



Wealth Management presentation

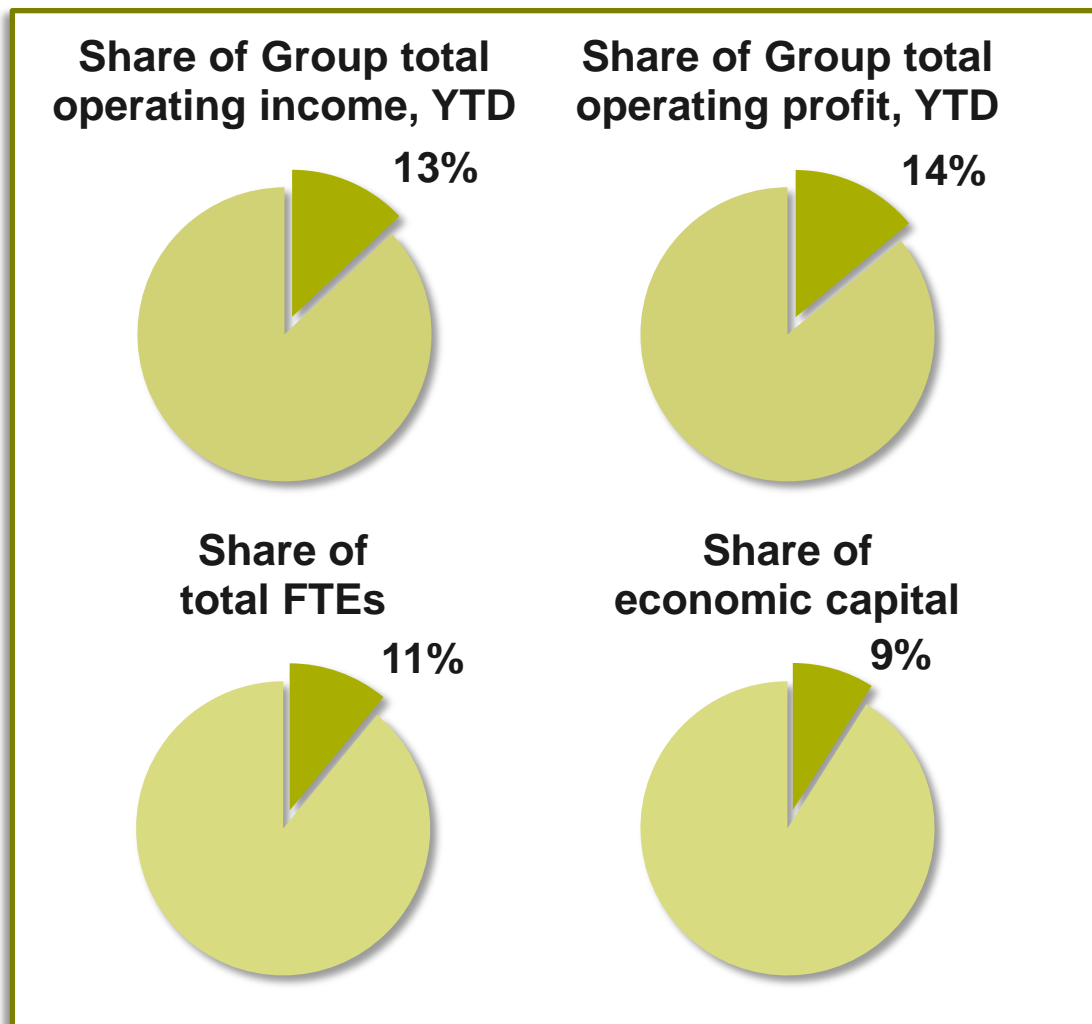
Gunn Wærsted, Head of Wealth Management



Making it possible

- **Wealth Management overview**
- Strategic direction

Wealth Management – an area with strong financials, well-adjusted to “New Normal”



