

THE PERFORMANCE OF THE DEBT INSTRUMENT CONTEMPLATED IN THIS PRICING SUPPLEMENT IS SUBJECT TO CERTAIN CURRENCY EXCHANGE RATE RISKS WHICH MAY ARISE WITHOUT WARNING AND MAY AT TIMES BE VOLATILE WITH THE RESULT THAT LOSSES MAY OCCUR QUICKLY AND IN UNANTICIPATED MAGNITUDE. THERE WILL BE NO RECOURSE TO THE NORDIC INVESTMENT BANK SHOULD SUCH LOSSES OCCUR. BY BUYING THE DEBT INSTRUMENT CONTEMPLATED IN THIS PRICING SUPPLEMENT ANY INVESTOR AGREES TO ACCEPT SUCH TERMS AND CONDITIONS AND ASSUMES (FINANCIALLY AND OTHERWISE) SUCH RISKS.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSIDER THE INVESTMENT CONSIDERATIONS SET OUT IN THE ANNEX TO THIS PRICING SUPPLEMENT AND THE RISK FACTORS RELATING TO STRUCTURED INSTRUMENTS SET OUT IN THE INFORMATION MEMORANDUM (AS DEFINED BELOW).

PRICING SUPPLEMENT

<http://www.oblible.com>

No. 873

NORDIC INVESTMENT BANK

**Programme for the Issuance of Debt Instruments
Issue of a Series of
BRL 50,000,000 10.00 per cent. Notes due 2016 (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 13 June 2012 (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:	Brazilian Real ("BRL"), provided that all payments in respect of the Notes will be made in United States Dollars ("USD").
Aggregate Principal Amount of this Series:	BRL 50,000,000 (Fifty million Brazilian Real)
If interchangeable with existing Series, Series No.:	Not Applicable.
Issue Date:	4 February 2013.



Issue Price:	110.740 per cent. of the Aggregate Principal Amount of this Series.
Net Proceeds after Commissions:	USD 26,765,785.61 (converted at a rate of USD 1= BRL 2.043 from BRL 54,682,500).
Relevant Dealer:	J.P. Morgan Securities plc.
Form of Instruments:	The Notes will be in Bearer form and will initially be represented by a Temporary Global Note without Coupons attached and which will be deposited with Citibank, N.A., London branch, in its capacity as a common depositary for Euroclear Bank SA/NV and Clearstream Banking, <i>société anonyme</i> , on or about the Issue Date. Interests in the Temporary Global Note will be exchangeable for interests in a Permanent Global Note without Coupons on or after the Exchange Date upon certification as to non-U.S. beneficial ownership as required in such Temporary Global Note. The Exchange Date is expected to be not earlier than the date which is forty (40) days after the Issue Date.
New Global Note Form:	Not Applicable.
Specified Denomination:	BRL 5,000 (Five thousand Brazilian Real).
Interest:	Interest bearing. Condition 4A will apply. The Rate of Interest is 10.00 per cent. per annum payable annually in arrear, calculated on an Actual/Actual (ICMA) Day Count Fraction basis (as defined in Condition 4F).
Interest Amount:	The Interest Amount payable is BRL 500.00 per Specified Denomination , provided that each Interest Amount will be paid on each Interest Payment Date in USD converted from BRL at the applicable Reference Rate, as set out in Annex 1, in accordance with the following, the result thereof being rounded to the nearest full cent with USD 0.005 being rounded downwards: $\text{Interest Amount} \times \frac{1}{\text{Reference Rate}}$
Interest Payment Date:	4 February of each year, commencing 4 February 2014 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 Noteholders will not be entitled to any additional interest or other sums in respect of such postponed payments.

Maturity Date:

4 February 2016. For the purposes of payment only, the Following Business Day Convention applies and the Noteholders will not be entitled to any additional interest or other sums in respect of such postponed payments.

