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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 18-K/A**  
For Foreign Governments and Political Subdivisions Thereof

Amendment No. 2  
to  
**ANNUAL REPORT**  
of  
**EUROPEAN INVESTMENT BANK**  
(Name of registrant)

Date of end of last fiscal year: December 31, 2022

Name and address of person authorized to receive notices and  
communications from the Securities and Exchange Commission:

Philip J. Boeckman, Esq.  
Cravath, Swaine & Moore LLP  
CityPoint  
One Ropemaker Street  
London EC2Y 9HR  
United Kingdom

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The undersigned registrant hereby amends its Annual Report on Form 18-K for the fiscal year ended December 31, 2022 (the "Annual Report") as follows:

The following additional exhibit is added to the Annual Report:

Exhibit VII: Unaudited Condensed Semi-Annual Financial Statements as at and for the six-month period ended June 30, 2023.

This amendment to the Annual Report on Form 18-K/A (and the exhibit herein) are intended to be incorporated by reference into the registrant's prospectus dated December 23, 2020 and any future prospectus filed by the registrant with the Securities and Exchange Commission to the extent such prospectus indicates that it incorporates by reference this amendment.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this amendment to the annual report to be signed on its behalf by the undersigned, thereunto duly authorized at Luxembourg, Grand Duchy of Luxembourg, on the 9<sup>th</sup> day of August, 2023.

EUROPEAN INVESTMENT BANK  
(Name of registrant)

by

/s/ Bertrand de Mazières  
Bertrand de Mazières  
Director General  
Finance Directorate

by

/s/ Marco Zimmermann  
Marco Zimmermann  
Director  
Global Head of Treasury and Capital Markets

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EXHIBIT INDEX

Exhibit

Document

VII

[Unaudited Condensed Semi-Annual Financial Statements as at and for the six-month period ended June 30, 2023.](#)

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SEC report

as at and for the six-month  
period ended June 30, 2023

Financial Statements filed with the U.S. Securities and Exchange Commission



Unaudited Condensed Semi-Annual Financial Statements  
as at and for the six-month period ended June 30, 2023  
SEC Filing

**EIB GROUP CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2023 UNDER IFRS (in EUR '000)**

<b>ASSETS</b>	30.06.2023 (Unaudited)	31.12.2022	<b>LIABILITIES AND EQUITY</b>	30.06.2023 (Unaudited)	31.12.2022
1. Cash in hand, balances with central banks and post office banks	111 210	112 703	1. Amounts owed to credit institutions		
2. Treasury bills and other bills eligible for refinancing with central banks	30 501 456	21 620 352	a) repayable on demand	748 926	2 371 014
3. Loans and advances to credit institutions			b) with agreed maturity or periods of notice	<u>1 537 119</u>	<u>3 071 688</u>
a) repayable on demand	889 561	984 212	2. Amounts owed to customers		
b) other loans and advances	65 946 274	64 218 218	a) repayable on demand	1 503 723	1 433 117
c) loans	90 206 372	91 623 813	b) with agreed maturity or periods of notice	<u>90 469</u>	<u>57 637</u>
d) impairment on loans and advances, net of reversals	<u>- 44 214</u>	<u>- 32 444</u>	3. Debts evidenced by certificates		
	<u>156 997 993</u>	<u>156 793 799</u>	a) debt securities in issue	419 079 558	407 336 160
4. Loans and advances to customers			b) others	<u>9 722 580</u>	<u>10 081 802</u>
a) other loans and advances	55 609	125 976	4. Derivative liabilities		
b) loans	321 891 821	321 262 627	5. Other liabilities		
c) impairment on loans and advances, net of reversals	<u>- 486 822</u>	<u>- 295 939</u>	6. Deferred income		
	<u>321 460 608</u>	<u>321 092 664</u>	7. Provisions		
5. Debt securities including fixed-income securities			a) pension plans and health insurance scheme	5 851 459	5 722 781
a) issued by public bodies	4 918 840	4 443 133	b) provisions for guarantees issued and commitments	<u>69 546</u>	<u>48 537</u>
b) issued by other borrowers	<u>5 759 847</u>	<u>6 539 924</u>		<u>5 921 005</u>	<u>5 771 318</u>
	<u>10 678 687</u>	<u>10 983 057</u>	<b>TOTAL LIABILITIES</b>	<b>484 882 346</b>	<b>479 400 072</b>
6. Shares and other variable-yield securities	19 431 649	18 892 954	8. Capital		
7. Derivative assets	31 588 831	35 044 316	a) subscribed	248 795 607	248 795 607
8. Property, furniture and equipment	394 531	344 591	b) uncalled	<u>-226 604 892</u>	<u>-226 604 892</u>
9. Intangible assets	82 189	70 167		<u>22 190 715</u>	<u>22 190 715</u>
10. Other assets	273 193	223 367	9. Reserves		
11. Subscribed capital and reserves, called but not paid	649 588	811 264	a) reserve fund	24 879 561	24 879 561
12. Prepayments	253 099	286 131	b) additional reserves	24 680 141	22 998 138
			c) fair value reserve	1 021 415	750 044
			d) special activities reserve	11 194 601	10 303 216
			e) general loan reserve	<u>1 883 372</u>	<u>2 115 966</u>
				<u>63 659 090</u>	<u>61 046 925</u>
			10. Profit for the financial period/year		
				357 438	2 326 985
			Total equity attributable to the equity holders of the Bank	<u>86 207 243</u>	<u>85 564 625</u>
			11. Non-controlling interests		
				1 333 445	1 310 668
			<b>TOTAL EQUITY</b>	<b>87 540 688</b>	<b>86 875 293</b>
<b>TOTAL ASSETS</b>	<b>572 423 034</b>	<b>566 275 365</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>572 423 034</b>	<b>566 275 365</b>

**EIB GROUP CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED JUNE 30, 2023 UNDER IFRS**  
(in EUR '000)

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	YE 2022
1. Interest and similar income	14 003 344	10 397 408	18 309 260
2. Interest expense and similar charges	- 12 549 070	- 9 004 829	- 15 623 347
3. Income from shares and other variable-yield securities	330 692	335 154	672 023
4. Fee and commission income	273 448	303 157	670 069
5. Fee and commission expense	- 186 297	- 188 617	- 383 216
6. Result on financial operations	- 579 650	- 2 442	240 240
7. Net other operating income and expense	1 155	- 3 103	10 477
8. Change in impairment on loans and advances and provisions for guarantees, net of reversals	- 220 567	- 20 370	41 499
9. Change in impairment on transferable securities held as financial fixed assets, shares and other variable-yield securities, net of reversals	- 214	893	1 240
10. General administrative expenses			
a) staff costs	- 507 072	- 474 333	- 1 174 273
b) other administrative expenses	- 135 834	- 100 936	- 306 561
	- 642 906	- 575 269	- 1 480 834
11. Depreciation and amortisation: property, furniture and equipment and intangible assets			
a) property, furniture and equipment	- 31 758	- 34 726	- 76 360
b) intangible assets	- 11 806	- 7 665	- 29 696
	- 43 564	- 42 391	- 106 056
12. Profit for the financial period/year	386 371	1 199 591	2 351 355
Attributable to:			
Non-controlling interests	28 933	18 447	24 370
Equity holders of the Bank	357 438	1 181 144	2 326 985

**EIB GROUP CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED JUNE 30, 2023 UNDER IFRS**  
(in EUR '000)

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	YE 2022
Profit for the financial period/year	386 371	1 199 591	2 351 355
Other comprehensive income			
Items that will never be reclassified to profit or loss:			
Remeasurements of defined benefit liability	49 953	3 974 453	3 395 787
Changes in fair value attributable to change in the own credit risk of financial liabilities designated at the FVO - fair value reserve	196 019	192 129	230 741
Net gains / losses on investment in equity instruments designated at FVOCI	50 107	- 60 667	- 50 349
Items that are or may be reclassified to profit or loss:			
Changes in fair value attributable to the currency basis spread of hedging derivatives - fair value reserve	29 509	- 12 894	4 800
Changes in fair value attributable to the cash flow hedging derivatives - fair value reserve	- 3 853	0	0
Total other comprehensive income	321 735	4 093 021	3 580 979
Total comprehensive income	708 106	5 292 612	5 932 334
Attributable to:			
Non-controlling interests	30 474	165 832	162 205
Equity holders of the Bank	677 632	5 126 780	5 770 129



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

	Subscribed capital	Uncalled capital	Reserve fund	Additional reserves	Fair value reserve	Special activities reserve	General loan reserve	Result for the period/year before appropriation	Total	Non-controlling interests	Total consolidated equity
<b>For the half year ended June 30, 2023</b>											
<b>Balance at January 1, 2022</b>	248 795 607	- 226 604 892	24 879 561	9 736 449	575 725	12 152 954	2 021 337	8 277 324	79 834 065	1 188 969	81 023 034
<b>Comprehensive income</b>											
Profit for the financial period/year	0	0	0	0	0	0	0	2 326 985	2 326 985	24 370	2 351 355
Other comprehensive income	0	0	0	3 257 952	185 192	0	0	0	3 443 144	137 835	3 580 979
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3 257 952</b>	<b>185 192</b>	<b>0</b>	<b>0</b>	<b>2 326 985</b>	<b>5 770 129</b>	<b>162 205</b>	<b>5 932 334</b>
<b>Appropriation of prior year's result</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10 032 433</b>	<b>0</b>	<b>- 1 849 738</b>	<b>94 629</b>	<b>- 8 277 324</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other	0	0	0	- 28 696	- 10 873	0	0	0	- 39 569	0	- 39 569
<b>Transactions with owners of the Group</b>											
Movement of non-controlling interest subsidiary	0	0	0	0	0	0	0	0	0	- 40 506	- 40 506
<b>Total transactions with owners of the Group</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 40 506</b>	<b>- 40 506</b>
<b>Balance at December 31, 2022</b>	<b>248 795 607</b>	<b>- 226 604 892</b>	<b>24 879 561</b>	<b>22 998 138</b>	<b>750 044</b>	<b>10 303 216</b>	<b>2 115 966</b>	<b>2 326 985</b>	<b>85 564 625</b>	<b>1 310 668</b>	<b>86 875 293</b>
<b>Comprehensive income</b>											
Profit for the financial period/year	0	0	0	0	0	0	0	357 438	357 438	28 933	386 371
Other comprehensive income	0	0	0	48 412	271 782	0	0	0	320 194	1 541	321 735
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48 412</b>	<b>271 782</b>	<b>0</b>	<b>0</b>	<b>357 438</b>	<b>677 632</b>	<b>30 474</b>	<b>708 106</b>
<b>Appropriation of prior year's result</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 668 194</b>	<b>0</b>	<b>891 385</b>	<b>- 232 594</b>	<b>- 2 326 985</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other	0	0	0	- 34 603	- 411	0	0	0	- 35 014	0	- 35 014
<b>Transactions with owners of the Group</b>											
Movement of non-controlling interest subsidiary	0	0	0	0	0	0	0	0	0	- 7 697	- 7 697
<b>Total transactions with owners of the Group</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 7 697</b>	<b>- 7 697</b>
<b>Balance at June 30, 2023 (Unaudited)</b>	<b>248 795 607</b>	<b>- 226 604 892</b>	<b>24 879 561</b>	<b>24 680 141</b>	<b>1 021 415</b>	<b>11 194 601</b>	<b>1 883 372</b>	<b>357 438</b>	<b>86 207 243</b>	<b>1 333 445</b>	<b>87 540 688</b>