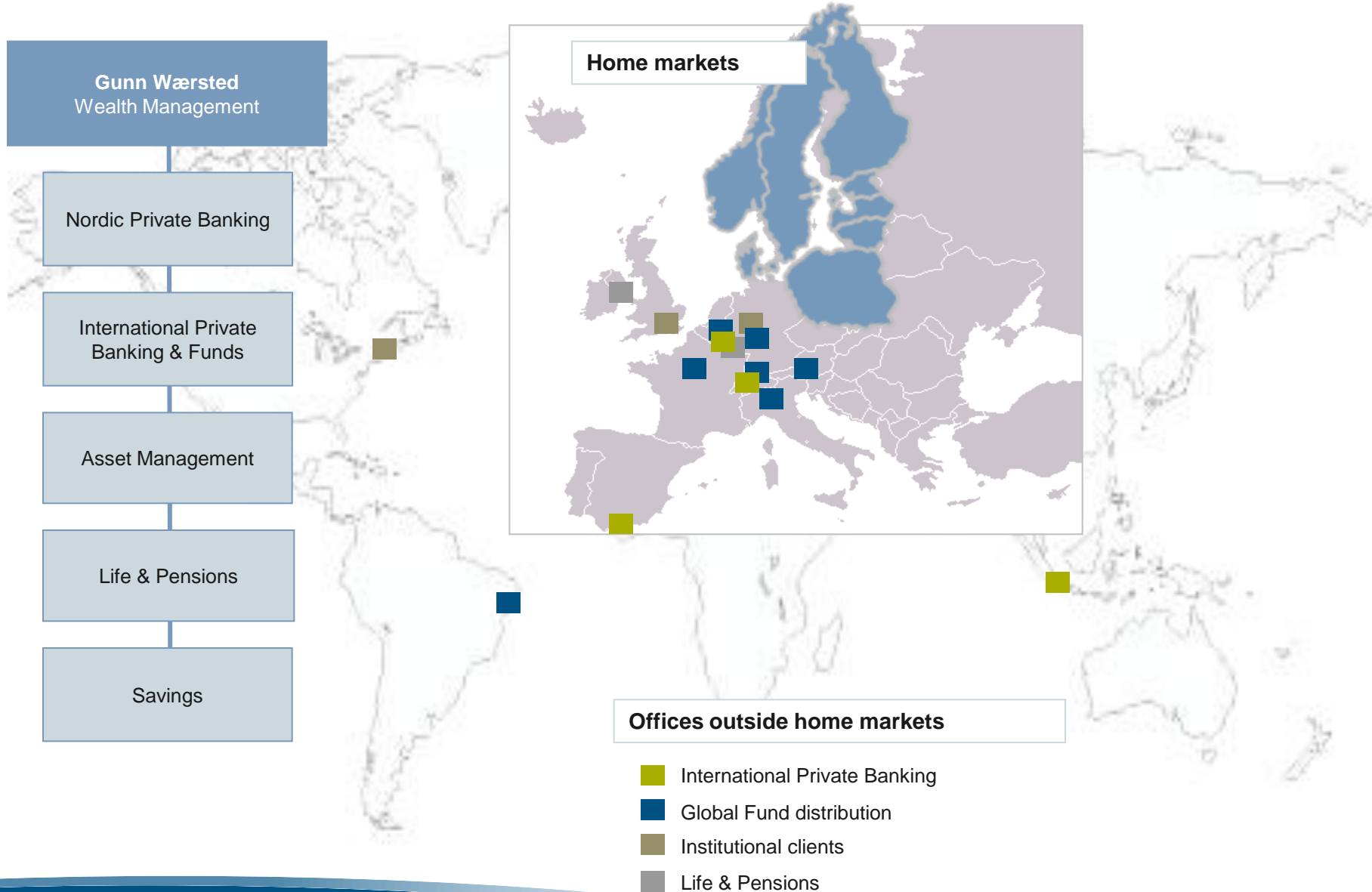
- ✓ High margins
- ✓ Capital efficient and funding generating
- ✓ Close to 70% of income is fee based
- ✓ Low usage of capital increases share of economic profit substantially above operating profit
- ✓ Volatility less correlated with the rest of Nordea businesses

