



**European Investment Bank Group**

Unaudited Condensed Semi Annual Financial Statements  
as at June 30, 2012 - SEC Filing

**EIB Group**  
**CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2012 UNDER IFRS**  
(in EUR '000)

<b>ASSETS</b>	30.06.2012 (Unaudited)	31.12.2011	<b>LIABILITIES AND EQUITY</b>	30.06.2012 (Unaudited)	31.12.2011
1. Cash in hand, balances with central banks and post office banks	505 453	427 463	1. Amounts owed to credit institutions		
2. Treasury bills and other bills eligible for refinancing with central banks	29 729 312	14 905 225	a) repayable on demand	15 861 888	10 974 028
3. Loans and advances to credit institutions			b) with agreed maturity dates or periods of notice	<u>1 137 519</u>	<u>153 736</u>
a) repayable on demand	982 873	963 843		16 999 407	11 127 764
b) other loans and advances	46 461 245	39 649 948	2. Amounts owed to customers		
c) loans (Note B)	<u>135 185 552</u>	<u>135 058 591</u>	a) repayable on demand	1 560 095	1 630 570
	182 629 670	175 672 382	b) with agreed maturity dates or periods of notice	<u>830 637</u>	<u>960 618</u>
4. Loans and advances to customers				2 390 732	2 591 188
a) other loans and advances	93 257	0	3. Debts evidenced by certificates (Note C)		
b) loans (Note B)	272 757 903	257 794 055	a) debt securities in issue	436 133 257	404 838 127
c) Impairment on loans and advances, net of reversals	<u>- 255 261</u>	<u>- 192 790</u>	b) others	<u>26 935 732</u>	<u>26 058 705</u>
	272 595 899	257 601 265		463 068 989	430 896 832
5. Debt securities including fixed-income securities			4. Derivatives liabilities	21 401 325	19 419 314
a) issued by public bodies	2 060 264	1 316 161	5. Other liabilities	1 056 560	819 158
b) issued by other borrowers	<u>5 634 079</u>	<u>9 078 271</u>	6. Deferred income	152 088	155 680
	7 694 343	10 394 432	7. Provisions		
6. Shares and other variable-yield securities	2 914 167	2 616 146	a) pension plans and health insurance scheme	1 523 768	1 461 833
7. Derivative assets	57 011 891	49 538 133	b) provision for guarantees issued	166 398	161 867
8. Property, furniture and equipment	296 496	305 632	c) provision for commitment on investment funds	<u>7 712</u>	<u>8 026</u>
9. Investment property	2 783	2 863		1 697 878	1 631 726
10. Intangible assets	11 181	10 402	<b>TOTAL LIABILITIES</b>	<u>506 766 979</u>	<u>466 641 662</u>
11. Other assets	161 737	123 889	8. Capital		
12. Prepayments	37 178	47 828	a) subscribed	232 392 989	232 392 989
			b) uncalled	<u>- 220 773 340</u>	<u>- 220 773 340</u>
				11 619 649	11 619 649
			9. Consolidated reserves		
			a) reserve fund	21 596 628	20 972 343
			b) additional reserves	3 056 952	1 605 420
			c) fair value reserve	803 727	613 918
			d) special activities reserve	5 140 386	4 108 940
			e) general loan reserve	<u>2 976 909</u>	<u>2 340 863</u>
				33 574 602	29 641 484
			10. Profit for the period	1 628 880	3 742 865
			<b>TOTAL EQUITY</b>	<u>46 823 131</u>	<u>45 003 998</u>
<b>TOTAL ASSETS</b>	<u>553 590 110</u>	<u>511 645 660</u>	<b>TOTAL LIABILITIES AND EQUITY</b>	<u>553 590 110</u>	<u>511 645 660</u>

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED JUNE 30, 2012 UNDER IFRS**  
(in EUR '000)

	HI 2012 (Unaudited)	HI 2011 (Unaudited)	2011
1. Interest and similar income	12 942 743	11 132 917	24 904 692
2. Interest expense and similar charges	- 11 573 767	- 9 755 465	- 22 144 321
3. Income from shares and other variable-yield securities	17 301	40 062	27 721
4. Fee and commission income	135 588	91 537	268 208
5. Fee and commission expense	- 331	490	- 276
6. Result on financial operations	375 047	586 210	1 494 492
7. Other operating income	1 514	11 820	9 189
8. Other operating expense	0	0	- 50 000
9. Change in impairment on loans and advances and provisions for guarantees, net of reversals	- 62 402	- 44 772	- 163 714
10. Change in impairment on shares and other variable-yield securities, net of reversals	46 208	- 8 991	- 57 576
11. General administrative expenses			
a) staff costs	- 187 555	- 193 163	- 381 743
b) other administrative costs	- 52 238	- 47 859	- 134 209
	- 239 793	- 241 022	- 515 952
12. Depreciation and amortisation: property, furniture and equipment, investment property and intangible assets			
a) property, furniture and equipment	- 11 367	- 10 974	- 24 721
b) investment property	- 81	- 186	- 161
c) intangible assets	- 1 780	- 1 184	- 4 716
	- 13 228	- 12 344	- 29 598
13. Profit for the period	<u>1 628 880</u>	<u>1 800 442</u>	<u>3 742 865</u>
14. Attributable to: Equity holders of the Bank	<u>1 628 880</u>	<u>1 800 442</u>	<u>3 742 865</u>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30, 2012 UNDER IFRS**  
(in EUR '000)

	HI 2012 (Unaudited)	HI 2011 (Unaudited)	2011
Profit for the period	1 628 880	1 800 442	3 742 865
Other comprehensive income / loss:			
Available for sale financial assets - fair value reserve			
1. Net unrealised gains and losses on financial assets available for sale	28 091	77 953	42 429
2. Impairment charges transferred to the consolidated income statement	46 618	8 173	11 916
3. Realised gains and losses transferred to the consolidated income statement	115 100	- 23 298	33 823
Total available for sale financial assets	189 809	62 828	88 168
Total other comprehensive income	189 809	62 828	88 168
Total comprehensive income	<u>1 818 689</u>	<u>1 863 270</u>	<u>3 831 033</u>
Attributable to: Equity holders of the Bank	<u>1 818 689</u>	<u>1 863 270</u>	<u>3 831 033</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY UNDER IFRS (in EUR '000)**

	Subscribed capital	Callable capital	Reserve fund	Special activities reserve	General loan reserve	Additional reserves		Profit/loss for the period before appropriation	Total consolidated equity
						Other	Fair value reserve		
<b>For the half year ended June 30, 2012</b>									
<b>As at December 31, 2010</b>	<b>232 392 989</b>	<b>- 220 773 340</b>	<b>20 082 400</b>	<b>3 299 370</b>	<b>1 923 734</b>	<b>1 075 524</b>	<b>525 750</b>	<b>2 644 962</b>	<b>41 171 389</b>
Appropriation of prior year's profit	0	0	889 943	809 570	417 129	528 320	0	- 2 644 962	0
Total comprehensive income for the period	0	0	0	0	0	0	88 168	3 742 865	3 831 033
Changes in ownership interests in subsidiaries that do not result in a loss of control	0	0	0	0	0	1 576	0	0	1 576
<b>As at December 31, 2011</b>	<b>232 392 989</b>	<b>- 220 773 340</b>	<b>20 972 343</b>	<b>4 108 940</b>	<b>2 340 863</b>	<b>1 605 420</b>	<b>613 918</b>	<b>3 742 865</b>	<b>45 003 998</b>
Appropriation of prior year's profit	0	0	624 285	1 031 446	636 046	1 451 088	0	- 3 742 865	0
Total comprehensive income for the period	0	0	0	0	0	0	189 809	1 628 880	1 818 689
Changes in ownership interests in subsidiaries that do not result in a loss of control	0	0	0	0	0	444	0	0	444
<b>As at June 30, 2012 (Unaudited)</b>	<b>232 392 989</b>	<b>- 220 773 340</b>	<b>21 596 628</b>	<b>5 140 386</b>	<b>2 976 909</b>	<b>3 056 952</b>	<b>803 727</b>	<b>1 628 880</b>	<b>46 823 131</b>

