

Nordea



Debt investor presentation Q1 2018

## Disclaimer

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Nordea believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Nordea include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

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# 1. Nordea in brief

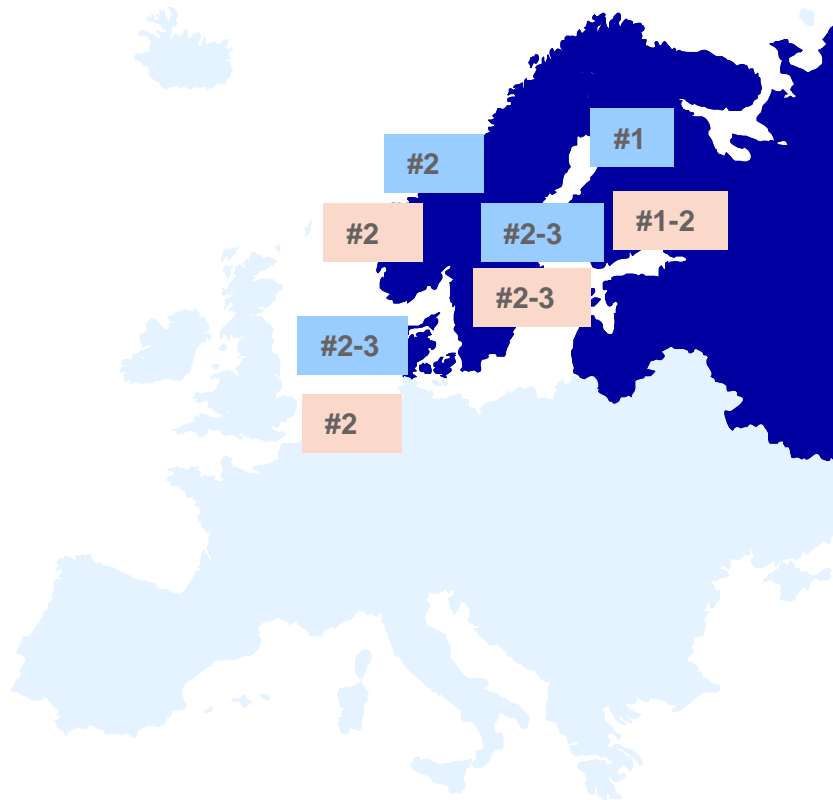
# The largest financial services group in the Nordics

Household market position\*

#1

Corporate & Institutional market position\*\*

#1



## Business position

- Leading market position in all four Nordic countries
- Universal bank with strong position in household, corporate and wealth management
- Well diversified business mix between net interest income, net commission income and capital markets income

## 11 million customers and strong distribution power

- Approx. 10 million household customers
- 700 000 corporate customers, including Nordic Top 500
- Approx. 450 branch office locations
- Enhanced digitalisation of the business for customers

## Financial strength

- EUR 9.5bn in full year income (2017)
- EUR 580bn of assets (Q1 2018)
- EUR 31.1bn in equity capital (Q1 2018)
- CET1 ratio 19.8% (Q1 2018)

## AA level credit ratings

- Moody's Aa3 (stable outlook)
- S&P AA- (stable outlook)
- Fitch AA- (stable outlook)

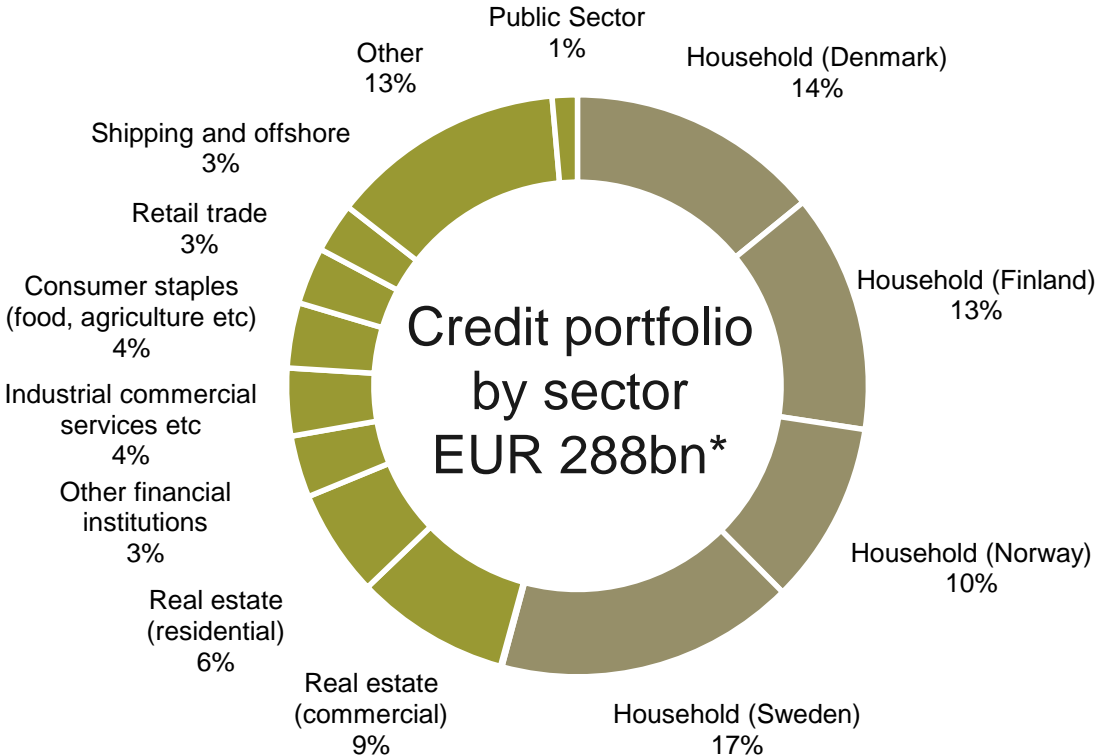
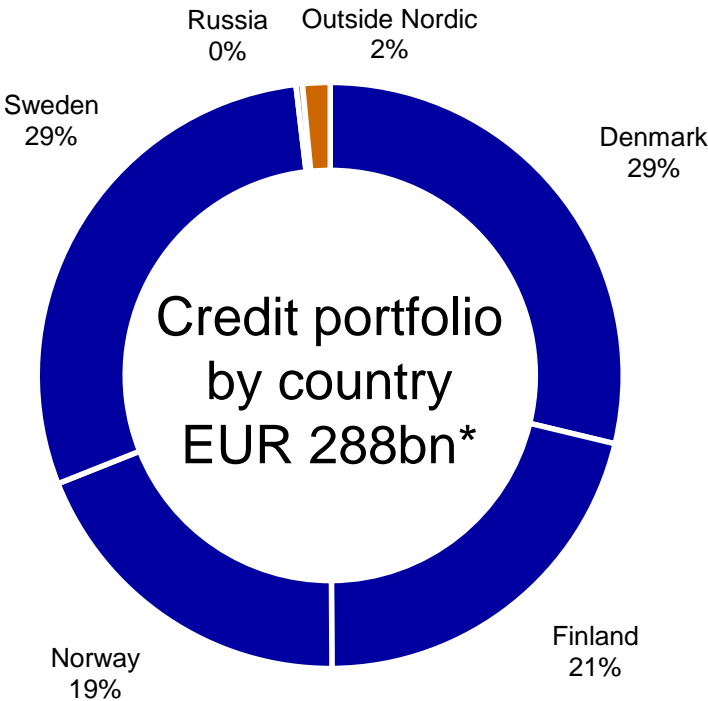
## EUR 35bn in market cap (Q1 2018)

- One of the largest Nordic corporations
- A top-10 universal bank in Europe

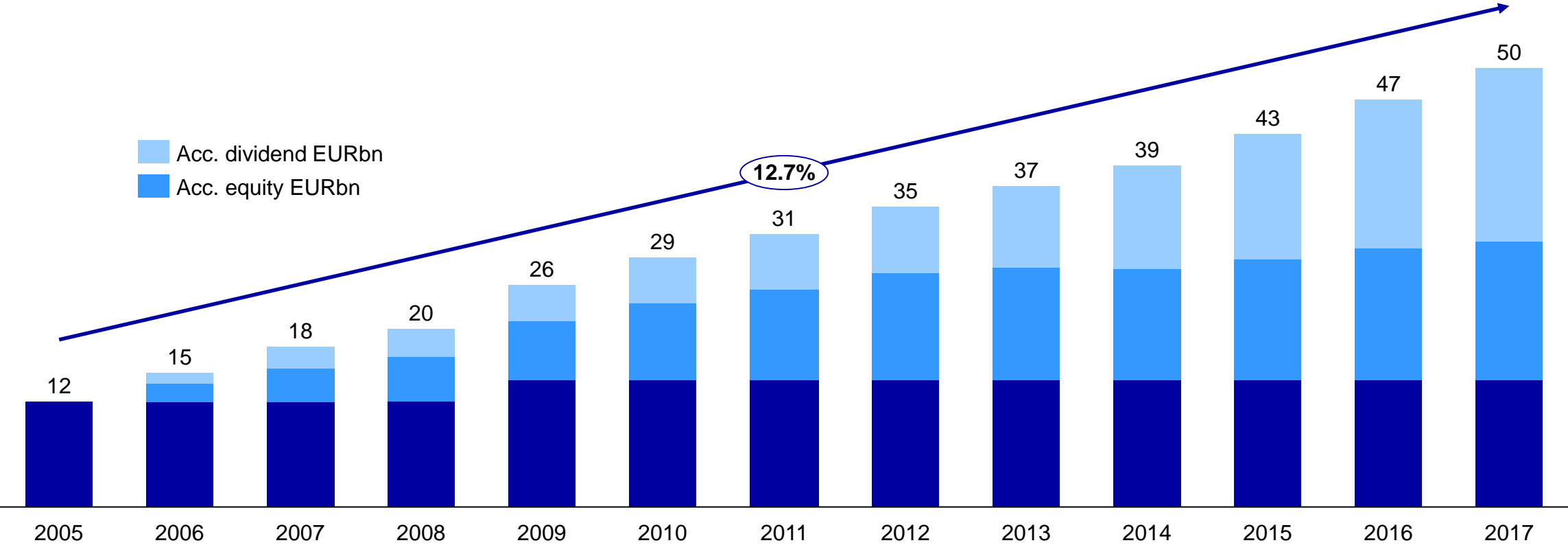
# Nordea is the most diversified bank in the Nordics

A Nordic-centric portfolio (98%)