Financial turmoil has affected the Q3 2011 result

EURm	Jan - Sept 2011	Jan - Sept 2010	Change %
Net interest income	91	67	36%
Net fee and commission income	614	551	11%
Net result from items at fair value	203	304	-33%
Other income	12	22	-45%
Total operating income	920	944	-3%
Staff costs	-341	-317	8%
Other expenses and depreciations	-213	-202	5%
Total operating expenses	-554	-519	7%
Net loan losses	-8	-1	
Operating profit	358	424	-15%
Cost/income ratio, %	60%	55%	10%
RAROCAR, %	23%	27%	-4%
Assets under management (AuM)	178	180	-1%

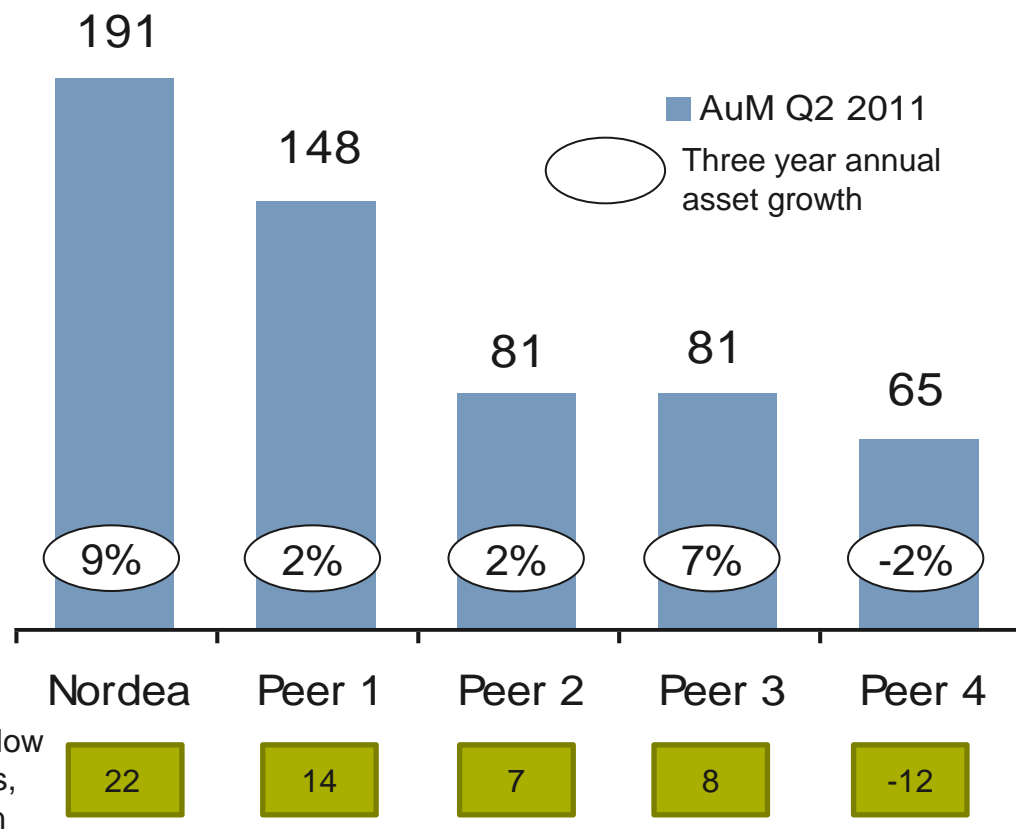
Income up 11%
y-y when
excluding shadow
account effect in
Life & Pension

Wealth Management competes locally and globally



The No 1 Nordic wealth manager...

AuM and netflow Nordic peers, EURbn



...well positioned in Europe

- 24th largest asset manager (up from #27 end 2009)
- 2nd highest 5 year (06 – 10) AuM CAGR for bank owned Asset managers in Europe
- Top 15 fund distributor in Europe (based on sales)

European peer group is top 35 European financial institutions ranked by AuM
 Nordic Peer group is largest Nordic banks
 Source: interim and annual reports

Growth achieved through well diversified asset base

Assets under management EURbn, end Q3 2011

	Retail funds*	Fund sales through third-parties	Private Banking	Institutional customers	Life & Pensions**	Total by market	3 year growth
Denmark	8	-	20	19	21	67	26%
Finland	3	-	16	5	9	33	0%
Norway	2	-	3	4	7	16	33%
Sweden	17	-	11	3	6	37	43%
International	0	5	9	6	5	25	65%
Total	30	5	59	37	48	178	
3 year growth	12%	148%	21%	47%	30%		28%
3 year income growth (12mths rolling)	19%	20%	29%	61%	3%⁰¹⁾		