**CONSOLIDATED CASH FLOW STATEMENT FOR PERIOD ENDED JUNE 30, 2012 UNDER IFRS**  
(in EUR '000)

	H1 2012 (Unaudited)	2011
<b>A. Cash flows from operating activities :</b>		
<b>Profit for the period</b>	<b>1 628 880</b>	<b>3 742 865</b>
Adjustments for:		
Change in impairment on loans and advances, net of reversals	62 471	105 682
Net change in provisions for pension plans and health insurance scheme	61 935	145 259
Unwinding of the discount relating to capital and reserves called, but not paid in	0	- 1 719
Change in provision for commitment on investment funds and guarantees on venture capital operations	4 988	66 058
Depreciation/amortisation on property, furniture and equipment, investment property and intangible assets	13 228	29 598
Change in impairment of shares and other variable-yield securities	- 46 208	57 576
Held to maturity portfolio amortisation and accrued interest	16 976	- 3 469
Change in fair value of trading debt securities	- 78 222	30 018
Change in fair value of put option	- 30 631	0
Net results on loans under the fair value option and associated hedges	- 437 885	4 727 595
Net results on borrowings under the fair value option and associated swaps	- 3 412 969	- 11 867 529
Change in fair value of other derivatives	2 787 987	4 014 482
Interest expense on non-controlling interest	7 768	- 5 517
Effects of exchange rate changes	1 301 849	117 883
Disbursements of loans and advances to credit institutions and customers	- 22 917 136	- 55 538 192
Repayments of loans and advances to credit institutions and customers	12 750 557	23 811 553
Change in deposits with central banks	175 598	- 142 311
Net additions in available for sale and trading debt securities	187 035	375 103
Net additions in available for sale venture capital operations	- 110 906	- 147 882
Net additions in available for sale shares and other variable-yield securities	- 31 586	- 98 461
Change in amounts owed to credit institutions and customers	5 671 187	5 414 787
Change in interest accrued on cash and cash equivalents	- 40 893	- 34 783
Change in prepayments	10 650	- 13 812
Change in other assets	- 37 848	- 40 232
Change in deferred income	- 3 592	- 15 059
Change in other liabilities (excluding non-controlling interest)	212 374	78 350
<b>Net cash used in operating activities</b>	<b>- 2 254 393</b>	<b>- 25 192 157</b>
<b>B. Cash flows from investing activities :</b>		
Securities from investment portfolio matured during the period	90 750	243 022
Purchase of loan substitutes included in the debt securities portfolios	- 1 966 291	- 3 661 199
Redemption of loan substitutes included in the debt securities portfolios	1 193 132	1 181 712
Purchase and disposal in property, furniture and equipment, investment property and intangible assets	- 4 791	- 20 692
<b>Net cash used in investing activities</b>	<b>- 687 200</b>	<b>- 2 257 157</b>
<b>C. Cash flows from financing activities :</b>		
Issuance of debts evidenced by certificates	90 486 854	151 108 378
Redemption of debts evidenced by certificates	- 69 607 008	- 113 967 119
Member States' contribution	0	57 663
Net change in cash related to acquisitions and disposals of shares in subsidiary undertakings	26 490	- 7 771
Dividend paid to non-controlling interest	0	- 1 108
<b>Net cash from financing activities</b>	<b>20 906 336</b>	<b>37 190 043</b>
<b>Summary statement of cash flows</b>		
<b>Cash and cash equivalents at the beginning of the year</b>	<b>47 038 818</b>	<b>37 209 630</b>
Net cash from:		
Operating activities	- 2 254 393	- 25 192 157
Investing activities	- 687 200	- 2 257 157
Financing activities	20 906 336	37 190 043
Effect of exchange rate changes on cash held	- 304 214	88 459
<b>Cash and cash equivalents at the end of the period</b>	<b>64 699 347</b>	<b>47 038 818</b>
<b>Cash and cash equivalents are composed of:</b>		
Cash in hand, balances with central banks and post office banks, excluding deposits with Central Bank of Luxembourg to cover minimum reserve requirement	285 140	31 552
Bills maturing within three months of issue (A1 portfolio excluding accrued interest)	17 972 727	6 625 670
Loans and advances to credit institutions and customers:		
Repayable on demand	982 873	963 843
Other loans and advances	45 458 607	39 417 753
	<b>64 699 347</b>	<b>47 038 818</b>
<b>Supplementary disclosures of operating cash flow:</b>		
Interest received	12 352 605	24 805 936
Dividends received	17 357	27 127
Interest paid	- 2 190 911	- 8 595 399

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS UNDER IFRS

### NOTE A Basis of presentation

The unaudited condensed consolidated financial statements of the European Investment Bank (“the Bank”) as at June 30, 2012 do not include all of the information and footnotes required for complete financial statements, in accordance with IAS34 Interim Financial Reporting.

In the opinion of management, all adjustments, normal recurring accruals and adjustments for the impairment of venture capital operations and loans considered necessary for a fair presentation have been recorded. The profit for the six-month period ended June 30, 2012 is not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

The audited consolidated financial statements as at and for the year ended December 31, 2011 were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The unaudited condensed consolidated financial statements as at and for the period ended June 30, 2012 are based on the same principles.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Bank’s annual report for the year ended December 31, 2011.

### NOTE B Summary statement of loans (in EUR '000)

<u>Analysis of aggregate loans granted (before specific provisions)</u>	Loans granted		Total
	to intermediary credit institutions	directly to final beneficiaries	
- Disbursed portion	135 185 552	272 757 903	407 943 455
- Undisbursed portion	16 151 121	56 707 021	72 858 142
Aggregate loans granted	<u>151 336 673</u>	<u>329 464 924</u>	<u>480 801 597</u>

### NOTE C Debts evidenced by certificates

[See following pages for summary statement of debts evidenced by certificates.]

**NOTE D            Commitment to purchase the remaining EIF shares at a fixed price**

As at June 30, 2012, the Bank holds 62.13% of the EIF's subscribed capital (61.93% as at December 31, 2011).

Under the terms of the Replacement Share Purchase Undertaking, the EIB is offering to buy the remaining subscribed shares from the EIF's other shareholders for a price of EUR 324,052.40 per share as at June 30, 2012. The latter corresponds to the part of each share in the called capital of EIF, increased by the share premium account, the statutory reserves, the disclosed unrealised gains in venture capital operations, the profit brought forward and the profit of the year. The agreed formula is being applied to the approved and audited annual accounts of the EIF for the financial year in which the option is exercised.

**NOTE E            Commitments, contingent liabilities and other memorandum items**

[See following pages for summary statement of commitments and contingent liabilities.]

