

MeritaNordbanken

January - March 1999

1st quarter 1999

Growth in income and reduction in expenses

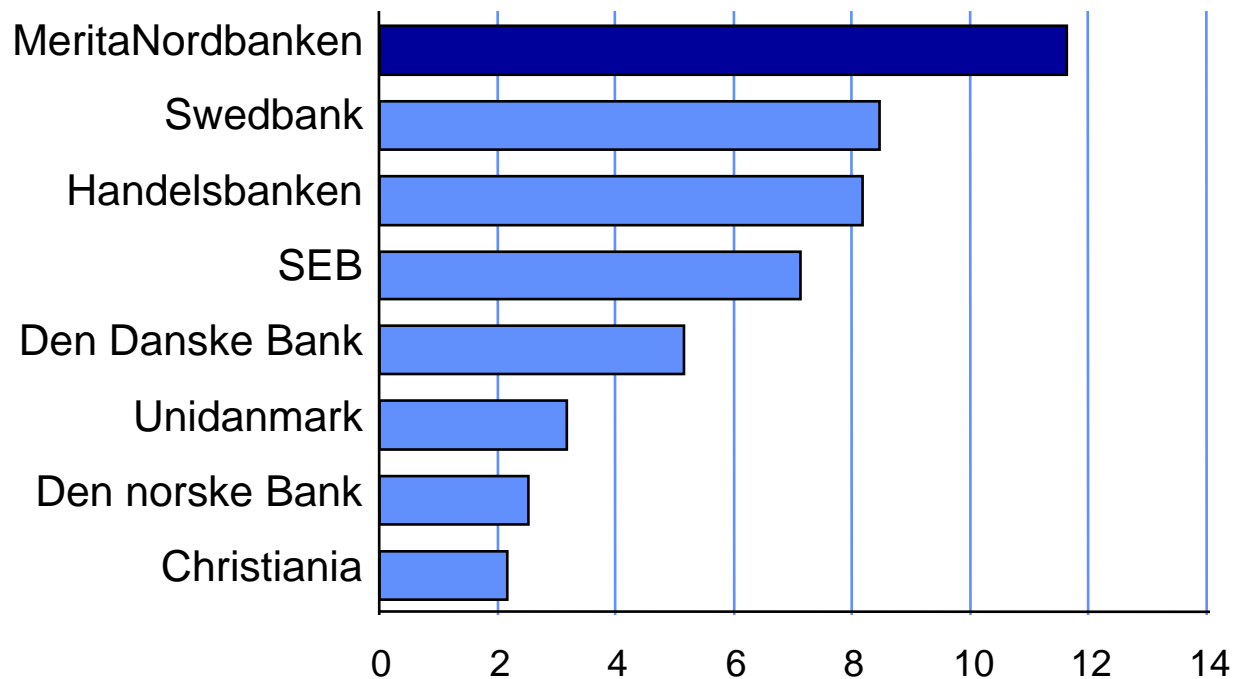
- Strong performance continues
 - Operating profit EUR 489 million (FIM 2.9 billion, SEK 4.4 billion)
 - Excluding items affecting comparability EUR 375 million, an increase of 23 %
 - ROE 28.6%; 22.4% excluding one item affecting comparability
- Vigorous growth in mutual funds and unit linked insurance
- Synergies materializing
 - Customer concepts for selected key customer groups
- Concentration on banking
 - Aleksia will be listed and sold out during 1999
- Strategic focus
 - New regional bank for Poland and the Baltic states

A leading banking group in the Nordic and Baltic region

- Customer base
 - 6.5 million private individuals
 - 400 000 small and midmarket companies
 - 400 corporates
- Average market shares
 - Finland 40% +
 - Sweden 15% - 25%
- Distribution network
 - 766 branch offices
 - 1000 Swedish post offices
 - Telephone bank
 - Internet
- Lending
 - EUR 64 bn
- Deposits and customer funds
 - EUR 73 bn
- Total assets
 - EUR 98 bn
- Employees
 - 18,200 (within banking operations)

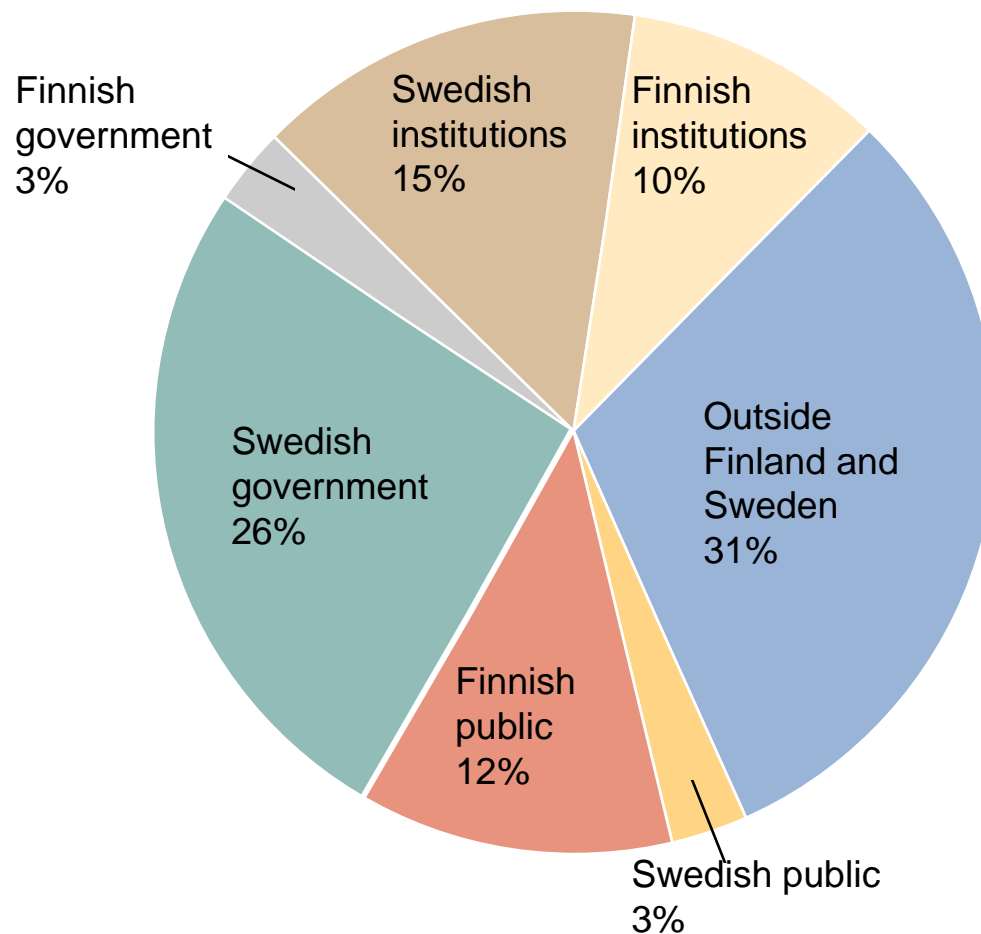
The largest banking group in the Nordic region

Market capitalisation of selected Nordic banking groups,
April 1999 (bnEUR)