1) Excluding shadow account effect

* All funds targeted at Nordic Retail segment sold through own distribution

** Includes pension pools products

Three core business lines in Wealth Management

Business volumes (y-y)

Characteristics

Private Banking

- Close to 100,000 Affluent and HNW customers
- AuM 58bn (-5%)
- Income ytd EUR 360m (24%)
- Nordic market share: 15%

- Leading Nordic Private Bank with growing international presence capitalising on strong Nordic brand
- Awarded best Private Bank in the Nordic region**
- Customer centric advisory model leveraging expertise and products from Asset Management, Savings and Life & Pensions

Asset Management

- >500 institutional clients, 350 major international fund distributors, 1.9 million household customers
- AuM 105bn (3%)*
- Income ytd EUR 276m (15%)
- Nordic investment fund market share: 14%

- Leading Nordic Asset Manager with a strong momentum in international institutional business and global fund distribution
- 65% of composites outperforms benchmark (36 months rolling)
- Strong investment performance achieved through internal boutiques and strong insourcing capabilities on external managers

Life & Pensions

- Bancassurance penetration rate ~15%
- AuM 48bn (0%)
- GWP ytd EUR 4,605m (18%)
- Nordic market share: 12%

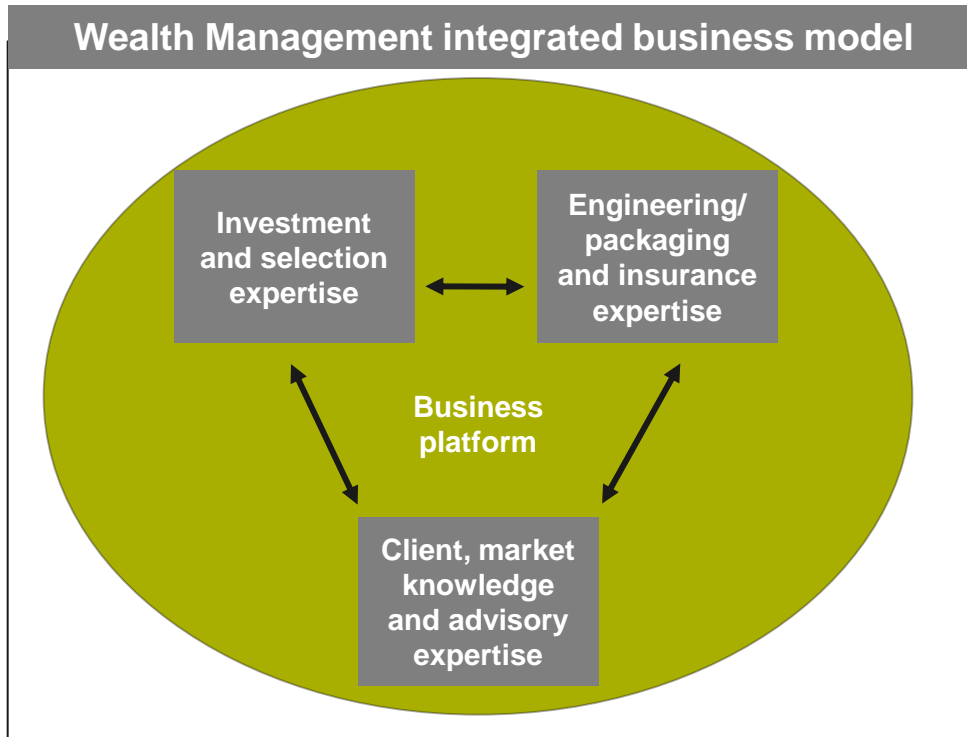
- Leading Nordic Life & Pension player
- Integrated bancassurance business model
- Active product shift towards unit linked - gross written unit linked premiums doubled since 2008

*Assets managed by Nordea Investment Management

**Euromoney Survey 2010 and 2011

Source: national statistics

Benefits from an integrated Wealth Management platform



- ✓ Strong customer centric profile
- ✓ Tailored value propositions to relevant customer segments
- ✓ Scalable platform for profitable growth
- ✓ Proven successful in different market climates



- Wealth Management overview
- **Strategic direction**

Fundamental wealth management growth drivers at play ...