**Note C - Summary statement of debts evidenced by certificates as at June 30, 2012 (in EUR' 000)**

PAYABLE IN	OUTSTANDING AT 30.06.2012	AVERAGE RATE 30.06.2012	DUE DATES	OUTSTANDING AT 31.12.2011	AVERAGE RATE 2011
EUR	193 731 433	3.20	2012/2057	174 488 830	3.35
USD	113 746 972	2.45	2012/2058	107 454 811	2.56
GBP	57 771 637	3.96	2012/2054	58 101 423	4.03
AUD	19 370 151	5.28	2013/2042	18 996 605	5.37
JPY	13 617 316	0.80	2012/2047	13 660 198	0.86
CHF	7 926 057	2.34	2014/2036	7 146 966	2.47
NOK	6 711 529	3.81	2012/2025	6 498 323	3.74
SEK	5 280 592	3.64	2013/2039	4 301 840	3.71
TRY	2 936 253	9.03	2012/2022	2 776 232	9.33
NZD	2 207 323	5.95	2012/2021	2 449 662	6.41
ZAR	1 814 306	8.05	2013/2021	1 926 787	8.16
CAD	789 998	4.44	2037/2045	744 612	4.56
RUB	741 117	6.67	2013/2019	719 741	6.69
DKK	551 565	2.55	2024/2026	551 505	2.55
CZK	515 389	3.43	2013/2030	541 280	3.89
HUF	278 267	6.36	2012/2016	273 625	6.37
PLN	277 067	6.05	2013/2026	290 920	6.00
BGN	117 599	4.75	2012/2013	117 599	5.18
RON	101 094	8.88	2014/2016	104 087	8.88
HKD	34 819	5.10	2013/2019	232 816	0.98
MXN	34 678	5.12	2015/2015	32 419	5.06
TWD	26 484	4.68	2013/2013	25 508	5.10
Fair value adjustement on borrow ings	34 487 343			29 461 043	
<b>TOTAL</b>	<b>463 068 989</b>			<b>430 896 832</b>	

The principal and interest of certain structured borrow ings are index linked to stock exchange indexes (historical value: EUR 60 million at 30 June 2012 and EUR 615 million in 2011).

All such borrow ings are hedged in full through sw ap operations.



**Note E - Commitments, contingent liabilities, pledged assets and other memorandum items (in EUR '000)**

	30.06.2012	31.12.2011
	(Unaudited)	
<b>Commitments</b>		
- <b>EBRD capital</b>		
- uncalled	442 500	442 500
- <b>Undisbursed loans</b>		
- credit institutions	16 151 121	20 022 455
- customers	56 707 021	65 784 468
	<u>72 858 142</u>	<u>85 806 923</u>
- Undisbursed venture capital operations	1 752 835	1 955 898
- Undisbursed investment funds	594 001	547 148
<b>Contingent liabilities and guarantees</b>		
- In respect of loans granted by third parties	3 514 538	3 683 408
- In respect of venture capital operations	51 509	60 524
<b>Assets held on behalf of third parties</b>		
- NER300	2 439 126	2 079
- Guarantee Fund	1 841 124	1 756 205
- Investment Facility - Cotonou	1 838 366	1 825 259
- JESSICA (Contribution and Holding Fund)	1 750 497	1 549 100
- FP7 Guarantee Fund	1 272 257	1 149 231
- RSFF	902 435	789 554
- Special Section	895 015	943 954
- JEREMIE	734 399	827 908
- EU-Africa Infrastructure Trust Fund	338 998	294 630
- ENPI	161 514	161 228
- LGTT	161 077	154 831
- SMEG 2007	137 025	107 605
- ECHA	135 988	148 616
- RSI	131 469	0
- GIF 2007	126 788	97 726
- AECID	100 109	100 002
- SME Guarantee Facility	59 904	59 954
- HIPC	58 391	59 722
- NIF Trust Fund	54 655	55 019
- GAGF	31 349	31 400
- FEMIP Trust Fund	29 820	30 395
- Map guarantee	28 986	33 139
- Map Equity	26 959	32 777
- G43 Trust Fund	15 897	16 202
- EPMF	9 026	9 155
- European Technology Facility	8 797	8 165
- JASPERS	8 628	1 637
- EPTA Trust Fund	8 010	7 348
- GEEREF Technical Support Facility	2 329	2 484
- TTP	1 630	1 687
- EPPA	1 171	1 468
- Bundesministerium für Wirtschaft und Technologie	541	2 635
- GEEREF	472	1 569
- LfA-EIF Facility	20	166
- GGF	5	5
	<u>13 312 777</u>	<u>10 262 855</u>
<b>Other items</b>		
- Nominal value of interest-rate sw ap contracts	436 549 603	401 211 736
- Nominal value of currency sw ap contracts receivable	197 129 550	185 661 830
- Nominal value of currency sw ap contracts payable	183 742 177	174 707 592
- Forwards rate agreements	11 648 800	6 606 400
- Borrowings launched but not yet settled	1 269 055	0
- Securities receivable	1 151 232	0
- Securities lent	518 457	778 872
- FX Forwards	413 081	321 547
- Nominal value of put option granted to EIF minority shareholders	368 124	385 841
- Futures contracts	276 238	386 190
- Securities payable	150 000	0
- Swaps launched but not yet settled	37 084	60 394
- Special deposits for service of borrowings	25 248	29 685

**EIB GROUP - EU ACCOUNTING DIRECTIVES TO IFRS RECONCILIATION**  
**CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2012 (in EUR '000)**

<b>ASSETS</b>	<b>EU Accounting Directives</b>	<b>Adjustment</b>		<b>IFRS</b>
	<b>30/06/2012</b>	<b>Ref.</b>	<b>Ref.</b>	<b>30/06/2012</b>
<b>1. Cash in hand, balances with central banks and post office banks</b>	505 453	0		505 453
<b>2. Treasury bills and other bills eligible for refinancing with central banks</b>	29 574 634	154 678	A	29 729 312
<b>3. Loans and advances to credit institutions</b>				
a) repayable on demand	982 873	0		982 873
b) other loans and advances	46 440 350	20 895	B.1, B.2	46 461 245
c) loans	134 210 839	974 713	B.1, B.2	135 185 552
	181 634 062			182 629 670
<b>4. Loans and advances to customers</b>				
a) other loans and advances	93 257	0		93 257
b) loans	261 422 720	11 335 183	B.1, B.2	272 757 903
c) impairment on loans and advances, net of reversals	- 255 261	0		- 255 261
	261 260 716			272 595 899
<b>5. Debt securities including fixed-income securities</b>				
a) issued by public bodies	2 050 456	9 808	A	2 060 264
b) issued by other borrowers	5 616 104	17 975	A	5 634 079
	7 666 560			7 694 343
<b>6. Shares and other variable-yield securities</b>	2 273 622	640 545	A	2 914 167
<b>7. Derivative assets</b>		57 011 891	B.1	57 011 891
<b>8. Property, furniture and equipment</b>	299 279	- 2 783	C	296 496
<b>9. Investment property</b>	0	2 783	C	2 783
<b>10. Intangible assets</b>	11 181	0		11 181
<b>11. Other assets</b>	179 686	- 17 949	B.1	161 737
<b>12. Prepayments</b>			A, B.1, B.2, B.3	
	23 170 036	- 23 132 858		37 178
<b>TOTAL ASSETS</b>	<b>506 575 229</b>			<b>553 590 110</b>
<b>LIABILITIES AND EQUITY</b>	<b>30/06/2012</b>	<b>Ref.</b>		<b>30/06/2012</b>
<b>1. Amounts owed to credit institutions</b>				
a) repayable on demand	15 859 258	2 630	B.3	15 861 888
b) with agreed maturity dates or periods of notice	1 136 489	1 030	B.3	1 137 519
	16 995 747			16 999 407
<b>2. Amounts owed to customers</b>				
a) repayable on demand	1 560 091	4	B.3	1 560 095
b) with agreed maturity dates or periods of notice	830 442	195	B.3	830 637
	2 390 533			2 390 732
<b>3. Debts evidenced by certificates</b>				
a) debt securities in issue	402 686 997	33 446 260	B.3	436 133 257
b) others	25 894 649	1 041 083	B.3	26 935 732
	428 581 646			463 068 989
<b>4. Derivatives liabilities</b>		21 401 325	B.1	21 401 325
<b>5. Other liabilities</b>	1 014 391	42 169	B.1, B.2, E	1 056 560
<b>6. Accruals and deferred income</b>			A, B.1, B.2, B.3	
	11 401 805	- 11 249 717		152 088
<b>7. Provisions</b>				
a) pension plans and health insurance scheme	1 689 416	- 165 648	D	1 523 768
b) provision for guarantees and commitments	166 398	0		166 398
c) provision for commitment on investment fund	7 712	0		7 712
	1 863 526			1 697 878
<b>TOTAL LIABILITIES</b>	<b>462 247 648</b>			<b>506 766 979</b>
<b>8. Capital</b>				
- Subscribed	232 392 989	0		232 392 989
- Uncalled	- 220 773 340	0		- 220 773 340
	11 619 649			11 619 649
<b>9. Consolidated reserves</b>				
a) reserve fund	21 596 628	0		21 596 628
b) additional reserves	1 255 330	1 801 622	A, B	3 056 952
c) fair value reserve		803 727	A, B	803 727
d) special activities reserve	5 140 386	0		5 140 386
e) general loan reserve	2 976 909	0		2 976 909
	30 969 253			33 574 602
<b>10. Profit for the period attributable to the equity holders of the Bank</b>	1 358 570	270 310	A, B.1, B.2, B.3	1 628 880
<b>11. Equity attributable to minority interest</b>	380 109	- 380 109	E	0
<b>TOTAL EQUITY</b>	<b>44 327 581</b>			<b>46 823 131</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>506 575 229</b>			<b>553 590 110</b>