**EIB GROUP CONSOLIDATED CASH FLOW STATEMENT FOR PERIOD ENDED JUNE 30, 2023 UNDER IFRS (in EUR '000)**

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	2022
<b>A. Cash flows from operating activities:</b>			
<b>Profit for the financial period/year</b>	386 371	1 199 591	2 351 355
Adjustments for:			
Change in impairment on loans and advances and provisions for guarantees	220 567	20 370	- 41 499
Depreciation and amortisation on property, furniture and equipment and intangible assets, and write-off	43 564	42 391	106 056
Change in impairment on transferable securities held as financial fixed assets, shares and other variable-yield securities	214	- 893	- 1 240
Change in fair value adjustment of debt securities	- 20 804	132 755	139 720
IFRS adjustments on loans and associated swaps	161 152	- 241 145	576 878
IFRS adjustments on borrowings and associated swaps	349 297	187 904	- 793 275
IFRS adjustments on other derivatives	67 889	66 518	- 21 284
Net interest income	- 1 454 274	- 1 392 579	- 2 685 913
Effect of exchange rate changes	- 38 339	- 78 105	- 159 454
<b>Loss on operating activities</b>	<b>- 284 363</b>	<b>- 63 193</b>	<b>- 528 656</b>
Disbursements of loans and advances to credit institutions and customers	- 18 379 326	- 21 240 762	- 49 994 020
Repayments of loans and advances to credit institutions and customers	21 204 149	20 848 407	44 590 423
Change in other loans and advances	- 17 332 016	1 807 851	6 673 633
Change in deposit with Central Bank of Luxembourg to cover minimum reserve requirement	- 23 824	54 218	57 213
Change in treasury operational portfolios	- 8 298 819	14 055 927	17 386 502
Change in amounts owed to credit institutions and customers	- 3 053 631	- 8 127 973	- 18 560 431
Change in provisions for pension plans and health insurance scheme	33 426	- 223 768	33 696
Change in provisions for guarantees issued and commitments	1 807	43 189	60 302
Change in interest accrued on cash and cash equivalents	- 180 638	11 388	903
Change in other assets and other liabilities	- 3 371 301	3 708 760	6 064 303
Interest received	11 471 707	8 059 398	16 524 214
Interest paid	- 9 775 581	- 7 001 150	- 13 652 025
<b>Net cash from/(used in) operating activities</b>	<b>- 27 988 410</b>	<b>11 932 292</b>	<b>8 656 057</b>
<b>B. Cash flows from investing activities:</b>			
Securities in Long-Term HQLA Portfolio purchased during the year	- 1 031 280	- 1 205 649	- 1 778 122
Securities from Long-Term HQLA Portfolio matured or sold during the year	9 000	345 000	450 000
Purchase of loan substitutes and ABS portfolio EIF included in the debt securities portfolios	- 1 342 963	- 828 284	- 4 070 061
Redemption of loan substitutes and ABS portfolio EIF included in the debt securities portfolios	2 176 464	2 437 139	4 633 922
Additions on shares and other variable-yield securities	- 1 326 901	- 1 532 974	- 2 537 116
Refloos on shares and other variable-yield securities	696 469	1 179 235	1 811 116
Purchase of property, furniture and equipment and intangible assets	- 50 073	- 27 063	- 81 032
<b>Net cash from/(used in) investing activities</b>	<b>- 869 284</b>	<b>367 404</b>	<b>- 1 571 293</b>
<b>C. Cash flows from financing activities:</b>			
Issuance of debts evidenced by certificates	65 726 642	49 551 333	84 649 253
Redemption of debts evidenced by certificates	- 53 033 481	- 52 007 480	- 97 048 909
Member States' contribution	159 850	159 850	319 700
Purchase / Subscription of EIF shares	- 30 518	0	0
Dividend paid to non-controlling interests	- 5 348	5 718	- 5 737
Payments of lease liability	- 21 608	- 20 141	- 39 734
<b>Net cash from/(used in) financing activities</b>	<b>12 795 537</b>	<b>- 2 310 720</b>	<b>- 12 125 427</b>
<b>Summary statement of cash flows:</b>			
<b>Cash and cash equivalents at the beginning of financial year</b>	<b>63 988 410</b>	<b>69 121 468</b>	<b>69 121 468</b>
Net cash from/(used in):			
Operating activities	- 27 988 410	11 932 292	8 656 057
Investing activities	- 869 284	367 404	- 1 571 293
Financing activities	12 795 537	- 2 310 720	- 12 125 427
Effect of exchange rate changes on cash held	102 444	147 998	- 92 395
<b>Cash and cash equivalents at the end of financial period/year</b>	<b>48 028 697</b>	<b>79 258 442</b>	<b>63 988 410</b>
Cash and cash equivalents are composed of:			
Cash in hand, balances with central banks and post office banks, excluding deposits with Central Bank of Luxembourg to cover minimum reserve requirement	14	664 789	25 389
Money market securities	560 678	1 039	552 038
Loans and advances to credit institutions and customers:			
Repayable on demand	889 561	699 213	984 212
Other loans and advances	46 578 444	77 893 401	62 426 771
	<b>48 028 697</b>	<b>79 258 442</b>	<b>63 988 410</b>

**Non-cash changes**

(in EUR'000)	2022	Cash flows	Exchange adjustments	Fair value adjustment and accrued interest on borrowings	Other changes	H1 2023 (Unaudited)
Long-term borrowings	409 075 357	4 396 910	- 1 518 359	300 161	0	412 254 069
Lease liability	97 022	- 21 608	828	- 305	55 452	131 389
Short-term borrowings	8 342 605	8 296 250	- 90 786	0	0	16 548 069
<b>Total liabilities from financing activities</b>	<b>417 514 984</b>	<b>12 671 552</b>	<b>- 1 608 317</b>	<b>299 856</b>	<b>55 452</b>	<b>428 933 527</b>

**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 Group (the "Group") as at June 30, 2023 do not include all of the information and footnotes required for complete financial statements, in accordance with IAS 34 Interim Financial Reporting.

In the opinion of management, all adjustments, normal recurring accruals and adjustments for the impairment of financial assets considered necessary for a fair presentation have been recorded. The result for the six-month period ended June 30, 2023 is not necessarily indicative of the results that may be expected for the financial year ending December 31, 2023.

The audited consolidated financial statements as at and for the financial year ended December 31, 2022 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, 2023 are based on the same principles.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Group's annual report for the financial year ended December 31, 2022.

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

Analysis of aggregate loans granted (before provisions) as at June 30, 2023	To intermediary credit institutions	Directly to final beneficiaries	Total
- Disbursed portion	90 206 372	321 891 821	412 098 193
- Undisbursed portion	27 020 237	90 185 558	117 205 795
<b>Aggregate loans granted</b>	<b>117 226 609</b>	<b>412 077 379</b>	<b>529 303 988</b>
Analysis of aggregate loans granted (before provisions) as at December 31, 2022	To intermediary credit institutions	Directly to final beneficiaries	Total
- Disbursed portion	91 623 813	321 262 627	412 886 440
- Undisbursed portion	30 757 433	93 274 466	124 031 899
<b>Aggregate loans granted</b>	<b>122 381 246</b>	<b>414 537 093</b>	<b>536 918 339</b>

Despite the general context of uncertainty in the global financial markets due to the COVID-19 pandemic as well as the context of the military aggression against Ukraine, the Group currently continues to maintain a robust liquidity position and flexibility to access the necessary liquidity resources mainly as a result of its prudent approach to liquidity management.

Moreover, in general, the quality of the loan portfolio of the European Investment Bank (the "Bank") currently remains high as it relies on a risk management strategy based on adequate levels of security and guarantees, as well as standard protective clauses included in its loan agreements.

The movements in the Expected Credit Losses ("ECL") have been accounted for as at June 30, 2023 and as at December 31, 2022 as follows:

Impairment on disbursed loans and advances (in million EUR)						
IFRS 9 Stage	30.06.2023			31.12.2022		
	To intermediary credit institutions	Directly to final beneficiaries	Total	To intermediary credit institutions	Directly to final beneficiaries	Total
Stage 1	18	40	58	9	28	37
Stage 2	26	184	210	24	140	164
Stage 3	0	263	263	0	128	128
<b>Total</b>	<b>44</b>	<b>487</b>	<b>531</b>	<b>33</b>	<b>296</b>	<b>329</b>

Impairment on undisbursed loans and advances (in million EUR)						
IFRS 9 Stage	30.06.2023			31.12.2022		
	To intermediary credit institutions	Directly to final beneficiaries	Total	To intermediary credit institutions	Directly to final beneficiaries	Total
Stage 1	8	11	19	6	7	13
Stage 2	5	34	39	4	22	26
Stage 3	0	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>45</b>	<b>58</b>	<b>10</b>	<b>29</b>	<b>39</b>

**NOTE C Debts evidenced by certificates (in EUR '000)**

PAYABLE IN	OUTSTANDING AT 30.06.2023  (UNAUDITED)	AVERAGE RATE <sup>(1)</sup> 30.06.2023 (UNAUDITED)	DUE DATES  (UNAUDITED)	OUTSTANDING AT 31.12.2022	AVERAGE RATE <sup>(1)</sup> 31.12.2022
EUR	259 965 178	1.46	2023/2061	251 275 921	1.29
USD	102 794 039	2.41	2023/2058	100 421 872	2.11
GBP	37 868 220	3.17	2023/2054	37 274 935	2.97
AUD	10 498 256	2.66	2023/2040	10 025 515	2.32
PLN	8 186 897	3.95	2023/2043	6 868 484	4.05
CAD	5 314 258	2.28	2023/2045	5 325 718	2.15
SEK	4 587 692	1.94	2023/2040	5 094 499	1.58
CHF	3 472 272	2.07	2023/2036	3 918 655	1.96
NOK	3 421 907	2.66	2023/2037	4 118 397	2.64
ZAR	1 939 090	8.02	2024/2035	2 138 328	8.00
JPY	1 202 295	2.32	2023/2053	1 374 409	2.27
MXN	1 080 199	6.45	2023/2033	1 219 817	6.00
DKK	782 039	0.96	2024/2031	783 185	0.87
CNY	503 906	2.84	2024/2026	499 851	2.82
NZD	405 980	3.27	2027/2028	550 661	3.21
CZK	339 687	4.49	2023/2034	362 397	4.18
TRY	161 748	9.96	2023/2027	248 852	10.59
RUB	67 537	3.89	2024/2026	85 960	3.89
HUF	57 269	9.06	2024/2025	53 134	9.06
BRL	47 359	9.25	2027/2027	0	-
HKD	35 229	0.53	2025/2025	36 074	0.53
EGP	29 681	14.00	2026/2026	0	-
RON	20 751	2.23	2026/2026	20 810	2.23
Fair value adjustment on borrowings	- 13 979 351			- 14 279 512	
<b>TOTAL</b>	<b>428 802 138</b>			<b>417 417 962</b>	

<sup>(1)</sup> Weighted average interest rates at the balance sheet date

The principal and interest of certain structured borrowings are index linked to stock exchange indexes (historical value: EUR 500m at June 30, 2023 and EUR 500m in 2022). All such borrowings are hedged in full through structured swap operations.