Lending: 46% Corporate and 54% Household



# Strong Nordea track record

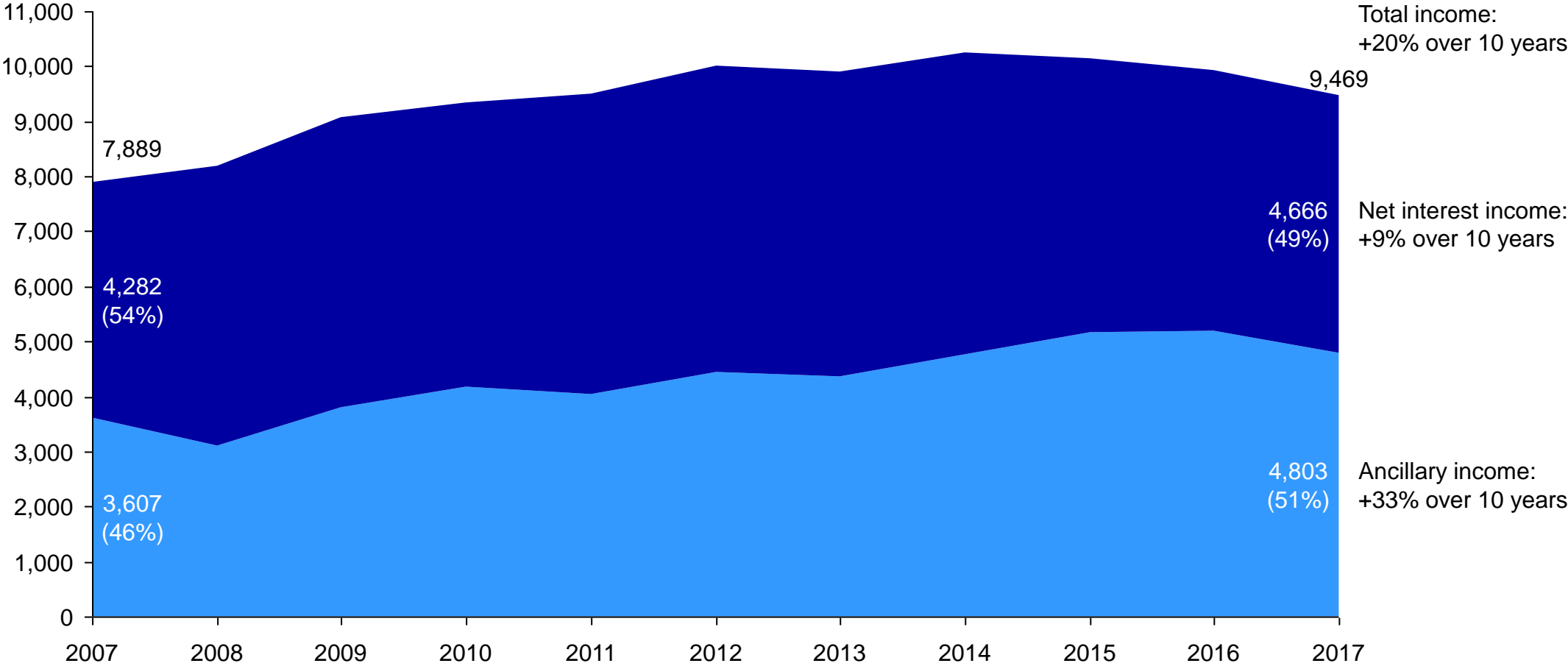


2005  
CET1  
ratio (%) 5.9\*\*

Q118  
CET1  
ratio (%) 19.8  
Leverage  
Ratio (%) 5.1

# Changed revenue structure

Nordea's focus on ancillary income offset pressure on net interest income

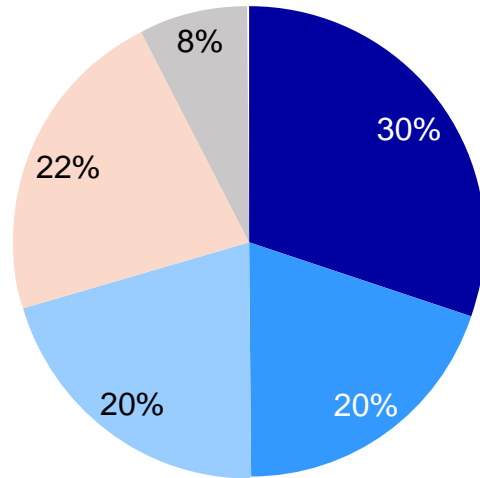




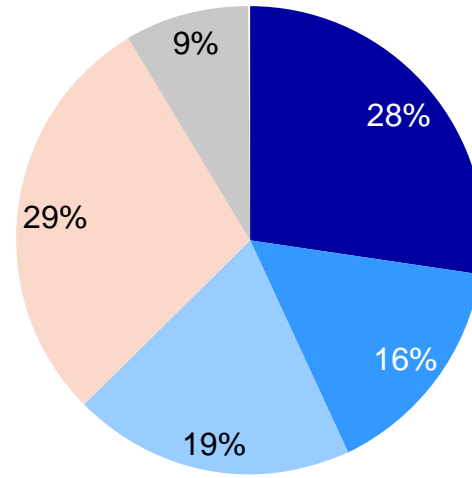
# Well mixed profit generation

Business Area contribution in FY 2017

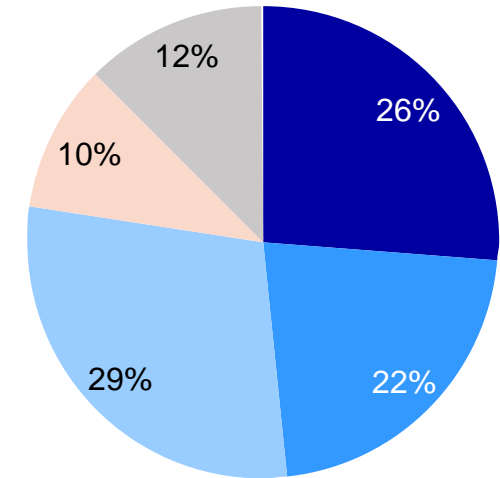
Operating Income



Operating Profit



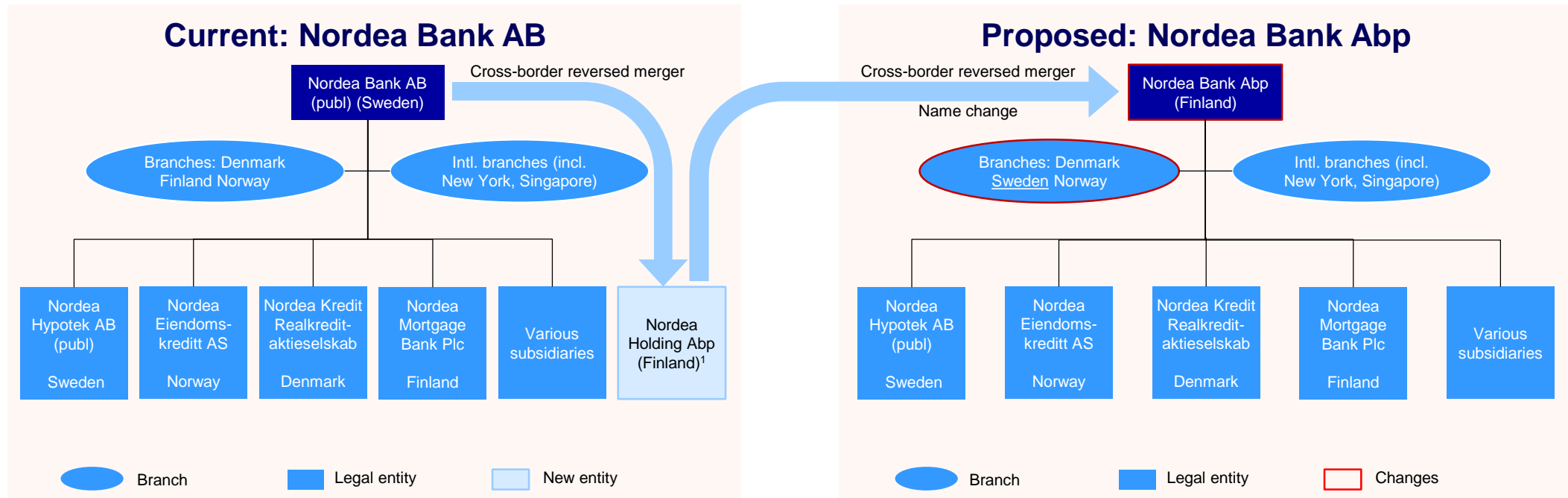
Economic Capital



■ Personal Banking ■ Commercial & Business Banking ■ Wholesale Banking ■ Wealth Management ■ Group Functions & Other

# Re-domiciliation of the parent company to Finland

- The re-domiciliation will be carried out by way of a cross-border reversed merger through which Nordea Bank AB (publ) will be **merged into a newly established Finnish subsidiary**
- Nordea Board of Directors has on 25 October 2017 **signed the merger plan**
- Nordea **AGM approved** the proposal to re-domicile on March 15 2018
- A detailed timetable will be agreed with the relevant authorities and the re-domiciliation is planned to be effective as of **1 October 2018**



## 2. Financial results highlights

# Nordea

## **Profitability has improved from previous quarter**

- Operating income +4% compared to previous quarter

## **We are delivering on the cost reductions**

- Confident to deliver on 2018 cost target

## **Credit quality strongest since 2007**

## **Capital ratios at all-time-high**

- Highest capital ratio in Europe post methodology change from SFSA

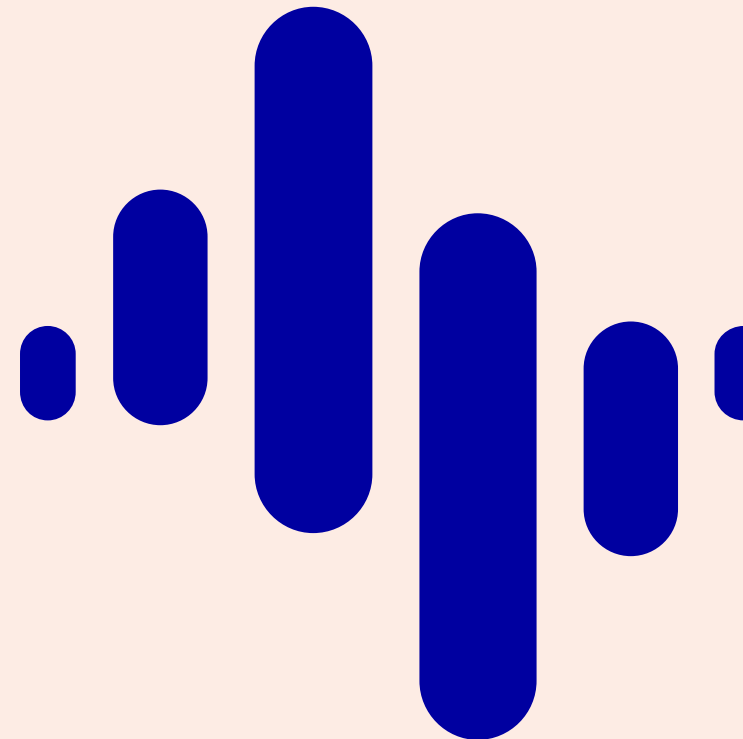
## **Significant improvements in compliance**

## **Underlying revenues softer than expected**

- Increased focus to improve business momentum
- More challenging to reach FY revenue guidance

## **Confident net profit will grow in 2018 vs 2017**

- Cost target for 2018 of EUR 4.9bn reiterated



## Q1 2018 Group financial highlights

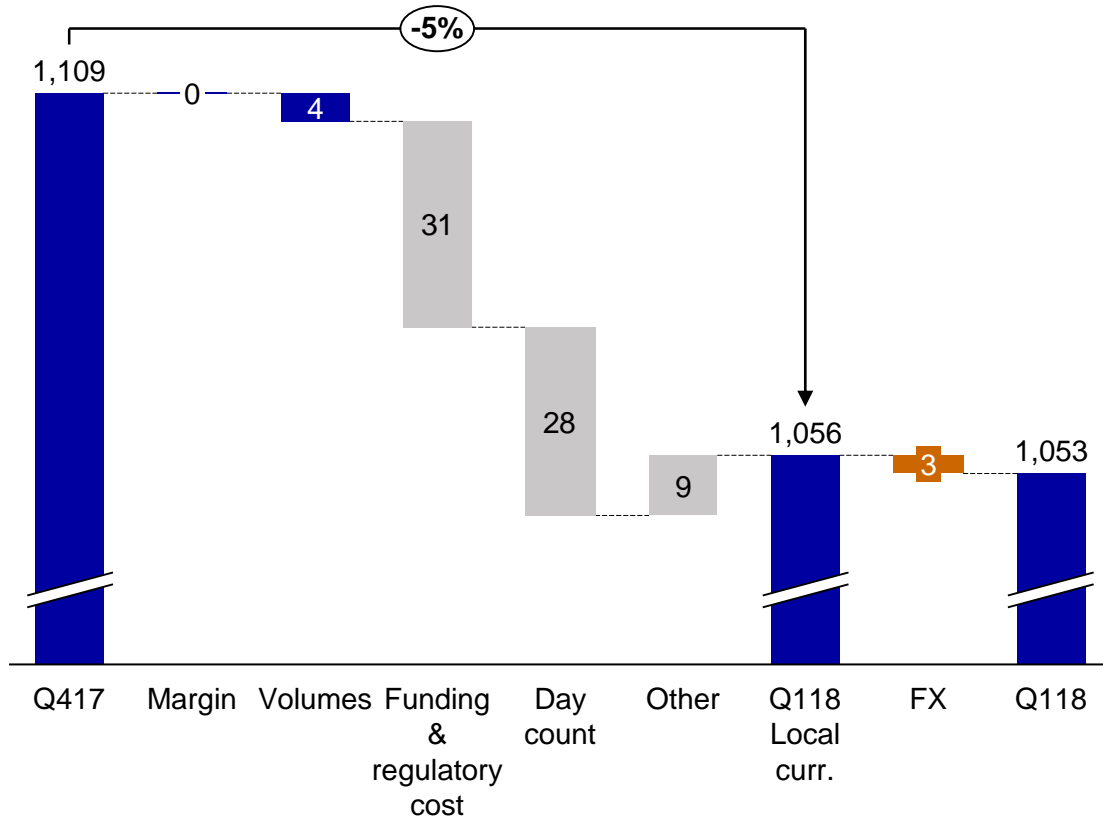
	Q118 vs. Q417*	Q118 vs. Q117*
<b>Income</b>	<ul style="list-style-type: none"> <li>• Operating income 4%</li> <li>• Net Interest Income -5%</li> </ul>	<ul style="list-style-type: none"> <li>-4%</li> <li>-9%</li> </ul>
<b>Costs</b>	<ul style="list-style-type: none"> <li>• Total expenses -11%</li> </ul>	-1%
<b>Profit</b>	<ul style="list-style-type: none"> <li>• <b>Operating profit 35%</b></li> </ul>	-1%
<b>Credit quality</b>	<ul style="list-style-type: none"> <li>• Loan loss level 7 (9) bps</li> </ul>	7 (14) bps
<b>Capital</b>	<ul style="list-style-type: none"> <li>• CET1 ratio 19.8% (19.5)</li> <li>• Management buffer 230 (190) bps</li> </ul>	<ul style="list-style-type: none"> <li>19.8% (18.8)</li> <li>230 (120) bps</li> </ul>

# Nordea Group

EURm	Q118	Q417	Change QoQ	Change QoQ (local currency)	Q117	Change YoY	Change YoY (local currency)
Net interest income	1,053	1,109	-5%	-5%	1,197	-12%	-9%
Net fee & commission income	770	839	-8%	-8%	866	-11%	-9%
Net fair value result	441	235	88%	90%	375	18%	17%
<b>Total income</b>	<b>2,315</b>	<b>2,228</b>	<b>4%</b>	<b>4%</b>	<b>2,461</b>	<b>-6%</b>	<b>-4%</b>
<b>Total expenses</b>	<b>-1,205</b>	<b>-1,361</b>	<b>-11%</b>	<b>-11%</b>	<b>-1,246</b>	<b>-3%</b>	<b>-1%</b>
Net loan losses	-40	-71	-44%	-43%	-113	-65%	-63%
<b>Operating profit</b>	<b>1,070</b>	<b>796</b>	<b>34%</b>	<b>35%</b>	<b>1,102</b>	<b>-3%</b>	<b>-1%</b>
<b>Net profit</b>	<b>820</b>	<b>629</b>	<b>30%</b>	<b>29%</b>	<b>844</b>	<b>-3%</b>	<b>-1%</b>
Return on equity (%)	10.0	7.7	+2.3 %-points		10.3	-0.3 %-points	
CET1 capital ratio (%)	19.8	19.5	+0.3 %-points		18.8	+1.0 %-points	
Cost/income ratio (%)	52	61	-9 %-points		51	+1 %-points	

# Net Interest Income

## Q118 vs Q417, EURm

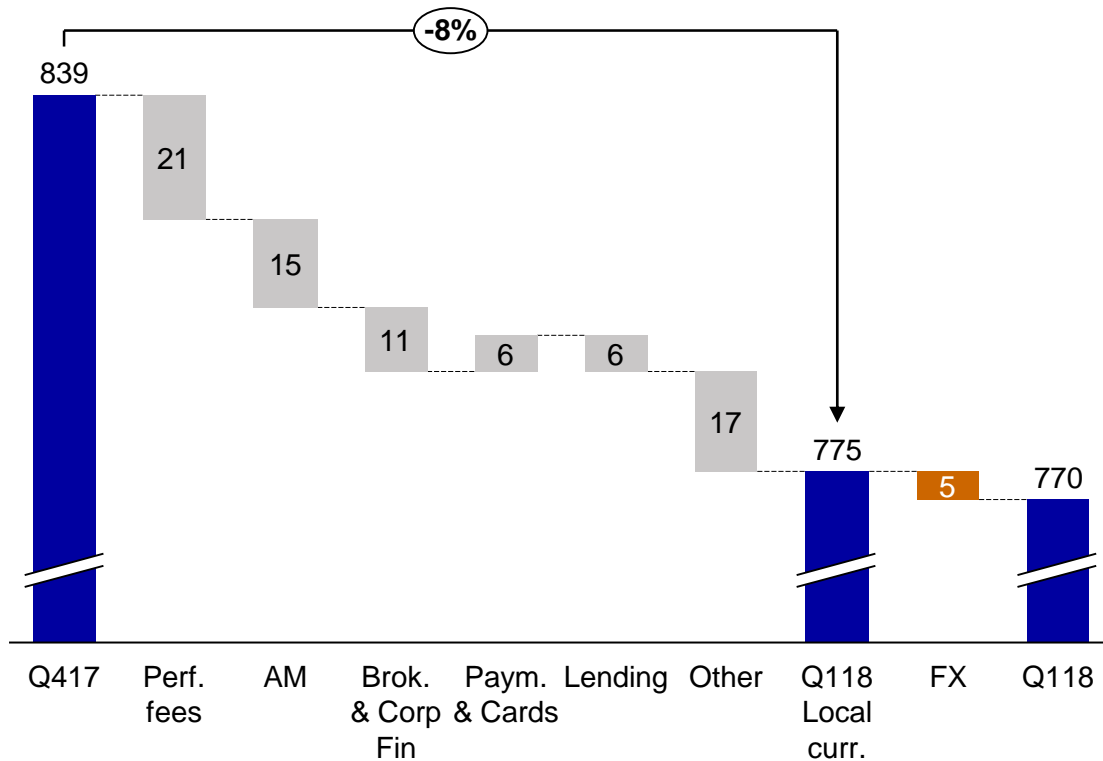


## QoQ trend

- Minor impact from volumes and margins
  - Lower lending margins and increased deposit margins
- Higher regulatory and funding costs
- Two fewer interest days
- Minor negative FX effects

