

Series No.: 14

Tranche No.: 1

**NORDIC INVESTMENT BANK
Australian and New Zealand Dollar Domestic
Medium Term Note Program**

Issue of

**A\$400,000,000
3.50% Fixed Rate MTNs due 28 February 2018
("MTNs")**

**Rated AAA (Stable) by Standard & Poor's
and Aaa (Stable) by Moody's Investor Services**

This Pricing Supplement (as referred to in the Information Memorandum dated 14 March 2008 ("Information Memorandum") and MTN Deed Poll dated 14 March 2008 ("Deed Poll") in relation to the above Program) relates to the Tranche of MTNs referred to above.

The particulars to be specified in relation to such Tranche are as follows:

The Issuer is not a bank which is authorised under the Banking Act 1959 of Australia. The MTNs are not the obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia.

1	Description of Notes:	Australian Domestic MTNs
2	Issuer:	Nordic Investment Bank
3	Program Manager and Arranger:	Commonwealth Bank of Australia (ABN 48 123 123 124)
4	Lead Managers and Dealers:	Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162) Merrill Lynch International (Australia) Ltd (ABN 31 002 892 846) Nomura International plc
5	Registrar and Calculation Agent:	Reserve Bank of Australia
6	Type of Issue:	Underwritten
7	Currency:	
	– of Denomination	Australian Dollars ("A\$")
	– of Payment	A\$
8	Aggregate principal amount of Tranche:	A\$400,000,000

- 9 If interchangeable with existing Series: Not applicable
- 10 Issue Date: 28 February 2013
- 11 Issue Price: 99.162%
- 12 Denomination: A\$1,000, subject to the requirement that the amount payable by each person who subscribes for MTNs in Australia must be at least A\$500,000.
- 13 Definition of Business Day: A day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general banking business in Sydney.
- 14 Interest:
- (a) If Interest bearing:
- (i) Interest Rate: 3.50% per annum paid semi-annually in arrear
- (ii) Interest Amount: A\$17.50 per MTN of A\$1,000 denomination, payable on a semi-annual basis
- (iii) Interest Payment Dates: 28 February and 28 August of each year, commencing on 28 August 2013 and ending on the Maturity Date.
- (iv) Interest Period End Dates: 28 February and 28 August of each year, commencing on 28 August 2013 and ending on 28 February 2018.
- (v) Applicable Business Day Convention: Following (Unadjusted)
- for Interest Payment Dates: As above
- for Maturity Date: As above
- for Interest Period End Dates: Not applicable
- any other dates: As above

(vii) Day Count Fraction:	RBA Bond Basis, which means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
	(a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
	(b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)).
(viii) Interest Commencement Date (if different from the Issue Date):	Not applicable
(ix) Minimum Interest Rate:	Not applicable
(x) Maximum Interest Rate:	Not applicable
(xi) Issue Yield:	3.685% semi-annual
(b) If non-interest bearing:	
– Amortisation Yield:	Not applicable
15 Maturity Date:	28 February 2018
16 Maturity Redemption Amount:	Outstanding Principal Amount
17 Early Termination Amount:	Outstanding Principal Amount
18 Clearing Systems:	Austraclear / Euroclear / Clearstream, Luxembourg

If accepted for admission to the respective system, interests in the MTNs may be held through Euroclear Bank S.A./N.V. as operator of the Euroclear System (“Euroclear”) or through Clearstream Banking, société anonyme (“Clearstream, Luxembourg”). In these circumstances, entitlements in respect of holdings of interests in the MTNs in Euroclear would be held in Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in the MTNs in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of Clearstream, Luxembourg (currently JP Morgan Chase N.A.).

The rights of a holder of interests in the MTNs held through Euroclear or Clearstream, Luxembourg are

subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between Euroclear and Clearstream, Luxembourg and their respective nominee and the rules and regulations of the Austraclear System.

In addition any transfer of interests in the MTNs, which are held through Euroclear or Clearstream, Luxembourg will, to the extent such transfer will be recorded on the Austraclear System, be subject to the Corporations Act 2001 of Australia and the requirements for minimum consideration set out in the Conditions of the MTNs.

The Issuer will not be responsible for the operation of the clearing arrangements, which is a matter for the clearing institutions, their nominees, their participants and the investors.

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| 19 | Additional tax consequences: | Payments in respect of the MTNs will be made without gross-up for any present or future taxes, duties, assessments or governmental charges whatsoever. |
| 20 | Other Conditions: | Not applicable |
| 21 | Address for notices (if necessary): | Not applicable |
| 22 | Listing: | Australian Securities Exchange (operated by ASX Limited (ABN 98 008 624 691)) |
| 23 | ISIN: | AU0000NIBHH5 |
| 24 | Common Code: | 089604249 |
| 25 | Selling Restrictions: | The Selling Restrictions are amended as set out in the Schedule to this Pricing Supplement. |
| 26 | Additional Information: | Not applicable |

CONFIRMED

Nordic Investment Bank

By:

Alexander Ruf
Authorised Officer of the Issuer

By:

Sten Holmberg
Authorised Officer of the Issuer

Date: 26 February 2013

Alexander Ruf
Senior Funding Manager
Funding & Investor Relations
NORDIC INVESTMENT BANK

Sten Holmberg
Chief Counsel

SCHEDULE

The following selling restrictions set out on pages 44 to 49 of the Information Memorandum are amended as follows:

Selling Restrictions

The Australian selling restriction set out on page 44 of the Information Memorandum is amended such that it further provides:

Australia

"Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that, unless the relevant Pricing Supplement (or another supplement to any Information Memorandum) otherwise provides, it has not made or invited, and will not make or invite, an offer of the MTNs for issue or sale in Australia (including an offer or invitation which is received by a person in Australia) to a "retail client" for the purposes of Chapter 7 of the Corporations Act."

The New Zealand selling restriction set out on page 45 of the Information Memorandum is deleted and replaced with the following:

"New Zealand

Each Dealer represents and agrees, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) it has not offered or sold, and will not offer or sell, directly or indirectly, any MTNs; and
- (b) it has not distributed and will not distribute, directly or indirectly, any offering materials or advertisement in relation to any offer of MTNs,

in each case in New Zealand unless:

- (i) the aggregate consideration payable is not less than NZ\$500,000 (disregarding any amount lent by the offeror or any associated person of the offeror); or
- (ii) the New Zealand MTNs are transferred to persons whose principal business is the investment of money or who in the course of and for the purposes of their business, habitually invest money within the meaning of the Securities Act 1978 of New Zealand or to eligible persons within the meaning of the Securities Act 1978 of New Zealand or in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand."

The United Kingdom selling restriction set out on page 46 of the Information Memorandum is deleted and replaced with the following:

"United Kingdom

Each Dealer has represented and agreed that:

- (a) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 ("FSMA") with respect to anything done by it in relation to any MTNs in, from or otherwise involving the United Kingdom;

- (b) in relation to such MTNs:
- (i) it is a person whose ordinary activities involve acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold, and will not offer or sell, any MTNs other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the MTNs would otherwise constitute a contravention of section 19 of the FSMA by the Issuer; and
- (c) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of such MTNs in circumstances in which section 21(1) of the FSMA does not apply to the Issuer.”

The European Economic Area selling restriction set out on page 46 of the Information Memorandum is deleted and replaced with the following:

“European Economic Area

Unless otherwise stated in this “Selling Restrictions” section, in relation to each Member State of the European Economic Area (“**EEA State**”) which has implemented the Prospectus Directive (each, a “**Relevant EEA State**”), each Dealer has represented and agreed, and each further Dealer under the Program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant EEA State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of MTNs which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Relevant EEA State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such MTNs to the public in that Relevant EEA State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 or, if the Relevant EEA 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 the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of MTNs referred to in (a) to (c) above shall require the Issuer or any 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 MTNs in any Relevant EEA State means the communication in any form and by any means of sufficient information on the terms of the offer and the MTNs to be offered so as to enable an investor to decide to purchase or subscribe the MTNs, as the same may be varied in that EEA State by any measure implementing the Prospectus Directive in that EEA State and 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 EEA State), and includes any relevant implementing measure in each Relevant EEA State, and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.”

The Hong Kong selling restriction set out on page 47 of the Information Memorandum is deleted and replaced with the following:

“Hong Kong

Each Dealer has represented and agreed that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong by means of any document, any MTNs other than:
 - (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong (“**Securities and Futures Ordinance**”) and any rules made under that Ordinance; or
 - (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) (as amended) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, (in each case, whether in Hong Kong or elsewhere) any advertisement, invitation, or other offering material or other document relating to the MTNs, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to MTNs which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance.”

The Singapore selling restriction set out on page 48 of the Information Memorandum is deleted and replaced with the following:

“Singapore

The Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore, as amended (“**SFA**”).

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that, unless an applicable Pricing Supplement (or another supplement to this Information Memorandum) otherwise provides, the Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the MTNs has not been and will not be circulated or distributed by it nor have the MTNs been, nor will the MTNs be, offered or sold by it, or be made subject to an invitation for subscription or purchase by it, whether directly or indirectly to persons in Singapore other than:

- (c) to an institutional investor under Section 274 of the SFA;
- (d) to a relevant person pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (e) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the MTNs are subscribed or purchased in reliance of an exemption under Section 274 or 275 of the SFA, the MTNs shall not be sold within the period of six months from the date of the initial acquisition of the MTNs, except to any of the following persons:

- (A) an institutional investor (as defined in Section 4A of the SFA);
- (B) a relevant person (as defined in Section 275(2) of the SFA); or
- (C) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Where the MTNs are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (1) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (2) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

that securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the MTNs pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor (under Section 274 of the SFA) or to a relevant person (as defined in Section 275(2) of the SFA) and in accordance with the conditions specified in Section 275 of the SFA;
- (ii) (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (iii) where no consideration is, or will be, given for the transfer;
- (iv) where the transfer is by operation of law;
- (v) as specified in Section 276(7) of the SFA; or
- (vi) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.”