**NOTE D Commitment to purchase the remaining European Investment Fund ("EIF") shares at a fixed price**

As at June 30, 2023, the Bank held 59.78% of the EIF's subscribed capital (59.40% as at December 31, 2022).

Under the terms of the Replacement Share Purchase Undertaking ('RSPU'), the Bank was offering to buy the remaining subscribed shares from the EIF's minority shareholders, other than the ones subscribed by the European Commission ('EC'), for a price of EUR 596,674.06 per share as at June 30, 2023, amounting to EUR'000 461,825 (as at 31 December 2022 – EUR'000 419 763) on the consolidated other liabilities and EUR -10 million (2022: EUR -9 million) on the consolidated result. 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 retained earnings, the fair value reserve and the profit of the year, adjusted by the dividend 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 (in EUR '000)**

	30.06.2023 (Unaudited)	31.12.2022
<b>Commitments:</b>		
- EBRD capital uncalled	712 630	712 630
- Undisbursed loans		
credit institutions	27 020 237	30 757 433
customers	<u>90 185 558</u>	<u>93 274 466</u>
	117 205 795	124 031 899
- Undisbursed private equity and venture capital operations	5 861 512	5 308 623
- Undisbursed investment and infrastructure funds	3 140 308	3 435 704
- Undisbursed other investments	1 035 371	651 129
- Borrowings launched but not yet settled	550 644	223 950
- Securities receivable	44 110	0
<b>Contingent liabilities and guarantees:</b>		
- In respect of loans granted by third parties	31 595 320	31 931 060
<b>Assets held on behalf of third parties:</b>		
- Innovation Fund	8 791 325	6 913 187
- Modernisation fund	4 515 052	3 906 016
- Investment Facility Cotonou	3 814 008	4 334 223
- InvestEU	2 218 979	241 292
- InnovFin	2 091 150	2 112 847
- NER300	1 039 610	1 035 191
- CEF	835 796	828 423
- COSME LGF & EFG	696 298	654 491
- Pan-European Guarantee Fund	661 563	676 011
- ESIF	588 910	529 774
- EU-Africa Infrastructure Trust Fund	382 258	414 850
- SME initiative Italy	381 231	383 301
- RRF-FI	308 238	156 874
- Decentralised Financial Instruments	301 751	216 990
- JEREMIE	290 798	289 474
- REG	248 921	246 115
- SME initiative Romania	245 715	239 330
- Partnership Platform for Funds	218 294	213 415
- GIF 2007	202 300	176 814
- European Fund for Strategic Investments (EFSI EIF)	161 977	206 949
- Special Section	124 726	128 487
- ACP TF EC compartment	122 643	0
- EaSI	96 163	101 690
- RSFF (incl. RSI)	85 260	101 216
- SME initiative Bulgaria	85 250	84 638
- InnovFin Equity	74 162	54 638
- ENPI	66 563	78 773
- Cultural Creative Sectors Guarantee Facility	64 589	64 861
- SME initiative Finland	57 434	59 375
- WB EDIF	56 191	56 684
- Private Finance for Energy Efficiency Instrument	55 885	54 610
- NPI	54 266	59 375
- SMEG 2007	53 213	55 941
- DCFTA	50 957	51 063
- NIF Risk Capital Facility	44 061	37 623

**NOTE E Commitments, contingent liabilities and other memorandum items (in EUR '000)**  
(continued)

	30.06.2023 (Unaudited)	31.12.2022
<b>Assets held on behalf of third parties (Continued):</b>		
- GF Greece	42 961	42 417
- AECID	42 015	56 934
- InnovFin SME Guarantee	37 524	86 149
- JESSICA (Holding Funds)	35 123	176 684
- MAP guarantee	31 238	30 856
- GAGF	29 414	29 404
- EFSI-EIAH	28 373	33 339
- GCFF (Global Concessional Financing Facility Trust Fund)	27 923	0
- SME initiative Malta	26 886	26 945
- FEMIP Trust Fund	26 341	20 492
- Bundesministerium für Wirtschaft und Technologie	24 882	22 254
- NIF Trust Fund	23 300	37 721
- EPTA Trust Fund	17 765	17 340
- SME initiative Spain	17 345	19 405
- IPA II	16 129	24 333
- German Future Fund Growth Facility	15 607	7 208
- TTA Türkiye	13 033	13 016
- MAP Equity	12 935	11 819
- AGRI	10 827	14 225
- Natural Capital Financing Facility	10 464	10 468
- EU Support to Boost Africa	6 713	5 789
- German Corona Matching Facility (CMF)	4 325	2 229
- Student Loan Guarantee Facility	3 362	3 447
- GEEREF	3 317	3 372
- Central Europe FoF	3 294	2 037
- Alp GIP	2 686	1 082
- BIF	2 506	5 005
- PGFF	1 639	3 684
- GEF-UNEP	1 432	1 431
- MDD	1 019	255
- EU Trade and Competitiveness Program	792	880
- TARGET	719	0
- LFA-EIF Facility	402	847
- EFSD GUARANTEE "ACCESS TO FINANCE INITIATIVE"	311	157
- G43 Trust Fund	284	284
- AIP Zambia	258	298
- AIP Kulima	239	221
- European Technology Facility	238	77
- TTP	209	204
- EPIC	8	8
- GGF	7	7
- fi-compass	6	0
	<b>29 609 388</b>	<b>25 476 864</b>
<b>Other items:</b>		
- Nominal value of interest-rate swaps	597 024 741	573 024 821
- Nominal value of currency swap contracts receivable	246 094 276	243 344 964
- Nominal value of currency swap contracts payable	244 911 443	242 236 843
- Nominal value of short-term currency swap contracts receivable	26 457 751	21 411 941
- Nominal value of short-term currency swap contracts payable	26 350 237	21 731 627
- Notional amount of futures contracts	10 845 594	8 804 329
- Currency swaps launched but not yet settled payable	254 326	0
- Currency swaps launched but not yet settled receivable	254 101	0
- Notional amount of currency forwards	196 023	267 069
- Special deposits for servicing borrowings	24 058	560





**EIB GROUP - EU ACCOUNTING DIRECTIVES TO IFRS RECONCILIATION**  
**Consolidated income statement for the period ended June 30, 2023 (in EUR '000)**

	EU Accounting Directives		Adjustment		IFRS H1 2023 (Unaudited)
	H1 2023 (Unaudited)	Impact	Ref.		
1. Interest and similar income	14 377 107	- 373 763	A.2, A.3, B.1, B.4, B.5		14 003 344
2. Interest expense and similar charges	- 12 672 327	123 257	A.5, B.5, D, E, G, I		- 12 549 070
3. Income from shares and other variable-yield securities	330 692	0			330 692
4. Fee and commission income	269 866	3 582	F		273 448
5. Fee and commission expense	- 186 297	0			- 186 297
6. Result on financial operations	- 175 509	- 404 141	A.2, A.3, A.5, B.1, B.2, B.3, B.4, B.5, G, H		- 579 650
7. Net other operating income and expense	1 155	0			1 155
8. Change in impairment on loans and advances and provisions for guarantees, net of reversals	- 213 482	- 7 085	C, H		- 220 567
9. Change in impairment on transferable securities held as financial fixed assets, shares and other variable-yield securities, net of reversals	- 13	- 201	C, B.3		- 214
10. General administrative expenses					
a) staff costs	- 502 557	- 4 515	D		- 507 072
b) other administrative expenses	- 157 444	21 610	G		- 135 834
	- 660 001				- 642 906
11. Depreciation and amortisation: property, furniture and equipment and intangible assets					
a) property, furniture and equipment	- 12 923	- 18 835	G		- 31 758
b) intangible assets	- 11 806	0			- 11 806
	- 24 729				- 43 564
12. Profit for the financial period	<b>1 046 462</b>				<b>386 371</b>
Attributable to:					
Non-controlling interests	45 022	- 16 089	E		28 933
<b>Equity holders of the Bank</b>	<b>1 001 440</b>				<b>357 438</b>

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

### A Financial assets and liabilities designated at fair value through profit or loss or carried at amortised cost (including hedge accounting)

#### 1 Cash in hand, balances with central banks and post office banks

Under EU Accounting Directives, cash in hand, balances with central banks and post office banks are recorded at amortised cost. Accrued interest is recorded under consolidated balance sheet item "Prepayments and accrued income".

Interest on cash in hand, balances with central banks and post office banks is recorded in the consolidated profit and loss account on an accrual basis as "Interest receivable and similar income".

Under IFRS, interest on cash in hand, balances with central banks and post office banks is recorded in the consolidated income statement as "Interest and similar income". Accrued interest is reported on the consolidated balance sheet within the balance of the instrument to which it relates.

#### 2 Debt securities portfolio

Under EU Accounting Directives, debt securities portfolios are recorded at purchase price and measured at amortised cost (with the exception of the Securities Liquidity Portfolio). Accrued interest is recorded under consolidated balance sheet item "Prepayments and accrued income". Accrued retrocessions and up-front fees are recorded under consolidated balance sheet item "Accruals and deferred income".

Under IFRS, the Group applies hedge accounting for eligible hedged debt securities. The carrying amount of these securities is adjusted for the fair value attributable to the risk being hedged. Economically hedged debt securities that cannot be included in hedge accounting are designated irrevocably on initial recognition to the fair value option and are measured at fair value through profit or loss.

Accrued interest less accrued retrocessions and unamortized up-front fees are reported on the consolidated balance sheet within the balance of the instrument to which it relates.

Changes in fair values and hedge fair values of hedged debt securities are recognised in the consolidated income statement under "Result on financial operations".

#### 3 Loans and advances

Under EU Accounting Directives, all loans and advances are carried at amortised cost. Accrued interest is recorded under consolidated balance sheet items "Prepayments and accrued income" or "Accruals and deferred income". The up-front fees on loans are amortised and recognised in the consolidated profit and loss account under "Interest receivable and similar income".

Under IFRS, the Group applies fair value hedge accounting (FVH) and cash flow hedge accounting (CFH) to eligible hedged loans. The carrying amount of the loans that are in FVH relationship is adjusted for the fair value attributable to the risk being hedged. Economically hedged loans that cannot be included in hedge accounting are designated irrevocably on initial recognition to the fair value option and are measured at fair value through profit or loss.