# Net Fee and Commission Income

## Q118 vs Q417, EURm



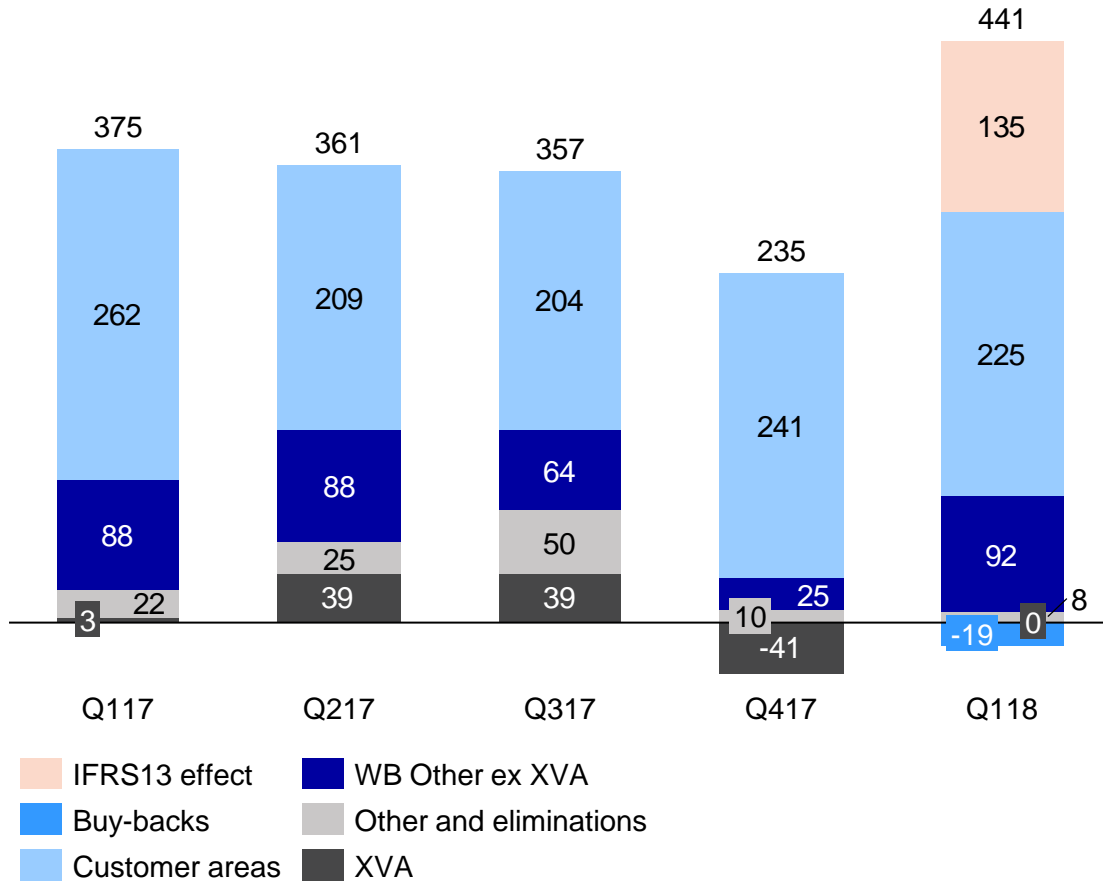
## QoQ trend

- Decrease in the quarter, mainly driven by Asset Management
- Asset Management down due to seasonality and lower volumes
- Declining stock markets impacted performance negatively
- Somewhat soft in lending fees
- Lower activity in ECM and Advisory



# Net Fair Value

## 5 quarters development, EURm

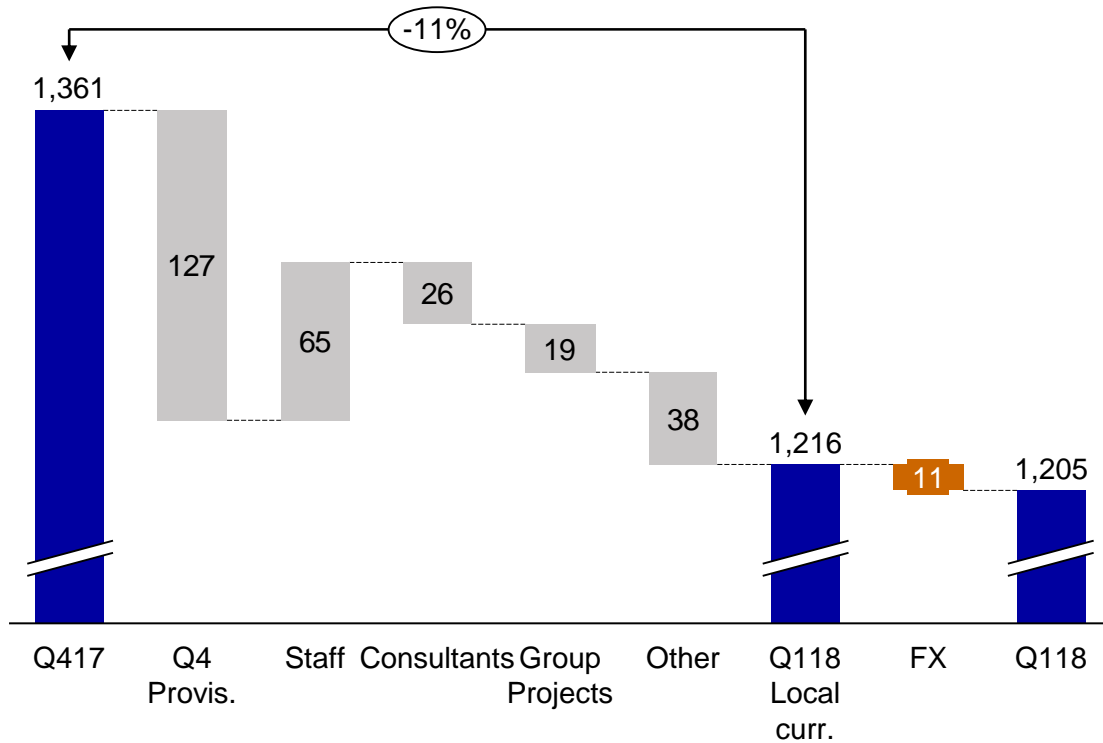


## QoQ trend

- Underlying level higher than Q4 mainly driven by higher trading income
- Customer demand still subdued
- Reported NFV lifted by EUR 135m positive impact from new valuation model (IFRS 13)
- No impact from XVA's in the quarter

# Costs

## Q118 vs Q417, EURm

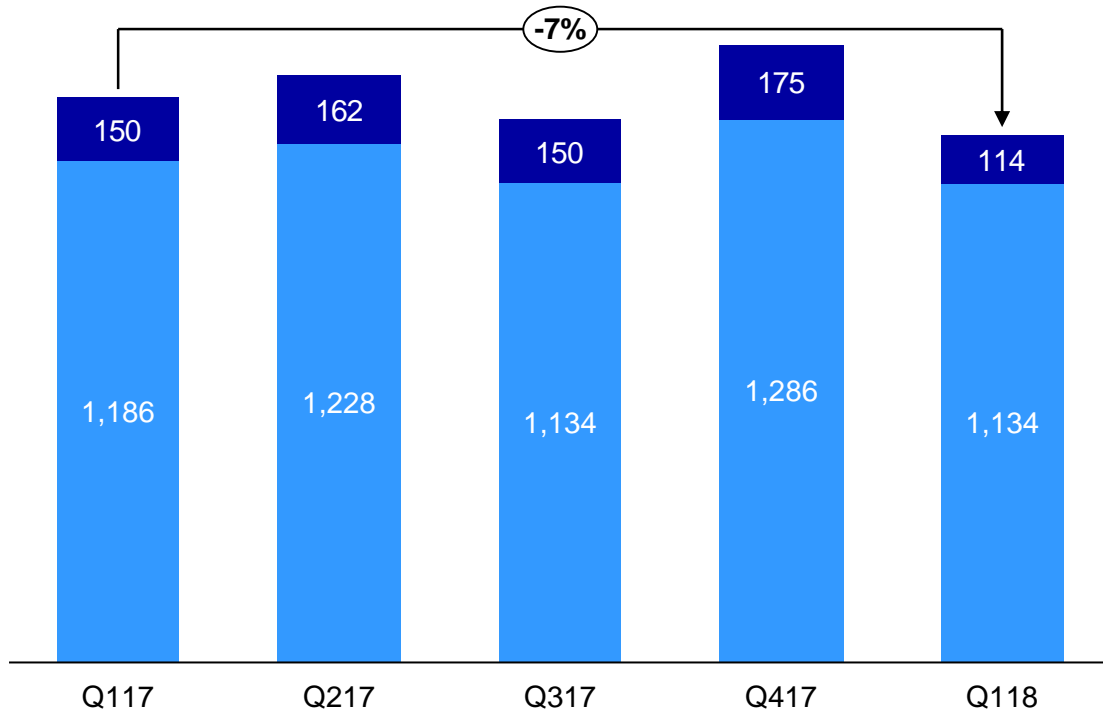


## Comments

- On track to deliver on 2018 target of EUR 4.9bn
- Increase in staff costs mainly due to periodisation
- Number of staff down by 317
- Lower costs for group projects and consultants
- Other costs down due to cost initiatives

# Significant reduction in cash spending

## Q118 vs Q117, EURm



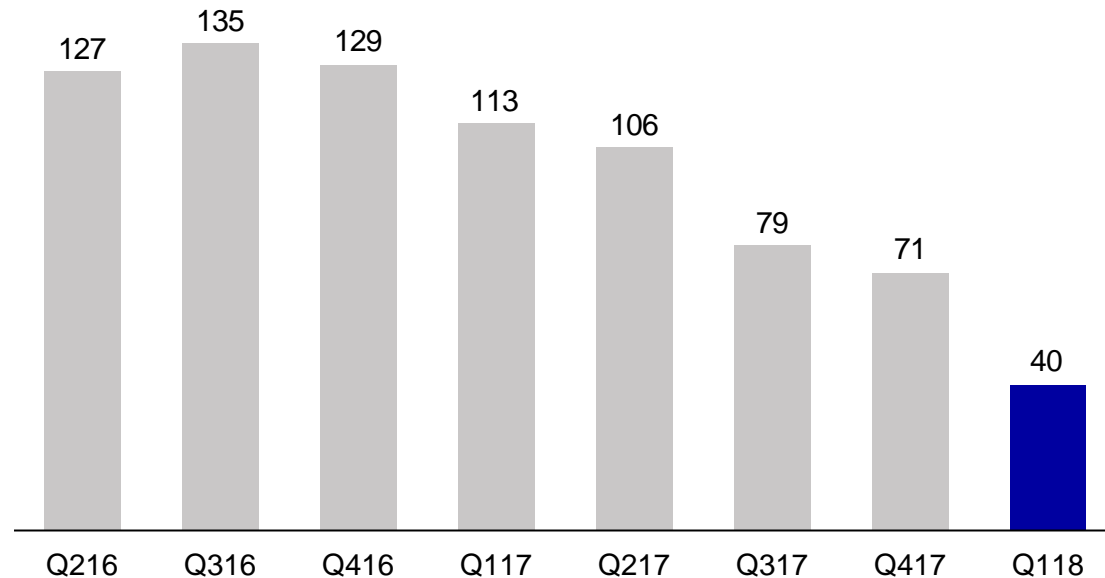
- Capitalisations in the balance sheet
- Operating expenses excl. depreciations and amortisations

## Comments

- Total cash spending in the P&L and balance sheet is down 7% YoY
- Well on track to meet 2018 cash spending target of EUR 5.1bn (down from EUR 5.5bn in 2017)
- Cash spending target of EUR 4.5-4.7bn in 2021 reiterated
- Lower cash spending will significantly improve capital generation

# Improved asset quality

## Total net loan losses\*, EURm



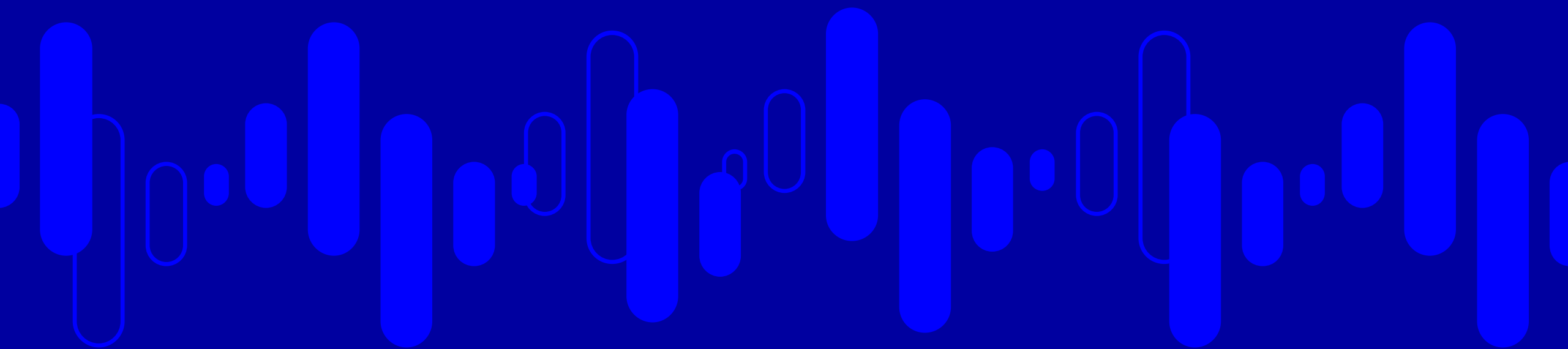
## Comments

- Net loan loss ratio for Q1 7 bps (Q4 9 bps)
  - Net loan losses in Q1 mainly related to one large new impaired customer in Wholesale Banking Denmark as well as Oil & Offshore
- Net loan loss outlook
  - Loan losses expected to be below long term average in coming quarters
- Impaired loans (Stage 3) EUR 5.2bn
  - Evenly split between servicing and non-servicing
  - 215 bps of total lending is impaired (Stage 3)
  - Reserved allowances to cover 36% of the impaired loans