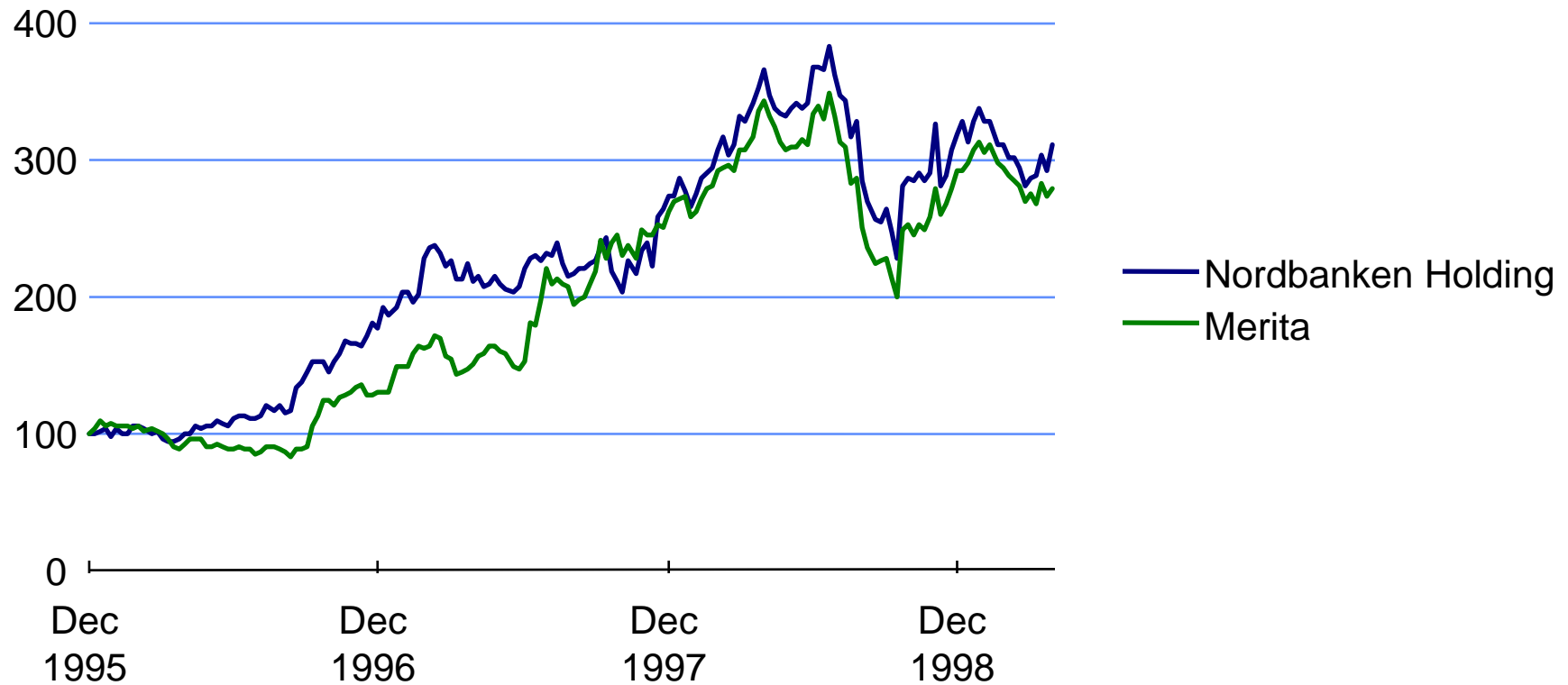


MeritaNordbanken Group

Combined ownership structure, December 31, 1998



Share price development



Detailed income statement Q1/1999

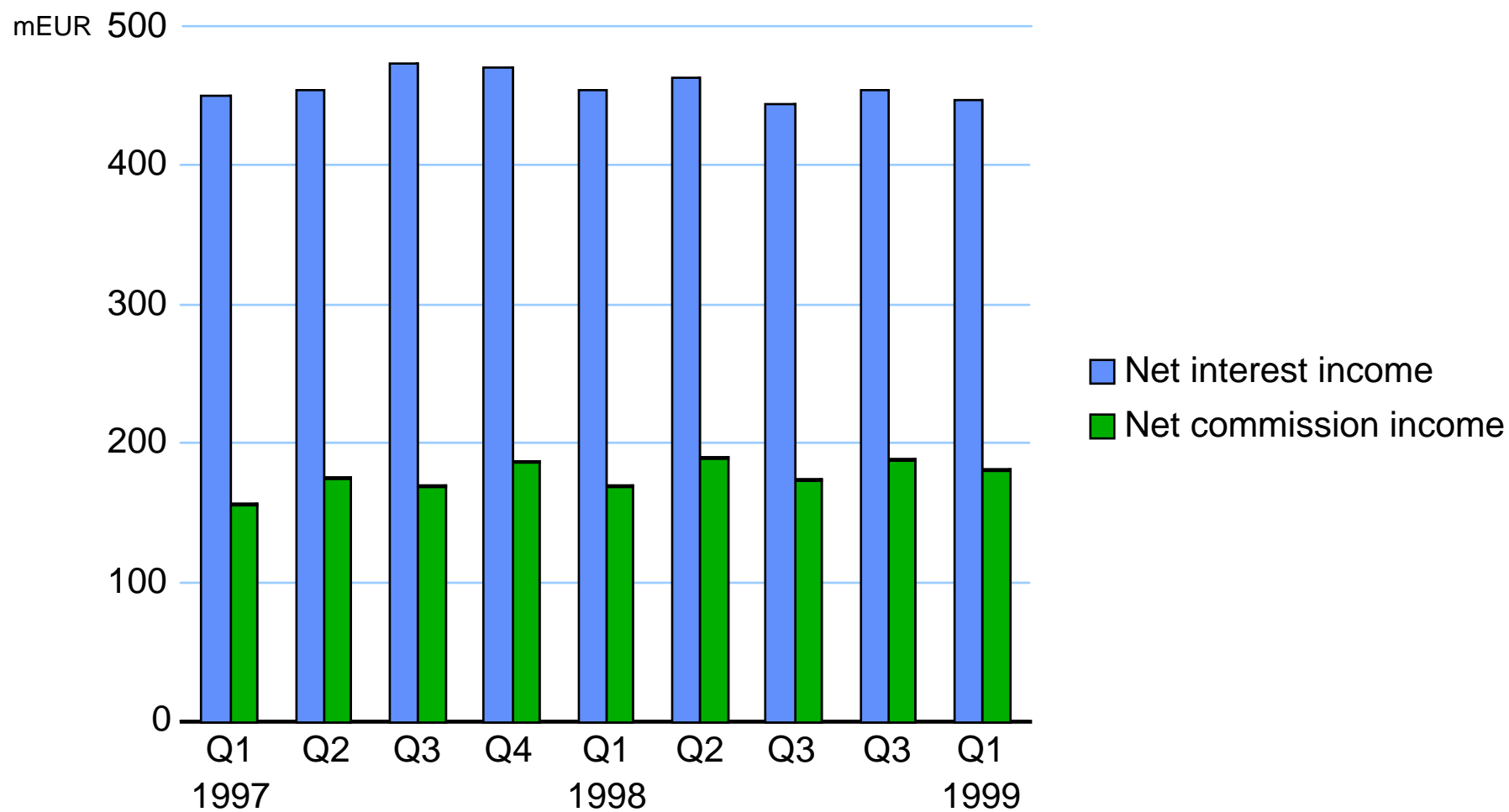
	Q1/1999			
	mEUR	Change, %	mFIM	mSEK
Net interest income	448	- 2	2,664	4,041
Net commission income	181	7	1,076	1,633
Net result from financial operations	148	-42	880	1,335
Other operating income	92	-30	574	829
Total operating income	869	-14	5,167	7,838
Personnel expenses	- 196	-3	-1,165	1,768
Other expenses	- 207	-17	-1,231	1,867
Total expenses	- 403	-10	-2,396	3,635
Profit before loan losses	466	-17	2,771	4,203
Loan losses, net	- 20	-49	-119	-180
Profit from companies accounted for under the equity method	43	617	255	388
Operating profit	489	-7	2,907	4,411
Taxes	- 125	9	-743	-1,128
Minority interest	0	- 100	0	0
Net profit for the period	364	- 11	2,164	3,283

Income statement Q1/1999

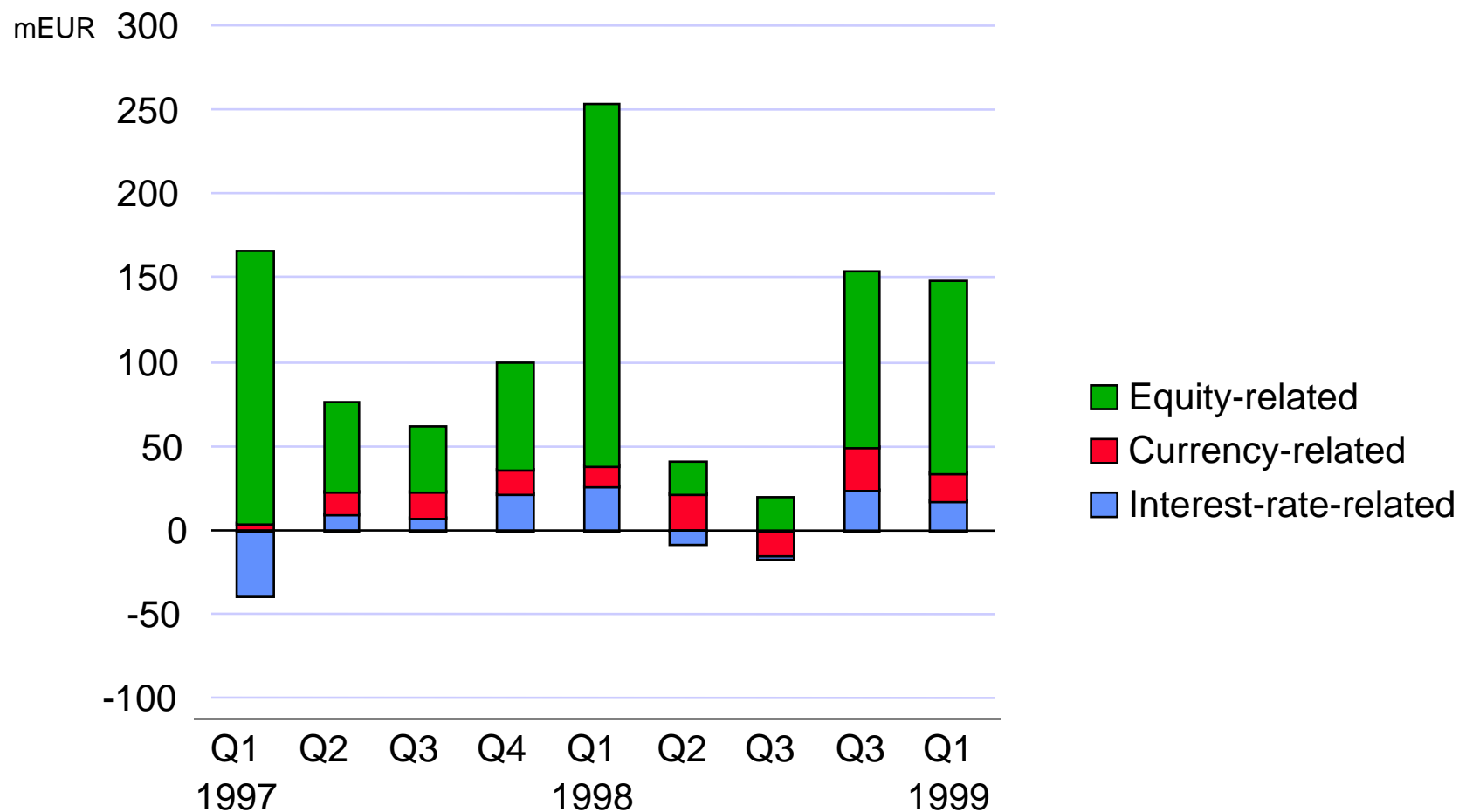
Excluding items affecting comparability

mEUR	Q1/1999	Q1/1998	Change, %	Q1/1999	
				mFIM	mSEK
Net interest income	448	455	-2	2,664	4,041
Net commission income	181	169	7	1,076	1,633
Net result from financial operations	34	60	-43	202	307
Other operating income	92	63	-46	547	829
Total operating income	755	747	1	4,489	6,810
Personnel expenses	-196	-194	1	-1,165	-1,768
Other expenses	-207	-216	-4	-1,231	-1,867
Total expenses	-403	-410	-2	-2,396	-3,635
Profit before loan losses	352	337	-4	2,093	3,175
Loan losses, net	-20	-39	-49	-119	-180
Profit from companies accounted for under the equity method	43	6		255	388
Operating profit	375	304	23	2,229	3,383