Accumulation of wealth

Increasing customer sophistication

**Increasing propensity to save –
change in demographics**

**Shift from public to private retirement
savings**

Economic growth

... challenged by a set of key market and industry trends

**Increased volatility in financial
markets**

Change in customer preferences

Regulatory requirements

Margin pressure

Increased internationalization

Growing Wealth Management profits in a new normal environment

Strategic priorities

Income growth

- Grow in selected home markets and product segments
- Expand Internationally
- Enhance product and reporting offering to reflect market sentiment and customer preferences

Cost efficiency

- Increase advisor productivity
- Consolidate portfolios and organization
- Streamline value chain and processes
- Scale down activities in less profitable areas

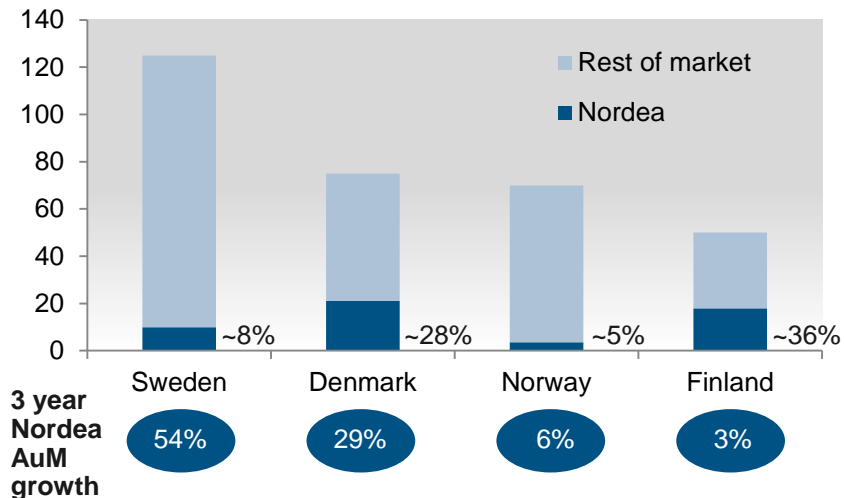
Capital efficiency

- Shift Life & Pensions' product mix towards more capital efficient products

Grow in selected home markets and product segments...

- Capture larger share of Swedish and Norwegian Private Banking market
- Increase institutional asset management sales
- Pursue bancassurance growth

Nordic private banking market size and Nordea market share, EURbn



... and targeted international expansion

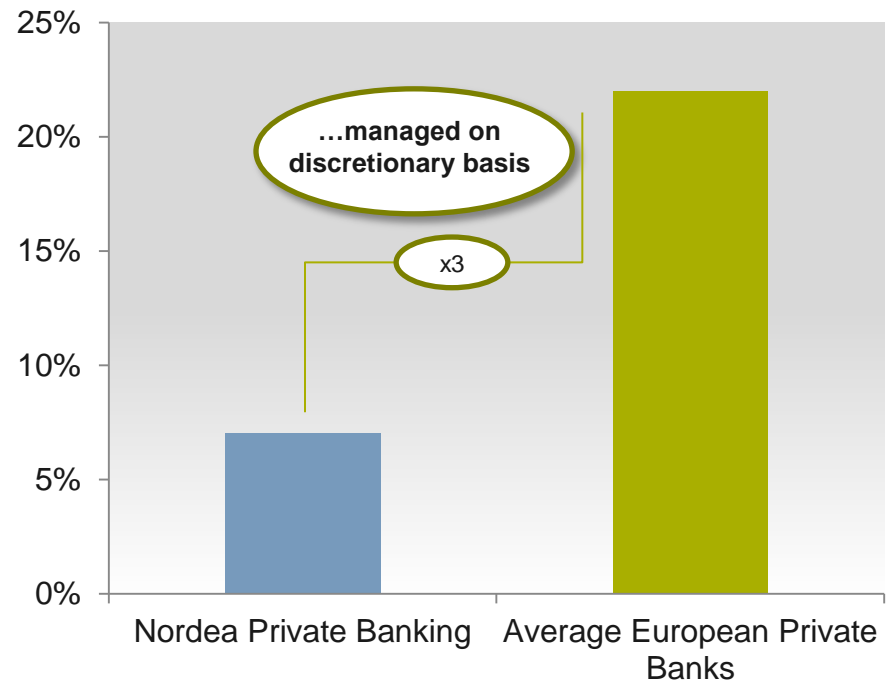
- Capture Nordic and European Private Banking clients living in the Asia/Pacific region out of Singapore branch
- Capitalize on strong institutional asset management business momentum
- Exploit well-established fund distribution network
- Engage in partnerships to penetrate selected international markets