Changes in fair values and hedge fair values of loans that are in FVH relationship are recognised in the consolidated income statement under "Result on financial operations".

Accrued interest is reported on the consolidated balance sheet within the balance of the asset to which it relates.

Accrued interest on loans and advances, which are credit impaired, are reversed under "Interest receivable and similar income".

Under IFRS the up-front fees on loans:

- are recognised immediately under "Result on financial operations" in the consolidated income statement for the loans that are designated to the fair value option;
- are amortised over the maturity of the loan and recognised in consolidated balance sheet under "Loans and advances to credit institutions and customers" for the loans that are designated to fair value hedge accounting and/or amortised cost.

Under IFRS, a substantial contractual modification on the cash flows of a financial asset measured at amortised cost leads to the recording of the new financial asset at its fair value, and the recording of the net modification gain or loss impact in the consolidated income statement under "Result on financial operations".

Transitory accounts on loans are reclassified from "Other liabilities" to the loan balance to which they relate.

#### **4 Amounts owed to credit institutions**

Under EU Accounting Directives, "Amounts owed to credit institutions" is presented in the consolidated balance sheet at redemption amounts.

Interest on amounts owed to credit institutions is recorded in the consolidated profit and loss account on an accrual basis as "Interest payable and similar charges" or "Interest receivable and similar income" if interest is negative. Accrued interest is included in "Accruals and deferred income".

Under IFRS, "Amounts owed to credit institutions" is initially recorded at cost and is presented in the consolidated balance sheet at amortised cost.

Interest on amounts owed to credit institutions is recorded in the consolidated income statement as "Interest expense and similar charges" or "Interest and similar income" using the effective interest method.

Accrued interest is reported on the consolidated balance sheet within the balance of the instrument to which it relates.

#### **5 Debts evidenced by certificates**

Under EU Accounting Directives, debts evidenced by certificates are recorded at amortised cost. Accrued interest is recorded under consolidated balance sheet item "Accruals and deferred income". Issuance fees and redemption premiums or discounts, which are recorded under "Prepayments and accrued income" or "Accruals and deferred income", are amortised on a straight-line basis and subsequently recognised in the consolidated profit and loss account under "Interest payable and similar charges".

Under IFRS, the Group applies fair value hedge accounting to a significant portion of its hedged issued debt whenever these are eligible. The carrying amount of these debts evidenced by certificates is adjusted for the fair value attributable to the risk being hedged. Economically hedged debts evidenced by certificates that cannot be included in hedge accounting are designated irrevocably on initial recognition to the fair value option and measured at fair value through profit or loss.

Changes in fair values and hedge fair values of debts evidenced by certificates are recognised in the consolidated income statement under "Result on financial operations".

Accrued interest is reported on the consolidated balance sheet within the balance of the debt instrument to which it relates.

Issuance fees and redemption premiums or discounts are reported on the consolidated balance sheet within the caption of the instrument to which they relate and are amortised over the period to maturity of the related debts evidenced by certificates using the effective interest method, unless those debts evidenced by certificates are measured at fair value through profit or loss, in which case the issuance fees, premiums/discounts and redemption premiums are recognised immediately in the consolidated income statement under "Result on financial operations".

For debts evidenced by certificates designated to the fair value option, own credit adjustment ("OCA"), reflecting own credit risk as per IFRS 13, is calculated and the respective changes are recorded in "Other comprehensive income" ("OCI") in the "Fair value reserve".

Under IFRS, the Group has one transaction that meets the offsetting of financial assets and financial liabilities criteria.

## **B Financial assets and liabilities classified mandatorily at fair value through profit or loss or designated at fair value through other comprehensive income**

### **1 Debt securities portfolio**

Under EU Accounting Directives, debt securities portfolios, with the exception of the Securities Liquidity Portfolio, are recorded at purchase price and measured at amortised cost. Securities Liquidity Portfolio debt securities are carried at fair value. Changes in fair value are reflected directly in consolidated income statement under "Result on financial operations". Accrued interest is recorded under consolidated balance sheet items "Prepayments and accrued income" and "Accruals and deferred income".

Under IFRS, some debt securities are not eligible for amortised cost and consequently must be carried at fair value with changes in fair value reflected directly in profit or loss.

Changes in fair values of these debt securities are recognised in the consolidated income statement under "Result on financial operations".

Accrued interest is reported on the consolidated balance sheet within the balance of the instrument to which they relate, while any related fees are recognised immediately under "Result on financial operations" in the consolidated income statement.

### **2 Shares and other variable-yield securities**

Under EU Accounting Directives, shares and other variable-yield securities are initially recorded at acquisition cost reduced by any reflow resulting from repayments. Their carrying value is subsequently adjusted to the lower of cost or market value at each balance sheet date.

Respective value adjustments are recorded under "Result on financial operations".

Under IFRS, shares and other variable-yield securities are carried at fair value with changes in fair value reflected directly in the consolidated income statement under "Result on financial operations", except of the investment in European Bank for Reconstruction and Development ("EBRD") whose fair value changes are reflected in OCI under "Fair value reserve".

### **3 Participating interests**

Under EU Accounting Directive, "Participating interests" are accounted for using the equity method as defined under EU-AD based on methods consistent with the Group's accounting policies. Respective value adjustments are recorded under "Value (re-)adjustments in respect of transferable securities held as financial fixed assets and participating interests".

Under IFRS, participating interests are included within "Shares and other variable-yield securities" and respective fair value adjustments are recorded in "Result on financial operations".

**4 Loans and advances**

Under EU Accounting Directives, all loans and advances are carried at amortised cost. Accrued interest is recorded under consolidated balance sheet items "Prepayments and accrued income" or "Accruals and deferred income". The up-front fees on loans are amortised and recognised in the consolidated profit and loss account under "Interest receivable and similar income".

Under IFRS, loans that are not eligible for amortised cost, are classified as measured at fair value through profit or loss. The up-front fees on these loans are recognised at inception under "Result on financial operations" in the consolidated income statement.

Changes in fair values of loans are recognised in the consolidated income statement under "Result on financial operations".

**5 Derivative assets and liabilities**

**a Treasury derivatives**

Under EU Accounting Directives, derivative instruments in the Securities Liquidity Portfolio are marked to market and recorded under "Other assets" or "Other liabilities".

Interest accrued under derivative instruments is presented under "Prepayments and accrued income" or "Accruals and deferred income".

Under IFRS, all derivative assets and derivative liabilities are recognised on the consolidated balance sheet and measured at fair value through profit or loss.

Accrued interest is reported on the consolidated balance sheet within the balance of the instrument to which it relates.

Credit valuation adjustment ("CVA"), Debit valuation adjustment ("DVA") and Collateral Value adjustment ("CollVA") are included in the fair valuation of derivatives.

Changes in fair value of derivatives are recognised in the consolidated income statement under "Result on financial operations".

**b Derivatives and hedging activities**

Under EU Accounting Directives, hedging derivative instruments are not recognised on balance sheet. They are reported off balance sheet at nominal amount. Interest accrued under derivative instruments is presented under "Prepayments and accrued income" or "Accruals and deferred income". Up-front fees, redemption premiums or premiums/discounts are amortised over the period to maturity of the related derivatives under "Interest payable and similar charges".

Under IFRS, all derivative assets and derivative liabilities are recognised on balance sheet and measured at fair value through profit or loss.

Accrued interest is reported on the consolidated balance sheet within the balance of the instrument to which it relates.

CVA, DVA and CollVA are included in the fair valuation of derivatives.

Changes in fair value of derivatives are recognised in the consolidated income statement under "Result on financial operations".

The amortisation of premiums and discounts of FX swaps and FX forwards are recorded under "Result on financial operations".

For derivatives used in fair value hedge accounting (FVH), the gain or loss of the designated part of the hedging instrument is recognised in the consolidated income statement. In addition, the Group separates the fair value of the foreign currency basis spread ("CBS") from the hedging instruments and applies a dedicated accounting treatment. The initial CBS amount, measured at the date of designation, is recorded under OCI and is amortised linearly over the residual lifetime of the hedge in the consolidated income statement. Subsequent changes in the fair value of the CBS are recognised directly in OCI.

For derivatives used in cash flow hedge accounting (CFH), the gain or loss on the effective portion of the hedging instrument is recognised under OCI. When cash flows relating to the hedged items (e.g. interest income) are reported in the income statement, amounts in OCI are reclassified to the consolidated income statement.

For derivatives used in fair value hedge accounting, up-front fees or redemption premiums are amortised over the period to maturity of the related derivative using the effective interest method, unless these derivatives are not designated to hedge accounting, in which case they are recognised immediately under "Result on financial operations".

Under IFRS, the Group has two transactions that meet the offsetting of financial assets and financial liabilities criteria.

## **C Impairment of financial assets measured at amortised cost and loan commitments**

Under EU Accounting Directives, value adjustments on loans and advances are recorded where: (i) there is a risk of non-recovery of all or part of their amounts, or (ii) to capture loans in the portfolio which are impaired but have not yet been identified as such or for losses which have been incurred but not yet reported. These value adjustments are accounted for in the consolidated profit and loss account as "Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities" and are deducted from the appropriate asset items on the consolidated balance sheet.

Value adjustments for debt securities are recorded, if these are other than temporary, or to capture debt securities which are impaired but have not yet been identified as such or for losses which have been incurred but not yet reported. These value adjustments are accounted for in the consolidated profit and loss account under "Value (re-)adjustments in respect of transferable securities held as financial fixed assets and participating interests" and are deducted from the appropriate asset items on the consolidated balance sheet.

Under IFRS, the Group is required to recognise a loss allowance for all loans and debt securities measured at amortised cost as well as for off-balance sheet loan commitments. This allowance is based on either lifetime Expected Credit Loss ("ECL"), if there has been a significant increase in credit risk since initial recognition or the instrument is considered as being credit-impaired or otherwise on 12-months ECL.

Depending on the nature of the financial instrument, the ECL allowances are deducted from the appropriate asset items on the consolidated balance sheet. For off-balance sheet items, a provision for credit loss is reported under "Provisions b) provisions for guarantees issued and commitments".

Changes in the ECL allowances are recorded in the consolidated income statement either under:

- "Change in impairment on loans and advances and provisions for guarantees, net of reversals" for loans and loan commitments or;
- "Change in impairment on transferable securities held as financial fixed assets, shares and other variable - yield securities, net of reversals" for debt securities.

**D Pension funds**

Under EU Accounting Directives, the 10% corridor approach is adopted, whereby cumulative current year actuarial gains or losses in excess of 10% of the commitments for retirement benefits are recognised over a period of 7 years on a straight-line basis in "General administrative expenses a) staff costs".

Under IFRS, the Group applies IAS 19 revised for determining the income or expense related to its post-employment defined benefit plans.

Cumulative actuarial surpluses and deficits are recognised in full in OCI under "Additional reserves". Adjustments to staff costs are recognised under "General administrative expenses a) staff costs" and adjustments to interest cost under "Interest expense and similar charges".