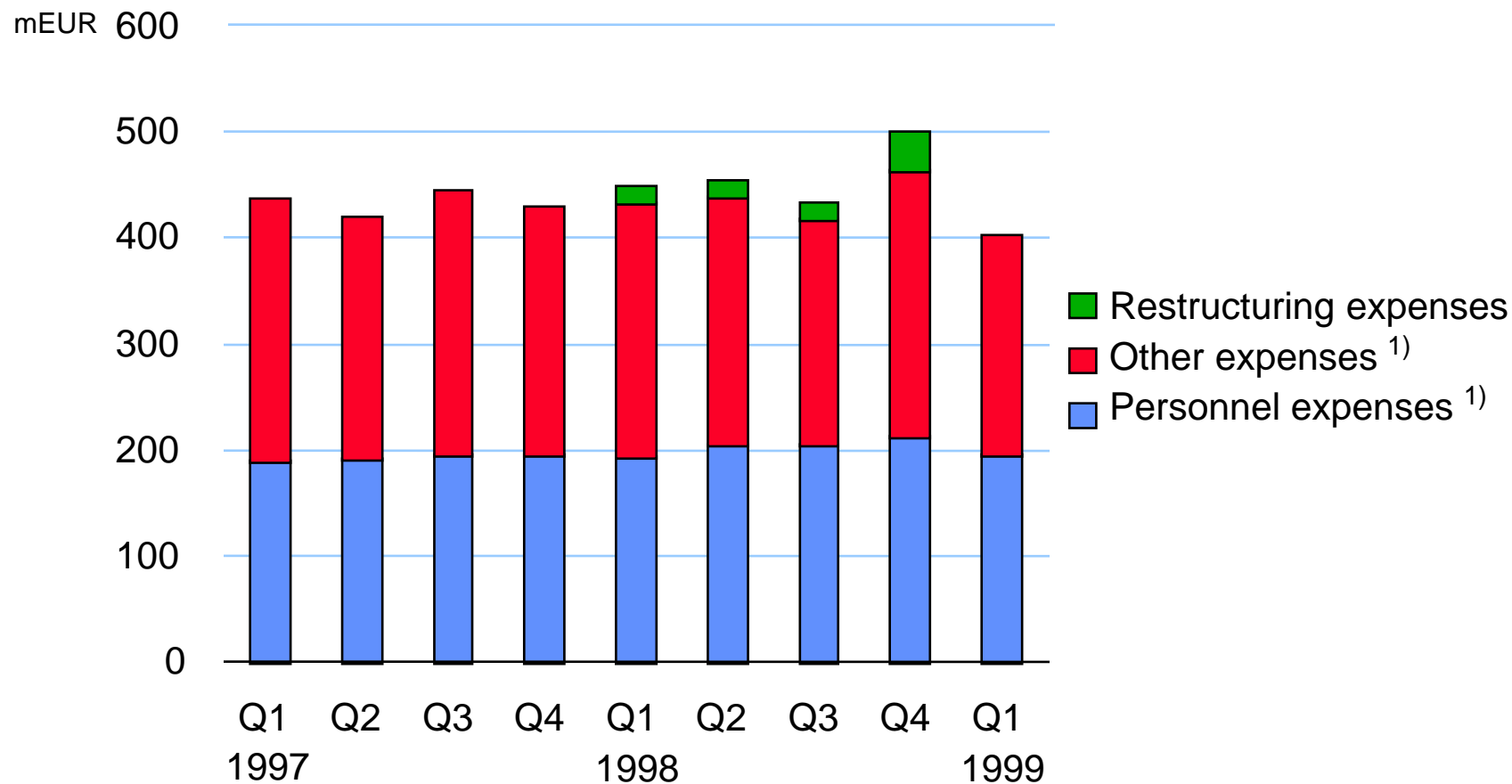
Net interest and commission income



Net result from financial operations

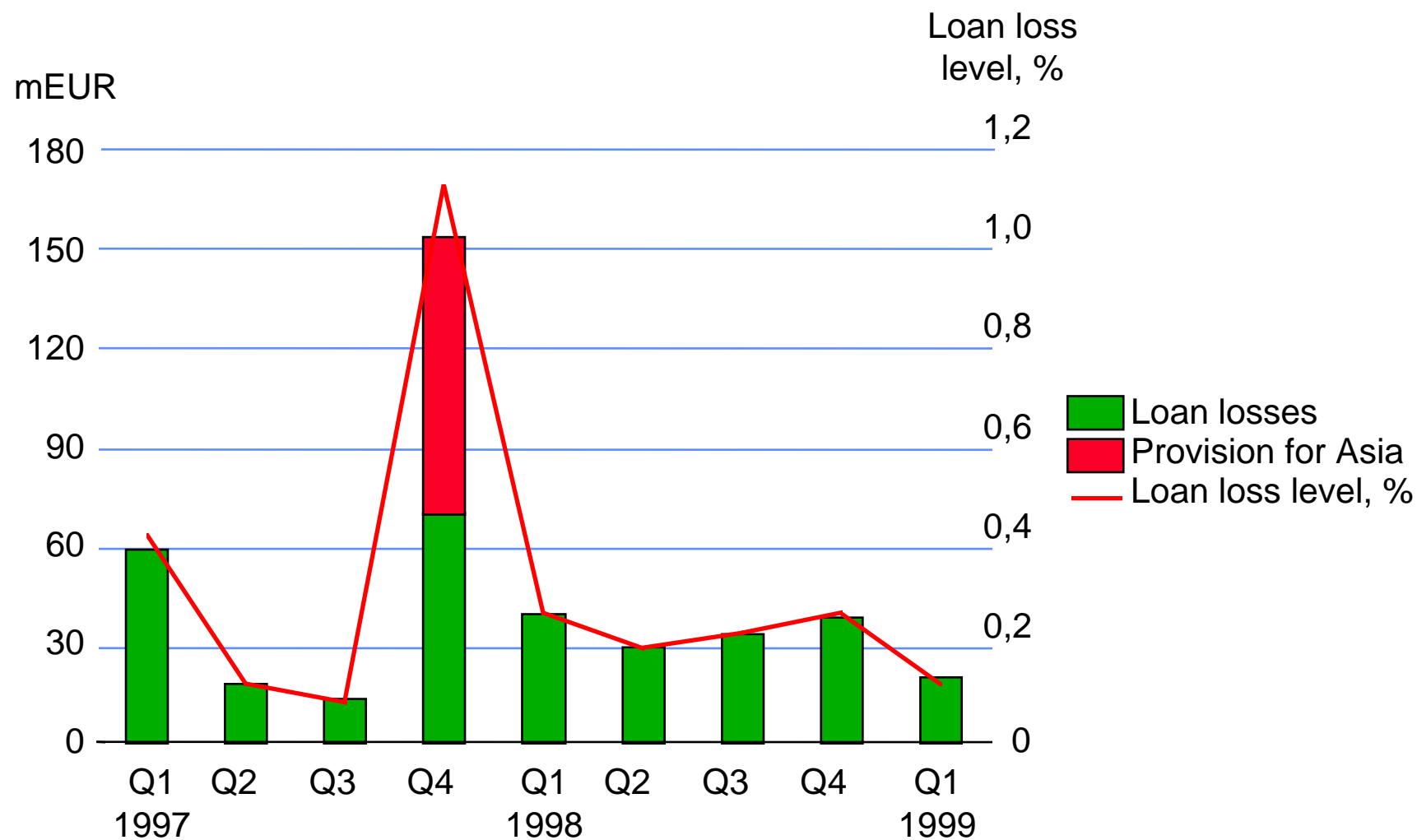


Expenses

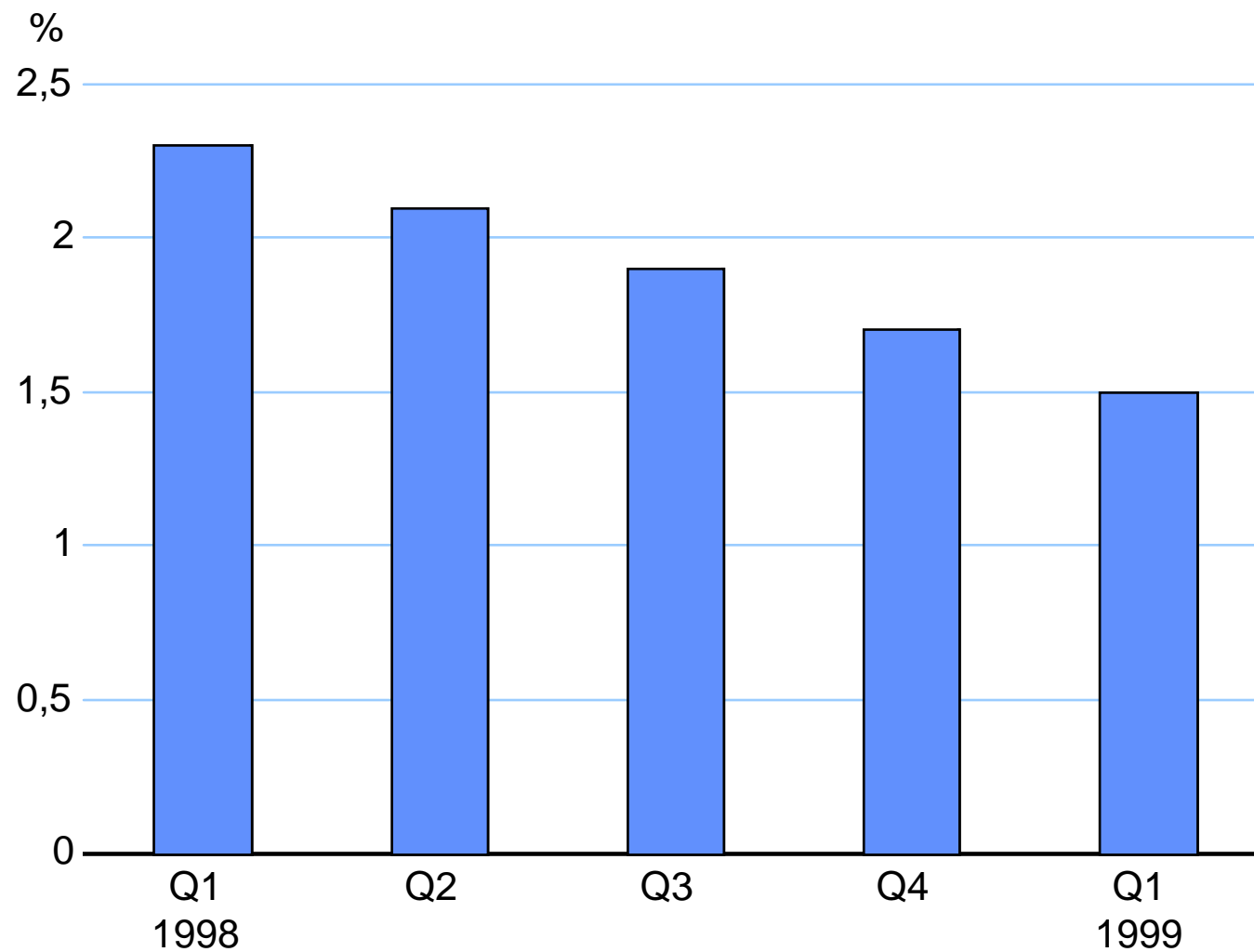


¹⁾ Excluding restructuring expenses.

