

Copenhagen, Helsinki, Oslo, Stockholm, 19 December 2019

Nordea to acquire SG Finans AS

Nordea has entered into an agreement with Société Générale to acquire all shares in SG Finans AS (“SG Finans”) and intends to combine the business with Nordea’s pan-Nordic finance company, Nordea Finance. SG Finans is a Norwegian domiciled subsidiary of Société Générale and provides equipment finance and factoring solutions. SG Finans has 360 employees and operates in Norway, Denmark and Sweden.

The acquisition of SG Finans fits well into Nordea’s priority to focus on core business in the Nordics. The acquisition supports Nordea’s new phase – to drive income growth initiatives, optimise operational efficiency and create great customer experiences – communicated at Nordea’s Capital Markets Day in October.

- We are happy to announce this transaction. SG Finans runs a successful business with very satisfied customers in three of our four home markets. This acquisition strengthens our ability to advice and help small and medium-sized corporates with their financial needs, says Frank Vang-Jensen, President and Group CEO of Nordea.

The agreed purchase price for SG Finans amounts to EUR 575 million which values the company at a price-to-book multiple of 1.07x. The purchase price will be adjusted for the equity generated up until closing. The transaction is expected to have a positive impact on total annual income by about EUR 140 million and consume about 35-40 bp of the Common Equity Tier 1 ratio for the Nordea Group. The transaction is also expected to result in a minor increase in the Nordea Group’s earnings per share and return on equity.

SG Finans complements Nordea Finance well with its strong presence in Norway and direct distribution model. SG Finans has a diversified customer base of about 50,000 corporates in Norway, Sweden and Denmark that will get access to Nordea’s full product offerings through this acquisition.

In recent years, Nordea has grown its operations on the Nordic core markets, including the acquisition of Norway-based Gjensidige Bank. With one of the strongest balance sheets in Europe, Nordea has opportunities to strengthen its position through acquisitions like this and take part in profitable growth in the Nordics.

Alongside the transaction, Nordea Finance and Société Générale Equipment Finance have entered into a commercial partnership agreement. The partnership is combining the strengths of the two companies to offer a wide range of equipment finance solutions and services to international vendors.

The acquisition of SG Finans is subject to customary regulatory approvals and is expected to close during the second half of 2020.

For further information:

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