**EIB GROUP - EU ACCOUNTING DIRECTIVES TO IFRS RECONCILIATION**  
**Consolidated income statement for the period ended June 30, 2012 (in EUR '000)**

	EU Accounting Directives	Adjustment		IFRS
	H1 2012 (Unaudited)		Ref.	H1 2012 (Unaudited)
1. Interest and similar income	12 960 359	- 17 616	A, B, 2	12 942 743
2. Interest expense and similar charges	- 11 542 888	- 30 879	A, B, 3, E	- 11 573 767
3. Income from shares and other variable-yield securities	17 301	0		17 301
4. Fee and commission income	135 588	0		135 588
5. Fee and commission expense	- 331	0		- 331
6. Result on financial operations	133 241	241 806	A, B, 1, B, 2, B, 3, E	375 047
7. Other operating income	1 514	0		1 514
8. Change in impairment on loans and advances and provisions on guarantees, net of reversals	- 62 402	0		- 62 402
9. Change in impairment on shares and other variable yield securities, net of reversals	0	46 208	A	46 208
10. General administrative expenses				
a) staff costs	- 188 744			- 187 555
b) other administrative expenses	- 52 632			- 52 238
	- 241 376	1 583	D	- 239 793
11. Depreciation and amortisation: property, furniture and equipment, investment property and intangible assets				
a) property, furniture and equipment	- 11 448	81	C	- 11 367
b) investment property	0	- 81	C	- 81
c) intangible assets	- 1 780	0		- 1 780
	- 13 228			- 13 228
12. Profit for the period	<u>1 387 778</u>			<u>1 628 880</u>
13. Profit attributable to minority interest	- 29 208	29 208	E	0
14. Profit attributable to equity holders of the Bank	<u>1 358 570</u>			<u>1 628 880</u>

## Valuation and income recognition differences between IFRS and EU Accounting Directives

### A Financial assets classified as available-for-sale

Under EU Accounting Directives, available for sale instruments are recorded at market value. The value adjustments are reported under "Results on financial operations" in the profit and loss for the period in which they are made. Accrued interest is recorded under balance sheet items "Prepayments and accrued income" or "Accruals and deferred income". Under IFRS, available for sale instruments are carried at fair value with changes in fair value reflected directly in equity. Impairment is recognised in the profit and loss for the year when negative changes in the fair valuation are other than temporary. It is reported separately on the face of the income statement. Accrued interest is reported on the balance sheet within the balance of the instrument to which it relates.

### B Financial assets and liabilities designated at fair value through profit or loss

#### 1 Derivative assets and liabilities

##### a Treasury derivatives

Under EUGAAP, derivative instruments in the Bank's available for sale and trading portfolios are marked to market and recorded under Other assets or Other liabilities. Interest accrued under derivative instruments is presented under Prepayments and accrued income and Accruals and deferred income. Under IFRS, all derivative assets and liabilities are recognised on balance sheet as such and carried at their replacement values.

##### b Hedging derivatives

Under EU Accounting Directives, hedging derivative instruments are not recognised on the balance sheet. They are carried off balance sheet at nominal amount. Under IFRS, all derivative assets and liabilities are recognised on balance sheet and carried at their replacement values. Changes in fair values of derivatives are recognised in the profit and loss.

#### 2 Loans and advances

Under EU Accounting Directives, all loans and advances are carried at amortised cost. Accrued interest is recorded under balance sheet items "Prepayments and accrued income" or "Accruals and deferred income". Under IFRS certain loans are classified on initial recognition as "fair value loans" and valued at fair value through profit or loss. Accrued interest is reported on the balance sheet within the balance of the asset to which it relates. Payments due are reclassified from other debtors to the loan balance to which they relate.

#### 3 Borrowings

Under EU Accounting Directives, borrowings are recorded at amortised cost. Accrued interest is recorded under balance sheet items "Prepayments and accrued income" or "Accruals and deferred income". Under IFRS, EIB applies the fair value option to a significant portion of its issued debt. Accrued interest is reported on the balance sheet within the balance of the debt instrument to which it relates.

### C Investment property

This category is not used under EU Accounting Directives. Assets in this category under IFRS are reported in the "Tangible Assets" category under EU Accounting Directives. Under IFRS, assets in this category are held under the historical cost model.

### D Pension funds

Under EU Accounting Directives, any actuarial deficits result in an additional specific pension plan provision. Under IFRS, the corridor approach is adopted, resulting in a proportion only of the actuarial losses being recognised in the period.

### E Minority interest adjustment

EIB granted a put option to the minority shareholders on their entire holding of the subsidiary. Under EU Accounting Directives, this put option does not influence the accounting treatment of minority interest on consolidation. Under IFRS, the put option results in the non-controlling interest balance being classified as liability rather than equity and being carried at fair value through profit or loss. The non-controlling interest in the IFRS profit for the year is therefore included in the interest expense for the year. Fair value adjustment is reported under "Results on financial operations".