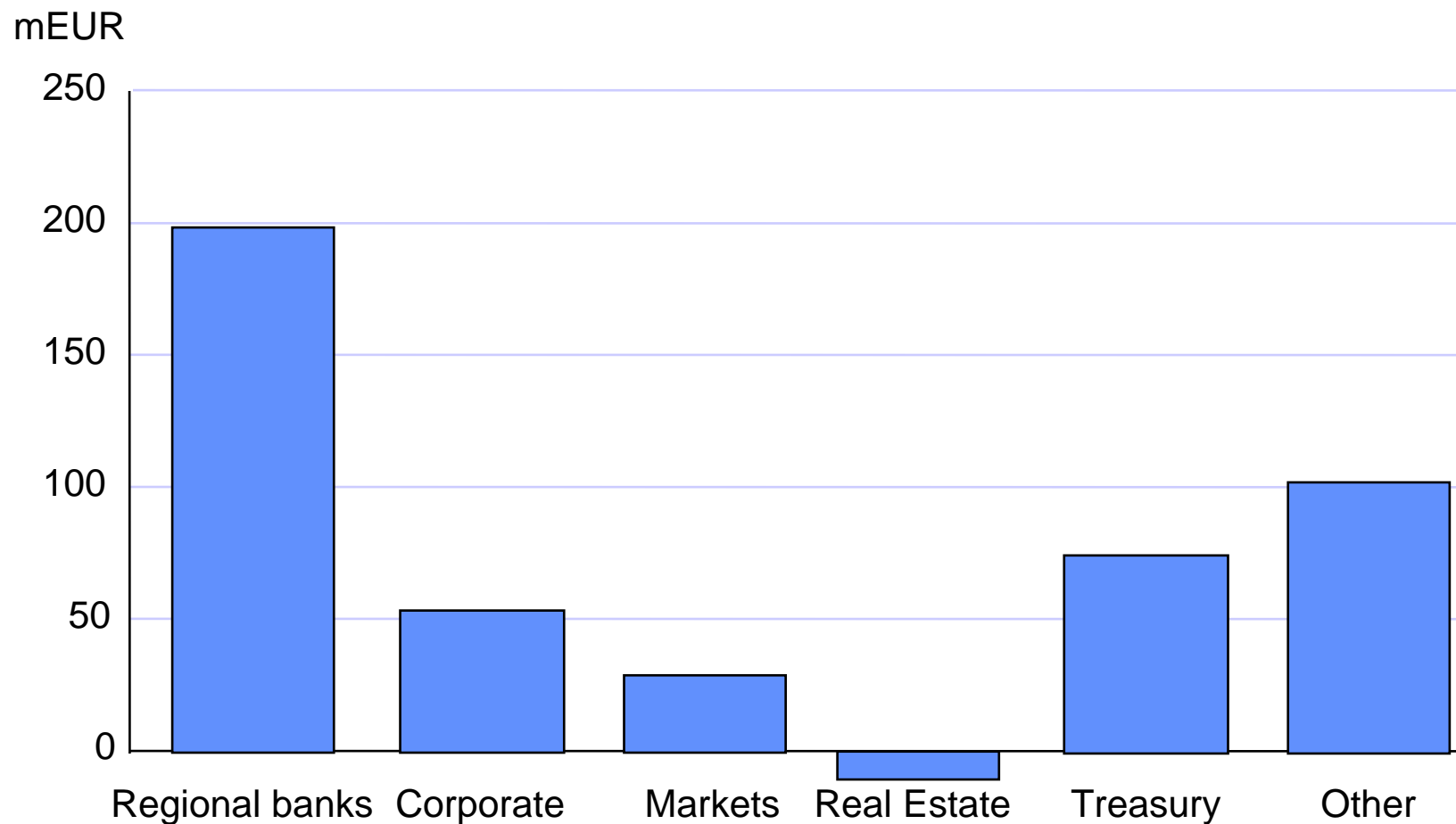
Loan losses, net



Non-performing loans, net/lending

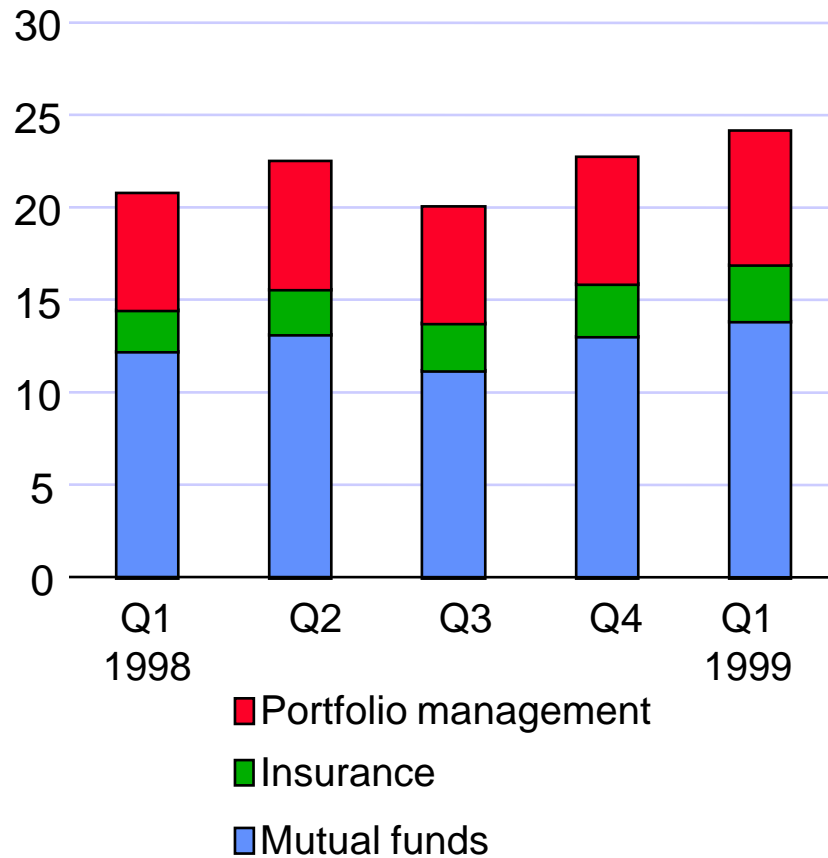


Operating profit by business area Q1/1999

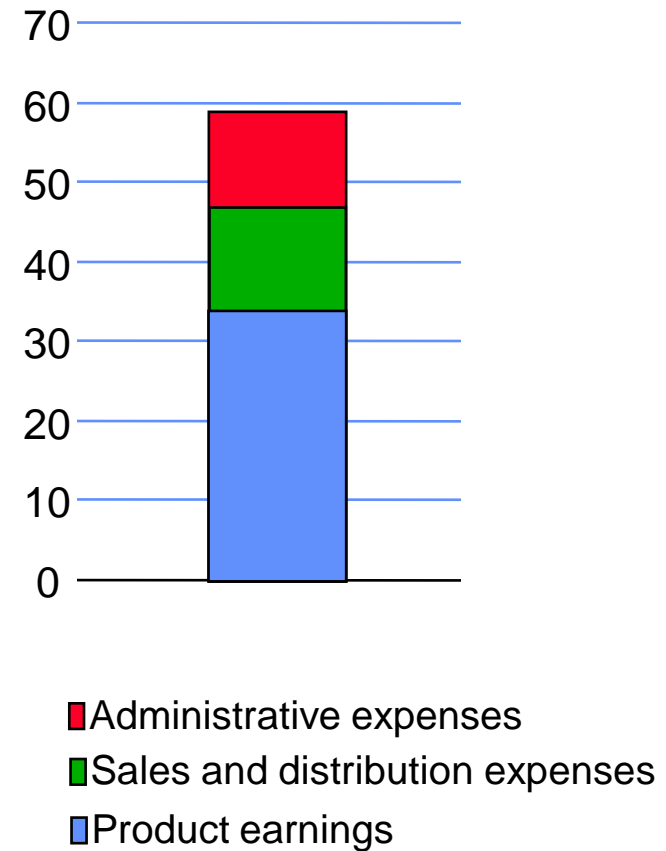


Asset management

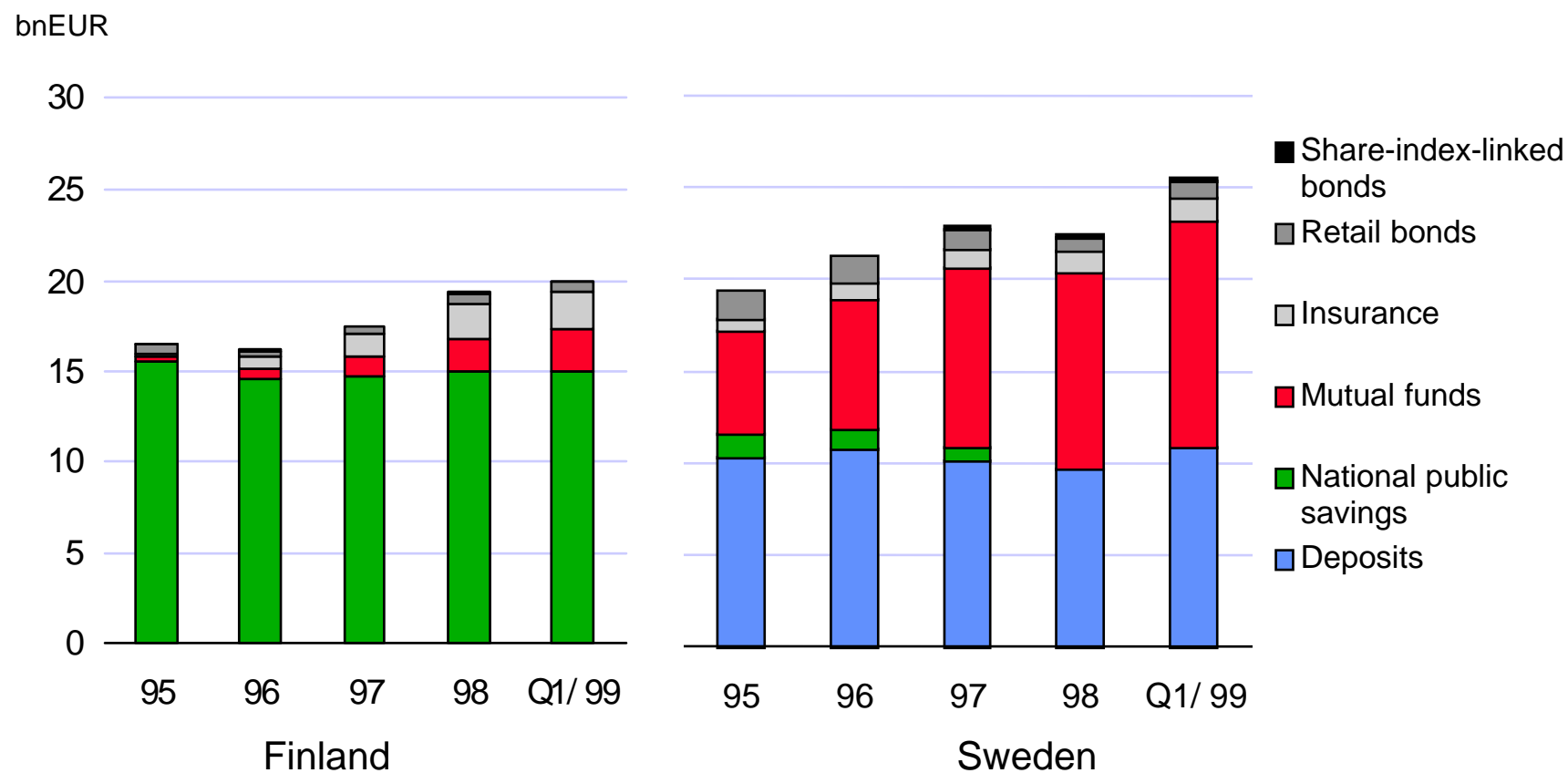
Assets under management
bnEUR



Product earnings
mEUR

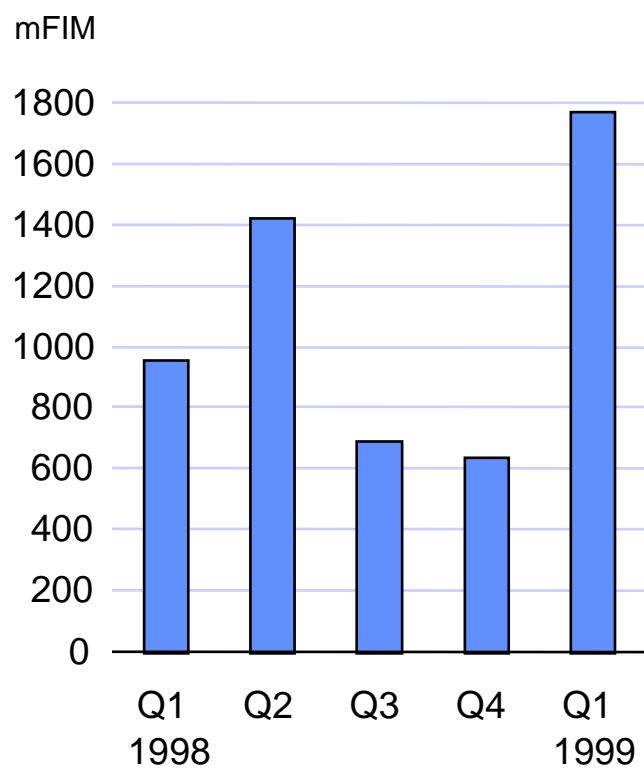


Household savings

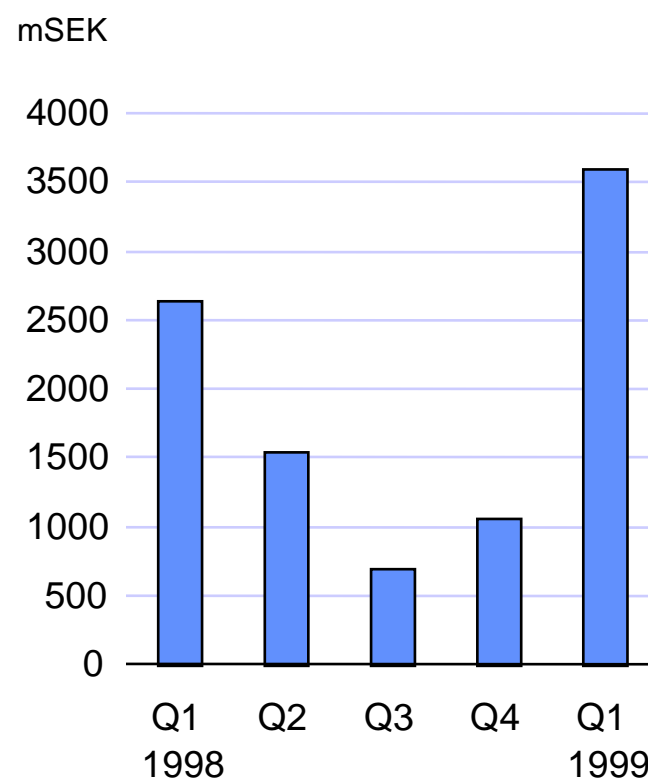


