	-318,176	-248,147	-611,666

The cash flow statement has been prepared using the indirect method and the items of cash flows cannot be directly concluded from the balance sheets.

* Unaudited figures

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** Including issuing charges

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