**E Non-controlling interests adjustment**

The Bank and the European Investment Fund (the "EIF") together are defined as the Group.

The Bank granted a put option to the minority shareholders, other than EC, on their entire holding of its subsidiary, the EIF.

Under EU Accounting Directives, the non-controlling interests are recorded separately in the consolidated balance sheet under "Equity attributable to minority interest" while the put option is recorded in the consolidated off-balance sheet of the Group.

Under IFRS, the non-controlling interests are reclassified and a corresponding financial liability in the amount of the fair value of the option's exercise price is recognised under "Other liabilities" and attributed to owners of the parent. Subsequently, this financial liability is measured in accordance with IFRS 9, i.e. any changes in the fair value of the financial liability subsequent to the acquisition date are recognised in the consolidated income statement under "Interest expense and similar charge". Any excess or deficit of non-controlling interests over the agreed price is reversed to "consolidated reserves".

**F Fee and commission income**

The Group recognises under EU Accounting Directives and IFRS fee and commission income from revenues that are satisfied over time on an accrual basis over the service period. Fee and commission income earned from providing or fulfilling point-in-time services (e.g. performance-linked) is recognised when the service has been completed.

For certain mandates, the Group has established a deferred income policy in order to address the misalignment between the receipt of income and the services/cost incurred by the Group during the lifetime of the respective mandate. Corresponding adjustments are recorded in the consolidated balance sheet under "Deferred income" and released against "Fee and commission income".

Under EU Accounting Directives, this deferral mechanism is only applied prospectively over time, i.e. recognising deferred revenue of the financial year, while under IFRS, the Group used the modified retrospective approach, i.e. recognising the cumulative impact at transition to IFRS 15 in equity.

This resulted in a different stock of deferred income and corresponding amounts of revenue to be recorded over the individual years.

**G Leases**

Under EU Accounting Directives, the rental charges are recorded under "General administrative expenses b) other administrative expenses".

In accordance with IFRS 16, the Group assesses whether a contract is a lease or not. In the case of lease, the Group recognises a right-of-use asset and a lease liability, except for those that are covered by the recognition exemptions (short-term leased assets and low value leased assets based on their original value, when new). The above-mentioned right-of-use assets are recognised under "Property, furniture and equipment" and corresponding lease liability is recognised under "Other liabilities".

Subsequently, the Group carries the right-of-use asset applying a cost model, depreciating the right-of-use asset from the commencement date to the end of the lease agreements and assessing for any impairment, on an annual basis. The depreciation for the right-of-use assets is recorded under "Depreciation and amortisation: property, furniture and equipment and intangible assets a) property, furniture and equipment". The lease liability carrying amount is adjusted to reflect the lease payments made and interest from unwind of lease liability, with further re-measurements to reflect any reassessment or lease modifications. The interest from unwind of lease liability is recorded in the consolidated income statement under "Interest expense and similar charges". The revaluation result is recorded in the consolidated income statement under "Result on financial operations".

**H Financial Guarantee Contracts**

Under EU Accounting Directives, net liabilities from financial guarantees are presented in the consolidated balance sheet under "Provisions b) provision in respect of guarantee operations". Unrealised gains representing the excess of the net present value of expected future premium inflows over the amount of the excepted payment obligations remain unrecognised.

Any increase or decrease in the net liability is recognised in the consolidated profit and loss account under "Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities".

Under IFRS, net unrealised gains from financial guarantees are recorded in the consolidated balance sheet under "Other assets" in case the measurement of a financial guarantee contract results in a net asset position. In case the measurement of a financial guarantee contract results in a net liability position, contracts for which the amortised initial NPV is higher than the 12-months ECL or lifetime ECL, are presented under "Other liabilities". Guarantee contracts that are credit-impaired and for which a loss allowance based on lifetime ECL is recognised, are presented under "Provisions for guarantees issued and commitments". Any increase or decrease in the "Other assets" or "Other liabilities" relating to financial guarantees is recognised in the consolidated income statement under "Result on financial operations". Any increase or decrease in the "Provisions for guarantees issued and commitments" relating to financial guarantees other than the settlement of guarantee calls is recognised in the consolidated income statement under "Change in impairment on loans and advances and provisions for guarantees, net of reversals".

**I Subscribed capital and reserves, called but not paid**

Under EU Accounting Directives, the caption "Subscribed capital and reserves, called but not paid" contains the future payments from Poland and Romania following their capital increase on March 1, 2020.

Under IFRS, these future payments are discounted using a discounted cash flow method.

The discounting impact was initially reported under "Interest and similar income" and its amortisation is under "Interest expense and similar charges".



**EIB GROUP CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

<b>ASSETS</b>	30.06.2023 (Unaudited)	31.12.2022	<b>LIABILITIES</b>	30.06.2023 (Unaudited)	31.12.2022
1. Cash in hand, balances with central banks and post office banks	111 104	112 655	1. Amounts owed to credit institutions		
2. Treasury bills and other bills eligible for refinancing with central banks	30 701 347	21 045 483	a) repayable on demand	748 926	2 371 014
3. Loans and advances to credit institutions			b) with agreed maturity or periods of notice	<u>1 536 009</u>	<u>3 071 084</u>
a) repayable on demand	889 561	984 212	2. Amounts owed to customers		
b) other loans and advances	65 765 207	64 211 244	a) repayable on demand	1 503 723	1 433 117
c) loans	91 363 415	93 129 454	b) with agreed maturity or periods of notice	<u>90 469</u>	<u>57 543</u>
d) value adjustments	<u>- 3 244</u>	<u>- 3 485</u>	3. Debts evidenced by certificates		
	<b>158 014 939</b>	<b>158 321 425</b>	a) debt securities in issue	433 931 248	422 523 581
4. Loans and advances to customers			b) others	<u>8 850 241</u>	<u>9 173 893</u>
a) other loans and advances	55 609	125 883	4. Other liabilities		
b) loans	326 921 113	326 861 203	5. Accruals and deferred income		
c) value adjustments	<u>- 588 158</u>	<u>- 388 263</u>	6. Provisions		
	<b>326 388 564</b>	<b>326 598 823</b>	a) pension plans and health insurance scheme	4 908 640	4 751 928
5. Debt securities including fixed-income securities			b) provision in respect of guarantee operations	<u>101 441</u>	<u>99 634</u>
a) issued by public bodies	5 000 159	4 563 328	7. Subscribed capital		
b) issued by other borrowers	<u>5 806 941</u>	<u>6 596 468</u>	a) subscribed	248 795 607	248 795 607
	<b>10 807 100</b>	<b>11 159 796</b>	b) uncalled	<u>- 226 604 892</u>	<u>- 226 604 892</u>
6. Shares and other variable-yield securities	10 449 019	9 908 923	8. Reserves		
7. Participating interests	402 896	386 651	a) reserve fund	24 879 561	24 879 561
8. Intangible assets	82 189	70 167	b) additional reserves	18 974 154	17 176 068
9. Tangible assets	262 819	249 497	c) special activities reserve	11 194 601	10 303 216
10. Other assets	318 532	307 070	d) general loan reserve	<u>1 883 372</u>	<u>2 115 966</u>
11. Subscribed capital and reserves, called but not paid	639 398	799 248	9. Profit for the financial period/year	1 001 440	2 460 190
12. Prepayments and accrued income	16 409 261	17 544 735	10. Equity attributable to minority interest	1 567 956	1 530 494
<b>TOTAL ASSETS</b>	<b>554 587 168</b>	<b>547 304 473</b>	<b>TOTAL LIABILITIES</b>	<b>554 587 168</b>	<b>547 304 473</b>

**EIB GROUP CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED  
JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	YE 2022
1. Interest receivable and similar income	14 377 107	10 530 129	18 684 205
2. Interest payable and similar charges	- 12 672 327	- 9 027 424	- 15 696 562
3. Income from securities	330 692	335 154	672 023
4. Commissions receivable	269 866	305 743	670 036
5. Commissions payable	- 186 297	- 188 617	- 383 216
6. Net result on financial operations	- 175 509	23 149	- 46 746
7. Net other operating income and expense	1 155	- 3 103	10 477
8. General administrative expenses			
a) staff costs	- 502 557	- 559 530	- 943 538
b) other administrative expenses	- 157 444	- 121 077	- 346 295
	- 660 001	- 680 607	- 1 289 833
9. Value adjustments in respect of tangible and intangible assets			
a) tangible assets	- 12 923	- 12 448	- 32 767
b) intangible assets	- 11 806	- 7 665	- 29 696
	- 24 729	- 20 113	- 62 463
10. Value (re-)adjustments in respect of transferable securities held as financial fixed assets and participating interests	- 13	3 533	- 1 473
11. Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities	- 213 482	- 75 097	- 30 341
12. Profit for the financial period/year	1 046 462	1 202 747	2 526 107
13. Profit attributable to minority interest	45 022	37 866	65 917
14. Profit attributable to equity holders of the Bank	1 001 440	1 164 881	2 460 190

