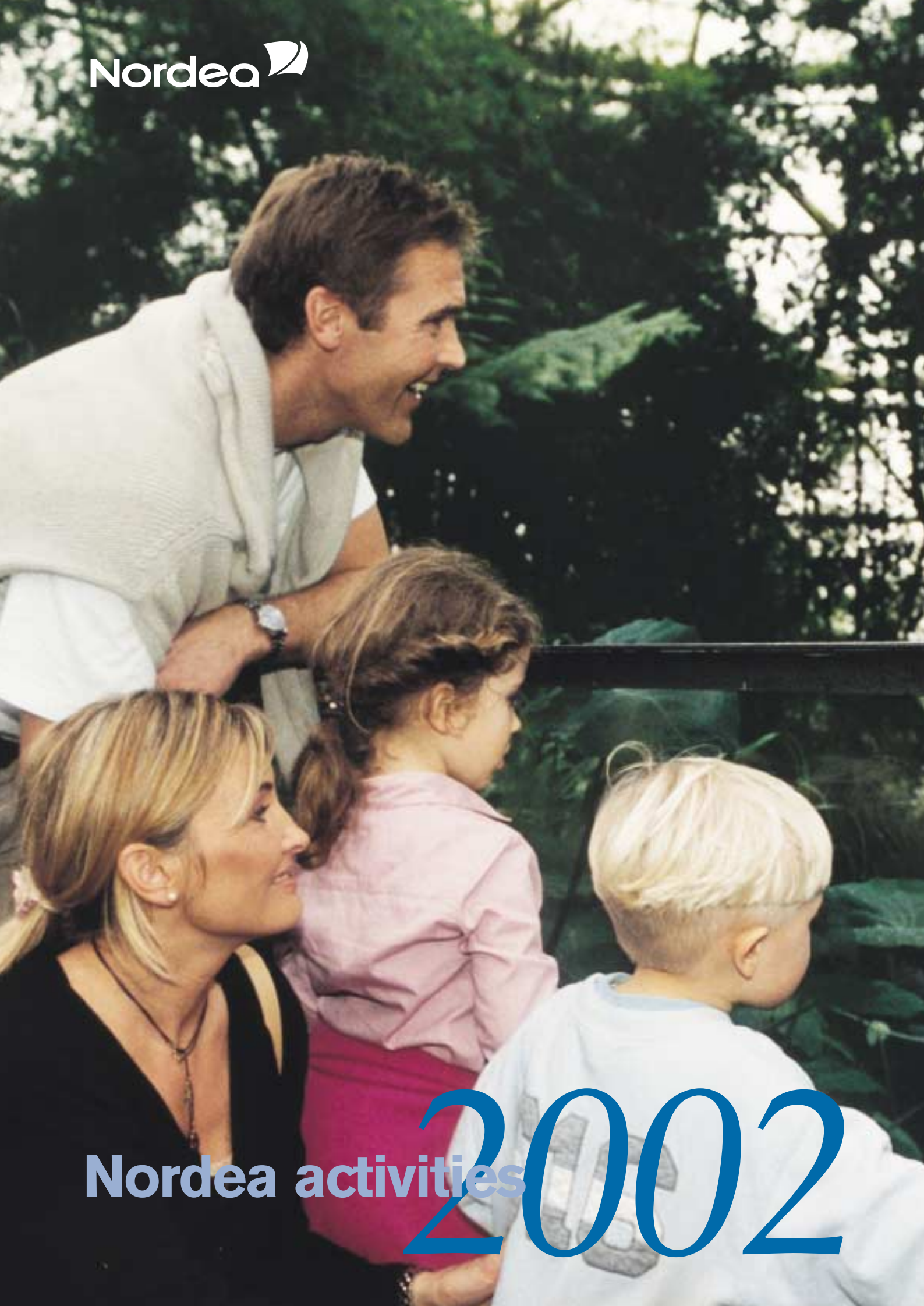


Nordea 



Nordea activities

2002

This is Nordea



*This is a summary
of Nordea Annual
Review 2002*

Nordea is the leading financial services group in the Nordic and Baltic Sea region and operates through three business areas: Retail Banking, Corporate and Institutional Banking and Asset Management & Life. The Nordea Group has more than 10 million customers and 1,240 bank branches. The Nordea Group is a world leader in Internet banking, with 3.3 million e-customers. The Nordea share is listed in Stockholm, Helsinki and Copenhagen.

