Deutsche Bank Global Financial Services Conference

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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.

This presentation does not imply that Nordea has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.
• Business model generates strong financials
• Building the future bank business model
Nordea’s focused and prudent business model

- Relationship banking is key
- Well diversified and balanced model
- Very risk focused
- Resources efficiently used on core business
- Fully integrated model across countries and business units
- The Nordics and its structure as the home market

Making it possible
Improved relationships is the long term value driver

Total operating income and relationship customers

- Total income up 35% since 2007
- Relationship customers up 42% since 2007...
- …and reinforced position as market leader in corporate merchant banking
Customer driven business model

- 95% customer related - Only 5% from Risk Management

![Graph showing financial data from 2007 to 2011 for different business segments: Nordea Group TOTAL, Retail Banking, Wholesale Banking, Asset Management + Life Insurance, Capital Markets risk management result of risk in customer transactions, and Group Treasury and Group Functions.](attachment:image.png)
## Financial result – Q1/12

<table>
<thead>
<tr>
<th>EURm</th>
<th>Q1/12</th>
<th>Q4/11</th>
<th>Change %</th>
<th>Q1/11</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>1,420</td>
<td>1,427</td>
<td>-1</td>
<td>1,324</td>
<td>7</td>
</tr>
<tr>
<td>Net fee and commission income</td>
<td>596</td>
<td>588</td>
<td>1</td>
<td>602</td>
<td>-1</td>
</tr>
<tr>
<td>Net fair value result</td>
<td>469</td>
<td>506</td>
<td>-7</td>
<td>544</td>
<td>-14</td>
</tr>
<tr>
<td>Other income</td>
<td>46</td>
<td>37</td>
<td>24</td>
<td>40</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>2,531</td>
<td>2,558</td>
<td>-1</td>
<td>2,510</td>
<td>1</td>
</tr>
<tr>
<td>Staff costs</td>
<td>-771</td>
<td>-714</td>
<td>8</td>
<td>-768</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>-1,276</td>
<td>-1,266</td>
<td>1</td>
<td>-1,265</td>
<td>1</td>
</tr>
<tr>
<td>Profit before loan losses</td>
<td>1,255</td>
<td>1,292</td>
<td>-3</td>
<td>1,245</td>
<td>1</td>
</tr>
<tr>
<td>Net loan losses</td>
<td>-218</td>
<td>-263</td>
<td>-17</td>
<td>-242</td>
<td>-10</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>1,037</td>
<td>1,029</td>
<td>1</td>
<td>1,003</td>
<td>3</td>
</tr>
<tr>
<td>Net profit</td>
<td>775</td>
<td>786</td>
<td>-1</td>
<td>742</td>
<td>4</td>
</tr>
<tr>
<td>Risk-adjusted profit</td>
<td>799</td>
<td>815</td>
<td>-2</td>
<td>771</td>
<td>4</td>
</tr>
</tbody>
</table>
Strong business momentum…

<table>
<thead>
<tr>
<th>Component</th>
<th>Q411</th>
<th>Q112</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>2,558</td>
<td>2,531</td>
</tr>
<tr>
<td>One-off related revenues life</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td>Effects from lower interest rates in 1Q12</td>
<td>69</td>
<td></td>
</tr>
<tr>
<td>One interest day less</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Performance related fees</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>New fees for Danish DGS</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Shadow account in life Q112</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Starting point Q112</td>
<td></td>
<td>2,410</td>
</tr>
</tbody>
</table>

Underlying growth +5%
... and expenses under strict control

Total expenses, EURm

- Nordea will deliver flat costs for a prolonged period of time
High and stable RoE throughout the cycle...

RoE, adjusted for restructuring costs 2011, percent

CT1 = 6.8%

CT1 = 11.6%
... gives strong capital generation...

Core Tier 1 capital, EURm

- Generated capital of EUR 6.9bn since 2006*
  - In addition distributed EUR 6.3bn to shareholders
- Strong capital generation gives good flexibility

*Adjusted for rights issue
... as well as a clear increase in Core Tier 1 ratio

Core Tier 1 capital ratio, % (excl. Hybrids)
Basel 2.5 excluding transition rules

- Improved ratio by 150bps since Q1/10 due to;
  - Strong profit generation
  - Controlled RWA development
- Lending growth of 17%
- RWA growth of 1%
CRD IV suggests that capital requirement for Nordea will be slightly below 11%

European Council

- **COM approval above 5%**
  - **Domestic**: 3% from 2013, 5% from 2015
  - **Other EU country**: Max 3%
  - **3rd country**: 3% from 2013, 5% from 2015

If a MS wants to set a 3% buffer they have to do it in all EU countries.