## Status on our transformation

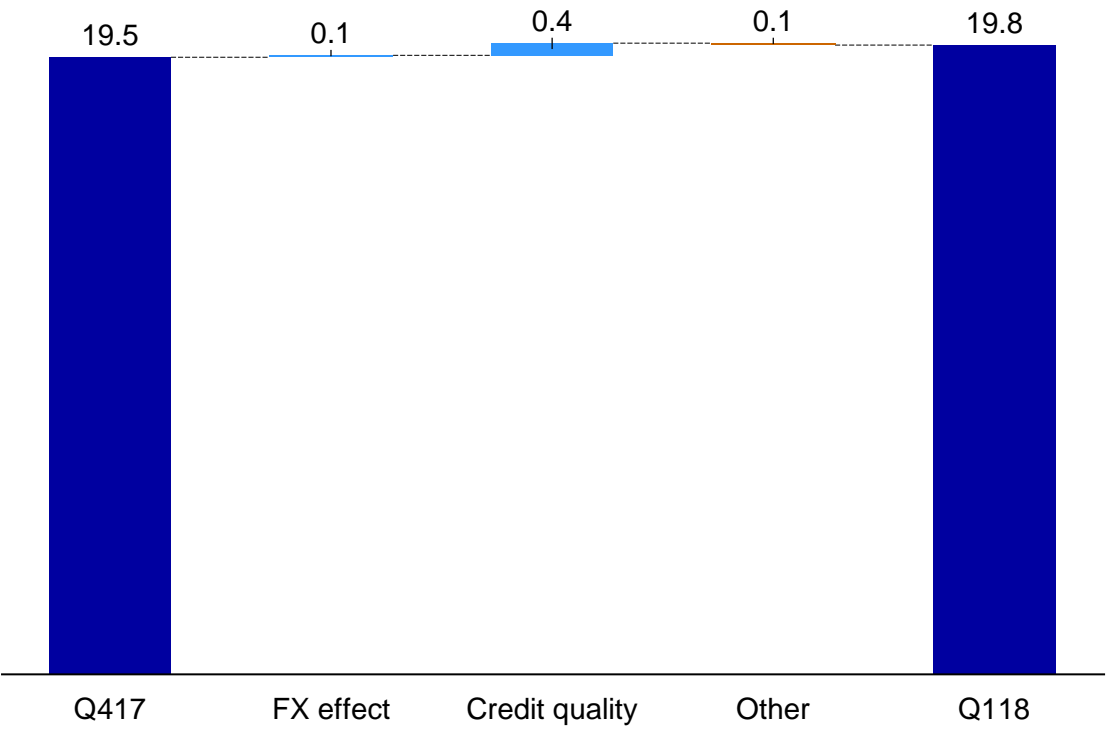
<b>Re-domiciliation</b>	<ul style="list-style-type: none"><li>• 96% of shareholders approved the re-domiciliation to Banking Union (Finland)</li><li>• The merger is tentatively to be effected October 1, 2018</li></ul>
<b>Simplification</b>	<ul style="list-style-type: none"><li>• Migrated 250,000 household customer accounts in Finland onto the new core banking platform</li><li>• New savings and deposit accounts being opened on the new core banking platform</li><li>• All SEPA Credit Transfer Interbank payments now running on the new Global Payment Engine</li><li>• Reduced IT complexity; 190 data warehouse applications closed down</li></ul>
<b>De-risking</b>	<ul style="list-style-type: none"><li>• De-risking in Russia, Shipping, Oil &amp; Offshore coming to an end</li><li>• International Private Banking divested</li><li>• Increased financial crime preventions</li></ul>
<b>Digital</b>	<ul style="list-style-type: none"><li>• Fin-tech collaborations (Ex.Tink, Betalo, Wrapp, Fitbit and Garmin)</li><li>• Joined the first blockchain-based trade finance platform as founding partner (we.trade)</li><li>• Creating next-gen intelligent banking experiences and growing our robotics family</li></ul>

### 3. Capital



# Common Equity Tier 1 ratio development Q118 vs Q417

## Quarterly development



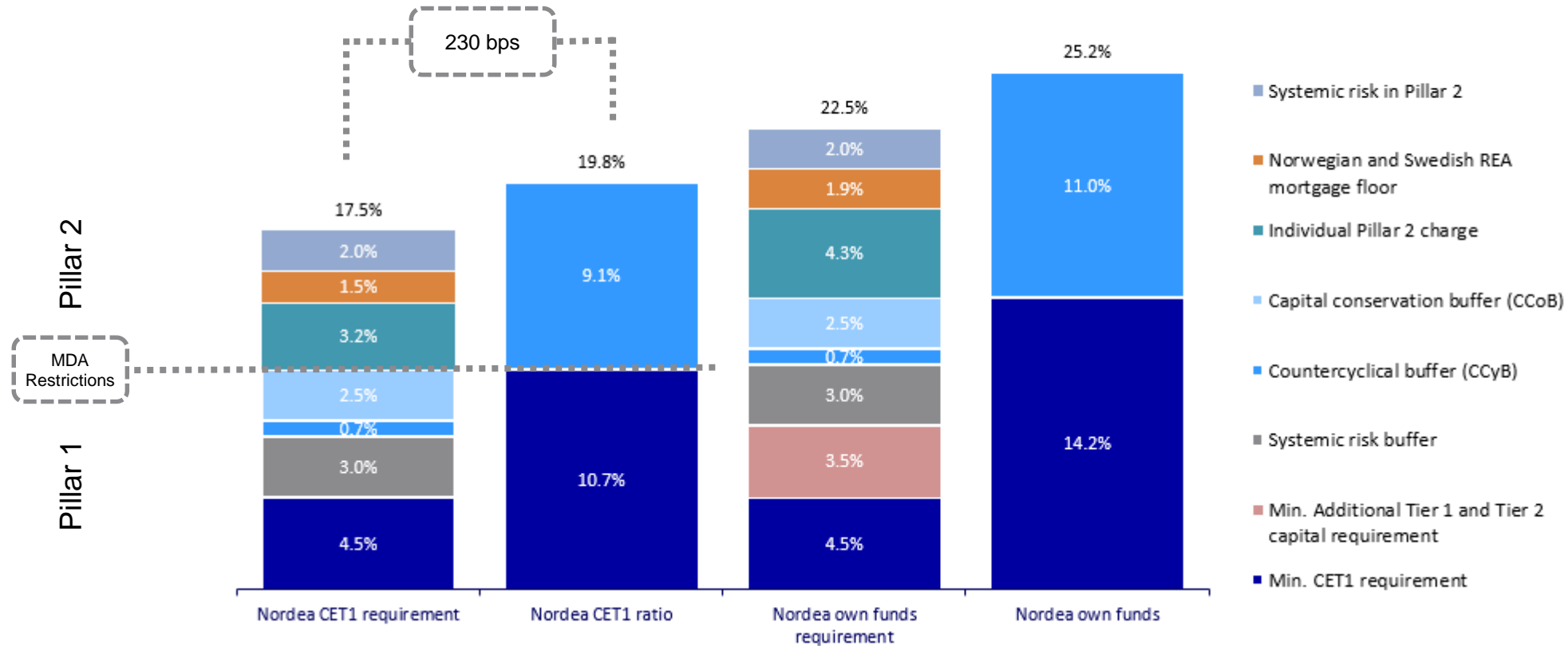
## Comments

- CET1 ratio continued to strengthen to 19.8% in Q1
- Total capital ratio stable at 25.2% (25.2% in Q4)
- Management buffer all-time-high at 230 bps compared to target range of 50-150 bps
- Improved credit quality the key driver of improvement

# Nordea estimated CET1 and own funds requirement Q1 2018\*

## Comments

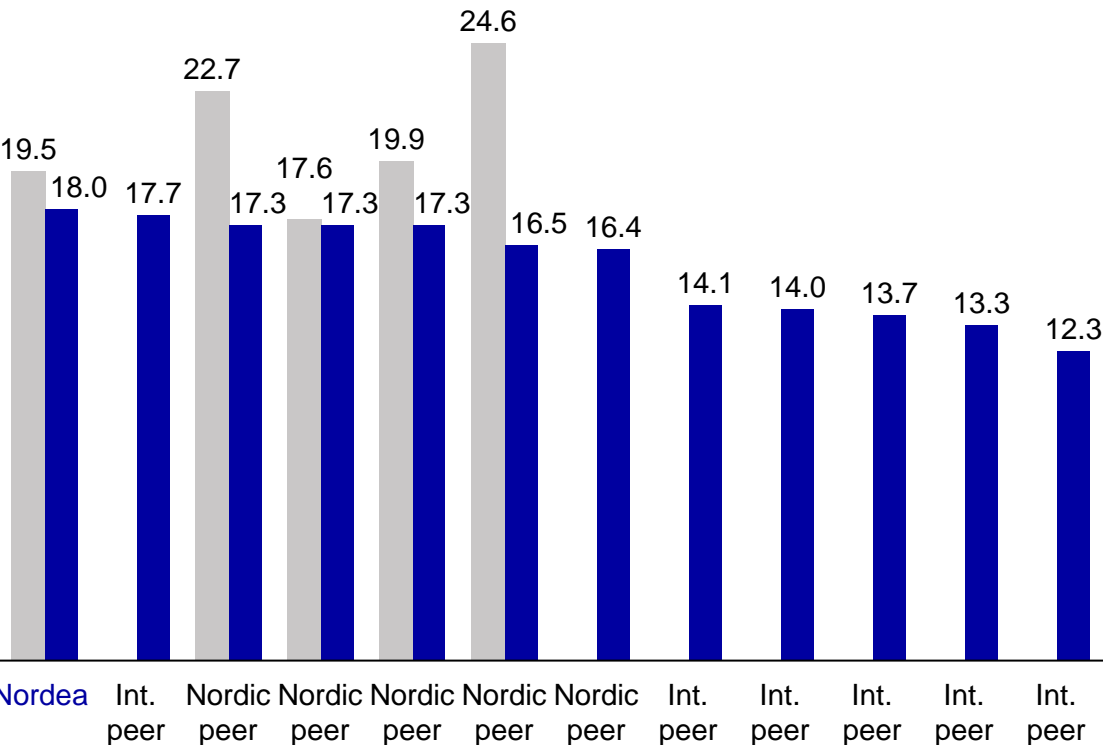
- As part of the re-domiciliation process, Nordea will migrate from the Swedish FSA framework to the harmonised ECB capital requirement's framework
- Nordea is currently in dialogue with the ECB to establish future capital requirements





# SFSA proposal on mortgage risk floors

## Expected impact\*



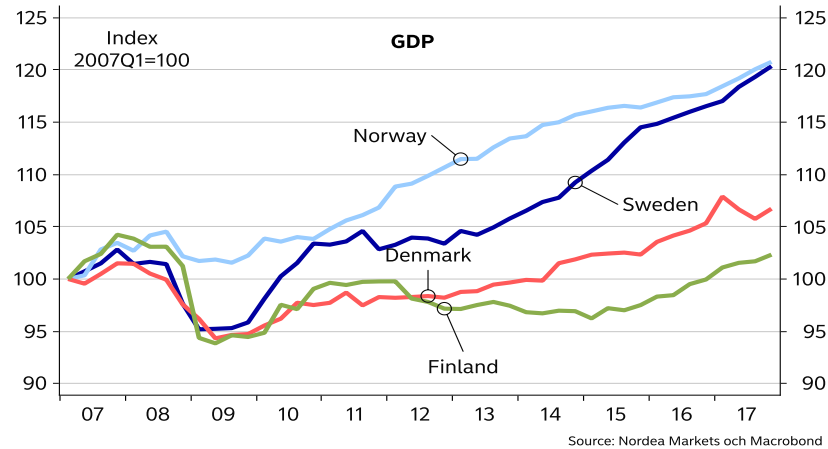
## Comments

- With the proposed move of the Swedish mortgage risk floors from Pillar 2 to Pillar 1, Nordea will have the highest CET1 ratio in Europe
- Capital in nominal terms unchanged
- Management buffer largely unchanged

## 4. Macro

# Prospering Nordic economies

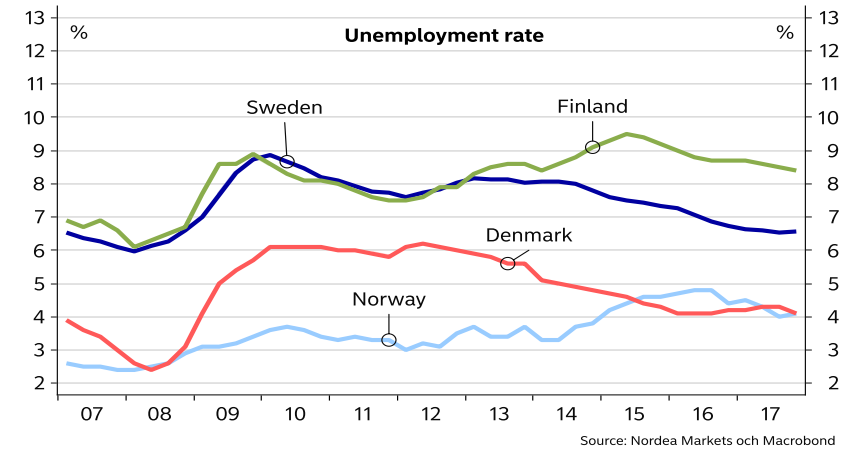
## GDP development



## Comments

- The Nordics are enjoying an economic tailwind. While the synchronized global recovery raise exports, the accommodative monetary polices supports domestic demand
- Short-term survey indicators remains upbeat, which suggests growth will be held up in the near-term

## Unemployment rate



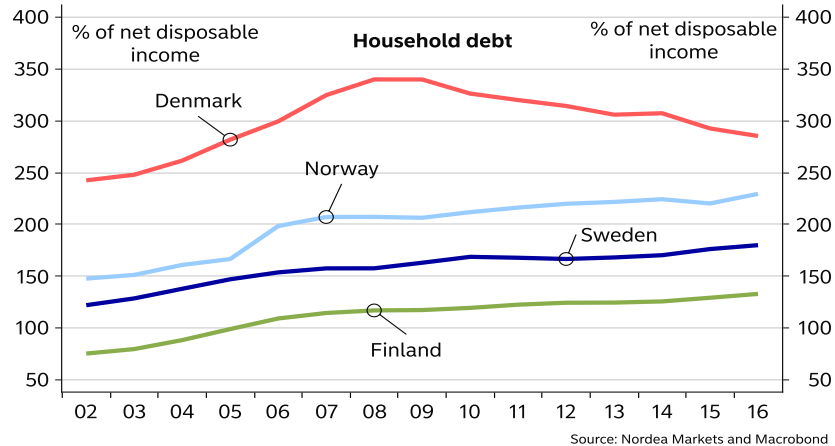
## GDP forecast, %

Country	2015	2016	2017	2018E	2019E
Denmark	1.6	2.0	2.2	1.8	1.7
Finland	0.1	2.1	2.6	3.0	2.5
Norway	1.4	1.0	1.8	2.4	2.4
Sweden	4.3	3.0	2.7	2.5	1.9