Nordea relies increasingly on the Internet in its communication with shareholders and investors. All significant information about the Nordea Group can be found on the Group's homepages. During 2002 over 1.2 million visitors entered www.nordea.com and downloaded almost 400,000 financial reports and press releases.

Annual report practice

This year, Nordea has produced two publications replacing the single publication Annual Report 2001. Nordea Annual Report 2002 is the formal report audited by the Nordea auditors including the full set of financial accounts and notes, the Board of Directors' report and the cash flow statement. The Nordea Annual Review 2002 is a review of the business development in the Nordea Group in 2002 including an overview of its strategy and business areas.

A summary is produced in English and in the four Nordic languages and is available on the Internet and in bank branches.

The annual reports and other financial reports published by the Nordea Group may be ordered via www.nordea.com or Investor Relations.

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Layout: Group Identity and Communications

In this summary of the Annual Review "Nordea" means Nordea AB (publ), the Nordea Group or the business operations of the Nordea Group. The significance in individual cases is shown by the context.

A year of difficult market conditions and increased focus

In the present economic environment, profitability and capital efficiency come before growth, and increased cost efficiency has top priority going forward.

The economic downturn, the magnitude and length of the turbulence in the equity markets and the geopolitical uncertainty have had a significant impact on the entire financial industry over the last couple of years.

Nordea has of course also been affected by both the downturn and the increased uncertainty.

Our unique starting point with major operations in four Nordic countries, however, forms a solid platform for continued realisation of synergies and capturing revenue growth.

While the strategic direction and our vision are unchanged, we have taken the necessary steps to achieve rapid and continuous improvement of our performance with increased cost efficiency as the top priority.

2002 result: Acceptable, but still room for improvement

Falling equity-related revenues and exceptionally low interest rates and their impact on deposit margins hit core income in 2002. Similarly, falling equity markets have affected life insurance income and investment earnings.

Our 2002 results are acceptable given the difficult market conditions, but still

not satisfactory. However, we have started to see improvements as a consequence of the identification and focus on our short-term priorities. We have reduced the earnings volatility and quarterly income has been stable throughout the year.

Risk-weighted assets and economic capital were down in 2002.

Despite the fact that loan losses have increased slightly towards the end of the year, the quality of the credit portfolio is satisfactory.

In the present economic environment, profitability and capital efficiency come before growth, and increased cost efficiency will be the main focus area going forward.

Throughout the organisation ongoing integration and continuous improvement activities are expected to ensure that costs will be unchanged in 2003 compared to 2002.

The performance of the Nordea share price in 2002 was not satisfactory either even though some recovery was seen by the end of the year.

Unchanged vision

Our vision of being valued as the leading financial services group in the Nordic and Baltic financial markets with substantial growth potential remains unchanged. But in the present environment, profitability and more efficient use of capital must and will come before aggressively capturing market share.



► **Priorities to improve performance**

The priorities that guide the current strategy of our business areas are all motivated by our drive towards improved operating efficiency.

They are:

- Reducing volatility and ensuring growth of income
- Ensuring capital efficiency
- Maintaining credit portfolio quality
- Speeding up integration and unification
- Improving cost efficiency

To reduce the volatility of earnings we have divested the general insurance business and reduced the equity exposure of pension funds and Life & Pensions units within the Group.

The divestment of the general insurance business and the reduced equity exposure have improved our use of capital together with divestments of non-core businesses such as Contant Oy and Europay Norge AS.

The ongoing implementation of the economic capital and economic profit framework will further enhance the capital efficiency.

Our ambition is to maintain a high level of dividends without jeopardising our capital ratio. This means that the size and quality of assets will be carefully observed and our risk management must be proactive. Hence, business cases for potential acquisitions must be strong.

We have a well balanced and diversified credit portfolio, but in order to maintain our stable credit quality we continuously monitor the portfolio with a proactive approach.

Specific cost savings initiatives include capping IT development costs at 80% of the 2002 level, corresponding to a cost saving target of approximately EUR 90m in 2003.

Within Retail Banking, structural changes are being implemented in

Sweden and Norway, such as consolidating staff functions in one location to improve efficiency and reduce costs.

Following a strategic reassessment Nordea Securities' operations in London and New York were closed in the fourth quarter.

Improving cost efficiency is the most urgent issue going forward.

Striking the right balance

We are well on our way to integrate and unify the organisation into cross-Nordic business areas and Group functions.

We have varied the approach to integration across different areas in the organisation.