*Excluding the exchange rate effect (EUR/SEK), the volume increased by 8% in 1998.

Net savings in mutual funds

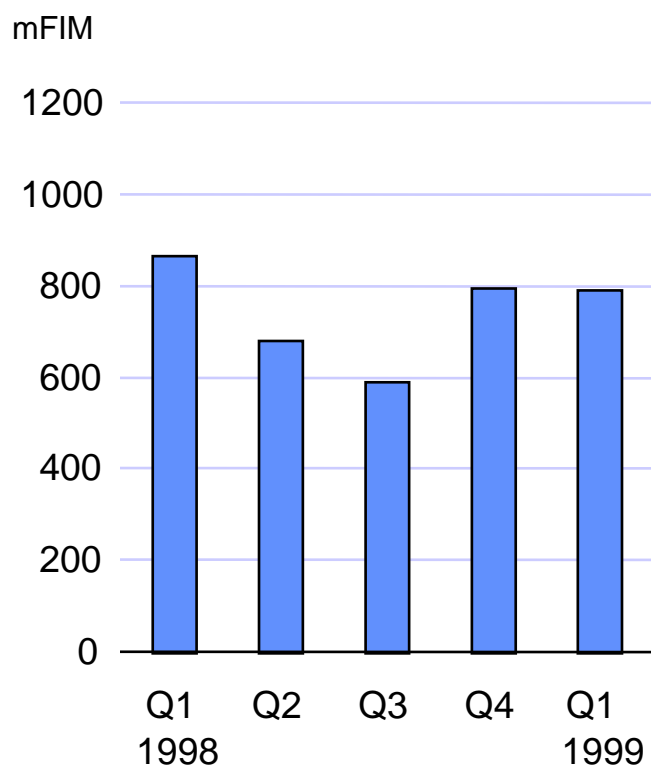


Finland

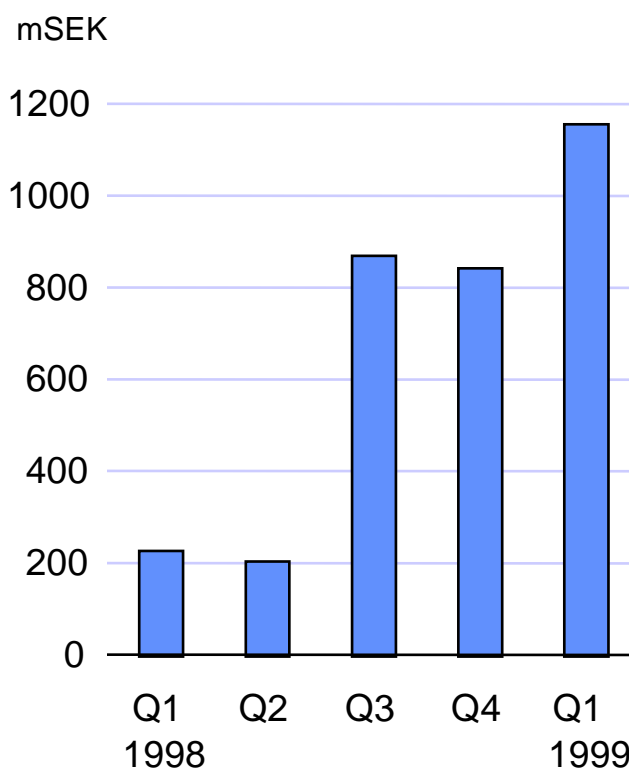


Sweden

Premiums paid, life insurance



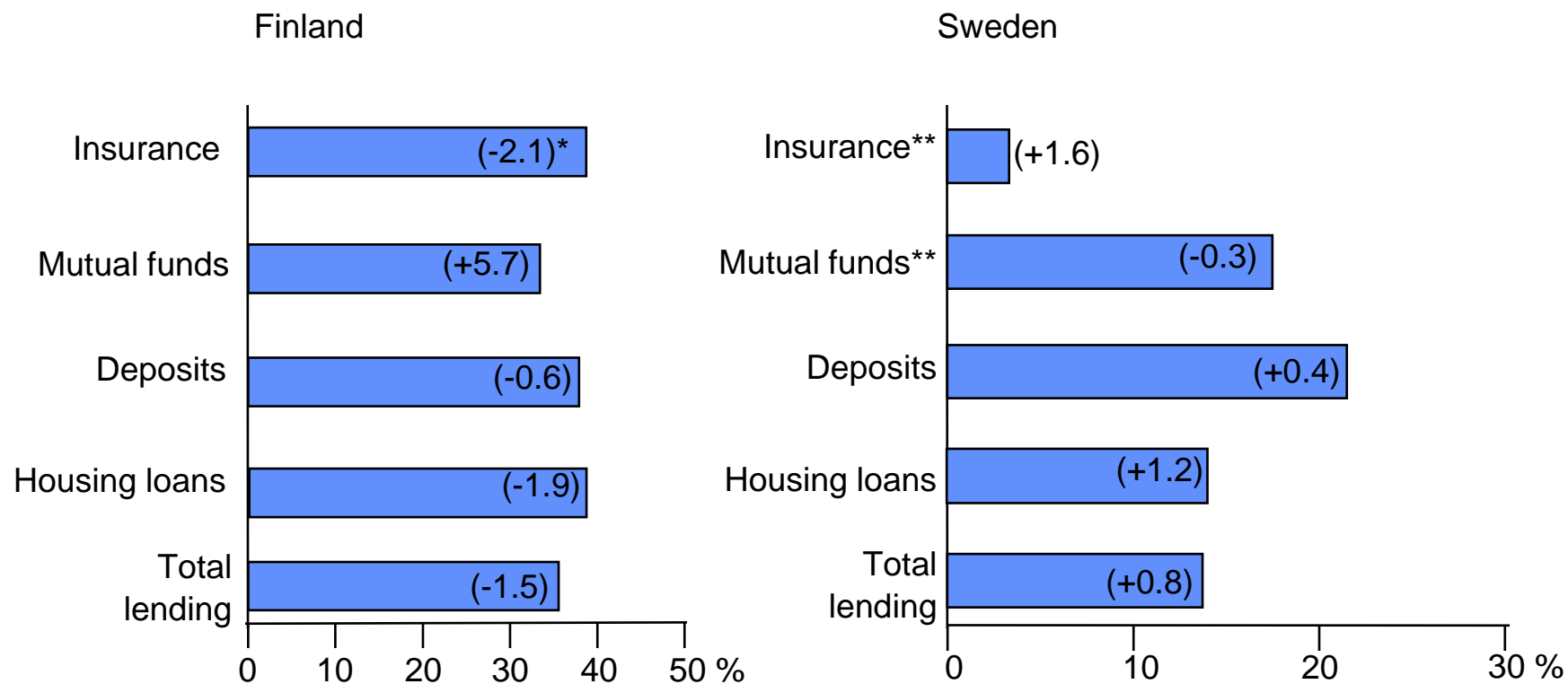
Finland



Sweden

4th quarter, 1998, excluding transfer of pension liabilities of Merita Plc. (FIM 710 million)