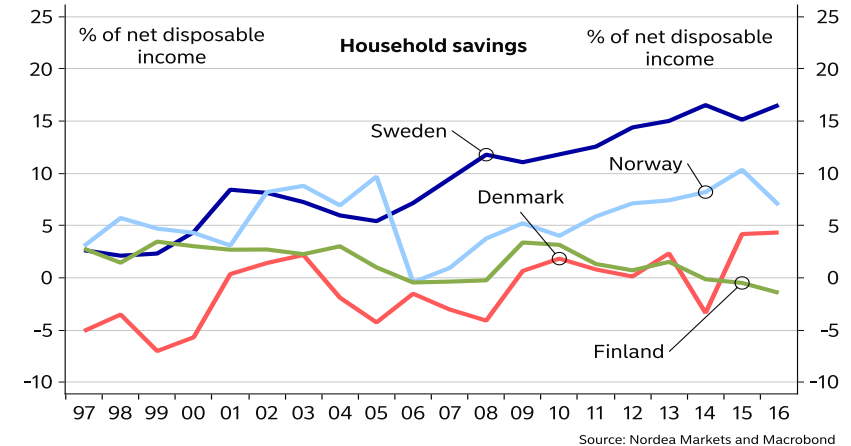
Source: Nordea Economic Outlook, April 2018

# Household debt remains high, but so is private and public savings

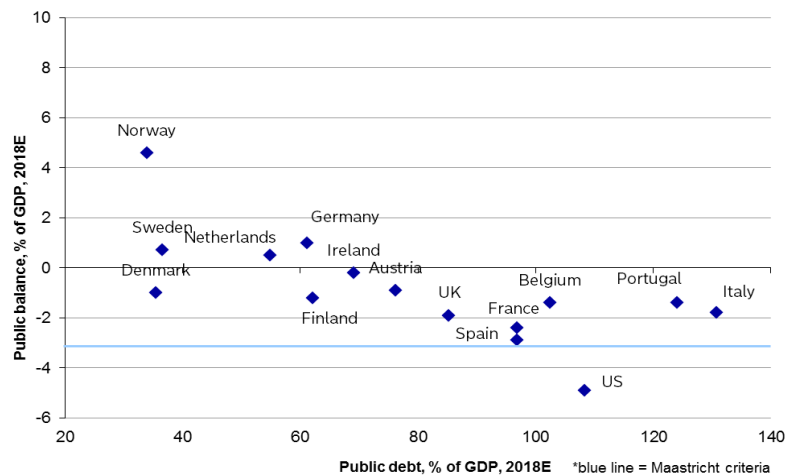
## Household debt



## Household savings



## Public balance/debt, % of GDP, 2018E

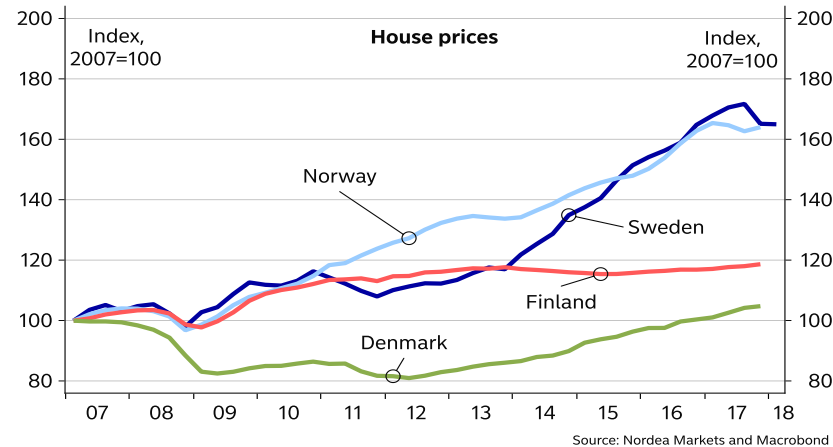


## Comments

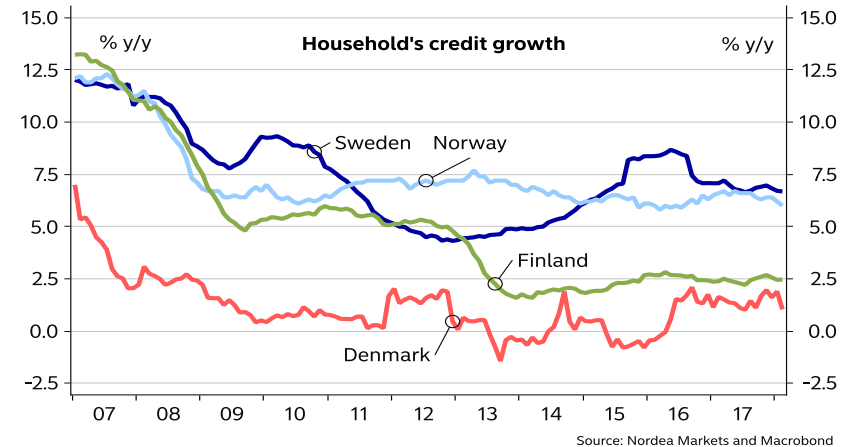
- In all countries, apart from Denmark, household debt continues to rise somewhat faster than income. Meanwhile, households' savings rates remain at high levels, apart from Finland where savings have declined somewhat in recent years
- The Nordic public finances are robust due to the overall economic recovery and relatively strict fiscal policies. Norway is in a class of its own due to oil revenues

# House price development in the Nordics

## House prices



## Household's credit growth



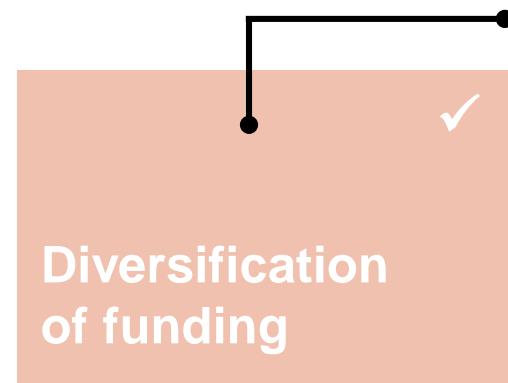
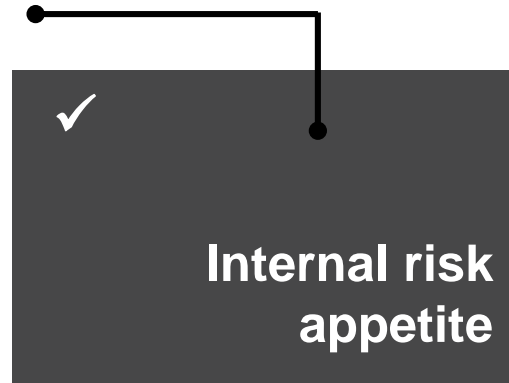
## Comments

- Recent quarters have shown some weaknesses in the Swedish and Norwegian housing markets, while prices continue to rise in Denmark and Finland
- In Sweden house prices declined in H2 2017, most pronounced in Stockholm where prices have fallen by 10% since the peak in the spring of 2017. The price correction is probably caused by the marked rise in buildings seen in recent years. Going forward, we expect largely stagnant prices as mortgage rates, the most important determinant for prices, are expected to stay low. This is also supported by the monthly outcomes for January-March 2018
- In Norway, primarily in Oslo, house prices turned down during 2017. The downturn was primarily driven by stricter lending requirements introduced January 1<sup>st</sup> 2017. However, prices have levelled out, and even increased somewhat in Oslo, in recent months. We forecast largely unchanged prices ahead

## 5. Funding

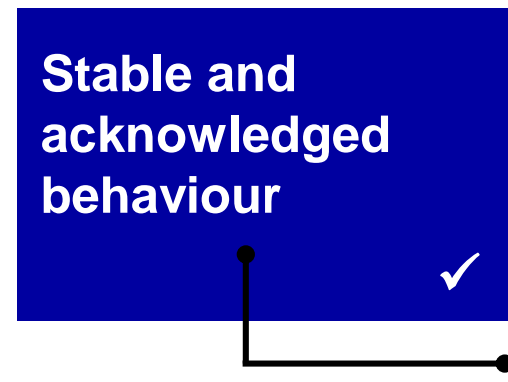
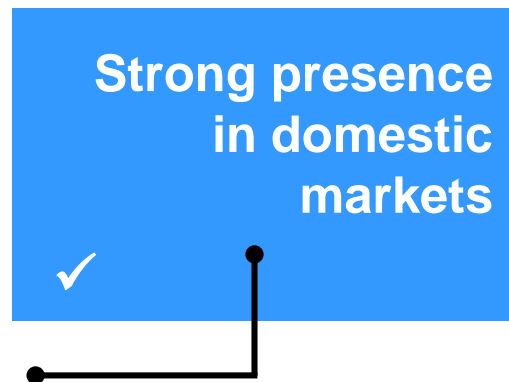
# Securing funding while maintaining a prudent risk level

- Appropriate balance sheet matching; maturity, currency and interest rate
- Prudent short term and structural liquidity position
- Avoidance of concentration risks
- Appropriate capital level



- Diversified wholesale funding sources:
  - Instruments, programs, currency and maturity
  - Investor types
  - Geographic split
- Active in deep liquid markets

- Profiting on strong name across Nordics
- Nurture and develop strong home markets
- Covered bond platforms in all Nordic countries

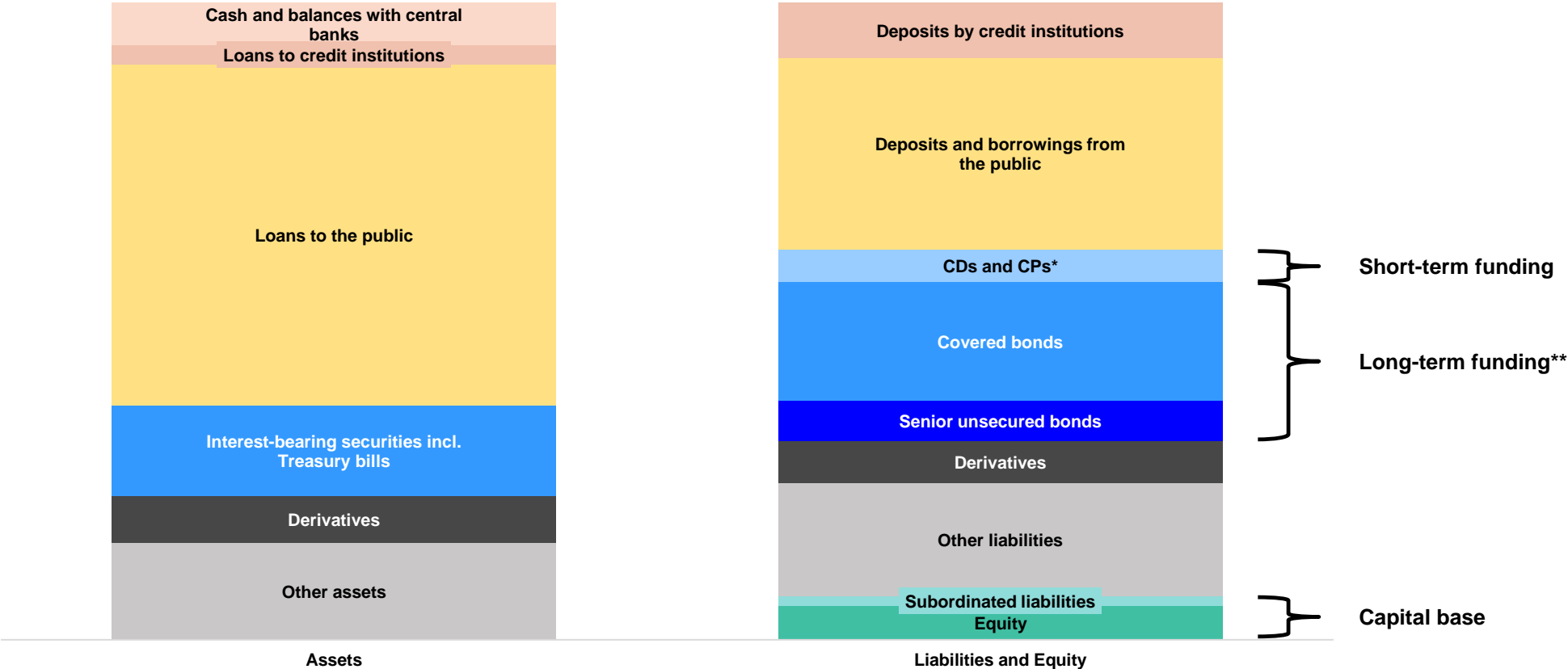


- Consistent, stable wholesale issuance strategy
- Knowing our investors
- Predictable and proactive – “staying in charge”

***Continuously optimising cost of funding within market constraints***

# Diversified balance sheet

Total assets EUR 580bn

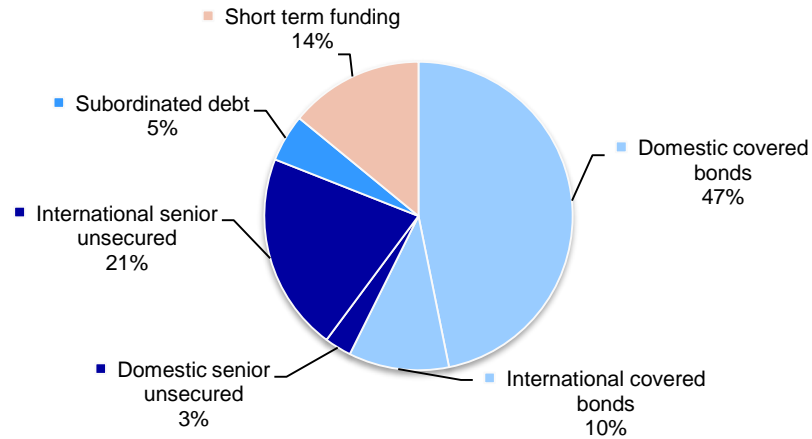


\* Including CDs with original maturity >1y  
 \*\* Excluding subordinated liabilities