Redemption Amount at Maturity:

100 per cent. of the principal amount of each Note, provided that the redemption amount payable on the Maturity Date shall be an amount in USD converted from BRL at the applicable Reference Rate as set out in Annex 1, in accordance with the following, the result thereof being rounded to the nearest full cent with USD 0.005 being rounded downwards:

$$\text{BRL } 5,000 \times \frac{1}{\text{Reference Rate}}$$

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 shall be 100 per cent. of the principal amount of each Note, converted from BRL to USD at the applicable Reference Rate and paid in USD (see Annex 1). The redemption amount shall be converted in accordance with the following, the result thereof being rounded to the nearest full cent with USD 0.005 being rounded downwards:

$$\text{BRL } 5,000 \times \frac{1}{\text{Reference Rate}}$$

Change of Interest or Redemption/Payment Basis:

Not Applicable.

Optional Early Redemption (Call):

Not Applicable.

Optional Early Redemption (Put):

Not Applicable.

Business Day:

Brazil Business Day (as defined in Annex 1), London and New York City.

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: XS0881402902

Common code: 088140290

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

Additional Selling Restriction: For the purposes 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 Restriction relating to Brazil shall also apply:


Brazil

The Notes have not been and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets. The issuance of the Notes has not been nor will be registered with the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários* or "CVM"). Any public offering or distribution, as defined under Brazilian laws and regulations, of the Notes in Brazil is not legal without prior registration under Law No. 6,385/76, as amended, and Instruction No. 400, issued by the CVM on 29 December 2003, as amended. Documents relating to the offering of the Notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the Notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the Notes to the public in Brazil. Therefore, the Relevant Dealer has represented, warranted and agreed that it has not offered or sold, and will not offer or sell, the Notes in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian legislation.

CONFIRMED

NORDIC INVESTMENT BANK

By: _____

Authorised Signatory 
Jens Hellerup
Director
Head of Funding and Investor Relations

By: _____

Authorised Signatory


Sten Holmberg
Chief Counsel

Date: 31 January 2013

ANNEX 1 to Pricing Supplement No. 873

DEFINITIONS

The following definitions shall apply for the purpose of calculating all payments under the Notes as set out in this Pricing Supplement.

"Brazil Business Day" means a business day in any of São Paulo, Rio de Janeiro or Brasília not otherwise declared as a financial market holiday by Banco Central do Brazil or Andima (see www.andima.com) as determined in the Swaps Monitor Brazilian Payments System Holidays (code:NBR).

"BRL-PTAX Rate" means, in respect of each relevant Rate Fixing Date, the foreign exchange rate specified in Annex A to the ISDA 1998 FX and Currency Options Definitions (as updated from time to time) as "BRL PTAX" or BRL09", meaning that the spot rate for the relevant Rate Fixing Date will be the BRL/USD offered rate for USD, expressed as the amount of BRL per one USD, for settlement in two (2) New York City and São Paulo Business Days reported by the Banco Central do Brasil by approximately 1:15 p.m. São Paulo time on such Rate Fixing Date, on SISBACEN Data System under transaction code PTAX-800 ("*Consulta de Cambio*" or "Exchange Rate Inquiry"), Option 5 ("*Cotações para Contabilidade*" or "Rates for Accounting Purposes").

The BRL-PTAX Rate can in addition be viewed at:

Bloomberg page <BZFXPTAX Index> or

Reuters page <BRLPTAX=CBBR>

"Determination Agent" means JPMorgan Chase Bank, N.A., London (or any successor or assign). The determination of any Reference Rate or other determinations by or provided for the Determination Agent shall be identical with the corresponding determinations under the swap transaction entered into on 23 January 2013 (trade date) between the Issuer and JPMorgan Chase Bank, N.A. London in relation to the Notes.

"EMTA" means the Emerging Markets Traders Association.

"EMTA BRL Industry Survey Methodology" means a methodology, dated 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the BRL/USD spot markets for the purposes of determining the EMTA BRL Industry Survey Rate.