**EIB Group**  
**CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES**  
(in EUR '000)

<b>ASSETS</b>	30.06.2012 (Unaudited)	31.12.2011	<b>LIABILITIES</b>	30.06.2012 (Unaudited)	31.12.2011
1. Cash in hand, balances with central banks and post office banks	505 453	427 463	1. Amounts owed to credit institutions		
2. Treasury bills and other bills eligible for refinancing with central banks	29 574 634	14 775 669	a) repayable on demand	15 859 258	10 969 469
3. Loans and advances to credit institutions			b) with agreed maturity dates or periods of notice	<u>1 136 489</u>	<u>1 190 595</u>
a) repayable on demand	982 873	963 843	2. Amounts owed to customers		
b) other loans and advances	46 440 350	39 617 753	a) repayable on demand	1 560 091	1 630 569
c) loans (Note B)	<u>134 210 839</u>	<u>133 861 282</u>	b) with agreed maturity dates or periods of notice	<u>830 442</u>	<u>960 037</u>
4. Loans and advances to customers	181 634 062	174 442 878	3. Debts evidenced by certificates (Note C)		
a) other loans and advances	93 257	0	a) debt securities in issue	402 686 997	376 154 543
b) loans (Note B)	261 422 720	249 726 477	b) others	<u>25 894 649</u>	<u>25 281 246</u>
c) specific value adjustments	<u>- 255 261</u>	<u>- 192 790</u>	4. Other liabilities		
5. Debt securities including fixed-income securities	261 260 716	249 533 687	5. Accruals and deferred income	1 014 391	518 441
a) issued by public bodies	2 050 456	1 302 779	6. Provisions		
b) issued by other borrowers	<u>5 616 104</u>	<u>9 063 121</u>	a) pension plans and health insurance scheme	1 689 416	1 617 456
6. Shares and other variable-yield securities	7 666 560	10 365 900	b) provision for guarantees issued	166 398	161 867
7. Intangible assets	2 273 622	2 086 830	c) provision for commitment on investment funds	<u>7 712</u>	<u>8 026</u>
8. Tangible assets	11 181	10 402	7. Subscribed capital	232 392 989	232 392 989
9. Other assets	299 279	308 495	a) subscribed	<u>- 220 773 340</u>	<u>- 220 773 340</u>
10. Subscribed capital and reserves, called but not paid	179 686	123 890	b) uncalled		
11. Prepayments and accrued income	23 170 036	20 407 369	8. Consolidated reserves		
<b>TOTAL ASSETS</b>	<u>506 575 229</u>	<u>472 482 583</u>	a) reserve fund	21 596 628	20 972 343
			b) additional reserves	1 255 330	1 278 874
			c) special activities reserve	5 140 386	4 108 940
			d) general loan reserve	<u>2 976 909</u>	<u>2 340 863</u>
			9. Profit for the period attributable to the equity holders of the Bank	30 969 253	28 701 020
			10. Equity attributable to minority interest	1 358 570	2 267 878
			<b>TOTAL LIABILITIES</b>	<u>506 575 229</u>	<u>472 482 583</u>

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	H1 2012 (Unaudited)	H1 2011 (Unaudited)	2011
1. Interest receivable and similar income	12 960 359	11 134 498	24 946 788
2. Interest payable and similar charges	- 11 542 888	- 9 719 982	- 22 038 846
3. Income from securities	17 301	40 062	27 721
4. Commissions receivable	135 588	91 862	268 208
5. Commissions payable	- 331	490	- 276
6. Result on financial operations	133 241	- 65 665	- 181 149
7. Other operating income	1 514	11 495	9 189
8. General administrative expenses			
a) staff costs	- 188 744	- 182 405	- 399 260
b) other administrative expenses	- 52 632	- 47 844	- 134 392
	<u>- 241 376</u>	<u>- 230 249</u>	<u>- 533 652</u>
9. Value adjustments in respect of intangible and tangible assets			
a) tangible assets	- 11 448	- 11 160	- 24 882
b) intangible assets	- 1 780	- 1 184	- 4 716
	<u>- 13 228</u>	<u>- 12 344</u>	<u>- 29 598</u>
10. Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities	- 62 402	5 228	- 167 240
11. Extraordinary charges	0	- 50 000	- 50 000
12. Profit for the period	1 387 778	1 205 395	2 251 145
13. Profit / loss attributable to minority interest	- 29 208	- 778	16 733
14. Profit attributable to equity holders of the Bank	<u>1 358 570</u>	<u>1 204 617</u>	<u>2 267 878</u>

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES**  
(in EUR '000)

	H1 2012 (Unaudited)	2011
<b>A. Cash flows from operating activities:</b>		
<b>Profit for the period</b>	<b>1 387 778</b>	<b>2 251 145</b>
Adjustments for:		
Change in specific value adjustments on loans and advances	62 471	101 182
Change in specific provisions on pension plans and health insurance scheme	71 960	150 276
Change in specific provisions for commitment on investment funds and guarantees on venture capital operations	4 988	66 058
Value adjustments in respect of tangible and intangible assets	13 228	29 598
Value adjustments in respect of shares and other variable-yield securities	- 44 300	9 016
Held to maturity portfolio amortisation	4 677	7 339
Effects of exchange rate changes	1 295 149	117 880
<b>Profit on operating activities</b>	<b>2 795 951</b>	<b>2 732 494</b>
Disbursements of loans and advances to credit institutions and customers	- 22 917 136	- 55 538 192
Repayments of loans and advances to credit institutions and customers	12 750 557	23 811 553
Change in deposits with central banks	175 598	- 142 311
Change in treasury operational portfolios	- 2 340	429 123
Change in venture capital operations included in shares and other variable-yield securities	- 110 906	- 147 882
Change in shares and other variable-yield securities excluding venture capital operations	- 31 586	- 98 461
Change in amounts owed to credit institutions and customers	4 635 610	5 488 707
Change in prepayments and accrued income	- 315 077	- 2 359 249
Change in other assets	- 55 796	- 23 745
Change in accruals and deferred income	324 782	544 169
Change in other liabilities	495 950	111 637
<b>Net cash used in operating activities</b>	<b>- 2 254 393</b>	<b>- 25 192 157</b>
<b>B. Cash flows from investing activities:</b>		
Securities from investment portfolio matured during the period	90 750	243 022
Purchase of loan substitutes included in the debt securities portfolios	- 1 966 291	- 3 661 199
Redemption of loan substitutes included in the debt securities portfolios	1 193 132	1 181 712
Purchase and disposal of tangible and intangible assets	- 4 791	- 20 692
<b>Net cash used in investing activities</b>	<b>- 687 200</b>	<b>- 2 257 157</b>
<b>C. Cash flows from financing activities:</b>		
Issuance of debts evidenced by certificates	90 486 854	151 108 378
Redemption of debts evidenced by certificates	- 69 607 008	- 113 967 119
Member States' contribution	0	57 663
Net change in cash related to acquisitions and disposals of shares in subsidiary undertakings	26 490	- 7 771
Dividend paid to minority interest	0	- 1 108
<b>Net cash from financing activities</b>	<b>20 906 336</b>	<b>37 190 043</b>
<b>Summary statement of cash flows:</b>		
<b>Cash and cash equivalents at beginning of the year</b>	<b>47 038 818</b>	<b>37 209 630</b>
Net cash from:		
Operating activities	- 2 254 393	- 25 192 157
Investing activities	- 687 200	- 2 257 157
Financing activities	20 906 336	37 190 043
Effect of exchange rate changes on cash held	- 304 214	88 459
<b>Cash and cash equivalents at end of the period</b>	<b>64 699 347</b>	<b>47 038 818</b>
<b>Cash and cash equivalents are composed of:</b>		
Cash in hand, balances with central banks and post office banks, excluding deposits with Central Bank of Luxembourg to cover minimum reserve requirement	285 140	31 552
Bills maturing within three months of issue (A1 portfolio)	17 972 727	6 625 670
Loans and advances to credit institutions and customers:		
Repayable on demand	982 873	963 843
Other loans and advances	45 458 607	39 417 753
	<b>64 699 347</b>	<b>47 038 818</b>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
UNDER EU ACCOUNTING DIRECTIVES**

**NOTE A Basis of presentation**

The unaudited condensed consolidated financial statements of the European Investment Bank (the “Bank”) as at June 30, 2012 do not include all of the information and footnotes required for complete financial statements.

In the opinion of management, all adjustments, normal recurring accruals and adjustments for the impairment of venture capital operations and loans considered necessary for a fair presentation have been recorded. The profit for the six-month period ended June 30, 2012 is not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

The audited consolidated financial statements as at and for the year ended December 31, 2011 were prepared in accordance with the general principles of the Directive 86/635/EEC of the Council of the European Communities of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions, as amended by Directive 2001/65/EC of 27 September 2001, by Directive 2003/51/EC of 18 June 2003 and by Directive 2006/46/EC of 14 June 2006 (the ‘Directives’), without making use of the option available to apply fair value accounting.