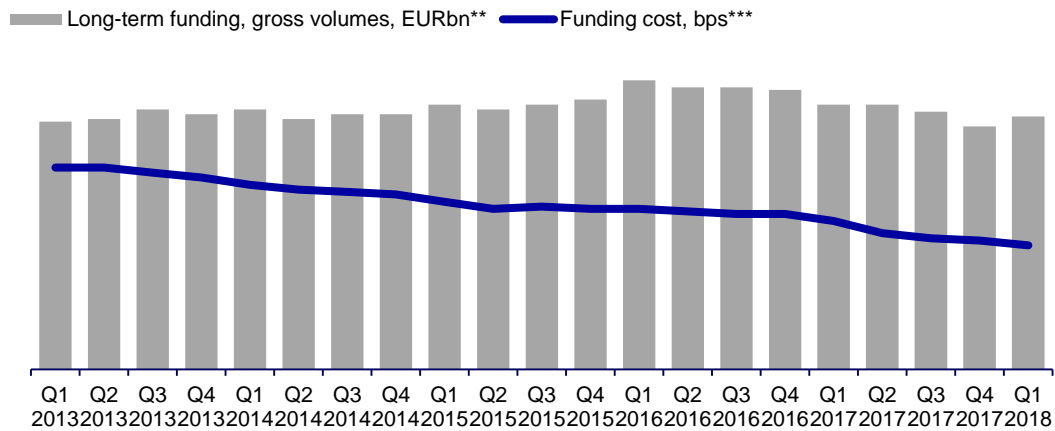


# Solid funding operations

## Long- and short-term funding, gross volumes, EUR 196bn



## Long-term funding costs trending down\*

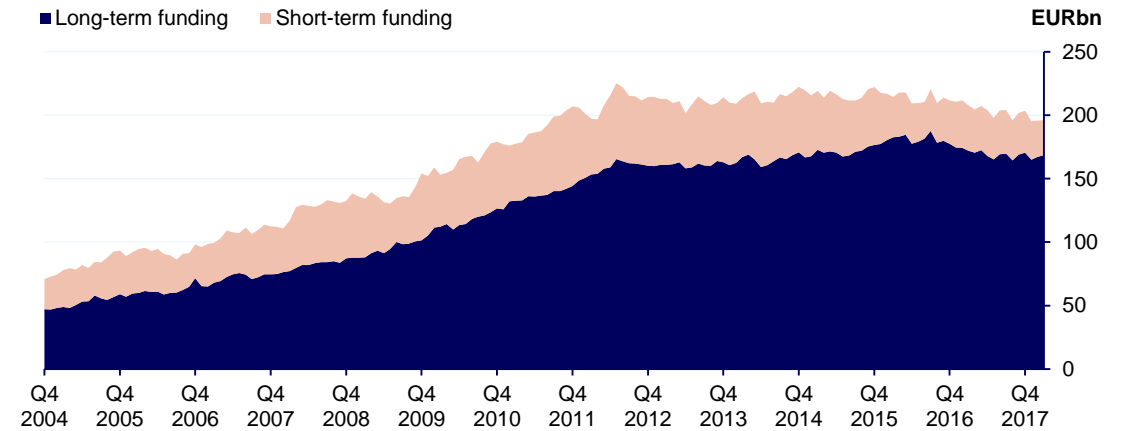


\* Excluding Nordea Kredit covered bonds and subordinated debt  
 \*\* Seasonal effects in volumes due to redemptions  
 \*\*\* Spread to Xibor

## YTD long-term issuance as of Q1 2018, gross volumes, EUR 7.0bn\*\*\*\*



## Distribution of long vs. short-term funding, gross volumes\*\*\*\*\*



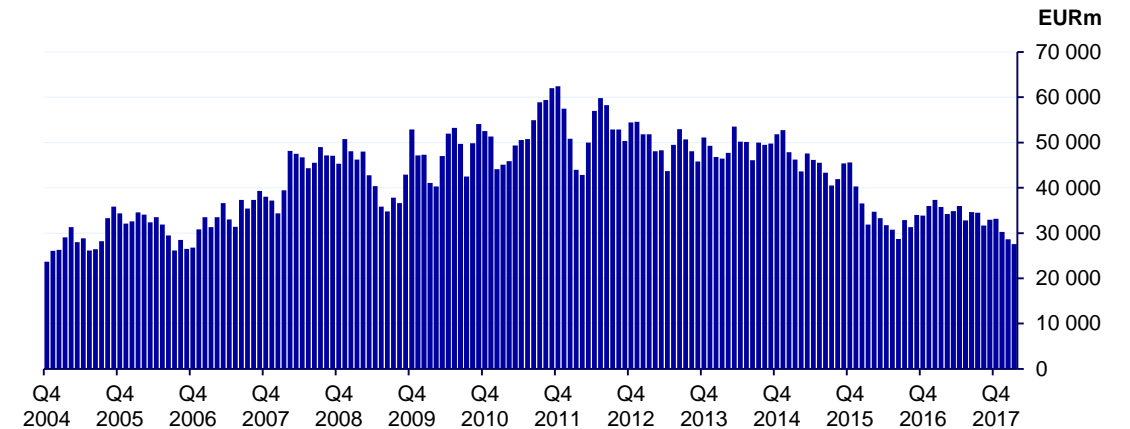
\*\*\*\* Excluding Nordea Kredit  
 \*\*\*\*\* As of Q1 2018 83% of total funding is long term, adjusted for internal holdings

# Short-term funding – prudent and active management

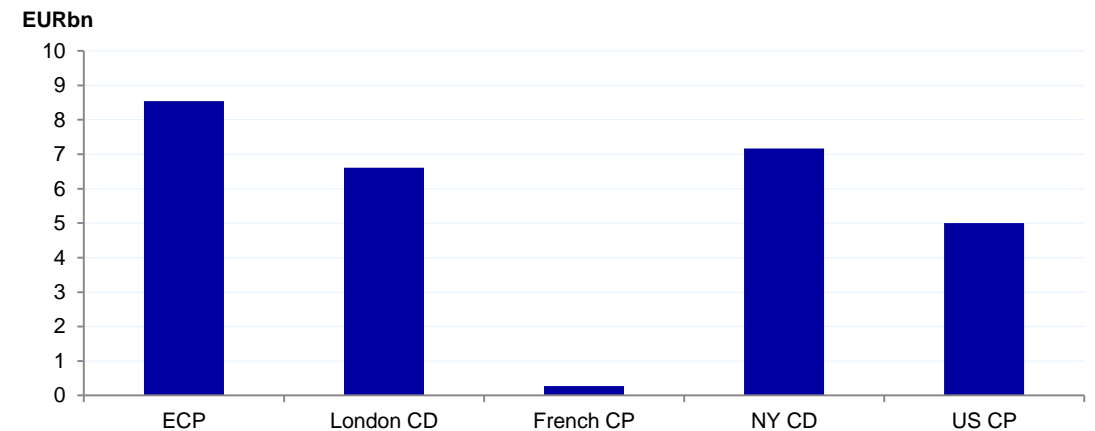
## Comments

- The first quarter of 2018 has been unusually choppy in the general funding market, especially the US market with widening LIBOR/OIS spreads and continuously higher interest rates for CP funding
- Nordea has been able to maintain its issuance and pricing level, even if some of its peers have been paying above Libor's both in US and in Europe
- Nordea has been actively issuing long dated (18m to 2y) short term issuance out of the US market
- Nordea still has a well diversified investor base that is tapped from Asia to USA
- Each program has its niche contribution
- Total outstanding short-term funding has ranged between EUR 27-32bn during Q1 2018
- Short dated issuance remains an attractive funding component for the group at the current levels

## Short-term issuance



## Split between programs



# Changes to funding programs due to the re-domiciliation to Finland

## Comments

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- Nordea will establish corresponding funding programs for the new company in Finland (Nordea Bank Abp), i.e.

### Short term programs:

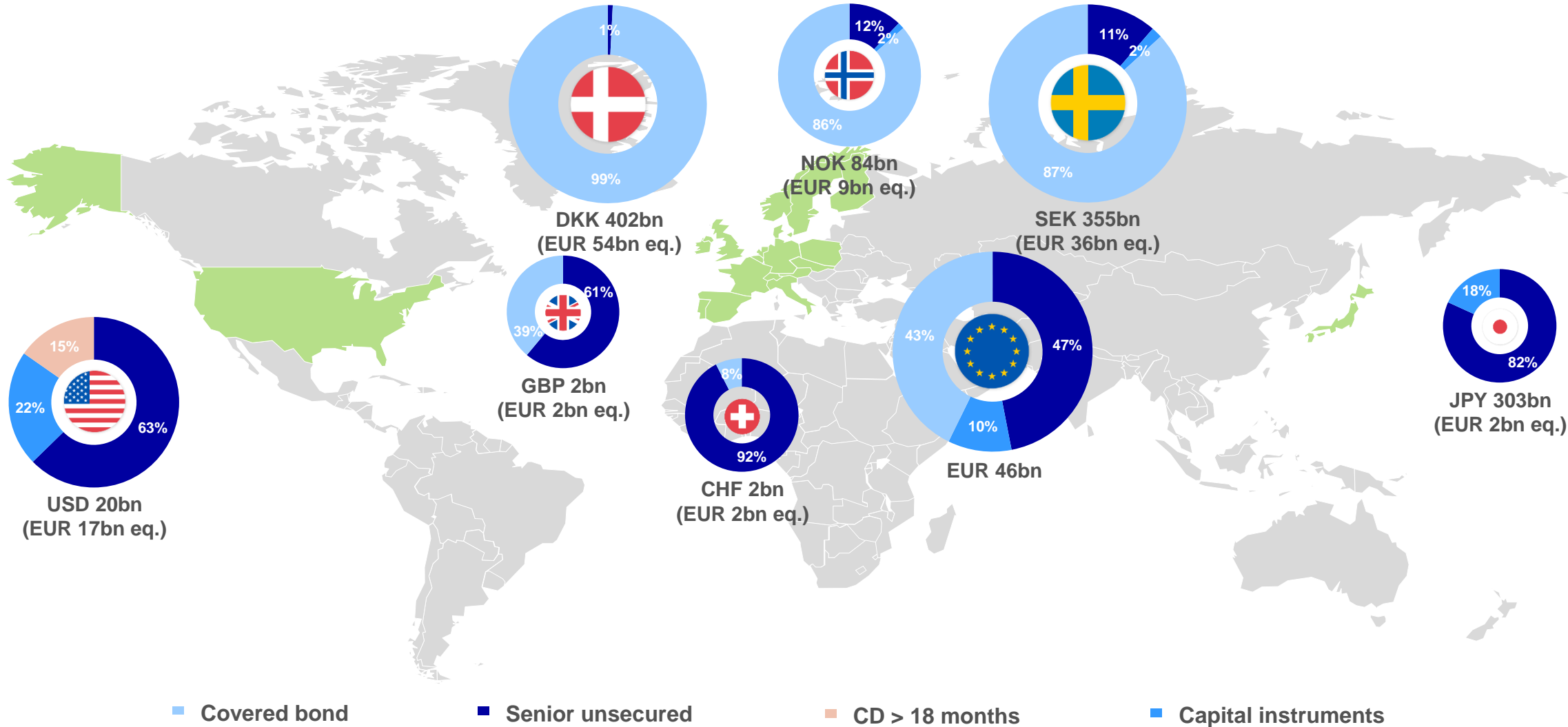
USCP, USCD  
ECP  
FCP  
LCD

### Long term programs:

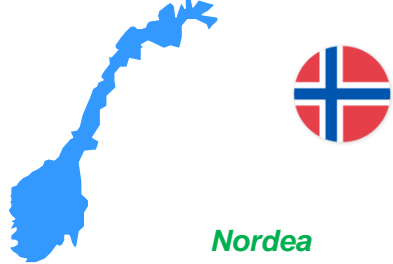
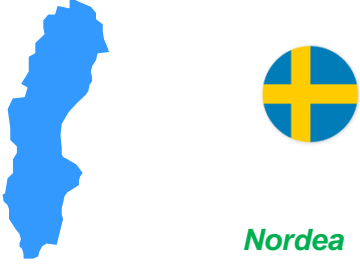


EMTN  
GMTN  
Structured note programs  
Samurai (shelf registration)

- Outstanding debt transactions will automatically be transferred by way of universal succession
- Once the re-domiciliation has taken place, new issuance will be conducted from Finland (Nordea Bank Abp), incl. senior preferred, senior non-preferred and capital instruments
- Program sizes to remain the same
- Issuing and Paying Agents will remain the same
- Swift information will remain the same
- All current contact persons will remain the same
- Investors may need to update Know Your Customer information
- Covered bond programs remain unaffected – all covered bonds will continue to be issued from existing mortgage subsidiaries

# Nordea's global issuance platform












# Nordea covered bond operations

<p><i>Four aligned covered bond issuers with complementary roles</i></p>	 <p><b>Nordea Eiendomskreditt</b></p>	 <p><b>Nordea Hypotek</b></p>	 <p><b>Nordea Kredit</b></p>	 <p><b>Nordea Mortgage Bank</b></p>
Legislation	Norwegian	Swedish	Danish/SDRO	Finnish
Cover pool assets	Norwegian residential mortgages	Swedish residential mortgages primarily	Danish residential & commercial mortgages	Finnish residential mortgages primarily
Cover pool size	EUR 12.1bn (eq.)	EUR 52.2bn (eq.)	Balance principle	EUR 20.4bn
Covered bonds outstanding	EUR 8.3bn (eq.)	EUR 32.0bn (eq.)	EUR 54.6bn (eq.)	EUR 17.4bn
OC	46%	63%	CC1/CC2 25%/10%	17%
Issuance currencies	NOK, GBP, USD, CHF	SEK	DKK, EUR	EUR
Rating (Moody's / S&P)	Aaa / -	Aaa / AAA	Aaa / AAA	Aaa / -

- Covered bonds are an integral part of Nordea’s long term funding operations
- Issuance in Scandinavian and international currencies
- ECBC Covered Bond Label on all Nordea covered bond issuance



## Nordea benchmark transactions last 12 months

	Issuer	Type	Currency	Amount (m)	Issue date	Maturity date	FRN / Fixed
	Nordea Bank AB	Senior unsecured	USD	1 000 750	31 May 2017 31 May 2017	29 May 2020 29 May 2020	Fixed FRN
	Nordea Bank AB	Senior unsecured	SEK	3 250 750	16 Jun 2017 16 Jun 2017	16 Jun 2020 16 Jun 2020	Fixed FRN
	Nordea Bank AB	Senior unsecured*	EUR	500	30 Jun 2017	30 Jun 2022	Fixed
	Nordea Bank AB	Senior unsecured	EUR	1 000 1 000	27 Sep 2017 27 Sep 2017	27 Sep 2027 27 Sep 2021	Fixed FRN
	Nordea Hypotek AB	Covered	SEK	5000	18 Oct 2017	20 Sep 2023	Fixed
	Nordea Bank AB	AT1	EUR	750	28 Nov 2017	12 Mar 2025	Fixed
	Nordea Bank AB	Senior unsecured	EUR	1 000	7 Feb 2018	7 Feb 2022	FRN
	Nordea Mortgage Bank	Covered	EUR	1 250 750	21 Feb 2018 21 Feb 2018	28 Feb 2023 28 Feb 2033	Fixed Fixed
	Nordea Eiendomskreditt	Covered	NOK	5 000	21 Mar 2018	21 Jun 2023	FRN