**EIB GROUP CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED  
JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	2022
<b>A. Cash flows from operating activities:</b>			
<b>Profit for the financial period/year</b>	<b>1 046 462</b>	<b>1 202 747</b>	<b>2 526 107</b>
Adjustments for:			
Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities	213 482	75 097	30 341
Value adjustments in respect of transferable securities held as financial fixed assets and participating interests	13	- 3 533	1 473
Value adjustments in respect of tangible and intangible assets, and write-off	24 729	20 113	62 463
Value (re-)adjustments in respect of shares and other variable-yield securities	73 948	- 44 204	91
Net interest income	- 1 704 780	- 1 502 705	- 2 987 643
Effect of exchange rate changes	- 38 339	- 78 105	- 159 454
<b>Loss on operating activities</b>	<b>- 384 485</b>	<b>- 330 590</b>	<b>- 526 622</b>
Disbursements of loans and advances to credit institutions and customers	- 18 379 326	- 21 240 762	- 49 994 020
Repayments of loans and advances to credit institutions and customers	21 204 149	20 848 407	44 590 423
Change in other loans and advances	- 17 332 016	1 807 851	6 673 633
Change in deposit with Central Bank of Luxembourg to cover minimum reserve requirement	- 23 824	54 218	57 213
Change in treasury operational portfolios	- 8 319 623	14 188 682	17 526 222
Change in amounts owed to credit institutions and customers	- 3 053 631	- 8 127 973	- 18 560 431
Change in provisions on pension plans and health insurance scheme	156 712	211 923	241 677
Change in provision in respect of guarantee operations	1 807	43 189	60 302
Change in other assets and other liabilities	44 813	- 40 048	- 306 673
Change in prepayments and accrued income and in accruals and deferred income	- 3 369 150	3 586 395	6 305 595
Interest received	11 220 137	7 912 009	16 201 029
Interest paid	- 9 775 581	- 7 001 150	- 13 652 025
<b>Net cash from/(used in) operating activities</b>	<b>- 28 010 018</b>	<b>11 912 151</b>	<b>8 616 323</b>
<b>B. Cash flows from investing activities:</b>			
Securities in Long-Term HQLA Portfolio purchased during the year	- 1 031 280	- 1 205 649	- 1 778 122
Securities from Long-Term HQLA Portfolio matured or sold during the year	9 000	345 000	450 000
Purchase of loan substitutes and ABS portfolio EIF included in the debt securities portfolios	- 1 342 963	- 828 284	- 4 070 061
Redemption of loan substitutes and ABS portfolio EIF included in the debt securities portfolios	2 176 464	2 437 139	4 633 922
Additions on shares and other variable-yield securities	- 1 293 743	- 1 492 446	- 2 450 317
Refloos on shares and other variable-yield securities	679 559	1 164 648	1 767 371
Additions on participating interests	- 33 158	- 40 528	- 86 799
Refloos on participating interests	16 910	14 587	43 745
Purchase of tangible and intangible assets	- 50 073	- 27 063	- 81 032
<b>Net cash from/(used in) investing activities</b>	<b>- 869 284</b>	<b>367 404</b>	<b>- 1 571 293</b>
<b>C. Cash flows from financing activities:</b>			
Issuance of debts evidenced by certificates	65 726 642	49 551 333	84 649 253
Redemption of debts evidenced by certificates	- 53 033 481	- 52 007 480	- 97 048 909
Member States' contribution	159 850	159 850	319 700
Purchase / Subscription of EIF shares	- 30 518	0	0
Dividend paid to EIF minority shareholders	- 5 348	5 718	- 5 737
<b>Net cash from/(used in) financing activities</b>	<b>12 817 145</b>	<b>- 2 290 579</b>	<b>- 12 085 693</b>
<b>Summary statement of cash flows:</b>			
<b>Cash and cash equivalents at the beginning of financial year</b>	<b>63 988 410</b>	<b>69 121 468</b>	<b>69 121 468</b>
Net cash from/(used in):			
Operating activities	- 28 010 018	11 912 151	8 616 323
Investing activities	- 869 284	367 404	- 1 571 293
Financing activities	12 817 145	- 2 290 579	- 12 085 693
Effect of exchange rate changes on cash held	102 444	147 998	- 92 395
<b>Cash and cash equivalents at the end of financial period/year</b>	<b>48 028 697</b>	<b>79 258 442</b>	<b>63 988 410</b>
Cash and cash equivalents are composed of:			
Cash in hand, balances with central banks and post office banks, excluding deposits with Central Bank of Luxembourg to cover minimum reserve requirement	14	664 769	25 389
Money market securities	560 678	1 039	552 038
Loans and advances to credit institutions and customers:			
Repayable on demand	889 561	699 213	984 212
Other loans and advances	46 578 444	77 893 401	62 426 771
	<b>48 028 697</b>	<b>79 258 442</b>	<b>63 988 410</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 Group (the "Group") as at June 30, 2023 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 value adjustments of financial assets considered necessary for a fair presentation have been recorded. The profit for the six-month period ended June 30, 2023 is not necessarily indicative of the results that may be expected for the financial year ending December 31, 2023.

The audited consolidated financial statements as at and for the financial year ended December 31, 2022 were prepared in accordance with the general principles of the Directive 86/635/EEC of the Council of the European Communities of December 8, 1986 on the annual accounts and consolidated accounts of banks and other financial institutions, as amended by Directive 2001/65/EC of September 27, 2001, by Directive 2003/51/EC of June 18, 2003 and by Directive 2006/46/EC of June 14, 2006. The unaudited condensed consolidated financial statements as at and for the period ended June 30, 2023 are based on the same principles.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Group's annual report for the financial year ended December 31, 2022.

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

Analysis of aggregate loans granted (before provisions) as at June 30, 2023	To intermediary credit institutions	Directly to final beneficiaries	Total
- Disbursed portion	91 363 415	326 921 113	418 284 528
- Undisbursed portion	27 020 237	90 185 558	117 205 795
Aggregate loans granted	118 383 652	417 106 671	535 490 323
Analysis of aggregate loans granted (before provisions) as at December 31, 2022	To intermediary credit institutions	Directly to final beneficiaries	Total
- Disbursed portion	93 129 454	326 861 203	419 990 657
- Undisbursed portion	30 757 433	93 274 466	124 031 899
Aggregate loans granted	123 886 887	420 135 669	544 022 556

Despite the general context of uncertainty in the global financial markets due to the COVID-19 pandemic as well as the context of the military aggression against Ukraine, the Group currently continues to maintain a robust liquidity position and flexibility to access the necessary liquidity resources mainly as a result of its prudent approach to liquidity management.

Moreover, in general, the quality of the loan portfolio of the European Investment Bank (the "Bank") currently remains high as it relies on a risk management strategy based on adequate levels of security and guarantees, as well as standard protective clauses included in its loan agreements.

Value adjustments for potential losses in respect of the Bank's loan portfolio have been accounted for as at June 30, 2023 and as at December 31, 2022 as follows:

<b>Value adjustments on loans and advances (in EUR million)</b>			
<b>Balance sheet caption</b>	<b>Type of value adjustment</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
Loans and advances to credit institutions d) value adjustments	Collective	0	0
	Specific	3	3
Loans and advances to customers c) value adjustments	Collective	144	76
	Specific	444	312
<b>Total value adjustments</b>		<b>591</b>	<b>391</b>

**NOTE C Debts evidenced by certificates (in EUR '000)**

PAYABLE IN	OUTSTANDING AT 30.06.2023 (UNAUDITED)	AVERAGE RATE <sup>(1)</sup> 30.06.2023 (UNAUDITED)	DUE DATES (UNAUDITED)	OUTSTANDING AT 31.12.2022	AVERAGE RATE <sup>(1)</sup> 31.12.2022
EUR	259 965 178	1.46	2023/2061	251 275 921	1.29
USD	102 794 039	2.41	2023/2058	100 421 872	2.11
GBP	37 868 220	3.17	2023/2054	37 274 935	2.97
AUD	10 498 256	2.66	2023/2040	10 025 515	2.32
PLN	8 186 897	3.95	2023/2043	6 868 484	4.05
CAD	5 314 258	2.28	2023/2045	5 325 718	2.15
SEK	4 587 692	1.94	2023/2040	5 094 499	1.58
CHF	3 472 272	2.07	2023/2036	3 918 655	1.96
NOK	3 421 907	2.66	2023/2037	4 118 397	2.64
ZAR	1 939 090	8.02	2024/2035	2 138 328	8.00
JPY	1 202 295	2.32	2023/2053	1 374 409	2.27
MXN	1 080 199	6.45	2023/2033	1 219 817	6.00
DKK	782 039	0.96	2024/2031	783 185	0.87
CNY	503 906	2.84	2024/2026	499 851	2.82
NZD	405 980	3.27	2027/2028	550 661	3.21
CZK	339 687	4.49	2023/2034	362 397	4.18
TRY	161 748	9.96	2023/2027	248 852	10.59
RUB	67 537	3.89	2024/2026	85 960	3.89
HUF	57 269	9.06	2024/2025	53 134	9.06
BRL	47 359	9.25	2027/2027	0	-
HKD	35 229	0.53	2025/2025	36 074	0.53
EGP	29 681	14.00	2026/2026	0	-
RON	20 751	2.23	2026/2026	20 810	2.23
<b>TOTAL</b>	<b>442 781 489</b>			<b>431 697 474</b>	

<sup>(1)</sup> Weighted average interest rates at the balance sheet date

The principal and interest of certain structured borrowings are index linked to stock exchange indexes (historical value: EUR 500m at June 30, 2023 and EUR 500m in 2022). All such borrowings are hedged in full through structured swap operations.

**NOTE D Commitment to purchase the remaining European Investment Fund ("EIF") shares at a fixed price**

As at June 30, 2023, the Bank held 59.78% of the EIF's subscribed capital (59.40% as at December 31, 2022).

Under the terms of the Replacement Share Purchase Undertaking ('RSPU'), the Bank was offering to buy the remaining subscribed shares from the EIF's minority shareholders, other than the ones subscribed by the European Commission ('EC'), for a price of EUR 596,674.06 per share as at June 30, 2023. 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 retained earnings, the fair value reserve and the profit of the year, adjusted by the dividend 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 (in EUR '000)**

	30.06.2023 (Unaudited)	31.12.2022
<b>Commitments:</b>		
- Undisbursed loans		
- credit institutions	27 020 237	30 757 433
- customers	<u>90 185 558</u>	<u>93 274 466</u>
	<b>117 205 795</b>	<b>124 031 899</b>
- Undisbursed shares and other variable-yield securities		
- Undisbursed private equity and venture capital operations	4 877 876	4 824 700
- Undisbursed investment and infrastructure funds	3 140 308	3 435 704
- EBRD capital uncalled	712 630	712 630
- Undisbursed other investments	<u>1 035 371</u>	<u>651 129</u>
	<b>9 766 185</b>	<b>9 624 163</b>
- Undisbursed participating interests		
- Undisbursed private equity and venture capital operations	<u>983 636</u>	<u>483 923</u>
	<b>983 636</b>	<b>483 923</b>
- Borrowings launched but not yet settled	<b>550 644</b>	<b>223 950</b>
- Securities receivable	<b>44 110</b>	<b>0</b>
<b>Contingent liabilities and guarantees:</b>		
- In respect of loans granted by third parties	<b>31 595 320</b>	<b>31 931 060</b>
<b>Assets held on behalf of third parties:</b>		
- Innovation Fund	8 791 325	6 913 187
- Modernisation fund	4 515 052	3 906 016
- Investment Facility Cotonou	3 814 008	4 334 223
- InvestEU	2 218 979	241 292
- InnovFin	2 091 150	2 112 847
- NER300	1 039 610	1 035 191
- CEF	835 796	828 423
- COSME LGF & EFG	696 298	654 491
- Pan-European Guarantee Fund	661 563	676 011
- ESIF	588 910	529 774
- EU-Africa Infrastructure Trust Fund	382 258	414 850
- SME initiative Italy	381 231	383 301
- RRF-FI	308 238	156 874
- Decentralised Financial Instruments	301 751	216 990
- JEREMIE	290 798	289 474
- REG	248 921	246 115
- SME initiative Romania	245 715	239 330
- Partnership Platform for Funds	218 294	213 415
- GIF 2007	202 300	176 814
- European Fund for Strategic Investments (EFSI EIF)	161 977	206 949
- Special Section	124 726	128 487
- ACP TF EC compartment	122 643	0
- EaSI	96 163	101 690
- RSFF (incl. RSI)	85 260	101 216
- SME initiative Bulgaria	85 250	84 638
- InnovFin Equity	74 162	54 638
- ENPI	66 563	78 773
- Cultural Creative Sectors Guarantee Facility	64 589	64 861
- SME initiative Finland	57 434	59 375
- WB EDIF	56 191	56 684
- Private Finance for Energy Efficiency Instrument	55 885	54 610
- NPI	54 266	59 375
- SMEG 2007	53 213	55 941
- DCFTA	50 957	51 063
- NIF Risk Capital Facility	44 061	37 623
- GF Greece	42 961	42 417