Enhance product and reporting offering to reflect market sentiment and customer preferences

Planned and ongoing portfolio strategic initiatives...

- Dedicated offering for entrepreneurs
- Increase share of assets in alternative investment products and discretionary management
- Dissavings offering
- Revitalized retail funds
- Tax wrappers
- Digitalized and customized reports

Share of Private Banking AuM managed on discretionary basis end 2010, %



Improve cost efficiency across the Wealth Management area

- Increase Private Banking advisor productivity by:
 - Align customers with the appropriate value propositions in Private Banking and Retail Banking
 - Reduce the amount of time advisors spend on non-customer related activities
- Consolidate portfolios and organization
 - UCITS IV implementation
 - Merge and close down funds
 - Merge organizational functions
- Stream line value chain and processes
- Increased use of multi-channel in customer interaction
- Further off-shore IT development to India

Bring Life & Pension in line with Group ROE target by increasing cost and capital efficiency

1

Life & Pension product strategy

Traditional

- High guarantee closed for new business
- Asset liability matching
- Customer migration to other products

New traditional

- Fee based product
- Premium guarantee
- Offered as attractive alternative to traditional products

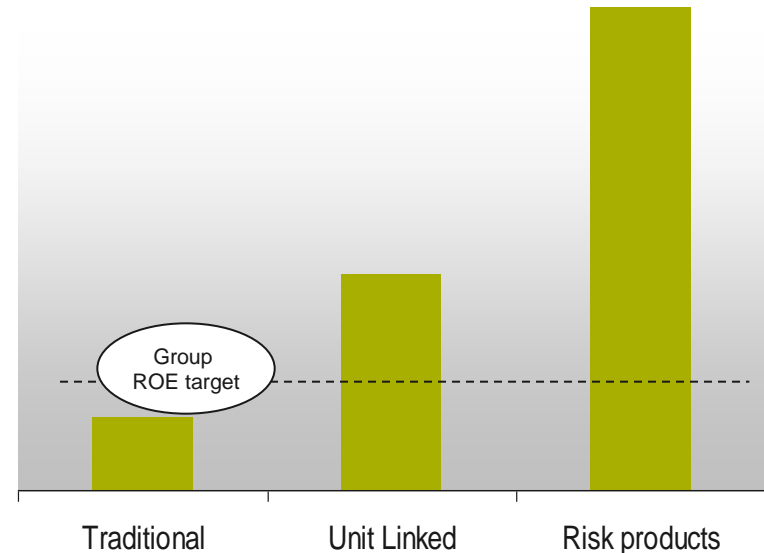
Unit linked

- Actively grow business to all segments via all channels

Risk products

- Actively grow business via bundling with bank products

Life & Pension ROE % by product, 2010



2

Extensive cost reduction programme – including scaling down activities in less profitable areas

The strategic journey of Wealth Management

From a strong starting point 2011 ...

- ✓ The leading Nordic Wealth Manager

... via a set of clear strategic initiatives

Pursue selected growth potential by capitalizing on current position and platform

Enhance product offering and value-adding value propositions

Increase efficiency in all parts of the value chain

Drive Life & Pension product shift towards capital efficient products

... to increased profitability 2013

- ✓ Strengthened positions in home markets and internationally
 - ✓ Private Banking
 - ✓ Asset management
 - ✓ Life & Pensions
- ✓ Improved cost efficiency across all business lines – financing organic growth
- ✓ Capital efficient Life & Pensions business - contributing to Group ROE target