Market shares, households

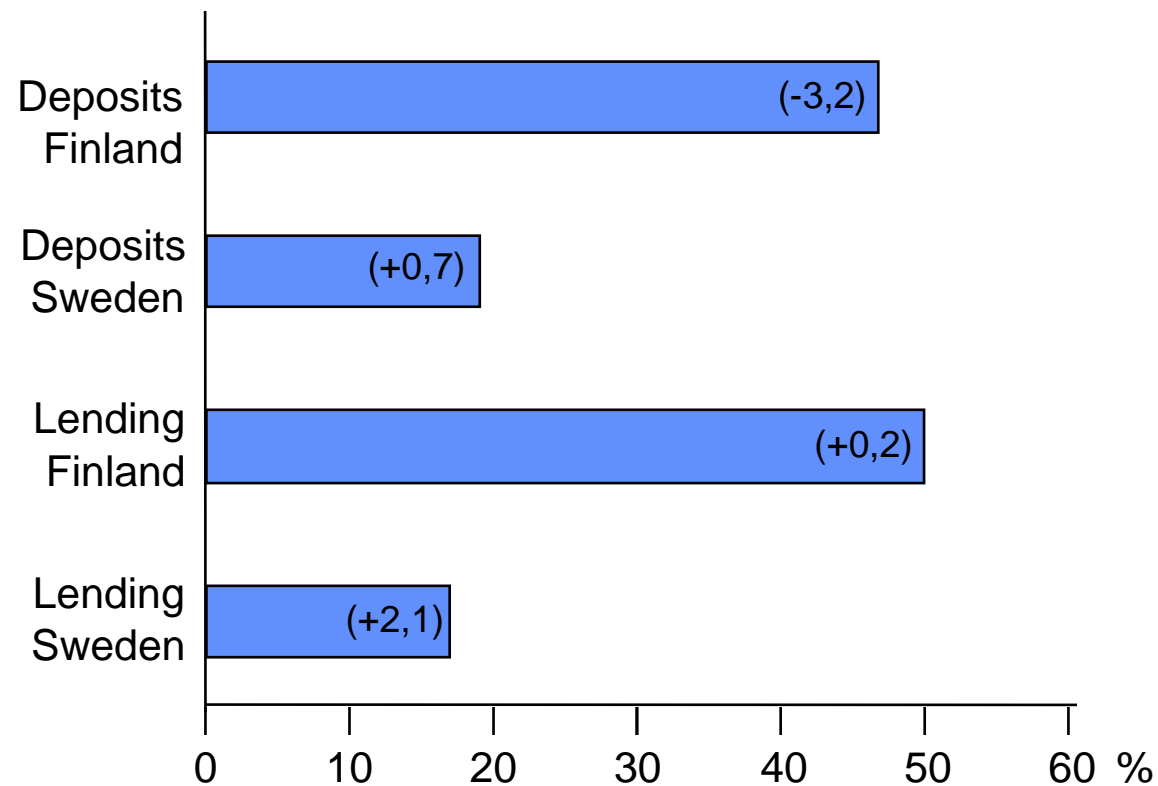


(± XX) = compared with Q1/1998.

*Influenced by a change in statistical definitions.

** As per December 31, 1998.

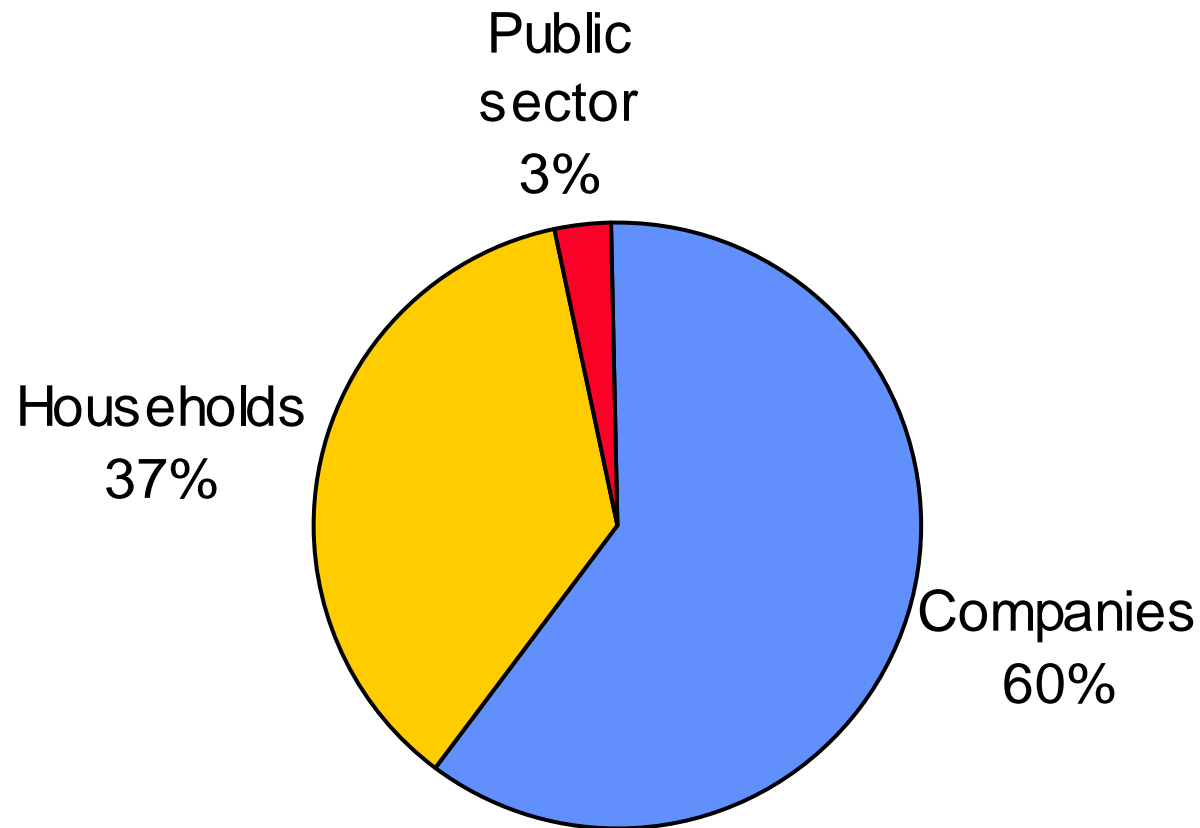
Market shares, corporate



(± XX) = compared with Q1/1998.

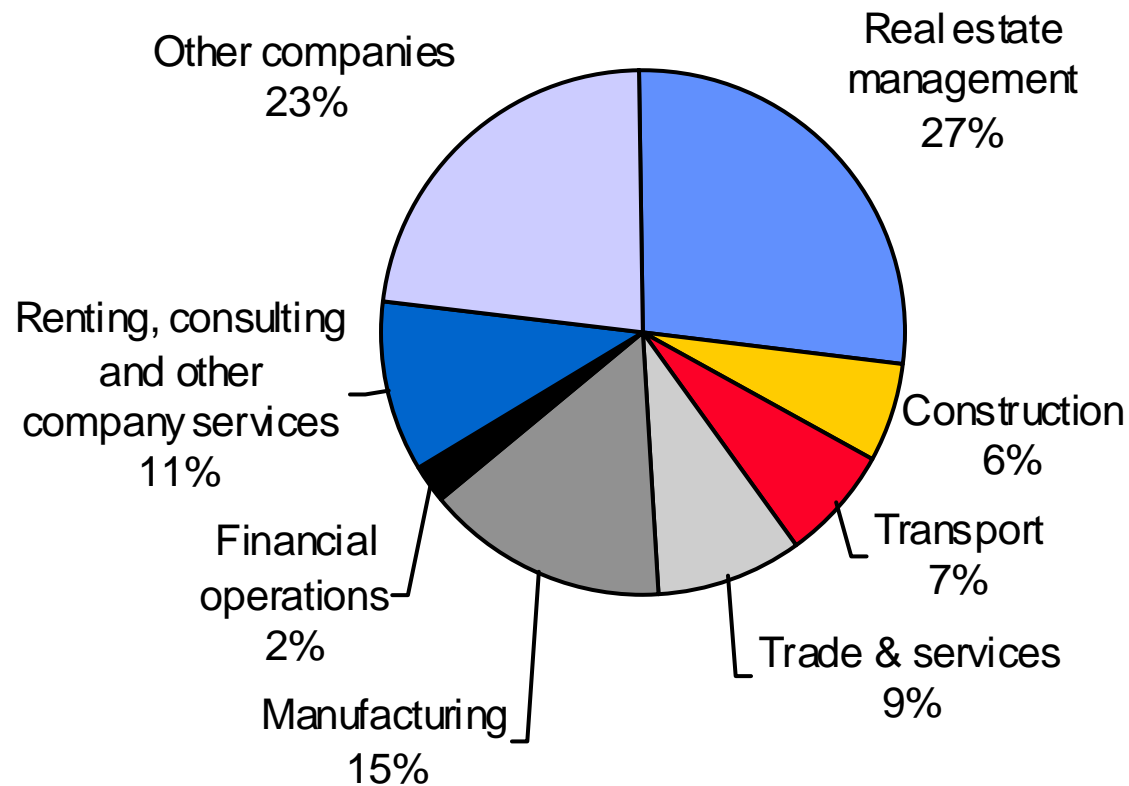
Customer structure of loan portfolio

EUR 63.8 bn (March 31, 1999)