"EMTA BRL Industry Survey Rate" means the foreign exchange rate as specified in Annex A to the ISDA 1998 FX and Currency Option Definitions (as updated from time to time) as "EMTA BRL Industry Survey Rate" or "BRL12", meaning that the spot rate for the relevant Rate Fixing Date will be the BRL/USD offered rate for USD, expressed as the amount of BRL per one USD, for settlement in two (2) Sao Paolo and New York City Business Days, as published on EMTA's web site (www.emta.org) at approximately 3:45 p.m. (São Paulo time), or as soon thereafter as practicable, on such Rate Fixing Date. The spot rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Survey Methodology.

"EMTA Failure" means, in respect of a Rate Fixing Date, that the EMTA BRL Industry Survey Rate, having been requested as prescribed by EMTA, is not available for any reason. For the avoidance of doubt, an EMTA Failure may still occur notwithstanding that the BRL-PTAX Rate is available on the applicable Rate Fixing Date

"New York City Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York.

"Price Materiality" mean, in respect of a Rate Fixing Date, that the EMTA BRL Industry Survey Rate is available on such date and that the BRL-PTAX Rate differs from the EMTA BRL Industry Survey Rate by more than 3 per cent.

"Rate Fixing Date" means the date that is five (5) Business Days before the applicable Interest Payment Date or the Maturity Date or such other date on which an amount in respect of the Notes is due and payable, as applicable.

"Reference Rate" means, in respect of any Rate Fixing Date, the USD/BRL exchange rate, expressed as the amount of BRL per one USD:

- (a) determined by the Determination Agent on the relevant Rate Fixing Date by reference to the applicable BRL-PTAX Rate (if such rate is available); or
- (b) in the event that the BRL-PTAX Rate is not available for the applicable Rate Fixing Date, determined by the Determination Agent on the relevant Rate Fixing Date by reference to the applicable EMTA BRL Industry Survey Rate (if such rate is available); or
- (c) in the event that neither the BRL-PTAX Rate nor the EMTA BRL Industry Survey Rate are available for the applicable Rate Fixing Date, determined by the Determination Agent on the relevant Rate Fixing Date in good faith and in a commercially reasonable manner, having taken into account relevant market practice, provided that:
 - (i) if, for the applicable Rate Fixing Date, the Determination Agent determines that a Price Materiality has occurred for such Rate Fixing Date, the Reference Rate will be the EMTA BRL Industry Survey Rate applicable in respect of such Rate Fixing Date; and
 - (ii) if, for the applicable Rate Fixing Date, the Determination Agent determines that an EMTA Failure has occurred for such Rate Fixing Date, the Reference Rate will be determined by the Determination Agent in good faith and in a commercially reasonable manner, having taken into account relevant market practice.

"Sao Paulo Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Sao Paulo.

ANNEX 2 to Pricing Supplement No. 873

INVESTMENT CONSIDERATIONS

The delivery of this Pricing Supplement does not imply any representation on the part of the Issuer, the Determination Agent or the Relevant Dealer or any other person that any such information is correct.

Holders of Notes and prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they should consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition.

Prospective purchasers of the Notes should conduct their own investigations and, in deciding whether or not to purchase the Notes, should form their own view of the merits of such an investment based upon such investigations and not in reliance upon any information given in this document.

It is not possible to predict the price at which Notes will trade in the secondary market or whether such market will be liquid or illiquid. Pricing information for the Notes may be difficult to obtain and the Notes may be illiquid. The secondary market for Notes may be limited. The only way in which a holder can realise value from a Note prior to the Maturity Date in relation to such Note is to sell it at its then market price in an available secondary market.

Payment of any amounts due under the Notes are subject to BRL/USD exchange risk. Currency exchange rates may be volatile and will affect the USD equivalent return to the holder of the Notes. The movement of the currency exchange rates could result in any amount due under the Notes being less than the initial USD paid for the Notes. As a result, a holder could lose a substantial amount of its investment in these Notes.