**NOTE E Commitments, contingent liabilities and other memorandum items (in EUR '000)**  
(continued)

	30.06.2023 (Unaudited)	31.12.2022
<b>Assets held on behalf of third parties (Continued):</b>		
- AECID	42 015	56 934
- InnovFin SME Guarantee	37 524	86 149
- JESSICA (Holding Funds)	35 123	176 684
- MAP guarantee	31 238	30 856
- GAGF	29 414	29 404
- EFSI-EIAH	28 373	33 339
- GCFF (Global Concessional Financing Facility Trust Fund)	27 923	0
- SME initiative Malta	26 886	26 945
- FEMIP Trust Fund	26 341	20 492
- Bundesministerium für Wirtschaft und Technologie	24 882	22 254
- NIF Trust Fund	23 300	37 721
- EPTA Trust Fund	17 765	17 340
- SME initiative Spain	17 345	19 405
- IPA II	16 129	24 333
- German Future Fund Growth Facility	15 607	7 208
- TTA Türkiye	13 033	13 016
- MAP Equity	12 935	11 819
- AGRI	10 827	14 225
- Natural Capital Financing Facility	10 464	10 468
- EU Support to Boost Africa	6 713	5 789
- German Corona Matching Facility (CMF)	4 325	2 229
- Student Loan Guarantee Facility	3 362	3 447
- GEEREF	3 317	3 372
- Central Europe FoF	3 294	2 037
- Alp GIP	2 686	1 082
- BIF	2 506	5 005
- PGFF	1 639	3 684
- GEF-UNEP	1 432	1 431
- MDD	1 019	255
- EU Trade and Competitiveness Program	792	880
- TARGET	719	0
- LFA-EIF Facility	402	847
- EFSI GUARANTEE "ACCESS TO FINANCE INITIATIVE"	311	157
- G43 Trust Fund	284	284
- AIP Zambia	258	298
- AIP Kulima	239	221
- European Technology Facility	238	77
- TTP	209	204
- EPIC	8	8
- GGF	7	7
- fi-compass	6	0
	<b>29 609 388</b>	<b>25 476 864</b>
<b>Other items:</b>		
- Nominal value of interest-rate swaps	597 024 741	573 024 821
- Nominal value of currency swap contracts receivable	246 094 276	243 344 964
- Nominal value of currency swap contracts payable	244 911 443	242 236 843
- Nominal value of short-term currency swap contracts receivable	26 457 751	21 411 941
- Nominal value of short-term currency swap contracts payable	26 350 237	21 731 627
- Notional amount of futures contracts	10 845 594	8 804 329
- Put option granted to EIF minority shareholders	461 826	419 763
- Currency swaps launched but not yet settled payable	254 326	0
- Currency swaps launched but not yet settled receivable	254 101	0
- Notional amount of currency forwards	196 023	267 069
- Special deposits for servicing borrowings	24 058	560



**EIB BALANCE SHEET AS AT JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

ASSETS	30.06.2023		31.12.2022		LIABILITIES	30.06.2023		31.12.2022	
	(Unaudited)					(Unaudited)			
<b>1. Cash in hand, balances with central banks and post office banks</b>	111 104		112 655		<b>1. Amounts owed to credit institutions</b>				
					a) repayable on demand	748 926		2 371 014	
					b) with agreed maturity or periods of notice	1 536 426		3 071 084	
<b>2. Treasury bills and other bills eligible for refinancing with central banks</b>	29 086 049		20 349 770			2 285 352		5 442 098	
<b>3. Loans and advances to credit institutions</b>					<b>2. Amounts owed to customers</b>				
a) repayable on demand	581 552		658 339		a) repayable on demand	1 508 575		1 437 246	
b) other loans and advances	65 479 915		63 986 798		b) with agreed maturity or periods of notice	90 469		57 543	
c) loans	91 773 718		93 274 087			1 599 044		1 494 789	
d) value adjustments	- 3 244		- 3 485		<b>3. Debts evidenced by certificates</b>				
					a) debt securities in issue	433 931 248		422 523 581	
					b) others	8 850 241		9 173 893	
<b>4. Loans and advances to customers</b>						442 781 489		431 697 474	
a) other loans and advances	55 609		125 883		<b>4. Other liabilities</b>			4 373 034	4 260 011
b) loans	326 921 113		326 861 203		<b>5. Accruals and deferred income</b>			16 793 196	18 802 756
c) value adjustments	- 588 158		- 388 263		<b>6. Provisions</b>				
					a) pension plans and health insurance scheme	4 506 915		4 368 469	
<b>5. Debt securities including fixed-income securities</b>					b) provision in respect of guarantee operations	89 606		86 584	
a) issued by public bodies	4 945 756		4 508 676			4 596 521		4 455 053	
b) issued by other borrowers	4 729 542		5 414 808		<b>7. Subscribed capital</b>				
					a) subscribed	248 795 607		248 795 607	
<b>6. Shares and other variable-yield securities</b>	9 215 026		8 942 605		b) uncalled	- 226 604 892		- 226 604 892	
<b>7. Participating interests</b>	366 962		353 462			22 190 715		22 190 715	
<b>8. Shares in affiliated undertakings</b>	1 579 962		1 549 444		<b>8. Reserves</b>				
<b>9. Intangible assets</b>	81 296		69 096		a) reserve fund	24 879 561		24 879 561	
<b>10. Tangible assets</b>	262 646		249 301		b) additional reserves	18 287 284		16 579 738	
<b>11. Other assets</b>	340 168		334 465		c) special activities reserve	11 194 601		10 303 216	
<b>12. Subscribed capital and reserves, called but not paid</b>	639 398		799 248		d) general loan reserve	1 883 372		2 115 966	
<b>13. Prepayments and accrued income</b>	16 225 771		17 389 622			56 244 818		53 878 481	
					<b>9. Profit for the financial period/year</b>			940 016	2 366 337
<b>TOTAL ASSETS</b>	551 804 185		544 587 714		<b>TOTAL LIABILITIES</b>			551 804 185	544 587 714

**EIB OFF BALANCE SHEET AS AT JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	30.06.2023 (Unaudited)	31.12.2022
<b>Commitments:</b>		
- EIF capital uncalled	3 524 800	3 468 800
- Undisbursed loans		
- credit institutions	28 116 581	31 375 087
- customers	<u>90 185 558</u>	<u>93 274 466</u>
	118 302 139	124 649 553
- Undisbursed shares and other variable-yield securities		
- Undisbursed private equity and venture capital operations	3 988 321	4 084 606
- Undisbursed investment and infrastructure funds	3 140 308	3 435 704
- EBRD capital uncalled	<u>712 630</u>	<u>712 630</u>
	7 841 259	8 232 940
- Undisbursed participating interests		
- Undisbursed private equity and venture capital operations	<u>789 651</u>	<u>410 831</u>
	789 651	410 831
- Borrowings launched but not yet settled	550 644	223 950
- Securities receivable	44 110	0
<b>Contingent liabilities and guarantees:</b>		
- In respect of loans granted by third parties	24 786 170	24 376 731
<b>Assets held on behalf of third parties:</b>		
- Innovation Fund	8 791 325	6 913 187
- Modernisation fund	4 515 052	3 906 016
- Investment Facility Cotonou	3 814 008	4 334 223
- EIF	2 305 969	2 334 013
- InvestEU	2 218 979	241 292
- InnovFin	2 091 150	2 112 847
- NER300	1 039 610	1 035 191
- CEF	835 796	828 423
- Pan-European Guarantee Fund	661 563	676 011
- EU-Africa Infrastructure Trust Fund	382 258	414 850
- Decentralised Financial Instruments	301 751	216 990
- Partnership Platform for Funds	218 294	213 415
- RRF-FI	181 649	90 202
- Special Section	124 726	128 487
- ACP TF EC compartment	122 643	0
- RSFF (incl. RSI)	85 260	101 216
- ENPI	66 563	78 773
- Private Finance for Energy Efficiency Instrument	55 885	54 610
- DCFTA	50 957	51 063
- NIF Risk Capital Facility	44 061	37 623
- GF Greece	42 961	42 417
- AECID	42 015	56 934
- JESSICA (Holding Funds)	35 123	176 684
- EFSI-EIAH	28 373	33 339
- GCFF (Global Concessional Financing Facility Trust Fund)	27 923	0
- FEMIP Trust Fund	26 341	20 492
- NIF Trust Fund	23 300	37 721
- EPTA Trust Fund	17 765	17 340
- IPA II	16 129	24 333
- Natural Capital Financing Facility	10 464	10 468

**EIB OFF BALANCE SHEET AS AT JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**  
(continued)

	30.06.2023 (Unaudited)	31.12.2022
<b>Assets held on behalf of third parties (Continued):</b>		
- EU Support to Boost Africa	6 713	5 789
- GEF-UNEP	1 432	1 431
- EU Trade and Competitiveness Program	792	880
- TARGET	719	0
- EFSD Guarantee "Access to Finance Initiative"	311	157
- AIP Zambia	258	298
- AIP Kulima	239	221
- EPIC	8	8
- fi-compass	6	0
	<u>28 188 371</u>	<u>24 196 944</u>
<b>Other items</b>		
- Nominal value of interest-rate swaps	597 024 741	573 024 821
- Nominal value of currency swap contracts receivable	246 094 276	243 344 964
- Nominal value of currency swap contracts payable	244 911 443	242 236 843
- Nominal value of short-term currency swap contracts receivable	26 457 751	21 411 941
- Nominal value of short-term currency swap contracts payable	26 350 237	21 731 627
- Notional amount of futures contracts	10 845 594	8 804 329
- Put option granted to EIF minority shareholders	461 826	419 763
- Currency swaps launched but not yet settled payable	254 326	0
- Currency swaps launched but not yet settled receivable	254 101	0
- Notional amount of currency forwards	196 023	267 069
- Special deposits for servicing borrowings	24 058	560

**EIB PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED JUNE 30, 2023 UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	YE 2022
1. Interest receivable and similar income	14 353 179	10 521 921	18 664 920
2. Interest payable and similar charges	- 12 665 701	- 9 023 477	- 15 687 107
3. Income from securities			
a) income from shares and other variable-yield securities	288 029	311 179	623 205
b) income from shares in affiliated undertakings	<u>7 824</u>	<u>9 305</u>	<u>9 305</u>
	295 853	320 484	632 510
4. Commissions receivable	162 559	193 711	451 031
5. Commissions payable	- 220 486	- 220 870	- 437 108
6. Net result on financial operations	- 169 475	19 121	- 43 055
7. Net other operating income and expense	7 006	5 913	16 507
8. General administrative expenses			
a) staff costs	- 444 505	- 498 472	- 832 264
b) other administrative expenses	<u>- 138 826</u>	<u>- 108 287</u>	<u>- 306 074</u>
	- 583 331	- 606 759	- 1 138 338
9. Value adjustments in respect of tangible and intangible assets			
a) tangible assets	- 12 900	- 12 425	- 32 721
b) intangible assets	<u>- 11 789</u>	<u>- 7 646</u>	<u>- 29 656</u>
	- 24 689	- 20 071	- 62 377
10. Value (re-)adjustments in respect of transferable securities held as financial fixed assets, participating interests and shares in affiliated undertakings	23	3 363	- 1 451
11. Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities	- 214 922	- 74 045	- 29 195
12. Profit for the financial period/year	<b>940 016</b>	<b>1 119 291</b>	<b>2 366 337</b>