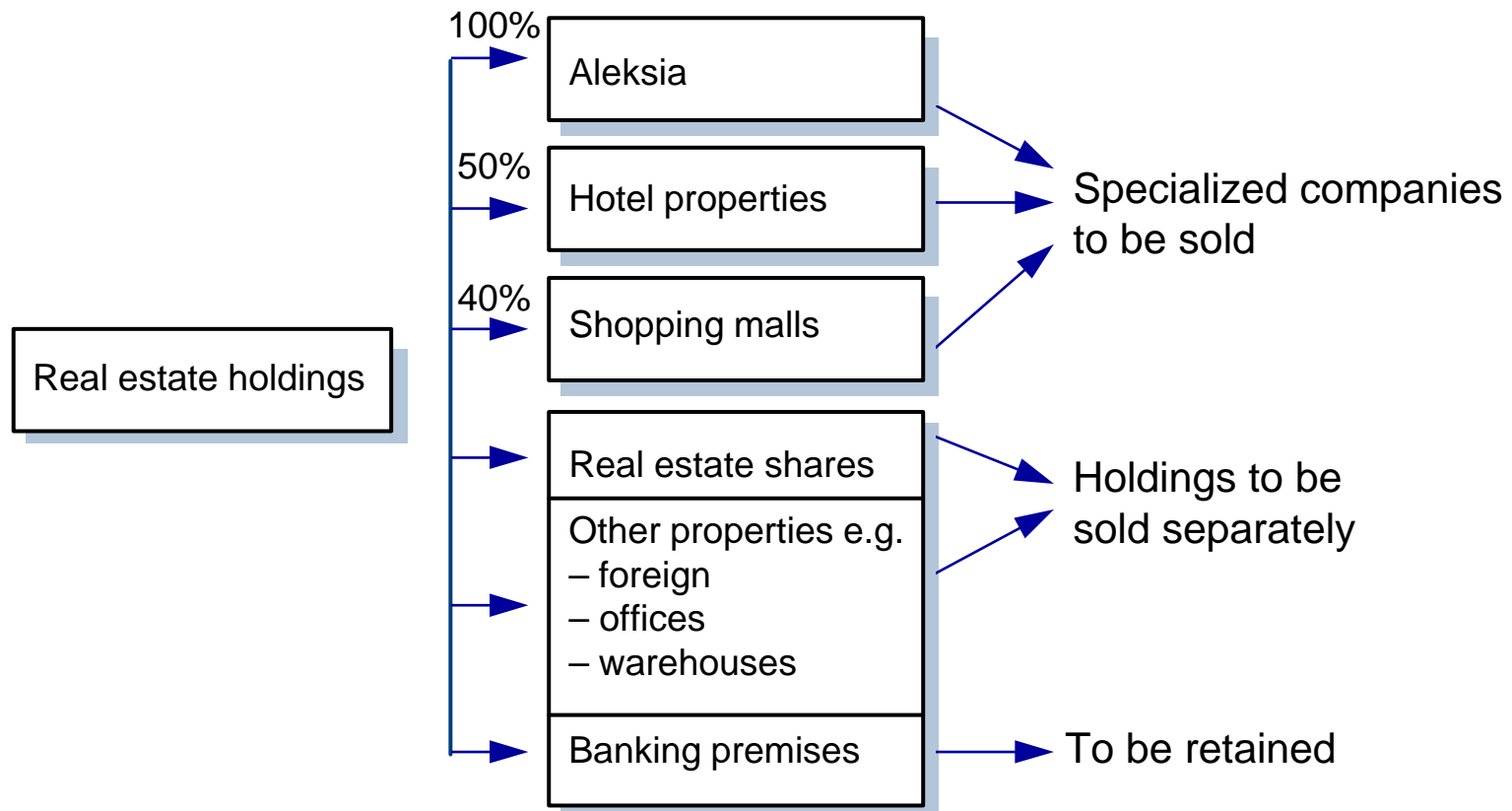


Lending to companies by industry

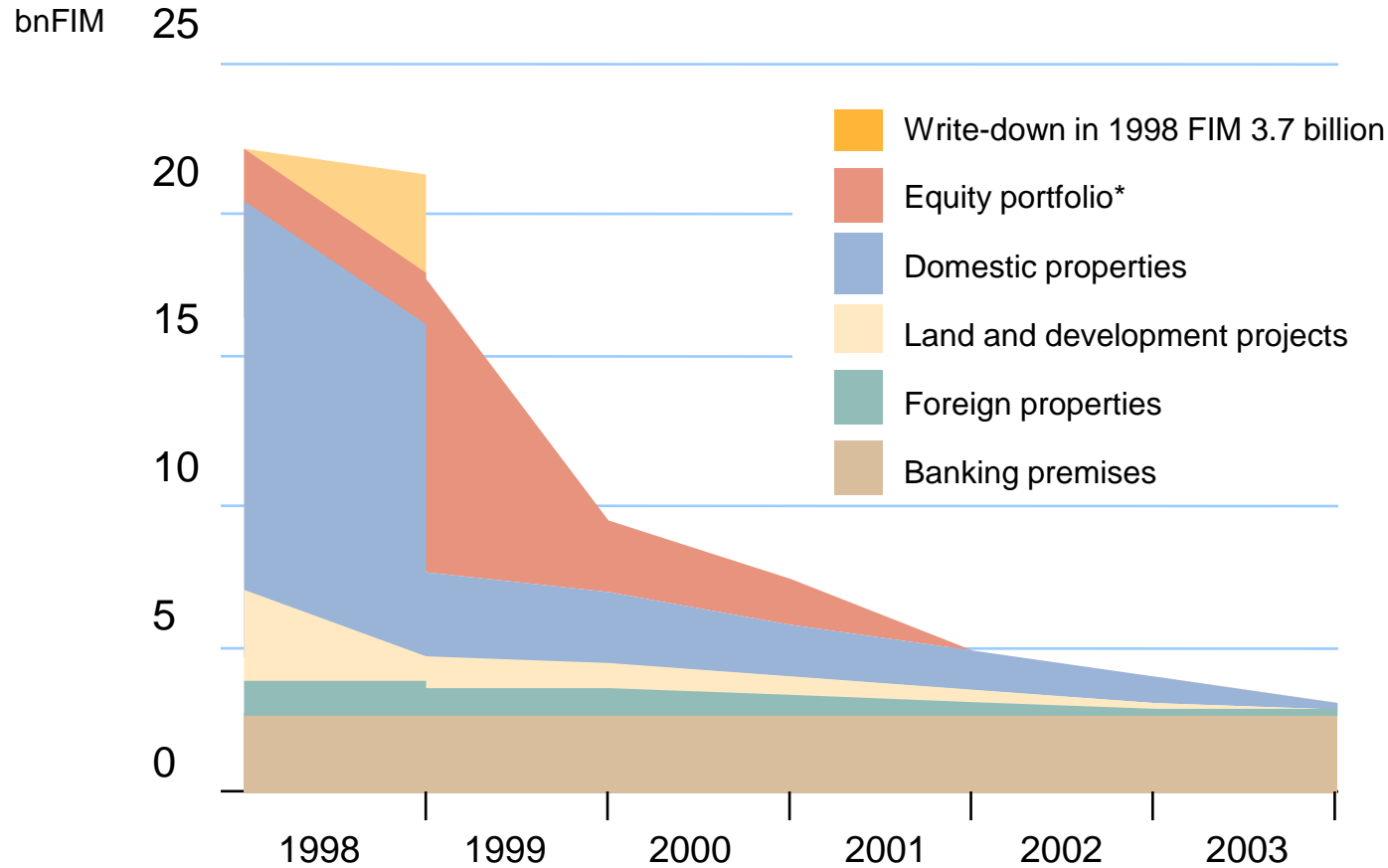
EUR 38 bn (March 31, 1999)



Real estate divestment strategy in Finland



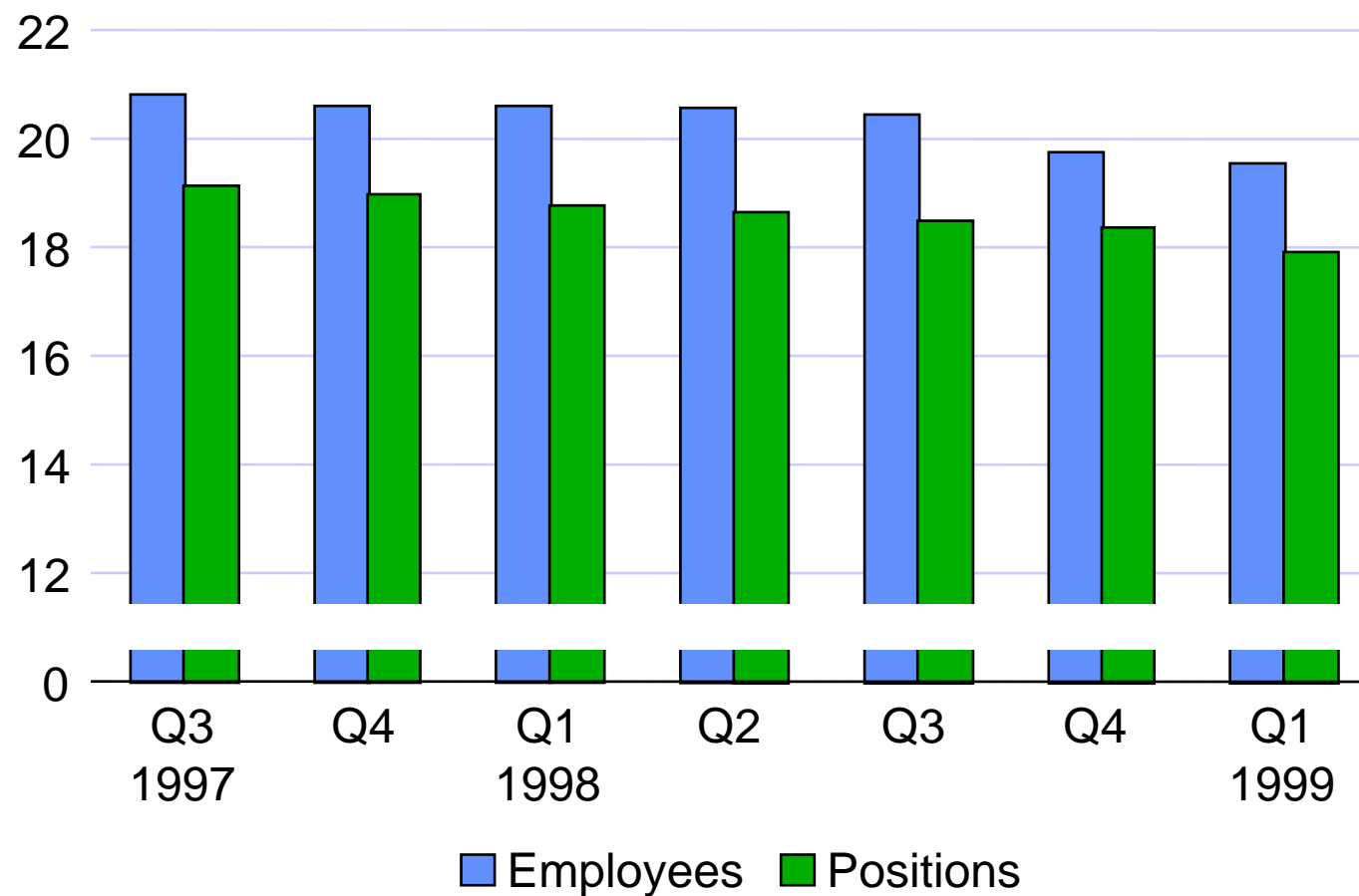
Real estate divestment process in Finland