In some areas, for example in wholesale banking, we have chosen the "full and immediate" integration approach while in other areas, especially within Retail Banking, we have chosen the "unification first" or "local improvements first" as the most appropriate approach.

Going forward, the change processes must and will be even more focused and speedy, based on strict prioritisation.

That is why a new unit Group Processing and Technology has been established to coordinate and speed up the integration and unification process across the entire Group.

Revised financial targets

In order to adjust to the current market conditions we have revised a few of our key financial targets:

Return on equity should be above 15% from 2004.

Cost level should be maintained at the same level through 2004 as in 2002.

Cost/income ratio of 55% by 2005 and with present business mix. Should the implied revenue growth in the cost/income ratio target fail, we will

take further steps to reduce costs. All other targets remain unchanged.

Focus, speed and performance

In combination with our new priorities, we use three internal keywords to highlight the need for improvements and changes in the organisation:

"Focus" means concentrating on our strengths. This implies that we will change, close down or divest businesses and activities which are not core business, underperforming or not profitable.

"Speed" means being quick and flexible, having smooth and efficient operations and always adjusting to market conditions.

"Performance" means increasing performance orientation by comparing and competing and always striving for continuous improvements in everything we do. Do better today than yesterday. Be better than the competitors.

Committed to doing better

Every employee in the Group deserves thanks for bringing about the 2002 results and the very strong platform which will form our basis for further and continuous improvements.

We have already achieved a lot and will deliver upon our promises to customers and shareholders – despite challenging market conditions.

The entire organisation recognises the need for further improvements. By focusing on our strengths, being quick and flexible in adjusting to market conditions and continuously improving all that we do, we will make it possible.

Best regards



Lars G Nordström



The Nordea Corporate Statement



Nordea aims at creating value for shareholders in the top five of the peer group of European listed financial services companies.

Mission

Making it possible.

By providing a broad set of easily accessible and competitive financial services and solutions, Nordea helps customers where we operate to reach their objectives.

Vision

We will be valued as the leading financial services group in the Nordic and Baltic markets with substantial growth potential.

We will be in the top league or show superior and profitable growth in every market and product area in which we choose to compete.

We will have the leading multichannel distribution platform with a top world ranking in e-based financial solutions.

Performance

We will create value for our shareholders measured by total shareholder return in the top five of our peer group of European listed financial services companies.

We will enhance value through concentration on core business, stable and broadly based growth of revenue, operational excellence and an optimal use of capital combined with balanced risk-taking.

We will rank among the best financial services companies in measurements of customer satisfaction and brand loyalty.

We will attract, develop and retain highly motivated, competent and empowered employees. Measurements of Nordea employee expertise and motivation are to show continuous high levels of employee satisfaction.

We are committed to always improve but never claim to be perfect.

Financial targets

Total shareholder return

Total shareholder return is measured as growth in the value of a shareholding over a specified period, assuming that dividends are reinvested at the time of payment to purchase additional shares. Internally, economic profit has been selected as the best single measure for shareholder value creation. Nordea believes that managing for sustainable growth of economic profit will drive and support the continuous focus on stable revenue growth, operational excellence and cost efficiency and optimal risk taking and use of capital.

Return on equity

High return on equity is an important indicator of value creation. Nordea prioritises profitability before growth and aims to achieve a sustainable return on equity, excluding goodwill depreciation, of more than 15% from 2004.

Costs and cost/income ratio

Ensuring operational excellence and cost efficiency in the current weak economic environment has top priority. Nordea therefore aims to have the same absolute cost level through 2003 and 2004 compared to 2002. Nordea views the cost/income ratio primarily as an important tool in the internal continuous improvement processes. At group level Nordea is aiming at a cost/income ratio level below 55% from 2005, assuming unchanged business mix.

Key performance indicator

	2002	2001
Total shareholder return, peer group ranking	15	17
Return on equity excluding goodwill, %	11.3	19.2
Costs, EURm	3,745	3,389
Cost/income ratio, %	64	58
Loan losses ratio, %	0.19	0.29
Dividend payout ratio, %	76	44
Tier 1 capital ratio, %	7.1	7.3

Operational *income statement*

Highlights of 2002

Challenging market conditions in 2002

- Total income reduced by 4% and expenses increased by 2% adjusted for Postgirot Bank
- Loan losses lower at EUR 261m or 0.19% of loans
- Earnings per share EUR 0.30 (EUR 0.53)
- Return on equity (excl goodwill) 11.3% (19.2%)
- Proposed dividend of EUR 0.23 per share – unchanged vs 2001

Improvements achieved – more to be done

- Reduced earnings volatility – lower equity exposure & sale of general insurance
- Capital efficiency improved – maintained financial strength despite loan growth and high proposed dividend payout
- Stable credit quality – low loan losses & concentration on Nordic customers
- Some cost initiatives taken – cost improvement is top priority in 2003

Operating profit

Operating profit for the year 2002 was EUR 1,547m (EUR 1,928m), a reduction of 20% compared to 2001.