# Regulatory status

## Capital requirements

- As part of the re-domiciliation process, Nordea will migrate from the Swedish FSA framework to the harmonised ECB capital requirement's framework
- Nordea is currently in dialogue with the ECB to establish future capital requirements

## TLAC and MREL requirements

- TLAC requirement is expected to be met from January 1, 2019
- Single Resolution Board's ("SRB") MREL requirement after re-domiciliation, with MREL calibration based on capital requirements including Pillar 2 and combined buffer

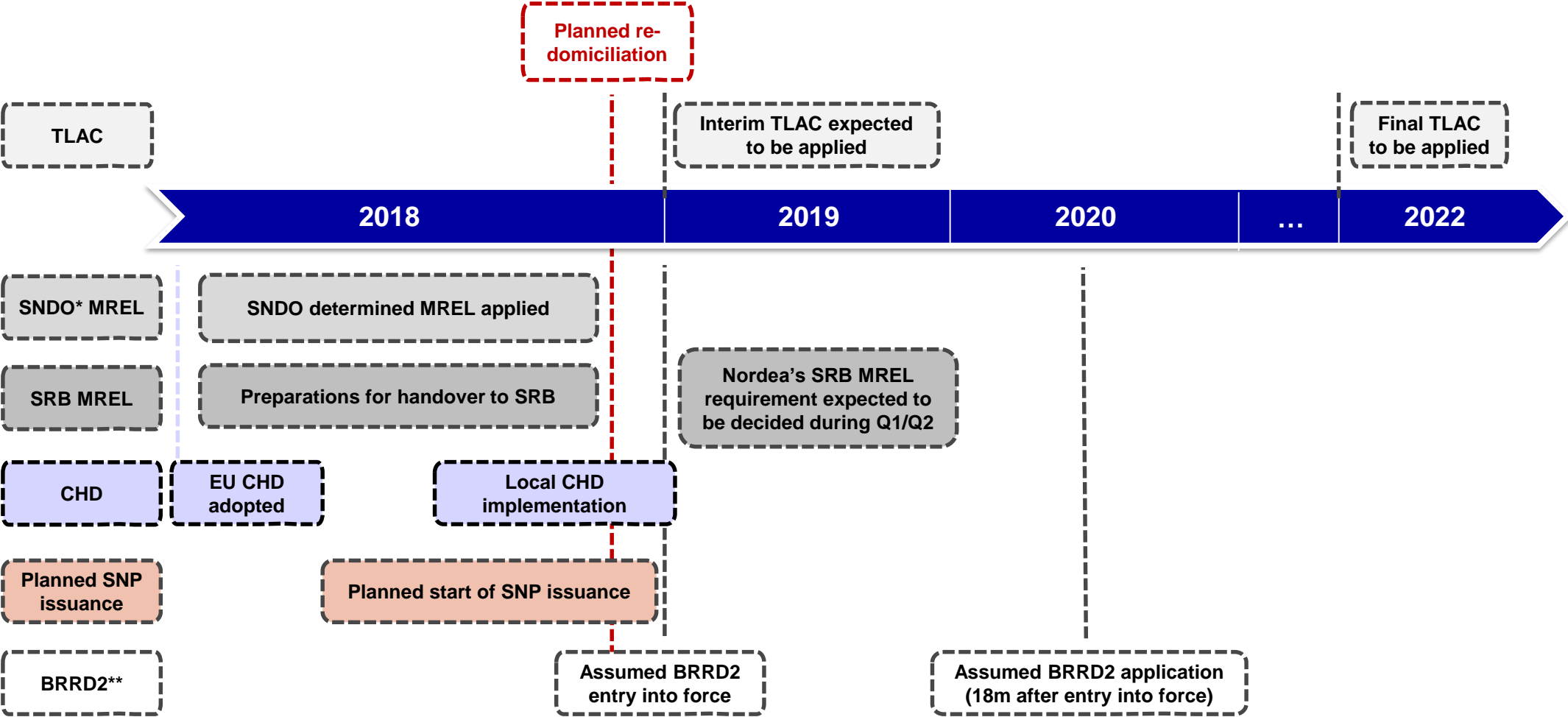
## Need for Senior Non-Preferred ("SNP")

- Issuance of SNP will support TLAC compliance
- Final SNP volume to be concluded once the SRB MREL requirement is implemented

## Creditor Hierarchy Directive ("CHD")

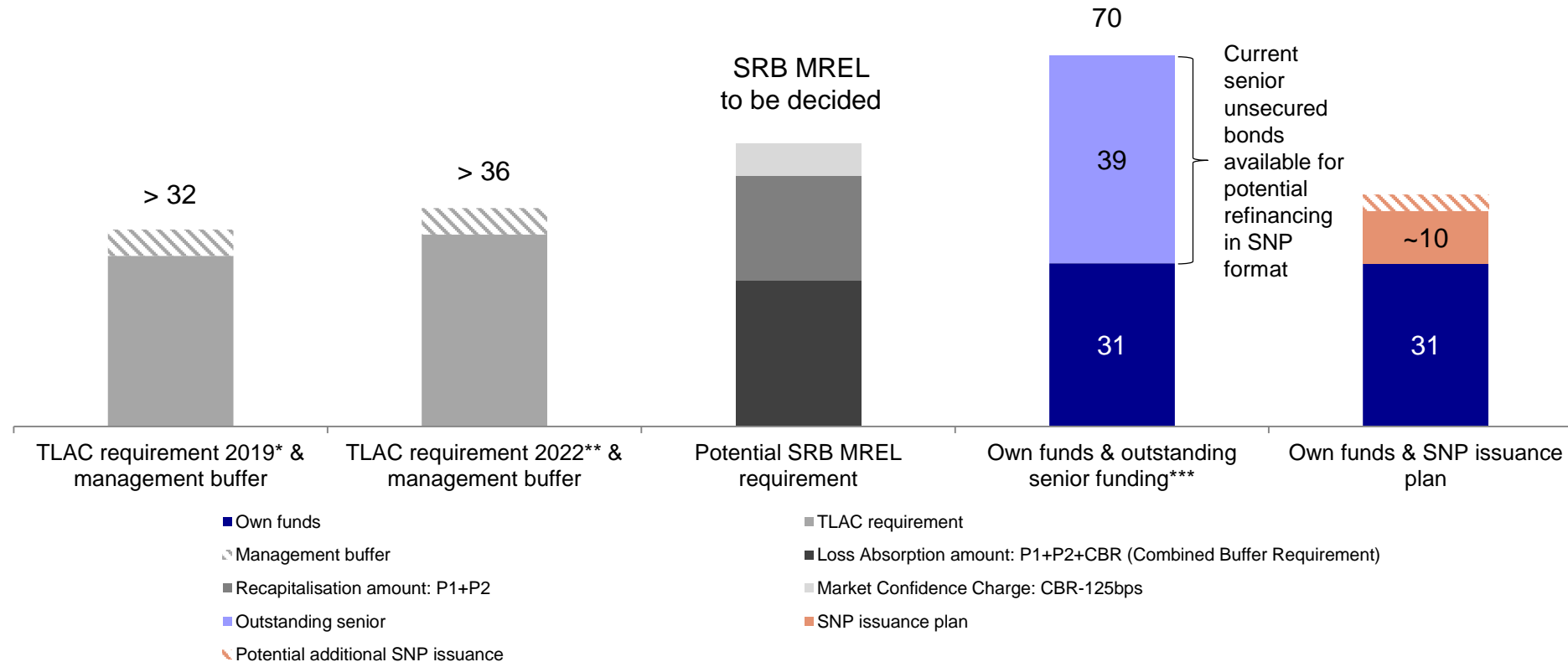
- Swedish implementation proposal is under consultation, to be applied from December 29, 2018
- Finnish implementation hearing held in April, aiming at application no later than 1 January 2019
- Nordea could use a contractual SNP solution prior to local CHD implementation that would align to the implemented CHD once in place

# SNP, TLAC and MREL expected timeline





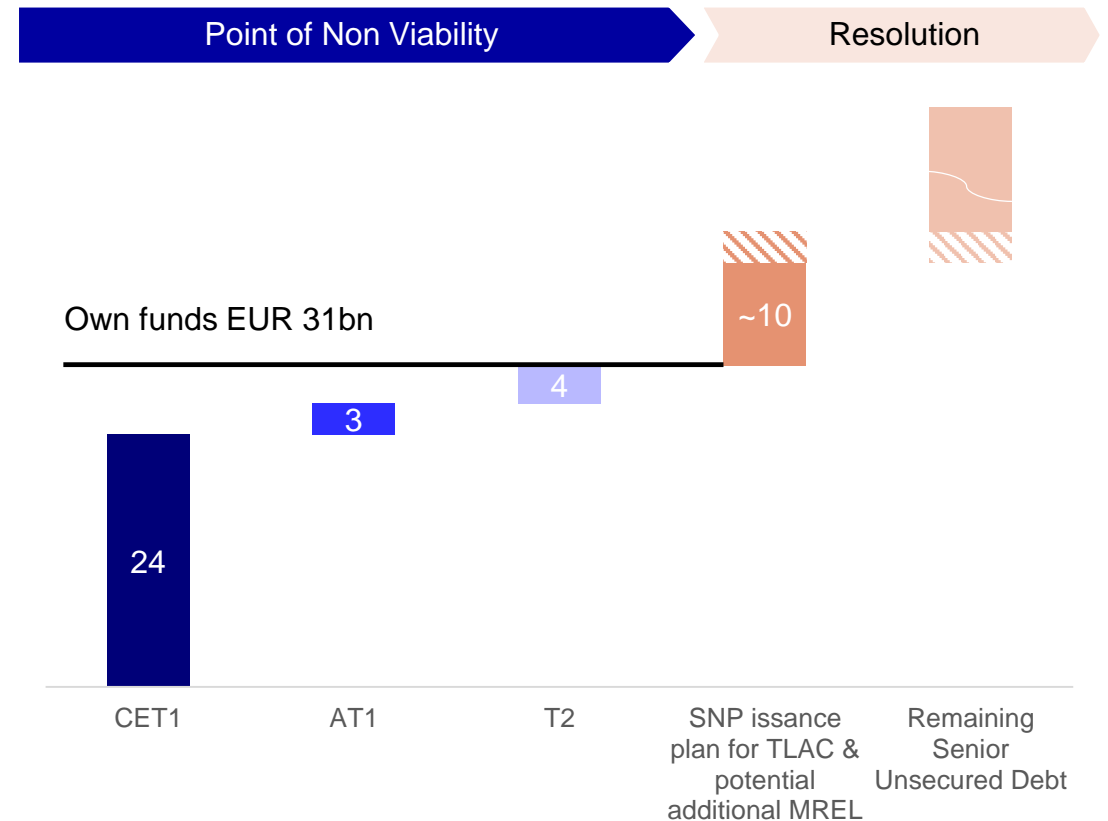
# Nordea's TLAC and future SRB MREL requirement (EURbn)



41 \* TLAC requirement 2019 is max of (16 % of REA + Combined Buffer, 6 % Leverage Ratio Exposure, "LRE") and constraining requirement for Nordea is 6 % of LRE  
 \*\* TLAC requirement 2022 is max of (18 % of REA + Combined Buffer, 6.75 % of LRE) and constraining requirement for Nordea is 6.75 % of LRE  
 \*\*\* Other bonds & CDs with original maturity over 1 year as reported. Amortised Tier 2 are excluded

# 2022 TLAC compliance ensured by strong capital position and SNP issuance plan

- Nordea’s strong capital position will provide a substantial buffer to protect SNP investors
- Nordea own funds of EUR 31bn\* will rank junior to SNP investors
- Planned SNP issuance of ~EUR 10bn\*\* from 2018 to 2021 (~4 years) to ensure 2022 TLAC compliance
- Potential additional SNP issuance needed to meet the SRB MREL requirement
- Nordea aims to start SNP issuance during 2018

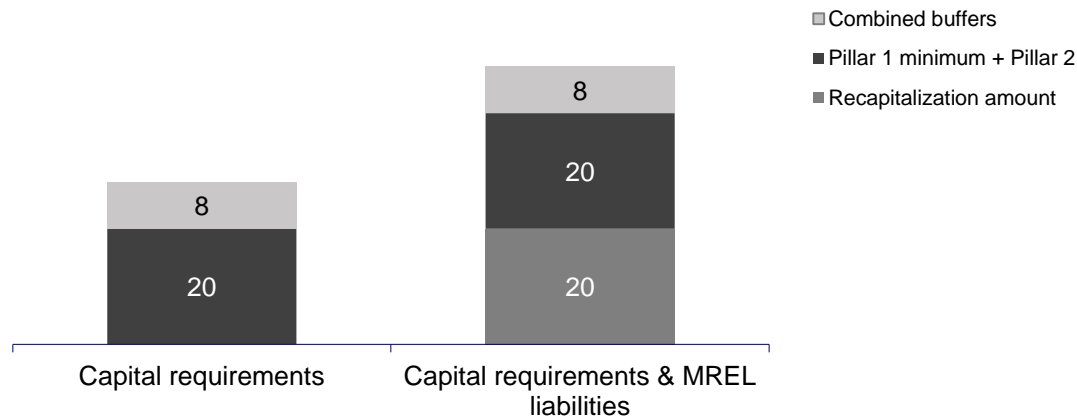


# Summary of Nordea SNP, TLAC and MREL

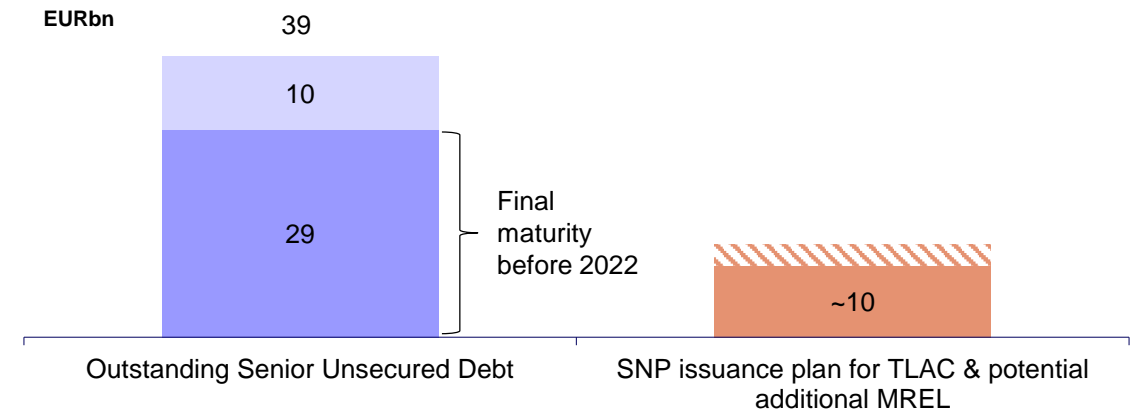
## Comments

- Nordea will ensure 2019 and 2022 TLAC compliance given the GSIB classification
- Nordea aims to use own funds and SNP to cover the minimum TLAC requirement once fully implemented in 2022
- MREL after re-domiciliation is pending, dependent on factors such as:
  - Results from dialogue with the SRB and other authorities
  - Nordea's capital requirement components for MREL calibration to be decided by the ECB
  - Uncertain SNP need under future SRB MREL
- SNDO published in December 2017 Nordea's recapitalisation amount: 16.5% of REA (EUR 20bn), to be met with SNP from 2022

