

Nordea



Nordea Hypotek Covered Bonds

Q1 2018 Debt investor presentation

Nordea Hypotek – overview

Q1 2018

- 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

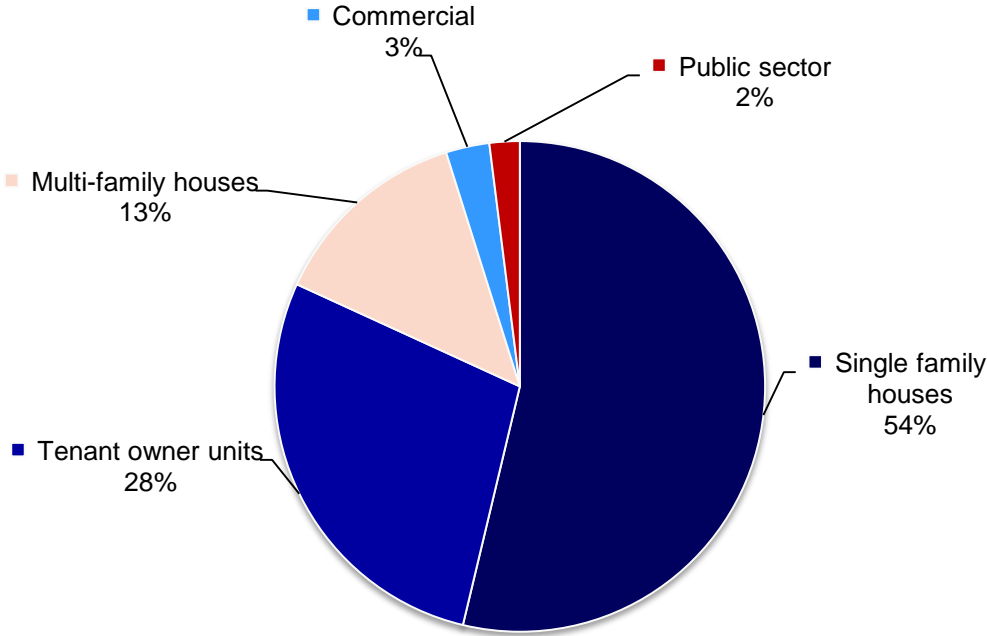
Q1 2018

Loans in cover pool	SEK 519.8bn
Outstanding covered bonds	SEK 318.7bn
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	95.1% residential, 2.9% commercial, 2.0% public sector
Weighted average LTV*	49.5% (indexed)
Average loans size*	SEK 568k
Over collateralization, OC	63.1%
Rate type	Floating 78.9%, Fixed 21.1%
Amortization	Bullet/ interest only 26.2%, Amortizing 73.8%
Pool type	Dynamic
Loans originated by	Nordea Bank AB

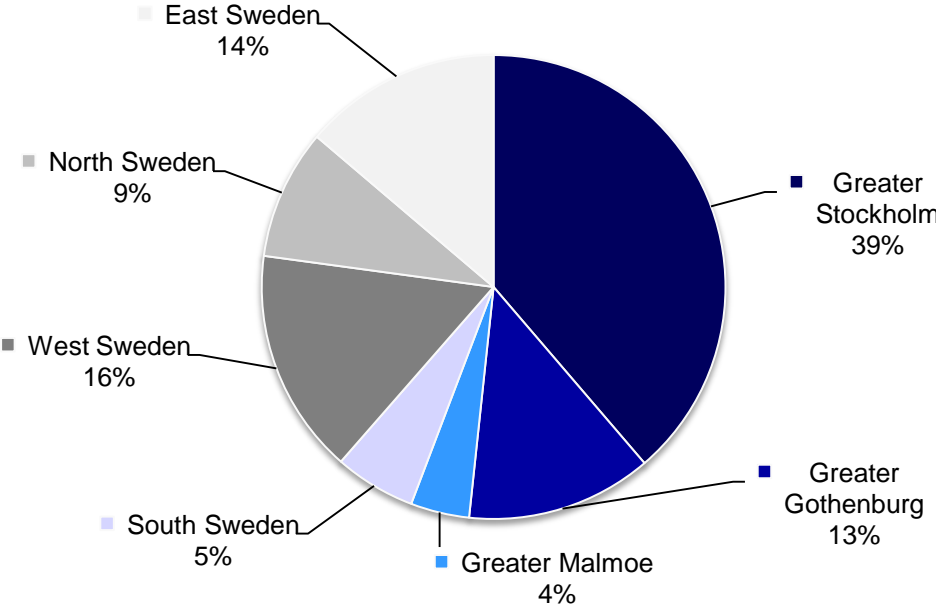
Cover pool key characteristics (2)