Total income increased by 1% and expenses increased by 11%. The development reflects the acquisition of Postgirot Bank and underlying growth in the business volumes coupled with a pressure on margins following falling interest rates during the year and a drop in equity-related commission income.

Income

Total income was EUR 5,670m (EUR 5,605m), an increase of 1% compared to 2001. Net interest income was EUR 3,451m,

unchanged compared to a year ago. Volume growth, mainly deposits and mortgage lending to personal customers, has compensated for lower deposit margins following lower interest rates. Lending margins were stable within Retail Banking and increased somewhat for large corporate clients. During the last 12 months lending and deposits have increased by 6% and 6%, respectively.

Commission income increased by 7% to EUR 1,535m (EUR 1,432m) reflecting strong growth in transaction volumes. The number of e-customers rose to 3.3 million by the end of the year, and in December, a new all-time high was registered in the number of payments on the e-bank.

Trading income, mainly comprising income related to foreign exchange and derivatives trading with customers, was maintained at a stable level of EUR 530m (EUR 543m)

Expenses

Total expenses were EUR 3,745 m (EUR 3,389m), an increase by 11%, reflecting the acquisition of Postgirot Bank AB (publ) as well as underlying growth in business volume.

Personnel expenses were EUR 2,086m (EUR 1,878m).

Other expenses were EUR 1,659m (EUR 1,511m), an increase of 10%. Costs for IT represent 20% of total expenses.

The cost/income ratio was 64% (58%). Postgirot Bank represented an increase of approximately 2% points.

Loan losses

Loan losses were EUR 261m

(EUR 373m). The reduction was mainly a result of the general provision of EUR 100m made in 2001.

Investment earnings

The weak equity markets in 2002 had a negative impact on investment earnings, banking, which were reduced by EUR 50m to EUR 122m.

Pension commitments

Pension commitments not recognised in the balance sheet have to be covered by assets of pension foundations. At the end of the year, aggregate assets in the Group's pension foundations exceeded pension commitments not recognised in the balance sheet by EUR 46m reflecting a surplus in Finland.

The volatility in Nordea's accounts resulting from allocation to pension foundations in the second and third quarter 2002, was related to the Swedish pension foundation. In total the allocation cost amounted to EUR 255m in 2002.

At the end of the fourth quarter, the equity exposure in the pension foundations represented 22% of total investments, compared to 24% at the end of the third quarter.

Taxes

Taxes amounted to EUR 405m in 2002 (EUR 360m). In 2001, the low tax rate was mainly explained by the utilisation of a loss carry forward in the former Merita Real Estate Ltd.

Net profit

The net profit was EUR 887m (EUR 1,568m), corresponding to EUR 0.30 (EUR 0.53) per share. Return on equity (excluding goodwill) was 11.3% (19.2%).

Key financial figures

Nordea Group

Operational income statement

Change

EURm	2002	2001	%
Net interest income	3,451	3,465	0
Commission income	1,535	1,432	7
Trading	530	543	-2
Other	154	165	-7
Income	5,670	5,605	1
Personnel expenses	-2,086	-1,878	11
Other expenses	-1,659	-1,511	10
Expenses	-3,745	-3,389	11
Profit before loan losses	1,925	2,216	-13
Loan losses, net	-261	-373	-30
Profit from companies accounted for under the equity method	52	95	-45
Profit before investment earnings and insurance	1,716	1,938	-11
Investment earnings, banking	122	172	
Operating profit, life insurance	2	-17	
Operating profit, general insurance	-122	-18	
Goodwill depreciation	-171	-147	
Operating profit	1,547	1,928	-20
Allocation to Pension Foundation	-255	-	
Taxes	-405	-360	13
Minority interests	0	0	
Net profit	887	1,568	-43

Ratios and key figures

Earnings per share, EUR	0.30	0.53
Share price ¹ , EUR	4.20	5.97
Shareholders' equity per share ¹ , EUR	4.06	4.00
Shares outstanding ^{1,2} , million	2,928	2,965
Return on equity ³ , %	7.5	13.8
Return on equity excl goodwill ³ , %	11.3	19.2
Lending ¹ , EURbn	146	138
Deposits ¹ , EURbn	92	86
Shareholders' equity ¹ , EURbn	12	12
Total assets ¹ , EURbn	250	242
Assets under management ¹ , EURbn	96	105
Cost/income ratio, banking ⁴ , %	64	58
Cost/income ratio, excluding investment earnings, %	65	59
Tier 1 capital ratio ¹ , %	7.1	7.3
Total capital ratio ¹ , %	9.9	9.1
Risk-weighted assets ¹ , EURbn	135	136

¹ End of period.