COM approval above 5%
• Business model generates strong financials
• Building the future bank business model
New Normal is execution of a “Focused relationship strategy”

Themes

1. Disciplined ROE focus
2. Cost efficiency
3. Capital efficiency
4. Liquidity efficiency

Units

Segments

Customers
Cost efficiency according to plan

Total Group full-time equivalents

- FTE’s are down by approx. 1,600 (4.6%) since mid-2011
- EUR 120m in cost savings
- 6% staff reduction by end 2012
- Shift in Poland to full relationship banking approach
  - FTE’s reduced by up to 400
Capital efficiency has clearly strengthened our Core Tier 1

RWA development, EURbn

<table>
<thead>
<tr>
<th></th>
<th>Q4/10</th>
<th>Credit quality</th>
<th>Growth</th>
<th>FX effects &amp; other</th>
<th>RWA efficiency</th>
<th>Basel 2.5</th>
<th>RWA optimization</th>
<th>Q1/12</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>185,2</td>
<td>7,6</td>
<td>7,1</td>
<td>2,5</td>
<td>5,4</td>
<td>3,9</td>
<td>3,2</td>
<td>182,3</td>
</tr>
</tbody>
</table>
Liquidity premia: An execution of funding efficiency

**Purpose**

- Align internal pricing with true cost / value of funding and liquidity
- Ensure pricing to customer reflects the true economics of the contract
- Enhance understanding of product and customer profitability

**Principles**

- Calculated at contract level
- Reflect the characteristics of the contract, e.g. maturity
- Based on Nordea’s cost of funding curve

**Status**

- “Granular liquidity premia” allocated to business areas, but not below
- Pilots are carried out in a number of areas to assess impact
- Roll-out across most business units planned for Q1 2013
Customer behaviour supports our distribution journey

Number of manual transactions, million

<table>
<thead>
<tr>
<th></th>
<th>H1 2009</th>
<th>H2 2009</th>
<th>H1 2010</th>
<th>H2 2010</th>
<th>H1 2011</th>
<th>H2 2011</th>
<th>Q1/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>19,4</td>
<td>19</td>
<td>16,7</td>
<td>16,6</td>
<td>15,1</td>
<td>14,6</td>
<td>12,8</td>
</tr>
</tbody>
</table>

Number of netbank log-ins, million

<table>
<thead>
<tr>
<th></th>
<th>H1 2009</th>
<th>H2 2009</th>
<th>H1 2010</th>
<th>H2 2010</th>
<th>H1 2011</th>
<th>H2 2011</th>
<th>Q1/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>112</td>
<td>112</td>
<td>144</td>
<td>174</td>
<td>180</td>
<td>183</td>
<td>166</td>
</tr>
</tbody>
</table>

Number of unique mobile banking users, thousands

<table>
<thead>
<tr>
<th></th>
<th>H1 2010</th>
<th>H2 2010</th>
<th>H1 2011</th>
<th>H2 2011</th>
<th>Q1/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>49</td>
<td>90</td>
<td>249</td>
<td>385</td>
<td>460</td>
</tr>
</tbody>
</table>

* Semi-annualised
Transforming the branch network

Nordic development, manual cash location and share of advisors in branch network staff

<table>
<thead>
<tr>
<th>Locations</th>
<th>Manual cash locations</th>
<th>Adviser share of total staff (rhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 000</td>
<td>800</td>
<td>70%</td>
</tr>
<tr>
<td>800</td>
<td>600</td>
<td>60%</td>
</tr>
<tr>
<td>600</td>
<td>400</td>
<td>50%</td>
</tr>
<tr>
<td>400</td>
<td>200</td>
<td>40%</td>
</tr>
</tbody>
</table>

Nordic branch network, end 2009

- Focused on relationship customers: 78 branches
- Focused on Corporate: 558 Corporate and Advisory branches

Nordic branch network 2012

- Focused on daily service and cash: 200 Service branches
- All Customers All Services: 995 Full-service branches
- 388 Community branches

Share of all branches
Attracting new customers
Net increase of relationship customers, thousands, accumulated
Taking Wholesale Banking to the next level

- Adapting to the new regulatory framework – what and how we do business with our customers
  - Pricing discipline
  - Cost management
  - RWA and funding efficiency

- Alignment of the Wholesale Banking value chain

- Focus on core customer relationships, wallet share and fee-based income

Strategy
Relationship strategy is key

Nordic leader in quality and volume

Nordic leader in customer relationship, Percent

Source: Greenwich Associates 2011
Successful customer relationship strategy
- Swedish corporate customers as an example

**Lead Relationships (%)**

- 2008: 33%
- 2009: 33%
- 2010: 43%
- 2011: 47%

**Product Cross-sell Effectiveness (%)**

- 2008: 56%
- 2009: 64%
- 2010: 62%
- 2011: 68%

**Share Strategic Thinking (%)**

- 2008: 38%
- 2009: 44%
- 2010: 47%
- 2011: 59%

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The 1 or 2 most important bank or house bank used for domestic and/or international services.
The average number of products bought from the bank divided by the average number of products used by its customers.
With which bank customers share their strategic thinking.