Since January 1, 2012, the Bank applies market values to all transferable securities which are not held as financial fixed assets and related hedging derivatives, without making use of the option available to apply fair value accounting. This has resulted in a negative profit and loss impact of EUR'000 15 772 for the six-month period ended June 30, 2012 as compared to the accounting policies applied for prior periods.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Bank’s annual report for the year ended December 31, 2011.

**NOTE B Summary statement of loans (in EUR '000)**

<u>Analysis of aggregate loans granted (before specific provisions)</u>	Loans granted		Total
	to intermediary credit institutions	directly to final beneficiaries	
- Disbursed portion	134 210 839	261 422 720	395 633 559
- Undisbursed portion	16 151 121	56 707 021	72 858 142
Aggregate loans granted	<u>150 361 960</u>	<u>318 129 741</u>	<u>468 491 701</u>

**NOTE C Debts evidenced by certificates**

[See following page for summary statement of debts evidenced by certificates.]



**NOTE D            Commitment to purchase the remaining EIF shares at a fixed price**

As at June 30, 2012, the Bank holds 62.13% of the EIF's subscribed capital (61.93% as at December 31, 2011).

Under the terms of the Replacement Share Purchase Undertaking, the EIB is offering to buy the remaining subscribed shares from the EIF's other shareholders for a price of EUR 324 052.40 per share as at June 30, 2012. The latter corresponds to the part of each share in the called capital of EIF, increased by the share premium account, the statutory reserves, the disclosed unrealised gains in venture capital operations, the profit brought forward and the profit of the year. The agreed formula is being applied to the approved and audited annual accounts of the EIF for the financial year in which the option is exercised.

**NOTE E            Commitments, contingent liabilities and other memorandum items**

[See following pages for summary statement of commitments and contingent liabilities.]

**Note C - Summary statement of debts evidenced by certificates as at June 30, 2012 (in EUR' 000)**

PAYABLE IN	OUTSTANDING AT 30.06.2012	AVERAGE RATE 30.06.2012	DUE DATES	OUTSTANDING AT 31.12.2011	AVERAGE RATE 2011
EUR	193 731 433	3.20	2012/2057	174 488 830	3.35
USD	113 746 972	2.45	2012/2058	107 454 811	2.56
GBP	57 771 637	3.96	2012/2054	58 101 423	4.03
AUD	19 370 151	5.28	2013/2042	18 996 605	5.37
JPY	13 617 316	0.80	2012/2047	13 660 198	0.86
CHF	7 926 057	2.34	2014/2036	7 146 966	2.47
NOK	6 711 529	3.81	2012/2025	6 498 323	3.74
SEK	5 280 592	3.64	2013/2039	4 301 840	3.71
TRY	2 936 253	9.03	2012/2022	2 776 232	9.33
NZD	2 207 323	5.95	2012/2021	2 449 662	6.41
ZAR	1 814 306	8.05	2013/2021	1 926 787	8.16
CAD	789 998	4.44	2037/2045	744 612	4.56
RUB	741 117	6.67	2013/2019	719 741	6.69
DKK	551 565	2.55	2024/2026	551 505	2.55
CZK	515 389	3.43	2013/2030	541 280	3.89
HUF	278 267	6.36	2012/2016	273 625	6.37
PLN	277 067	6.05	2013/2026	290 920	6.00
BGN	117 599	4.75	2012/2013	117 599	5.18
RON	101 094	8.88	2014/2016	104 087	8.88
HKD	34 819	5.10	2013/2019	232 816	0.98
MXN	34 678	5.12	2015/2015	32 419	5.06
TWD	26 484	4.68	2013/2013	25 508	5.10
<b>TOTAL</b>	<b>428 581 646</b>			<b>401 435 789</b>	

The principal and interest of certain structured borrowings are index linked to stock exchange indexes (historical value: EUR 60 million at 30 June 2012 and EUR 615 million in 2011).

All such borrowings are hedged in full through swap operations.

**Note E - Commitments, contingent liabilities, pledged assets and other memorandum items (in EUR '000)**

	30.06.2012	31.12.2011
	(Unaudited)	
<b>Commitments</b>		
- <b>EBRD capital</b>		
- uncalled	442 500	442 500
- <b>Undisbursed loans</b>		
- credit institutions	16 151 121	20 022 455
- customers	56 707 021	65 784 468
	<u>72 858 142</u>	<u>85 806 923</u>
- Undisbursed venture capital operations	1 752 835	1 955 898
- Undisbursed investment funds	594 001	547 148
<b>Contingent liabilities and guarantees</b>		
- In respect of loans granted by third parties	3 514 538	3 683 408
- In respect of venture capital operations	51 509	60 524
 <b>Assets held on behalf of third parties</b>		
- NER300	2 439 126	2 079
- Guarantee Fund	1 841 124	1 756 205
- Investment Facility - Cotonou	1 838 366	1 825 259
- JESSICA (Contribution and Holding Fund)	1 750 497	1 549 100
- FP7 Guarantee Fund	1 272 257	1 149 231
- RSFF	902 435	789 554
- Special Section	895 015	943 954
- JEREMIE	734 399	827 908
- EU-Africa Infrastructure Trust Fund	338 998	294 630
- ENPI	161 514	161 228
- LGTT	161 077	154 831
- SMEG 2007	137 025	107 605
- ECHA	135 988	148 616
- RSI	131 469	0
- GIF 2007	126 788	97 726
- AECID	100 109	100 002
- SME Guarantee Facility	59 904	59 954
- HIPC	58 391	59 722
- NIF Trust Fund	54 655	55 019
- GAGF	31 349	31 400
- FEMIP Trust Fund	29 820	30 395
- Map guarantee	28 986	33 139
- Map Equity	26 959	32 777
- G43 Trust Fund	15 897	16 202
- EPMF	9 026	9 155
- European Technology Facility	8 797	8 165
- JASPERS	8 628	1 637
- EPTA Trust Fund	8 010	7 348
- GEEREF Technical Support Facility	2 329	2 484
- TTP	1 630	1 687
- EPPA	1 171	1 468
- Bundesministerium für Wirtschaft und Technologie	541	2 635
- GEEREF	472	1 569
- LfA-EIF Facility	20	166
- GGF	5	5
	<u>13 312 777</u>	<u>10 262 855</u>
<b>Other items</b>		
- Nominal value of interest-rate sw ap contracts	436 549 603	401 211 736
- Nominal value of currency sw ap contracts receivable	197 129 550	185 661 830
- Nominal value of currency sw ap contracts payable	183 742 177	174 707 592
- Forwards rate agreements	11 648 800	6 606 400
- Borrowings launched but not yet settled	1 269 055	0
- Securities receivable	1 151 232	0
- Securities lent	518 457	778 872
- FX Forwards	413 081	321 547
- Nominal value of put option granted to EIF minority shareholders	368 124	385 841
- Futures contracts	276 238	386 190
- Securities payable	150 000	0
- Swaps launched but not yet settled	37 084	60 394
- Special deposits for service of borrowings	25 248	29 685