² Average number of shares Jan – Dec 2002 after full dilution (until September) was 2,955 million.

³ Net profit before minority interests and goodwill depreciation as a percentage of average shareholders' equity (per quarter). Average shareholders' equity includes minority interests and excludes remaining goodwill.

⁴ Operating expenses before loan losses and goodwill as a percentage of operating income and share of profit/loss from companies accounted for under the equity method as well as investment earnings (banking), as reported in the operational income statement. Operating profit from insurance activities are excluded.

Focus on customers, *quality and efficiency*



Kari Jordan
Head of Retail Banking

“ We create value for Nordea's shareholders by delivering value to our customers through cost-efficient processes ”

– Our main objective in Retail Banking is to increase economic profit by means of growing revenue, improved cost efficiency and careful risk management, Kari Jordan says.

Meeting our customers' needs

Revenue growth is pursued through meeting the needs of our 10 million customers and helping them fulfil their plans, and through winning new profitable customers.

We do this by offering

- Good advice and high quality products that are directly linked to customer needs
- Favourable prices and access to better advice for customers that do more business with us
- Convenient transactions through the Internet and telephone
- A single point of entry for corporate customers to Nordea's global network

Working smarter

Improved cost efficiency has top priority in Retail Banking, and is pursued through implementing best practices for operations throughout the organisation.

We achieve this by

- Concentrating on IT projects with a Nordic scope, including a single, next generation e-banking solution
- Exploiting that manual transactions are automated, centralised and moved to the Netbank
- Implementing a common customer-oriented and cost-efficient organisation structure in the branch network
- Integrating and downscaling support functions
- Constantly urging managers to improve performance through internal benchmarking and individual target-setting

Managing risks

Careful risk management is pursued through continuously observing the size and quality of assets and proactive risk management procedures.

Our loans and credit processes will be improved through

- Credit scoring models for personal and small corporate customers
- Common limit and documentation systems and procedures for corporate customers.

Key figures per quarter¹

	Full year 2002	Q4 2002	Q3 2002	Q2 2002	Q1 ² 2002	Q4 2001
Operating profit, EURm	1,597	345	417	427	408	351
Return on equity, %	22	18	23	24	23	20
Cost/income ratio, %	58	58	57	60	60	57
Customer base:						
personal customers, million	9.7	9.7	9.5	9.5	9.5	8.9
corporate customers, million	1.0	1.0	0.9	0.9	0.9	0.6
Number of employees (full-time equivalents)	20,300	20,300 ³	19,600	20,000	19,900	20,300

¹ According to the new organisation effective as from 1 October 2002. Figures have been restated to reflect the new organisation.

² Postgirot Bank is included from Q1 2002.

³ Including LG Petro Bank.



Christian Clausen
Head of Asset
Management & Life

We stick to the course *but focus on cost efficiency*

– We will weather the storms by sticking to our existing strategy, whereas the cost base will be adapted to a level sustainable over the long term, says Christian Clausen.

Nordea's approach to long-term savings, where advisory services are targeted at customers' overall portfolio and risk profile rather than individual products, is built for today's complex market.

Returns to be improved

– Results show that our strategy during the past two years has been the right one and sustainable.

– Nordic and international customers have kept entrusting us with their money, even though equity markets have been very negative, Christian Clausen says.

– Although the return we have been able to offer our customers during the past year has not been satisfactory for some areas, we performed reasonably well compared with our biggest competitors. This is not enough, however, but we are now making a targeted effort to improve the return on our core products and enhance our advisory services, Christian Clausen adds.

Indeed, the most recent months saw an improvement on the first six months of 2002. Nordea is number 22 – and thus far ahead of many big international players – on the world list of "Best Performing Fund Groups" and continues to receive major new assets for management from international institutions.