Q1 2018

Cover pool balance by loan category



Cover pool balance by region*



* Excluding Public sector

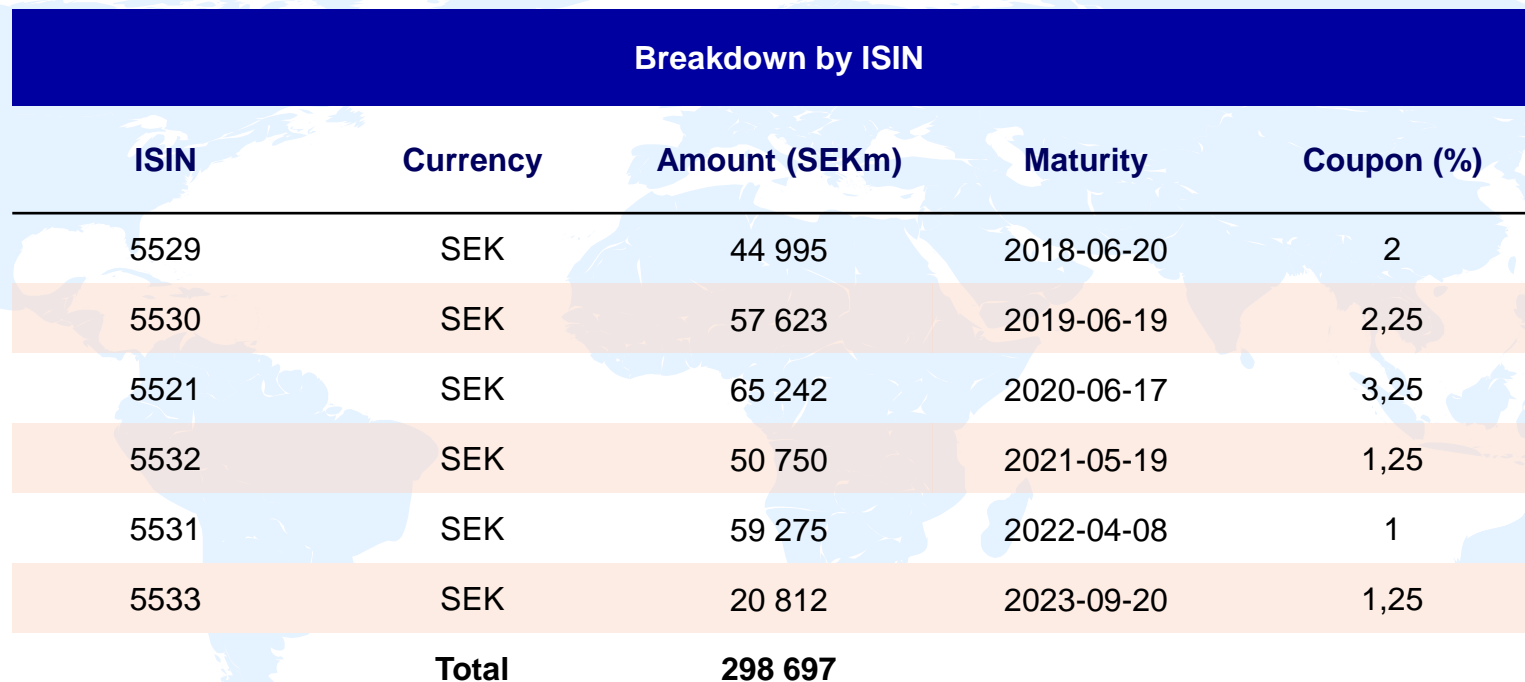
Loan To Value* (LTV)

Q1 2018

Weighted Average LTV – Unindexed	58.0%	
LTV buckets	Nominal (SEKm)	% Residential Loans
>0 - <=40 %	347 103	70,19%
>40 - <=50 %	57 521	11,63%
>50 - <=60 %	45 361	9,17%
>60 - <=70 %	33 452	6,77%
>70 - <=80 %	11 049	2,23%
Total	494 486	100%
Weighted Average LTV - Indexed	49.5%	
LTV buckets	Nominal (SEKm)	% Residential Loans
>0 - <=40 %	388 514	78,57%
>40 - <=50 %	51 513	10,42%
>50 - <=60 %	32 807	6,63%
>60 - <=70 %	17 427	3,52%
>70 - <=80 %	4 225	0,85%
Total	494 486	100%

Nordea Hypotek – outstanding benchmark covered bonds

Q1 2018



Breakdown by ISIN				
ISIN	Currency	Amount (SEKm)	Maturity	Coupon (%)
5529	SEK	44 995	2018-06-20	2
5530	SEK	57 623	2019-06-19	2,25
5521	SEK	65 242	2020-06-17	3,25
5532	SEK	50 750	2021-05-19	1,25
5531	SEK	59 275	2022-04-08	1
5533	SEK	20 812	2023-09-20	1,25
	Total	298 697		

Nordea Hypotek – conservative underwriting criteria

Q1 2018

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