

Nordea



Nordea Hypotek Covered Bonds Investor presentation Q2 2017

Nordea Hypotek – overview

Q2 2017

- 100% owned subsidiary of Nordea Bank AB - the largest Nordic financial institution
- Grants long-term loans to Swedish households, municipalities, municipal housing companies and corporates
- All loans secured by mortgages, tenant-owner units or municipal/state guarantees
- Cost-effective loan origination and service through Nordea Bank's nationwide Swedish branch network and internet
- Licensed by the Swedish Financial Supervisory Authority to issue covered bonds (Säkerställda Obligationer) according to the Swedish Covered Bond Act
- Covered bonds rated Aaa/AAA by Moody's/S&P
- Cover pool information at nordea.com

Cover pool key characteristics

Q2 2017

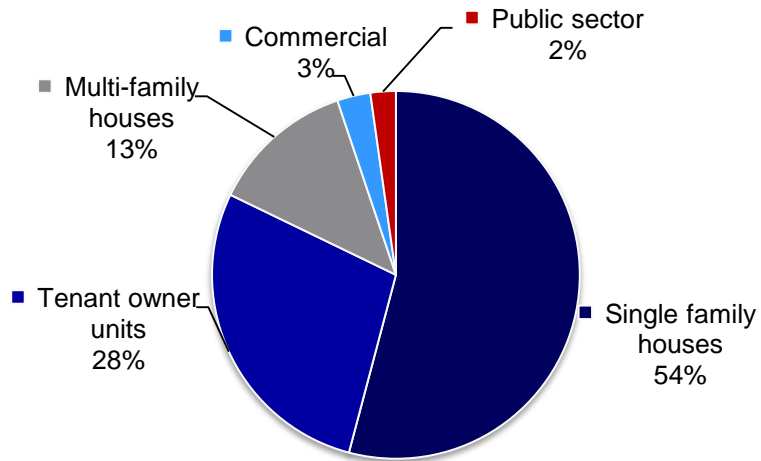
Loans in cover pool	SEK 518.8bn
Outstanding covered bonds	SEK 306.9bn
Cover pool content	Mortgage loans secured by residential or commercial property. Loans to public sector
Geographic distribution	Throughout Sweden with concentration to urban areas
Asset distribution	94.8% residential, 2.2% public sector, 2.9% commercial
Weighted average LTV*	49.3% (indexed)
Average loans size*	SEK 548k
Over collateralization, OC	69.1%
Rate type	Floating 78.7%, Fixed 21.3%
Amortization	Bullet/ interest only 30.2%, Amortizing 69.8%
Pool type	Dynamic
Loans originated by	Nordea Bank AB

* Residential

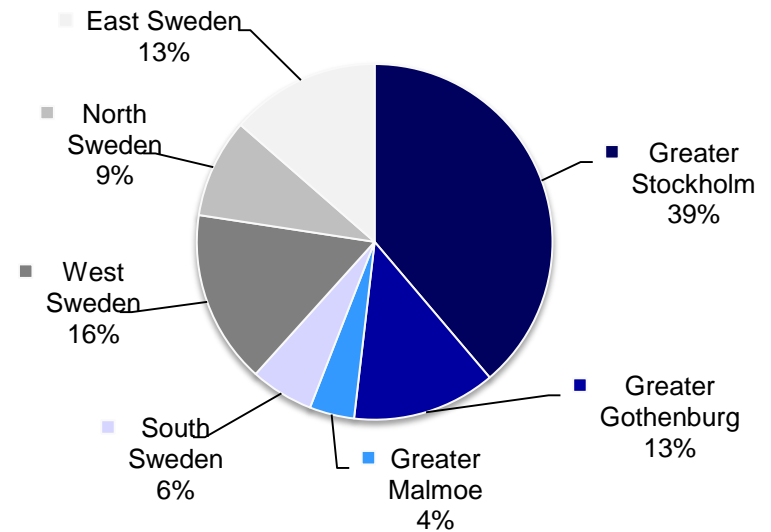
Cover pool key characteristics

Q2 2017

Cover pool balance by loan category



Cover pool balance by region*



Loan To Value* (LTV)

Q2 2017

Weighted Average LTV – Unindexed (%)	58,8	
LTV buckets	Nominal (SEKm)	% Residential Loans
>0 - <=40 %	341 646	69,4
>40 - <=50 %	57 655	11,7
>50 - <=60 %	46 135	9,4
>60 - <=70 %	34 728	7,1
>70 - <=80 %	11 936	2,4
Total	492 099	100%
Weighted Average LTV - Indexed (%)	49,3	
LTV buckets	Nominal (SEKm)	% Residential Loans
>0 - <=40 %	387 055	78,6
>40 - <=50 %	51 545	10,5
>50 - <=60 %	33 165	6,7
>60 - <=70 %	16 687	3,4
>70 - <=80 %	3 647	0,7
Total	492 099	100%

* Residential

Nordea Hypotek – Outstanding benchmark covered bonds

Q2 2017

Breakdown by ISIN

ISIN	Currency	Amount (SEKm)	Maturity	Coupon (%)
5529	SEK	63 100	2018-06-20	2
5530	SEK	60 950	2019-06-19	2,25
5521	SEK	65 242	2020-06-17	3,25
5532	SEK	42 050	2021-05-19	1,25
5531	SEK	43 275	2022-04-08	1
	Total	274 617		

Nordea Hypotek – Conservative underwriting criteria

Q2 2017

- Private households
 - Track record and income checked via UC
 - Always household budget "before-after" with buffer requirement and stress test including behavioral analysis
 - Individual valuation of the pledged property
- Corporates / Municipalities
 - Financial analysis with adjustments to market conditions
 - Verification of key ratios and other requirements in Nordea general real estate lending policy
 - Rating according to Nordea's in-house models
 - Individual valuation of the pledged property
 - Yearly reassessments