**EIB CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2023**  
**UNDER EU ACCOUNTING DIRECTIVES (in EUR '000)**

	H1 2023 (Unaudited)	H1 2022 (Unaudited)	2022
<b>A. Cash flows from operating activities:</b>			
Profit for the financial period/year	940 016	1 119 291	2 366 337
Adjustments for:			
Value (re-)adjustments in respect of loans and advances and provisions for contingent liabilities	214 922	74 045	29 195
Value adjustments in respect of tangible and intangible assets, and write-off	24 689	20 071	62 377
Value (re-)adjustments in respect of transferable securities held as financial fixed assets, shares, other variable-yield securities and participating interests	70 016	- 46 338	- 1 055
Net interest income	- 1 687 477	- 1 498 445	- 2 977 813
Effect of exchange rate changes	- 38 411	- 51 111	- 171 829
<b>Loss on operating activities</b>	<b>- 476 245</b>	<b>- 382 487</b>	<b>- 692 788</b>
Disbursements of loans and advances to credit institutions and customers	- 18 644 378	- 21 240 762	- 50 141 816
Repayments of loans and advances to credit institutions and customers	21 235 481	20 903 178	44 748 413
Change in other loans and advances	- 17 360 308	1 757 851	6 721 674
Change in deposit with Central Bank of Luxembourg to cover minimum reserve requirement	- 23 824	54 218	57 213
Change in treasury operational portfolios	- 8 342 040	14 216 081	17 555 084
Change in amounts owed to credit institutions and customers	- 3 052 491	- 8 127 650	- 18 559 687
Change in provisions on pension plans and health insurance scheme	138 446	189 789	207 439
Change in provision in respect of guarantee operations	3 022	42 215	58 668
Change in other assets and other liabilities	107 320	23 359	- 290 634
Change in prepayments and accrued income and in accruals and deferred income	- 3 369 150	3 586 395	6 305 595
Interest received	11 159 363	7 905 554	16 039 887
Interest paid	- 9 773 634	- 6 999 372	- 13 648 305
<b>Net cash from/(used in) operating activities</b>	<b>- 28 398 438</b>	<b>11 928 369</b>	<b>8 360 743</b>
<b>B. Cash flows from investing activities:</b>			
Purchase / Subscription of EIF shares	- 30 518	0	0
Securities in Long-Term HQLA Portfolio purchased during the year	- 1 031 280	- 1 205 649	- 1 778 122
Securities from Long-Term HQLA Portfolio matured or sold during the year	9 000	345 000	450 000
Purchase of loan substitutes included in the debt securities portfolios	- 1 272 963	- 764 250	- 3 953 827
Redemption of loan substitutes included in the debt securities portfolios	2 143 957	2 427 559	4 550 236
Additions on shares and other variable-yield securities	- 967 433	- 1 369 998	- 2 132 239
Reflows on shares and other variable-yield securities	624 934	1 076 297	1 590 693
Additions on participating interests	- 28 782	- 35 141	- 76 231
Reflows on participating interests	15 315	12 999	39 744
Purchase of tangible and intangible assets	- 50 234	- 27 502	- 81 140
<b>Net cash from/(used in) investing activities</b>	<b>- 588 004</b>	<b>459 315</b>	<b>- 1 390 886</b>
<b>C. Cash flows from financing activities:</b>			
Issuance of debts evidenced by certificates	65 726 642	49 551 333	84 649 253
Redemption of debts evidenced by certificates	- 53 033 481	- 52 007 480	- 97 048 909
Member States' contribution	159 850	159 850	319 700
<b>Net cash from/(used in) financing activities</b>	<b>12 853 011</b>	<b>- 2 296 297</b>	<b>- 12 079 956</b>
<b>Summary statement of cash flows:</b>			
<b>Cash and cash equivalents at the beginning of financial year</b>	<b>63 536 016</b>	<b>68 738 510</b>	<b>68 738 510</b>
Net cash from/(used in):			
Operating activities	- 28 398 438	11 928 369	8 360 743
Investing activities	- 588 004	459 315	- 1 390 886
Financing activities	12 853 011	- 2 296 297	- 12 079 956
Effect of exchange rate changes on cash held	102 444	147 998	- 92 395
<b>Cash and cash equivalents at the end of financial period/year</b>	<b>47 505 029</b>	<b>78 977 895</b>	<b>63 536 016</b>
Cash and cash equivalents are composed of:			
Cash in hand, balances with central banks and post office banks, excluding deposits with Central Bank of Luxembourg to cover minimum reserve requirement	14	664 789	25 389
Money market securities	560 678	1 039	552 038
Loans and advances to credit institutions and customers:			
Repayable on demand	581 552	566 573	658 339
Other loans and advances	46 362 785	77 745 494	62 300 250
	<b>47 505 029</b>	<b>78 977 895</b>	<b>63 536 016</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, 2023 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 value adjustments of financial assets considered necessary for a fair presentation have been recorded. The profit for the six-month period ended June 30, 2023 is not necessarily indicative of the results that may be expected for the financial year ending December 31, 2023.

The audited financial statements as at and for the financial year ended December 31, 2022 were prepared in accordance with the general principles of the Directive 86/635/EEC of the Council of the European Communities of December 8, 1986 on the annual accounts and consolidated accounts of banks and other financial institutions, as amended by Directive 2001/65/EC of September 27, 2001, by Directive 2003/51/EC of June 18, 2003 and by Directive 2006/46/EC of June 14, 2006. The unaudited condensed financial statements as at and for the period ended June 30, 2023 are based on the same principles.

For further information, refer to the unconsolidated financial statements and footnotes thereto included in the Bank's annual report for the financial year ended December 31, 2022.

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

Analysis of aggregate loans granted (before provisions) as at June 30, 2023	To intermediary credit institutions	Directly to final beneficiaries	Total
- Disbursed portion	91 773 718	326 921 113	418 694 831
- Undisbursed portion	28 116 581	90 185 558	118 302 139
Aggregate loans granted	119 890 299	417 106 671	536 996 970
Analysis of aggregate loans granted (before provisions) as at December 31, 2022	To intermediary credit institutions	Directly to final beneficiaries	Total
- Disbursed portion	93 274 087	326 861 203	420 135 290
- Undisbursed portion	31 375 087	93 274 466	124 649 553
Aggregate loans granted	124 649 174	420 135 669	544 784 843

Despite the general context of uncertainty in the global financial markets due to the COVID-19 pandemic as well as the context of the military aggression against Ukraine, the Bank currently continues to maintain a robust liquidity position and flexibility to access the necessary liquidity resources mainly as a result of its prudent approach to liquidity management.

Moreover, in general, the quality of the Bank's loan portfolio currently remains high as it relies on a risk management strategy based on adequate levels of security and guarantees, as well as standard protective clauses included in its loan agreements.

Value adjustments for potential losses in respect of the Bank's loan portfolio have been accounted for as at June 30, 2023 and as at December 31, 2022 as follows:

Value adjustments on loans and advances (in EUR million)			
Balance sheet caption	Type of value adjustment	30.06.2023	31.12.2022
Loans and advances to credit institutions d) value adjustments	Collective	0	0
	Specific	3	3
Loans and advances to customers c) value adjustments	Collective	144	76
	Specific	444	312
<b>Total value adjustments</b>		<b>591</b>	<b>391</b>

**NOTE C Shares in affiliated undertakings**

**The European Investment Fund**

The capital paid in by the Bank in respect of its subscription of EUR'000 4,406,000 as at June 30, 2023 (EUR'000 4,336,000 as at December 31, 2022) to the capital of the European Investment Fund (the "EIF"), with its registered office in Luxembourg, amounted to EUR'000 1,579,962 as at June 30, 2023 (December 31, 2022: EUR'000 1,549,444).

As at June 30, 2023, the Bank held 59.78% of the EIF's subscribed capital (59.40% as at December 31, 2022).

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

Under the terms of the Replacement Share Purchase Undertaking ('RSPU'), the Bank was offering to buy the remaining subscribed shares from the EIF's minority shareholders, other than the ones subscribed by the European Commission ('EC'), for a price of EUR 596,674,06 per share as at June 30, 2023. 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 retained earnings, the fair value reserve and the profit of the year, adjusted by the dividend 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 (in EUR '000)**

PAYABLE IN	OUTSTANDING AT 30.06.2023  (UNAUDITED)	AVERAGE RATE <sup>(1)</sup> 30.06.2023 (UNAUDITED)	DUE DATES  (UNAUDITED)	OUTSTANDING AT 31.12.2022	AVERAGE RATE <sup>(1)</sup> 31.12.2022
EUR	259 965 178	1.46	2023/2061	251 275 921	1.29
USD	102 794 039	2.41	2023/2058	100 421 872	2.11
GBP	37 868 220	3.17	2023/2054	37 274 935	2.97
AUD	10 498 256	2.66	2023/2040	10 025 515	2.32
PLN	8 186 897	3.95	2023/2043	6 868 484	4.05
CAD	5 314 258	2.28	2023/2045	5 325 718	2.15
SEK	4 587 692	1.94	2023/2040	5 094 499	1.58
CHF	3 472 272	2.07	2023/2036	3 918 655	1.96
NOK	3 421 907	2.66	2023/2037	4 118 397	2.64
ZAR	1 939 090	8.02	2024/2035	2 138 328	8.00
JPY	1 202 295	2.32	2023/2053	1 374 409	2.27
MXN	1 080 199	6.45	2023/2033	1 219 817	6.00
DKK	782 039	0.96	2024/2031	783 185	0.87
CNY	503 906	2.84	2024/2026	499 851	2.82
NZD	405 980	3.27	2027/2028	550 661	3.21
CZK	339 687	4.49	2023/2034	362 397	4.18
TRY	161 748	9.96	2023/2027	248 852	10.59
RUB	67 537	3.89	2024/2026	85 960	3.89
HUF	57 269	9.06	2024/2025	53 134	9.06
BRL	47 359	9.25	2027/2027	0	-
HKD	35 229	0.53	2025/2025	36 074	0.53
EGP	29 681	14.00	2026/2026	0	-
RON	20 751	2.23	2026/2026	20 810	2.23
<b>TOTAL</b>	<b>442 781 489</b>			<b>431 697 474</b>	

<sup>(1)</sup> Weighted average interest rates at the balance sheet date

The principal and interest of certain structured borrowings are index linked to stock exchange indexes (historical value: EUR 500m at June 30, 2023 and EUR 500m in 2022). All such borrowings are hedged in full through structured swap operations.