**EIB**  
**BALANCE SHEET AS AT JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES**  
(in EUR '000)

<b>ASSETS</b>	30.06.2012 (Unaudited)	31.12.2011	<b>LIABILITIES</b>	30.06.2012 (Unaudited)	31.12.2011
<b>1. Cash in hand, balances with central banks and post office banks</b>	505 453	427 463	<b>1. Amounts owed to credit institutions</b>		
			a) repayable on demand	15 859 258	10 969 469
			b) with agreed maturity dates or periods of notice	<u>1 136 489</u>	<u>1 190 595</u>
<b>2. Treasury bills and other bills eligible for refinancing with central banks</b>	28 785 865	14 029 737	<b>2. Amounts owed to customers</b>	16 995 747	12 160 064
			a) repayable on demand	1 560 091	1 630 588
			b) with agreed maturity dates or periods of notice	<u>830 442</u>	<u>960 037</u>
<b>3. Loans and advances to credit institutions</b>			<b>3. Debts evidenced by certificates (Note D)</b>		
a) repayable on demand	920 570	908 250	a) debt securities in issue	402 686 997	376 154 543
b) other loans and advances	46 307 150	39 512 753	b) others	<u>25 894 649</u>	<u>25 281 246</u>
c) loans (Note B)	<u>134 210 839</u>	<u>133 861 282</u>			
	181 438 559	174 282 285	<b>4. Other liabilities</b>	428 581 646	401 435 789
<b>4. Loans and advances to customers</b>			<b>5. Accruals and deferred income</b>	11 401 805	11 077 013
a) other loans and advances	93 257	0	<b>6. Provisions</b>		
b) loans (Note B)	261 422 720	249 726 477	a) pension plans and health insurance scheme	1 645 443	1 578 063
c) specific value adjustments	<u>- 255 261</u>	<u>- 192 790</u>	b) provisions for commitment on investment funds	<u>7 712</u>	<u>8 026</u>
	261 260 716	249 533 687		1 653 155	1 586 089
<b>5. Debt securities including fixed-income securities</b>			<b>7. Capital</b>		
a) issued by public bodies	2 050 456	1 302 779	a) subscribed	232 392 989	232 392 989
b) issued by other borrowers	<u>5 599 020</u>	<u>9 045 447</u>	b) uncalled	<u>- 220 773 340</u>	<u>- 220 773 340</u>
	7 649 476	10 348 226	<b>8. Reserves</b>		
<b>6. Shares and other variable-yield securities</b>	2 088 755	1 913 201	a) reserve fund	21 596 628	20 972 343
<b>7. Shares in affiliated undertakings (Note C)</b>	493 532	491 588	b) additional reserves	1 144 024	1 144 024
<b>8. Intangible assets</b>	11 181	10 402	c) special activities reserve	5 140 386	4 108 940
<b>9. Tangible assets</b>	295 785	304 476	d) general loan reserve	<u>2 976 909</u>	<u>2 340 863</u>
<b>10. Other assets</b>	174 136	113 538		30 857 947	28 566 170
<b>11. Prepayments and accrued income</b>	23 156 055	20 393 251	<b>9. Profit for the financial period attributable to equity holders of the Bank</b>	1 339 388	2 291 777
<b>Total ASSETS</b>	<u>505 859 513</u>	<u>471 847 854</u>	<b>Total LIABILITIES</b>	<u>505 859 513</u>	<u>471 847 854</u>

**EIB OFF BALANCE SHEET AS AT JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	30.06.2012 (Unaudited)	31.12.2011
<b>Commitments</b>		
- EBRD capital uncalled	442 500	442 500
- EIF capital uncalled	1 491 200	1 486 400
- Undisbursed loans credit institutions customers	16 151 121 56 707 021	20 022 455 65 784 468
	<b>72 858 142</b>	<b>85 806 923</b>
- Undisbursed venture capital operations	1 752 835	1 782 524
- Undisbursed investment funds	594 001	547 148
<b>Contingent liabilities and guarantees</b>		
- In respect of loans granted by third parties	863 733	844 063
- In respect of venture capital operations	51 509	60 524
<b>Assets held on behalf of third parties</b>		
- NER300	2 439 126	2 079
- Guarantee Fund	1 841 124	1 756 205
- Investment Facility - Cotonou	1 838 366	1 825 259
- JESSICA (Contribution and Holding Fund)	1 750 497	1 549 100
- FP7 Guarantee Fund	1 272 257	1 149 231
- EIF	955 127	889 808
- RSFF	902 435	789 554
- Special Section	895 015	943 954
- EU-Africa Infrastructure Trust Fund	338 998	294 630
- ENPI	161 514	161 228
- LGTT	161 077	154 831
- ECHA	135 988	148 616
- AECID	100 109	100 002
- HIPC	58 391	59 722
- NIF Trust Fund	54 655	55 019
- FEMIP Trust Fund	29 820	30 395
- JASPERS	8 628	1 637
- EPTA Trust Fund	8 010	7 348
	<b>12 951 137</b>	<b>9 918 618</b>
<b>Other items</b>		
- Nominal value of interest-rate swap contracts	436 549 603	401 211 736
- Nominal value of currency swap contracts receivable	197 129 550	185 661 830
- Nominal value of currency swap contracts payable	183 742 177	174 707 592
- Forwards rate agreements	11 648 800	6 606 400
- Borrowings launched but not yet settled	1 269 055	0
- Securities receivable	1 151 232	0
- FX Forwards	413 081	321 547
- Securities lending	400 217	608 174
- Nominal value of put option granted to EIF minority shareholders	368 124	385 841
- Futures contracts	276 238	386 190
- Securities payable	150 000	0
- Swaps launched but not yet settled	37 084	60 394
- Special deposits for service of borrowings	25 248	29 685

**EIB PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES**  
(in EUR '000)

	H1 2012 (Unaudited)	H1 2011 (Unaudited)	2011
<b>1. Interest receivable and similar income</b>	12 943 159	11 117 038	24 911 031
<b>2. Interest payable and similar charges</b>	- 11 542 792	- 9 719 982	- 22 038 661
<b>3. Income from securities</b>			
a) income from shares and other variable-yield securities	15 204	8 902	23 962
b) income from shares in affiliated undertakings	<u>0</u>	<u>31 786</u>	<u>1 786</u>
	15 204	40 688	25 748
<b>4. Commission receivable</b>	107 708	74 548	217 392
<b>5. Commission payable</b>	- 6 937	- 6 455	- 13 884
<b>6. Net result on financial operations</b>	108 184	- 46 419	- 146 442
<b>7. Other operating income</b>	2 720	11 894	11 734
<b>8. General administrative expenses</b>			
a) staff costs	- 168 299	- 162 504	- 363 364
b) other administrative costs	<u>- 49 756</u>	<u>- 43 162</u>	<u>- 122 664</u>
	- 218 055	- 205 666	- 486 028
<b>9. Value adjustments in respect of tangible and intangible assets</b>			
a) tangible assets	- 10 923	- 10 621	- 23 890
b) intangible assets	<u>- 1 780</u>	<u>- 1 184</u>	<u>- 4 716</u>
	- 12 703	- 11 805	- 28 606
<b>10. Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities</b>	- 57 100	973	- 110 507
<b>11. Extraordinary charges</b>	0	- 50 000	- 50 000
<b>12. Profit for the period</b>	<u>1 339 388</u>	<u>1 204 814</u>	<u>2 291 777</u>

**CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2012 UNDER EU ACCOUNTING DIRECTIVES**  
(in EUR '000)

	<b>H1 2012</b>	<b>2011</b>
	<b>(Unaudited)</b>	
<b>A. Cash flows from operating activities:</b>		
<b>Profit for the period</b>	<b>1 339 388</b>	<b>2 291 777</b>
Adjustments for:		
Change in specific value adjustments on loans and advances	62 471	101 182
Change in provisions on pension plans and health insurance scheme	67 380	140 701
Change in provisions for commitment on investment funds and guarantees on venture capital operations	- 314	8 026
Value adjustments in respect of shares and other variable-yield securities	- 42 173	12 620
Value adjustments in respect of tangible and intangible assets	12 703	28 606
Held to maturity portfolio amortisation	4 590	7 517
Effects of exchange rate changes	1 295 919	123 271
Profit on operating activities	2 739 964	2 713 700
Disbursements of loans and advances to credit institutions and customers	- 22 917 136	- 55 538 192
Repayments of loans and advances to credit institutions and customers	12 750 557	23 811 553
Change in deposits with central banks	175 598	- 142 311
Change in treasury operational portfolios	62 993	387 018
Change in venture capital operations included in shares and other variable-yield securities	- 101 795	- 135 761
Change in shares and other variable-yield securities excluding venture capital operations	- 31 586	- 98 461
Change in amounts owed to credit institutions and customers	4 635 591	5 488 726
Change in prepayments and accrued income	- 315 214	- 2 340 744
Change in other assets	- 60 598	- 52 976
Change in accruals and deferred income	324 792	544 159
Change in other liabilities	498 965	121 516
<b>Net cash used in operating activities</b>	<b>- 2 237 869</b>	<b>- 25 241 773</b>
<b>B. Cash flows from investing activities:</b>		
Purchase of EIF shares	- 1 944	- 7 771
Securities from investment portfolio matured during the period	67 750	199 000
Purchase of loan substitutes included in the debt securities portfolios	- 1 966 291	- 3 661 199
Redemption of loan substitutes included in the debt securities portfolios	1 193 132	1 181 712
Purchase of tangible and intangible assets	- 4 791	- 20 172
<b>Net cash used in investing activities</b>	<b>- 712 144</b>	<b>- 2 308 430</b>
<b>C. Cash flows from financing activities:</b>		
Issuance of debts evidenced by certificates	90 486 854	151 108 378
Redemption of debts evidenced by certificates	- 69 607 008	- 113 967 119
Member States' contribution	0	57 663
<b>Net cash from financing activities</b>	<b>20 879 846</b>	<b>37 198 922</b>
<b>Summary statement of cash flows:</b>		
<b>Cash and cash equivalents at the beginning of the year</b>	<b>46 878 225</b>	<b>37 141 047</b>
Net cash from:		
Operating activities	- 2 237 869	- 25 241 773
Investing activities	- 712 144	- 2 308 430
Financing activities	20 879 846	37 198 922
Effects of exchange rate changes on cash held	- 304 214	88 459
<b>Cash and cash equivalents at the end of the period</b>	<b>64 503 844</b>	<b>46 878 225</b>
<b>Cash and cash equivalents are composed of:</b>		
Cash in hand, balances with central banks and post office banks, excluding deposits with Central Bank of Luxembourg to cover minimum reserve requirement	285 140	31 552
Bills maturing within three months of issue (A1 portfolio)	17 972 727	6 625 670
Loans and advances to credit institutions and customers:		
Repayable on demand	920 570	908 250
Other loans and advances	45 325 407	39 312 753
	<b>64 503 844</b>	<b>46 878 225</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS UNDER EU ACCOUNTING DIRECTIVES**

**NOTE A Basis of presentation**

The unaudited condensed financial statements of the European Investment Bank (the “Bank”) as at June 30, 2012 do not include all of the information and footnotes required for complete financial statements.

In the opinion of management, all adjustments, normal recurring accruals and adjustments for the impairment of venture capital operations and loans considered necessary for a fair presentation have been recorded. The profit for the six-month period ended June 30, 2012 is not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

The audited financial statements as at and for the year ended December 31, 2011 were prepared in accordance with the general principles of the Directive 86/635/EEC of the Council of the European Communities of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (the ‘Directive’), as amended by Directive 2001/65/EC of 27 September 2001, by Directive 2003/51/EC of 18 June 2003 and by Directive 2006/46/EC of 14 June 2006 on the annual and consolidated accounts of certain types of companies, banks and other financial institutions (the ‘Directives’), without making use of the option available to apply fair value accounting. Since January 1, 2012, the Bank applies market values to all transferable securities which are not held as financial fixed assets and related hedging derivatives, without making use of the option available to apply fair value accounting. This has resulted in a negative profit and loss impact of EUR’000 21 362 for the six-month period ended June 30, 2012 as compared to the accounting policies applied for prior periods.

For further information, refer to the unconsolidated financial statements and footnotes thereto included in the Bank’s annual report for the year ended December 31, 2011.

**NOTE B Summary statement of loans (in EUR '000)**

<u>Analysis of aggregate loans granted (before specific provisions)</u>	Loans granted		Total
	to intermediary credit institutions	directly to final beneficiaries	
- Disbursed portion	134 210 839	261 422 720	395 633 559
- Undisbursed portion	16 151 121	56 707 021	72 858 142
Aggregate loans granted	<u>150 361 960</u>	<u>318 129 741</u>	<u>468 491 701</u>



**NOTE C      Shares in affiliated undertakings**

This item for EUR'000 493 532 corresponds to the capital paid in by the Bank in respect of its subscription (EUR'000 1 864 000) to the capital of the European Investment Fund (EIF), with its registered office in Luxembourg.

As at June 30, 2012, the Bank holds 62.13% of the EIF's subscribed capital (61.93% as at December 31, 2011).

**Commitment to purchase the remaining EIF shares at a fixed price**

Under the terms of the Replacement Share Purchase Undertaking, the EIB is offering to buy the remaining subscribed shares from the EIF's other shareholders for a price of EUR 324 052.40 per share as at June 30, 2012. The latter corresponds to the part of each share in the called capital of EIF, increased by the share premium account, the statutory reserves, the disclosed unrealised gains in venture capital operations, the profit brought forward and the profit of the year. The agreed formula is being applied to the approved and audited annual accounts of the EIF for the financial year in which the option is exercised.

**NOTE D      Debts evidenced by certificates**

[See following page for summary statement of debts evidenced by certificates]

**Note D - Summary statement of debts evidenced by certificates as at June 30, 2012 (in EUR' 000)**

PAYABLE IN	OUTSTANDING AT 30.06.2012	AVERAGE RATE 30.06.2012	DUE DATES	OUTSTANDING AT 31.12.2011	AVERAGE RATE 2011
EUR	193 731 433	3.20	2012/2057	174 488 830	3.35
USD	113 746 972	2.45	2012/2058	107 454 811	2.56
GBP	57 771 637	3.96	2012/2054	58 101 423	4.03
AUD	19 370 151	5.28	2013/2042	18 996 605	5.37
JPY	13 617 316	0.80	2012/2047	13 660 198	0.86
CHF	7 926 057	2.34	2014/2036	7 146 966	2.47
NOK	6 711 529	3.81	2012/2025	6 498 323	3.74
SEK	5 280 592	3.64	2013/2039	4 301 840	3.71
TRY	2 936 253	9.03	2012/2022	2 776 232	9.33
NZD	2 207 323	5.95	2012/2021	2 449 662	6.41
ZAR	1 814 306	8.05	2013/2021	1 926 787	8.16
CAD	789 998	4.44	2037/2045	744 612	4.56
RUB	741 117	6.67	2013/2019	719 741	6.69
DKK	551 565	2.55	2024/2026	551 505	2.55
CZK	515 389	3.43	2013/2030	541 280	3.89
HUF	278 267	6.36	2012/2016	273 625	6.37
PLN	277 067	6.05	2013/2026	290 920	6.00
BGN	117 599	4.75	2012/2013	117 599	5.18
RON	101 094	8.88	2014/2016	104 087	8.88
HKD	34 819	5.10	2013/2019	232 816	0.98
MXN	34 678	5.12	2015/2015	32 419	5.06
TWD	26 484	4.68	2013/2013	25 508	5.10
<b>TOTAL</b>	<b>428 581 646</b>			<b>401 435 789</b>	

The principal and interest of certain structured borrowings are index linked to stock exchange indexes (historical value: EUR 60 million at 30 June 2012 and EUR 615 million in 2011).

All such borrowings are hedged in full through swap operations.