

NORDIC INVESTMENT BANK

**Programme for the Issuance of Debt Instruments
Issue of a Series of
ZAR 300,000,000 7.00 per cent. Notes due 2018 (the "Notes")**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Information Memorandum dated 18 June 2014 (the "**Information Memorandum**"). This document constitutes the Pricing Supplement as referred to in the Information Memorandum in relation to the Series of Notes referred to above and such Series of Notes are Instruments as defined in and for the purposes of the Dealership Agreement, the Fiscal Agency Agreement and the Deed of Covenant. The particulars to be specified in relation to such Series of Notes are as follows:

Issuer:	Nordic Investment Bank.
Currency:	South African Rand ("ZAR").
Aggregate Principal Amount of this Series:	ZAR 300,000,000 (Three hundred million South African Rand).
If interchangeable with existing Series, Series No.:	Not Applicable.
Issue Date:	25 September 2014.
Issue Price:	99.785 per cent. of the Aggregate Principal Amount of this Series.
Relevant Dealer:	RBC Europe Limited as Lead Manager and relevant Dealer acting on behalf of the Managers, pursuant to a Subscription Agreement dated 23 September 2014.
Form of Instruments:	The Notes will be in Bearer form and will initially be represented by a Temporary Global Instrument without Coupons attached and which will be deposited with a common depository for Euroclear and Clearstream, Luxembourg, on or before the Issue Date. Interests in the Temporary Global Instrument will be exchangeable for interests in a Permanent Global Instrument without Coupons on or after the Exchange Date upon certification as to non-U.S. beneficial ownership as required in such Temporary



Global Instrument. The Exchange Date is expected to be not earlier than the date which is forty days after the Issue Date.

New Global Note Form:

Not Applicable.

Denominations:

ZAR 5,000 (Five thousand South African Rand) and multiples thereof.

Interest:

Interest bearing. Condition 4A will apply.

The Rate of Interest is 7.00 per cent. per annum payable annually in arrear, calculated on a Actual/Actual (ICMA) Day Count Fraction basis (as defined in Condition 4F). The Interest Amount payable is ZAR 350.00 per each ZAR 5,000 Note.

Interest Payment Dates:

25 September of each year, commencing on 25 September 2015, and continuing to and including the Maturity Date. For the purposes of payment only, the Following Business Day Convention (as defined in Condition 4F) applies and the Holders of Notes will not be entitled to any additional interest or other sums in respect of such postponed payments.

Maturity Date:

25 September 2018. For the purposes of payment only the Following Business Day Convention (as defined in Condition 4F) applies and the Holders of Notes will not be entitled to any additional interest or other sums in respect of such postponed payments.

Redemption Amount at Maturity:

100.00 per cent. of the principal amount of each Note.

Redemption following an Event of Default:

If the Notes are redeemed following the occurrence of an Event of Default in accordance with Condition 8.01, the Redemption Amount will be 100.00 per cent. of the principal amount of each Note.

Optional Early Redemption (Call):

Not Applicable.

Optional Early Redemption (Put):

Not Applicable.

Business Days:

London and Johannesburg.

Listing: Applications will be made for the Notes to be admitted to listing on the Official List of the UK Listing Authority and admitted to trading on the regulated market of the London Stock Exchange plc.

ISIN: XS1111324379.

Common code: 111132437.

New Global Note intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable.

If syndicated, names and addresses of Managers and underwriting commitments:

RBC Europe Limited
Riverbank House
2 Swan Lane
London EC4R 3BF
United Kingdom
ZAR 260,000,000

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom
ZAR 5,000,000

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
ZAR 5,000,000

Danske Bank A/S
Holmens Kanal 2-12
1092 København K
Denmark
ZAR 5,000,000

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom
ZAR 5,000,000

HSBC Bank Plc
8 Canada Square
London E14 5HQ
United Kingdom
ZAR 5,000,000

Nordea Bank Danmark A/S
P.O. Box 850
DK-0900 Copenhagen C
Denmark
ZAR 5,000,000

The Toronto-Dominion Bank
60 Threadneedle Street
London EC2R 8AP
United Kingdom
ZAR 5,000,000

Zürcher Kantonalbank
Bahnhofstrasse 9
Zurich 8010
Switzerland
ZAR 5,000,000

Other terms or special conditions: Fall-back provisions

In the event that the Issuer is due to make a payment in ZAR in respect of any Note and ZAR is not available on the foreign exchange markets due to the imposition of exchange controls, ZAR's replacement or disuse or other circumstances beyond the Issuer's control, the Issuer will be entitled to satisfy its obligations in respect of such payment by making payment in Euro ("EUR") on the basis of the spot exchange rate (the EUR FX Rate) at which ZAR is



offered in exchange for EUR in the London foreign exchange market at 11:00 am, London time, on the second Business Day prior to such payment or, if such rate is not available on such second Business Day, on the basis of the rate most recently available prior to such second Business Day.

Any payment made in EUR in accordance with the foregoing paragraph will not constitute an Event of Default.

The communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Issuer hereunder shall be at its sole discretion and shall (in the absence of manifest error, wilful default or bad faith) be conclusive for all purposes and binding on the Issuer, the Paying Agents, and the holders of the Notes or Coupons.

Additional Selling Restrictions:

For the purpose of the issue of these Notes only and in addition to the selling restrictions set out in the section entitled "Subscription and Sale" of the Information Memorandum, the following selling restrictions relating to the **European Economic Area** and the **Republic of South Africa** shall also apply:

EEA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Pricing Supplement to the public in that Relevant Member State except that it may, with effect from and including the Relevant

Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of each Dealer nominated by the Issuer for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to above shall require the Issuer or each Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

SOUTH AFRICA

Each Dealer has represented and agreed that it has not and will not offer or solicit any offers for sale or subscription or sell any Notes, directly or indirectly, within the Republic of South Africa or to any person, corporate or other entity resident in the Republic of South Africa.

NORDIC INVESTMENT BANK

By: 

Authorised Signatory
Jens Hellerup
Director
Head of Funding and Investor Relations

By: 

Authorised Signatory
Sten Holmberg
Chief Counsel

23 September 2014