“ We are
navigating
stormy seas ”

Key figures per quarter – Asset Management activities

	Full year	Q4	Q3	Q2	Q1	Q4
EURm	2002	2002	2002	2002	2002	2001
Revenues	477	113	109	124	131	133
Expenses	-197	-51	-49	-49	-48	-63
Distribution expenses	-102	-24	-25	-26	-27	-15
Product result	178	38	35	49	56	55
of which profit within Retail Banking	84	19	15	19	31	30
Assets under management, EURbn	96	96	93	100	108	105
Number of employees (full-time equivalents)	846	846	856	856	846	846

Key figures per quarter – Life activities

	Full year	Q4	Q3	Q2	Q1	Q4
EURm	2002	2002	2002	2002	2002	2001
Premiums written, net of reinsurance	2,491	722	465	611	693	778
Total operating profit	2	44	-13	-26	-3	4
of which allocated profit to Retail Banking	80	38	14	16	12	22
Investment return, % ¹	0.2	2.7	-0.8	-1.9	0.5	3.3
Number of employees (full time equivalents) ²	943	943	896	787	796	802

¹ Excluding unit-linked business

² The increase in number of employees in third and fourth quarters 2002 is a consequence of the split of shared functions previously included in General Insurance

Leading *financial partner*

– Our main objective is to contribute to an improved total return for the shareholders of Nordea by sustainable growth in the economic profit generated by Corporate and Institutional Banking (CIB).

– To achieve this we will focus on a few areas of particular importance, says Tom Ruud.

Cost efficiency is essential in order to remain competitive and perform financially, and CIB aims to decrease costs in 2003 compared with 2002.

– This is only possible if each of us makes a contribution and behaves in a cost-efficient way every day.

Sticks to the strategy

– We will in broad terms stick to the present strategy to grow income based on a capital markets approach, increase customer satisfaction and achieve an increased share of wallet, says Tom Ruud, and explains:

- Stay firm in our efforts to significantly enhance our position in Sweden
- Strengthen our capabilities to expand our business with financial institutions
- Defend and develop our leading global position in shipping and off-shore
- Leverage on our strong position in debt capital markets and derivatives
- Launch new Nordic cash manage-

“ **Corporate and Institutional Banking aims to be the leading financial partner for large Nordic corporates and institutions** ”

- Focus strongly on commission income growth
- Profitability before growth in investment solutions

Highly skilled professionals

Tom Ruud says that the CIB strategy can only be executed with a customer- and performance-oriented organisation where highly skilled professionals work in customer teams to best meet the needs of CIB's few but very important customers.

– We will continue to invest in our core competences. Leadership development to facilitate cross-organisational cooperation and create a foundation for our business culture will also be high up on the agenda, he says, and continues:

– I believe that CIB holds a position that offers attractive prospects for growing economic profit and thus a valuable contribution to Nordea's shareholders.



Tom Ruud
Head of Corporate and
Institutional Banking

Key figures per quarter¹

	Full year 2002	Q4 2002	Q3 2002	Q2 2002	Q1 2002	Q4 2001
Operating profit, EURm	503	137	120	121	125	135
Return on equity, %	16	17	15	16	15	15
Cost/income ratio, %	54	54	54	57	49	56
Number of employees (full-time equivalents)	2,436	2,436	2,542	2,551	2,593	2,663

¹ According to the new organisation effective as from 1 October 2002. Figures have been restated to reflect the new organisation.

The year

The new management team

Following the appointment of Lars G Nordström as new Group CEO the composition of and the responsibilities within Nordea's Group Executive Management was changed as from 1 October 2002.

Markku Pohjola, formerly Head of Corporate and Institutional Banking, was appointed head of the new unit, Group Processing and Technology, which consists of Group IT, Electronic Banking, Global Operations Services and Production & Productivity.



From left: Kari Jordan, Tom Ruud, Carl-Johan Granvik, Christian Clausen, Lars G Nordström, Arne Liljedahl, Peter Schütze, Markku Pohjola

Kari Jordan, formerly Head of Retail Banking Finland, and Peter Schütze, formerly Head of Retail Banking Denmark, were appointed new members of Group Executive Management; Kari Jordan as Head of Retail Banking and Peter Schütze as Head of Group Staffs.

Tom Ruud, formerly Head of Group Staffs, was appointed Head of Corporate and Institutional Banking. Christian Clausen, Carl-Johan Granvik and Arne Liljedahl kept their positions.