Source: Greenwich Associates Large Corporate Banking surveys
Successful advisory business

#1 Advisor, M&A Nordic region, Q1/12

<table>
<thead>
<tr>
<th>Bank</th>
<th>Deal value</th>
<th>Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nordea Corporate Finance</td>
<td>2.111</td>
<td>6</td>
</tr>
<tr>
<td>Barclays</td>
<td>1.800</td>
<td>1</td>
</tr>
<tr>
<td>Deutsche Bank</td>
<td>1.800</td>
<td>1</td>
</tr>
<tr>
<td>Goldman Sachs</td>
<td>1.800</td>
<td>1</td>
</tr>
<tr>
<td>Handelsbanken Capital Markets</td>
<td>1.600</td>
<td>3</td>
</tr>
<tr>
<td>JP Morgan Cazenove</td>
<td>1.600</td>
<td>1</td>
</tr>
<tr>
<td>SEB Enskilda</td>
<td>759</td>
<td>3</td>
</tr>
<tr>
<td>Morgan Stanley</td>
<td>557</td>
<td>1</td>
</tr>
<tr>
<td>Swedbank First Securities</td>
<td>510</td>
<td>2</td>
</tr>
<tr>
<td>FIH Partners A/S</td>
<td>510</td>
<td>1</td>
</tr>
</tbody>
</table>

#1 Bookrunner Syndicated Loans Nordic, Q1/12

<table>
<thead>
<tr>
<th>Bank</th>
<th>Deal value</th>
<th>Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nordea Markets</td>
<td>673</td>
<td>6</td>
</tr>
<tr>
<td>SEB Enskilda</td>
<td>563</td>
<td>5</td>
</tr>
<tr>
<td>Swedbank First Securities</td>
<td>342</td>
<td>3</td>
</tr>
<tr>
<td>HSBC</td>
<td>297</td>
<td>3</td>
</tr>
<tr>
<td>RBS</td>
<td>297</td>
<td>3</td>
</tr>
<tr>
<td>Citi</td>
<td>297</td>
<td>3</td>
</tr>
<tr>
<td>Danske Bank</td>
<td>268</td>
<td>3</td>
</tr>
<tr>
<td>Deutsche Bank</td>
<td>197</td>
<td>2</td>
</tr>
<tr>
<td>Barclays</td>
<td>197</td>
<td>2</td>
</tr>
<tr>
<td>Mitsubishi UFJ Financial Group</td>
<td>196</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: Merger Market and Dealogic
Execution of New Normal

Business model refinement

- Further alignment of the Wholesale Banking value chain
- Mitigate impact of new regulations
- Strict internal resource management
- Optimization of capital utilization in banking and trading books

Strong Q1 performance

<table>
<thead>
<tr>
<th></th>
<th>Q4/11</th>
<th>Q1/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/income (%)</td>
<td>32</td>
<td>31</td>
</tr>
<tr>
<td>RaRoCaR (%)</td>
<td>21</td>
<td>23</td>
</tr>
<tr>
<td>RWA (EURbn)</td>
<td>78</td>
<td>74</td>
</tr>
<tr>
<td>Lending to deposit gap (EURbn)</td>
<td>33</td>
<td>28</td>
</tr>
</tbody>
</table>
Bring Life & Pensions in line with Group ROE target by increasing cost and capital efficiency

1. Life & Pensions 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

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

   - Life & Pensions ROE % by product, 2010
   - Group ROE target

Nordea Wealth Management
Morningstar ratings picking up

Denmark  #2

Finland  #1

Norway  shared  #2

Sweden  #2

Data as of February 2012
Key messages

• Nordea’s business model delivers strong fundamentals
  • Improved relationships
  • High diversification
  • High RoE
  • Strong capital generation

• Execution of New Normal will build the future bank business model
  • Building the future bank business model
    • Approx. 100 projects in place
  • Target is to reduce costs from new regulations by being more efficient on costs, capital and liquidity
Deutsche Bank Global Financial Services Conference

Fredrik Rystedt, Chief Financial Officer / EVP