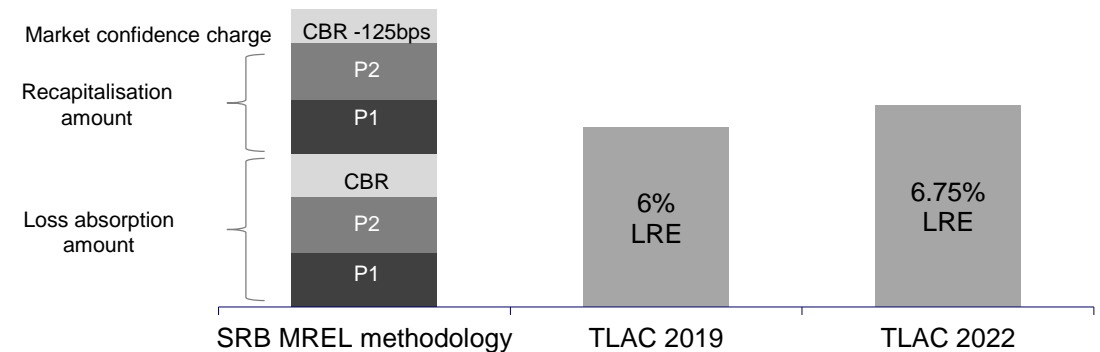
## Swedish MREL (EURbn)



## Current senior bonds available for potential refinancing in SNP format



## Illustration SRB MREL methodology and TLAC\*



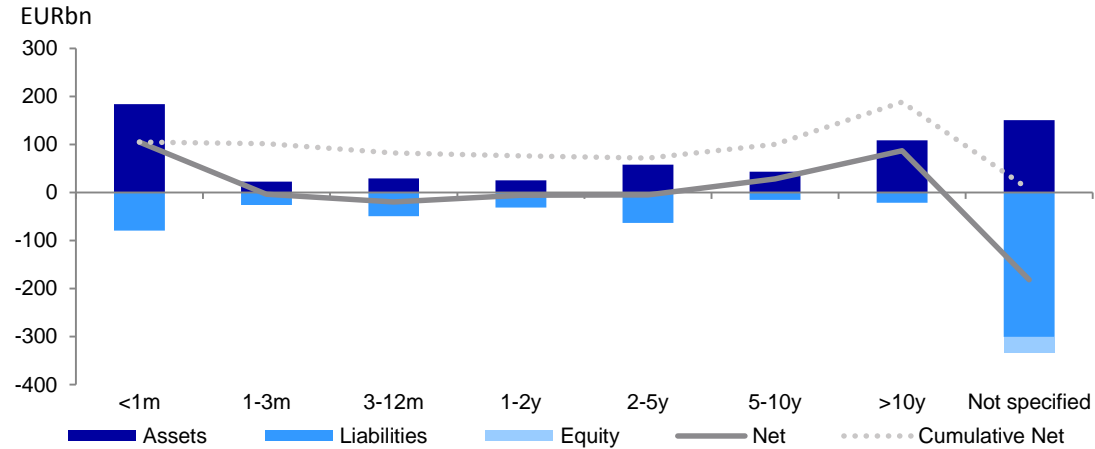
## Contractual SNP to be aligned with implemented CHD, relative ranking remains unaffected



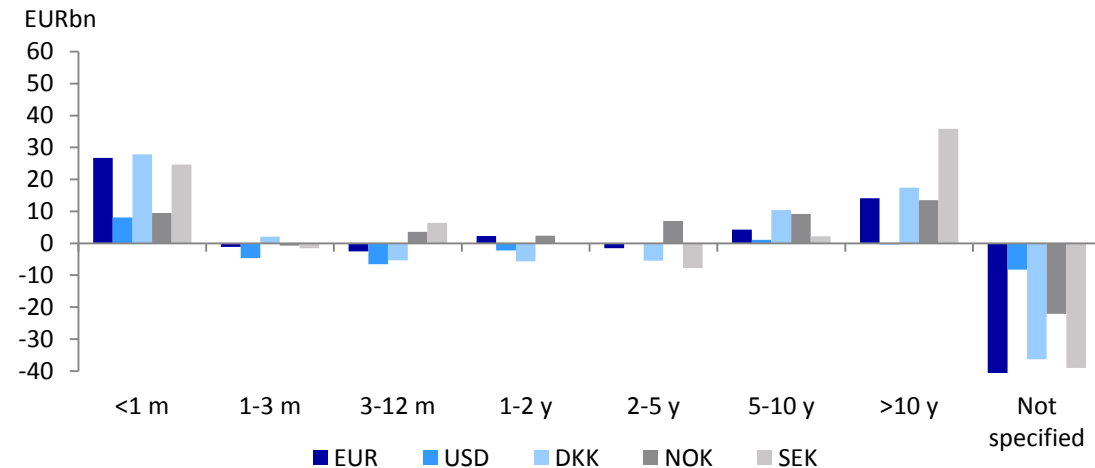
- The issuance of SNP notes is likely to start during 2018
- Contractual SNP format ranking between senior and subordinated class from day one
- When CHD is implemented locally, contractual SNP will be aligned to the implemented CHD, relative ranking will be unaffected

# Maturity profile

## Maturity profile



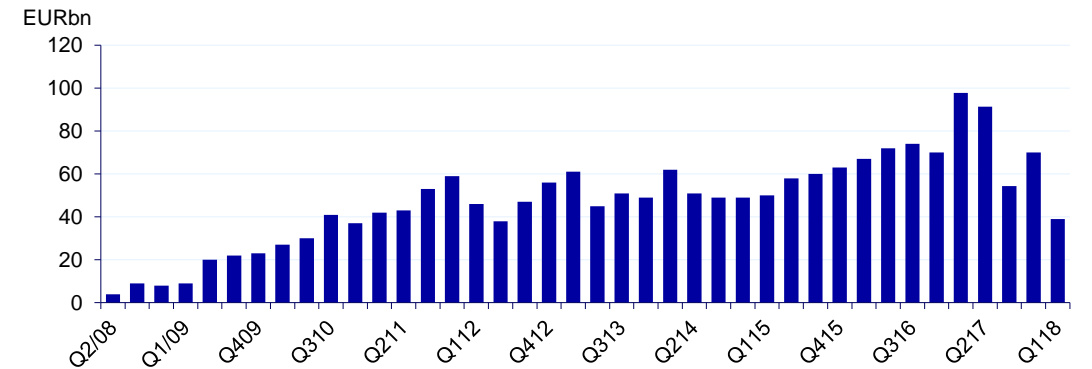
## Maturity gap by currency



## Comments

- The balance sheet maturity profile has during the last couple of years become more balanced by
  - Lengthening of issuance and focusing on asset maturities
- Resulting in a well balanced structure in assets and liabilities in general, as well as by currency
  - The structural liquidity risk is similar across all currencies
- Balance sheet considered to be well balanced also in foreign currencies
- Long-term liquidity risk is managed through own metric, Net Balance of Stable Funding (NBSF)
- Net Stable Funding Ratio (NSFR) for Q1 2018 is 103.5%

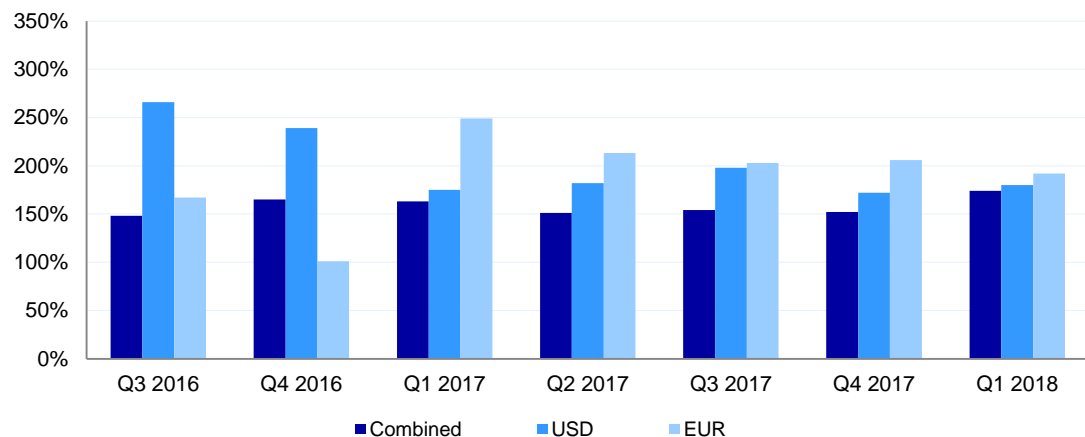
## Net Balance of Stable Funding



NBSF is an internal metric, which measures the excess of stable liabilities against stable assets. The stability period was changed into 12 month (from 6 months) from the beginning of 2012. In Q3 2017 the data sourcing was updated and classifications now in line with the CRR.

# Liquidity Coverage Ratio

## Liquidity Coverage Ratio



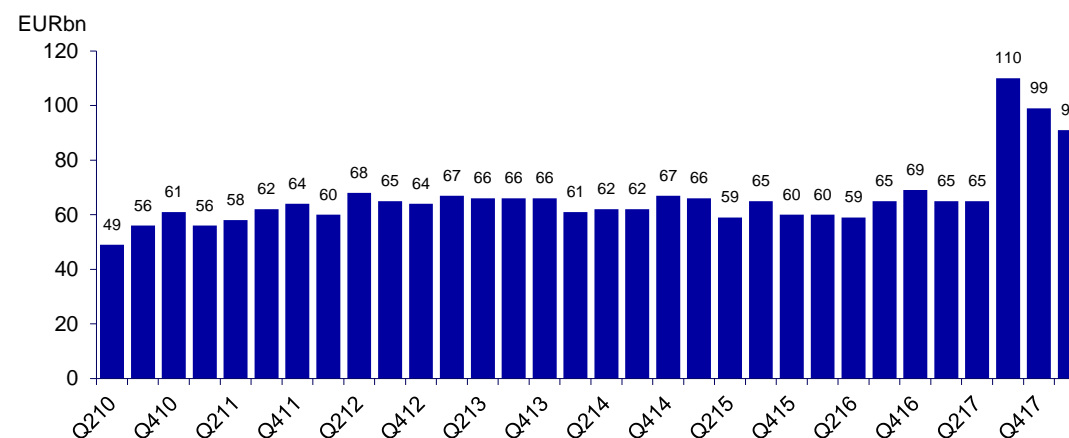
## LCR subcomponents, EURm

	Combined		USD		EUR	
	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted
<b>Total high-quality liquid assets (HQLA)</b>	<b>91,328</b>	<b>88,617</b>	<b>20,504</b>	<b>20,382</b>	<b>27,278</b>	<b>27,023</b>
Liquid assets level 1	87,320	85,210	19,868	19,841	26,476	26,341
Liquid assets level 2	4,008	3,407	636	540	802	682
Cap on level 2	0	0	0	0	0	0
<b>Total cash outflows</b>	<b>323,200</b>	<b>70,138</b>	<b>66,339</b>	<b>45,235</b>	<b>143,317</b>	<b>56,379</b>
Retail deposits & deposits from small business customers	84,970	5,645	592	91	25,286	1,716
Unsecured wholesale funding	96,902	43,375	16,954	10,787	29,871	12,511
Secured wholesale funding	35,959	3,339	5,714	457	19,788	1,140
Additional requirements	45,535	7,914	37,714	33,596	46,164	33,873
Other funding obligations	59,833	9,865	5,366	304	22,208	7,138
<b>Total cash inflows</b>	<b>61,646</b>	<b>19,148</b>	<b>41,909</b>	<b>33,926</b>	<b>64,021</b>	<b>42,284</b>
Secured lending (e.g. reverse repos)	37,920	4,444	2,959	1,794	15,658	708
Inflows from fully performing exposures	10,885	5,175	2,075	947	2,845	1,378
Other cash inflows	12,841	9,529	36,874	36,672	45,518	44,967
Limit on inflows		0		-5,487		-4,769
<b>Liquidity coverage ratio (%)</b>		<b>174%</b>		<b>180%</b>		<b>192%</b>

## Comments

- EBA Delegated Act LCR in force starting from October 2016
  - LCR of 174%
  - LCR compliant in USD and EUR
- Compliance is reached by high quality liquidity buffer and management of short-term cash flows
- Nordea Liquidity Buffer EUR 91bn, which includes the cash and central bank balances
  - New liquidity buffer method introduced in July 2017

## Time series – liquidity buffer



# Contacts

## Investor Relations

### Rodney Alfvén

Head of Investor Relations  
Nordea Bank AB  
Mobile: +46 722 35 05 15  
Tel: +46 10 156 29 60  
rodney.alfven@nordea.com

### Andreas Larsson

Head of Debt IR  
Nordea Bank AB  
Mobile: +46 709 70 75 55  
Tel: +46 10 156 29 61  
andreas.larsson@nordea.com

### Maria Caneman

Debt IR Officer  
Nordea Bank AB  
Mobile: +46 768 24 92 18  
Tel: +46 10 156 50 19  
maria.caneman@nordea.com

### Carolina Brikho

Roadshow Coordinator  
Nordea Bank AB  
Mobile: +46 761 34 75 30  
Tel: +46 10 156 29 62  
carolina.brikho@nordea.com

## Group Treasury & ALM

### Mark Kandborg

Head of Group Treasury & ALM  
Tel: +45 33 33 19 09  
Mobile: +45 29 25 85 82  
mark.kandborg@nordea.com

### Ola Littorin

Head of Long Term Funding  
Tel: +46 8 407 9005  
Mobile: +46 708 400 149  
ola.littorin@nordea.com

### Jaana Sulin

Head of Short Term Funding  
Tel: +358 9 369 50510  
Mobile: +358 50 68503  
jaana.sulin@nordea.com

### Maria Härdling

Head of Capital Structuring  
Tel: +46 10 156 58 70  
Mobile: +46 705 594 843  
maria.hardling@nordea.com