To support and speed up implementation of group decisions and to coordinate group strategy execution and initiatives in the national markets members of Group Executive Management will also act as Country Senior Executives in each of the Nordic countries:

Denmark: Peter Schütze
Finland: Markku Pohjola
Norway: Tom Ruud
Sweden: Arne Liljedahl



Thomas Neckmar
Head of Nordea in Poland and the
Baltic countries

LG Petro Bank

Nordea's acquisition of LG Petro Bank in Poland was completed in October 2002 and the integration of LG Petro Bank into Nordea's existing operations in Poland is moving forward. Nordea now ranks among the 15 largest financial services providers in Poland with a total of 50 branches and 17 mortgage outlets, covering all major Polish cities.

2002 *in brief*

Postgirot merger finalised

Purchase of Swedish Postgirot Bank strengthens Nordea's position in corporate market

Postgirot has since 1925 held the leading position in payment services in Sweden and has a well-developed system for international payments. Nordea acquired Postgirot Bank in 2001.

Postgirot's large customer base comprising some 425,000 corporate customers, of whom 80% were not previously customers of Nordea, and 700,000 personal customers, provides great opportunities for increased sales. Significant gains for customers are realisable by combining Postgirot's effective payment system and its highly developed cash management solutions with Nordea's broad array of financial services. Faster money transfers and more interest days to customers are some examples of potential gains. Customers are at the same time free to choose between the two big giro systems in Sweden, postgirot and bankgirot.

Moreover, it is beneficial to Nordea's customers in other Nordic countries that practically all companies, organisations and associations in Sweden are holders of postgirot accounts.

This means incoming funds from Sweden can be available to them two

or three days faster via Nordea's pan-Nordic payment solutions.

During 2002 Postgirot Bank was integrated with Nordea, and the merger of both banks was formalised in December of the same year. Significant synergy gains have been realised during the year, mainly attributable to lower costs. Payment services have contributed positively to earnings.



Postgirot

Awards 2002

Nordea has been given a number of awards and nominations during the past year.

Best bank

In the Europe category Nordea received World's Best Bank Award 2002 in Finland from the British magazine Global Finance.

Nordea named Bank of the Year 2002 in Denmark, Norway and Finland by the British journal The Banker.

Nordea named Best Bank and Nordea Securities Best Equity House in Finland by Euromoney, the leading magazine on international banking and capital markets.

Webranking 2002

In the evaluation of corporate websites done by IR-consultancy Hallvarsson & Halvarson Nordea was ranked number one in Finland and Denmark and number six in Sweden.

Lipper Europe/Luxembourg

Nordea 1, SICAV nominated Best European Equity Group in the Lipper Leader Group of the Year Category, and North American Value Fund nominated Best Fund North American Equities in the Lipper Leader Fund of the Year category by Lipper in association with Fund Market and Luxemburger Wort, Luxembourg.

Best Foreign Exchange Bank

In the Scandinavia category Nordea won the award Best Foreign Exchange Bank 2002 given by the British magazine Global Finance.

Read more about them at www.nordea.com

Nordic *and local*



First in Denmark with card for young people

Before Christmas young Danes aged between 13 and 17 were offered new possibilities in line with Nordea services already on offer to young people in the other Nordic countries. The initiative includes Netbank services that are specially adapted to young people's savings needs and their use of SMS.

Denmark's first payment card for youngsters under the age of 18 was very positively received. The new Visa Electron card can be used in Denmark and all over the world, and every time the card is used the balance is checked to ensure that sufficient funds are available in the account. So, young people travelling abroad no longer need to run the risks associated with carrying cash.

After eight weeks Nordea reached its target for 2003 of 30,000 cards sold in Denmark, and many new young customers have since joined. Nordea has issued more than 500,000 Visa Electron cards in the Nordic countries.

Record-high demand for Europe's cheapest housing loans

Demand for housing loans remained high in Finland for the whole of 2002. The volume of housing loans grew at record speed last year. Finnish households demonstrated their belief in the stable development of their personal finances, and more and more Finns decided to invest in a home of their own in preference to rented accommodation.



The volumes of housing loans increased as early as a few years ago before the euro's introduction. Due to the predictability and market stability resulting from the conversion to euro, as well as falling interest rates, housing loan volumes began to grow already in 1998. Towards the end of 2002 the interest rates for new housing loans were lower in Finland than anywhere else in Europe. This was largely due to the generally low interest rate level.

Competition between banks for potential applicants for housing loans was especially intense in the Helsinki area and in other growing cities. Nowadays customers tend to seek offers from at least two banks before signing up for a loan.





First in Sweden with Loans to Pensioners

In the autumn of 2002 Nordea launched Loans to Pensioners on the Swedish market, patterned on a concept that has already been successfully introduced in Denmark. Loans of this type are for pensioners who own properties with collateral value, and can be empowering for them in terms of freeing up cash reserves after retirement.

Nordea's Loans to Pensioners is a product that enables the customer

to use their property as collateral to qualify for a loan at a flexible interest rate, with payments of fixed monthly amounts to their personal account for up to ten years. This gives the customer better control over his/her personal finances without having to sell his/her home.

The new loan attracted vast attention from the press and was nominated "Product of the Year" by the Swedish business journal *Privata Affärer*.

Credit card cooperation

Two of the largest Norwegian companies, Nordea and Statoil Detaljhandel, launched a new credit card in the autumn of 2002. Statoil MasterCard was an immediate success. For Nordea the agreement means thousands of new card customers who did not previously bank with Nordea.

In the space of three months 55,000 Norwegians became holders of the Statoil card, which can be used on 27 million locations throughout the world. Nordea expects that many of the new card customers will also start using other Nordea products.



*Lars G Nordström
Group CEO*

*We share and exchange
Nordic ideas that create
value for our customers
and thereby for our
shareholders. We are
Nordic in operations
while personal and local
in delivering services and
close to our customers in
decision-making.*



Annual General Meeting



The annual general meeting (AGM) of Nordea AB (publ) will be held on Thursday 24 April 2003 at 2.00 pm Swedish time in Aula Magna, Stockholm University, Frescativägen 10, Stockholm, with the possibility to participate, through telecommunication, at 3.00 pm Finnish time in Finlandia Hall, Congress wing, Mannerheimintie 13 e, Helsinki, and at 2.00 pm Danish time in Bella Center, Copenhagen.

Common instructions to all shareholders

Shareholders who wish to participate in the AGM shall be entered in the share register maintained by the Swedish Securities Register Center (VPC AB) not later than 14 April 2003 and notify Nordea AB (publ) of their participation.

Shareholders whose shares are held in trust in Sweden who are holders of Finnish Depositary Receipts in Finland or who are holders of shares registered in Værdipapircentralen in Denmark, therefore have to re-register temporarily their shares in their own names to be entitled to participate in the AGM. Such re-registration shall be completed at VPC AB in Sweden by 14 April 2003, which means that the shareholder shall, in good time prior to this date, inform the trustee about this.

At notification all shareholders are requested to state in which place participation would take place. Shareholders who have their shares registered in more than one country should state this at the time of notification.

Shares registered in VPC AB in Sweden

Notification of participation shall be made at the latest on 16 April 2003 at 1.00 pm to Nordea AB (publ), Group Legal H 50, SE-105 71 Stockholm, or by telephone +46 8 614 97 10, or by fax +46 8 614 87 70, or on the Internet at www.nordea.com.

Finnish Depositary Receipts in Finland

Request for re-registration of Finnish Depositary Receipts and notification of participation shall be made at the latest on 11 April 2003 at 4.00 pm Finnish time to Nordea Bank Finland Plc, 2590 Issuer Services, 00020 Nordea, or by telephone +358 9 165 51397 or +358 9 165 51398, or by fax +358 9 637 256, or on the Internet at www.nordea.com.

Shareholders whose shares are registered in their own names in VPC AB in Sweden may also notify their participation in the AGM later, however not later than 16 April 2003 at 2.00 pm Finnish time in the above-mentioned manner.

Shares registered in Værdipapircentralen in Denmark

Request for re-registration of shares registered in Værdipapircentralen in Denmark and notification of participation shall be made at the latest on 11 April 2003 at 12.00 Danish time to one of Nordea Bank Danmark's branch offices, or to Nordea Bank Danmark A/S, Issuer Services, H.H, PO Box 850, 0900 Copenhagen C, or by telephone +45 33 33 33 01, or by fax +45 33 33 10 31, or on the Internet at www.nordea.com.

Shareholders whose shares are registered in their own names in VPC AB in Sweden may also notify their participation in the AGM later, however not later than 16 April 2003 at 1.00 pm Danish time in the above-mentioned manner.

Dividend and record date

The Board of Directors and the Group CEO propose to the AGM that a dividend of EUR 0.23 per share shall be paid and that the record date for dividend shall be 29 April 2003. With this record date, the dividend is expected to be distributed by VPC AB on 7 May 2003.