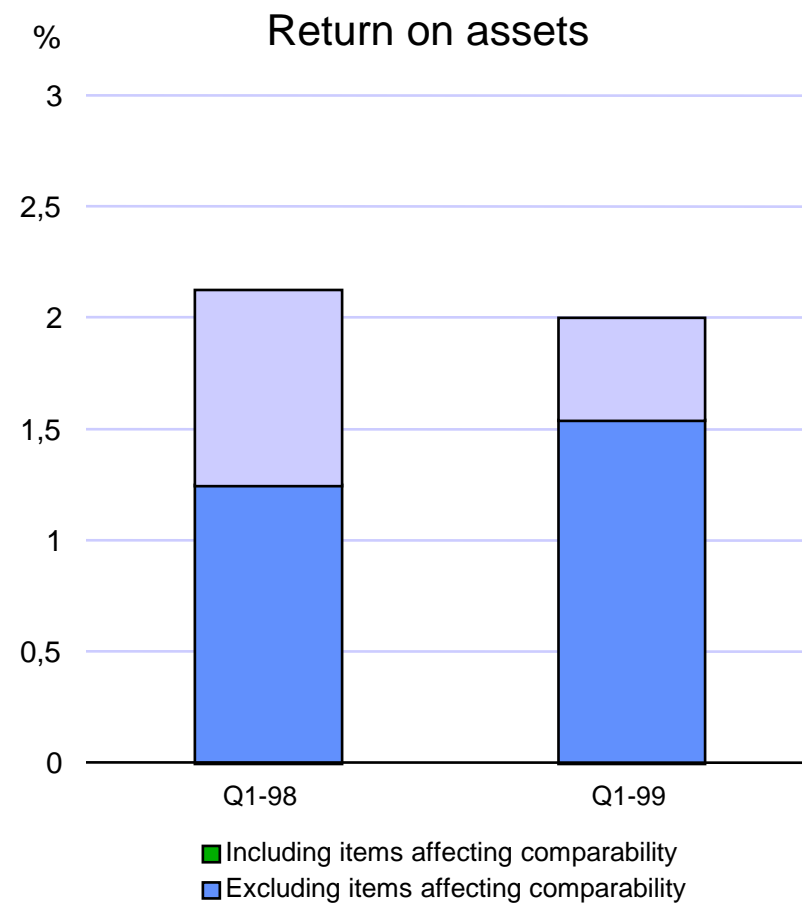
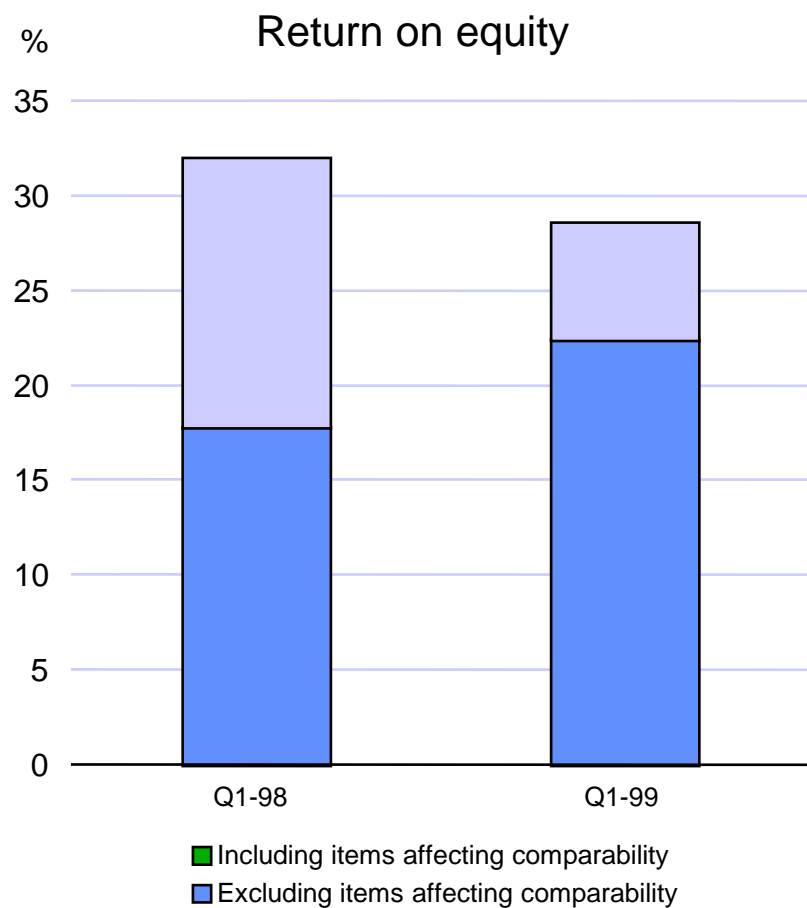
* Incl. Aleksia, hotels and shopping malls and Aleksia debt.

Personnel

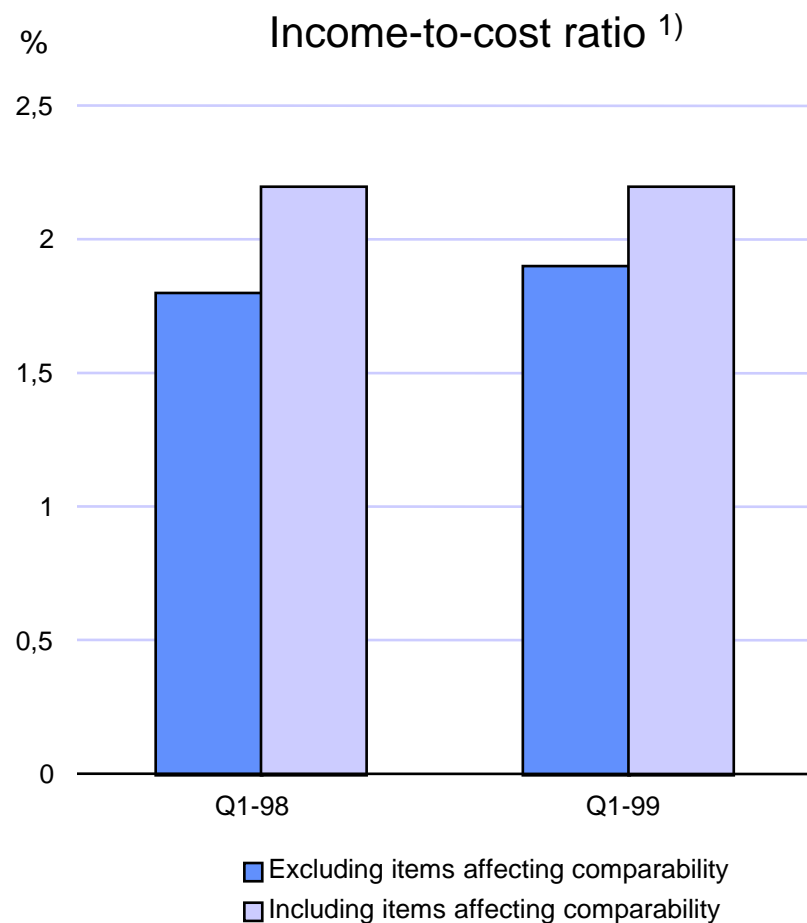
Thousand



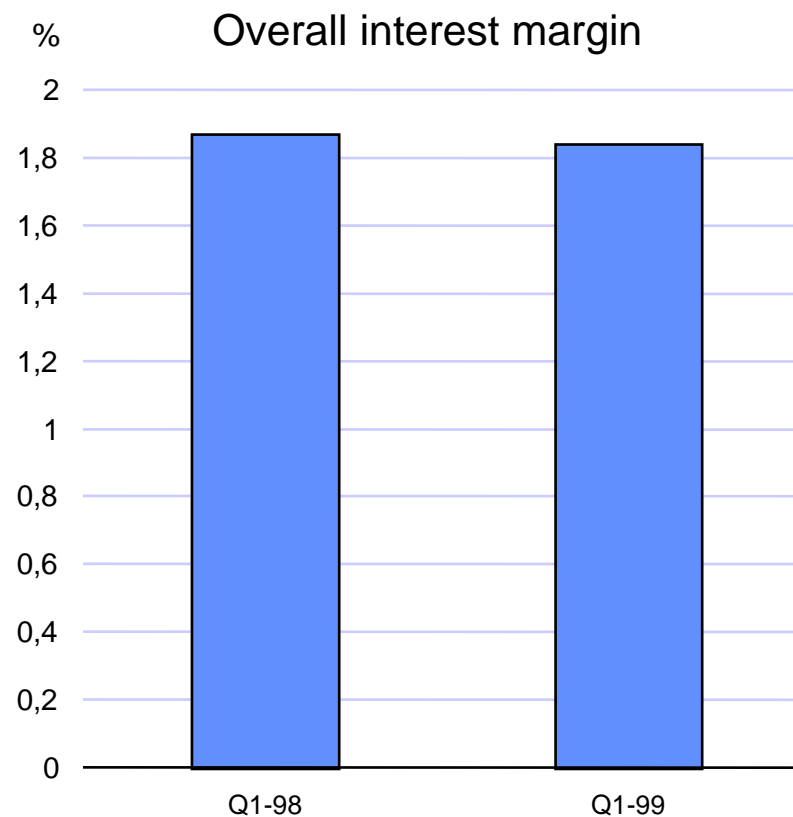
Profitability



Key ratios



¹⁾ Before loan losses.



Regional banks

Regional Banks	Helsinki & Uusimaa	Central & West. Finland	East. & North. Finland	South. Sweden	Western Sweden	Stock-holm	Central Sweden	North. Sweden	Total
Number of branches	135	163	206	53	56	50	71	32	766
Lending & guarantees	5.9	5.1	5.9	5.3	5.5	3.8	5.9	4.0	42.4
Customer savings	8.7	6.6	7.0	4.3	4.9	9.1	6.3	3.9	50.8

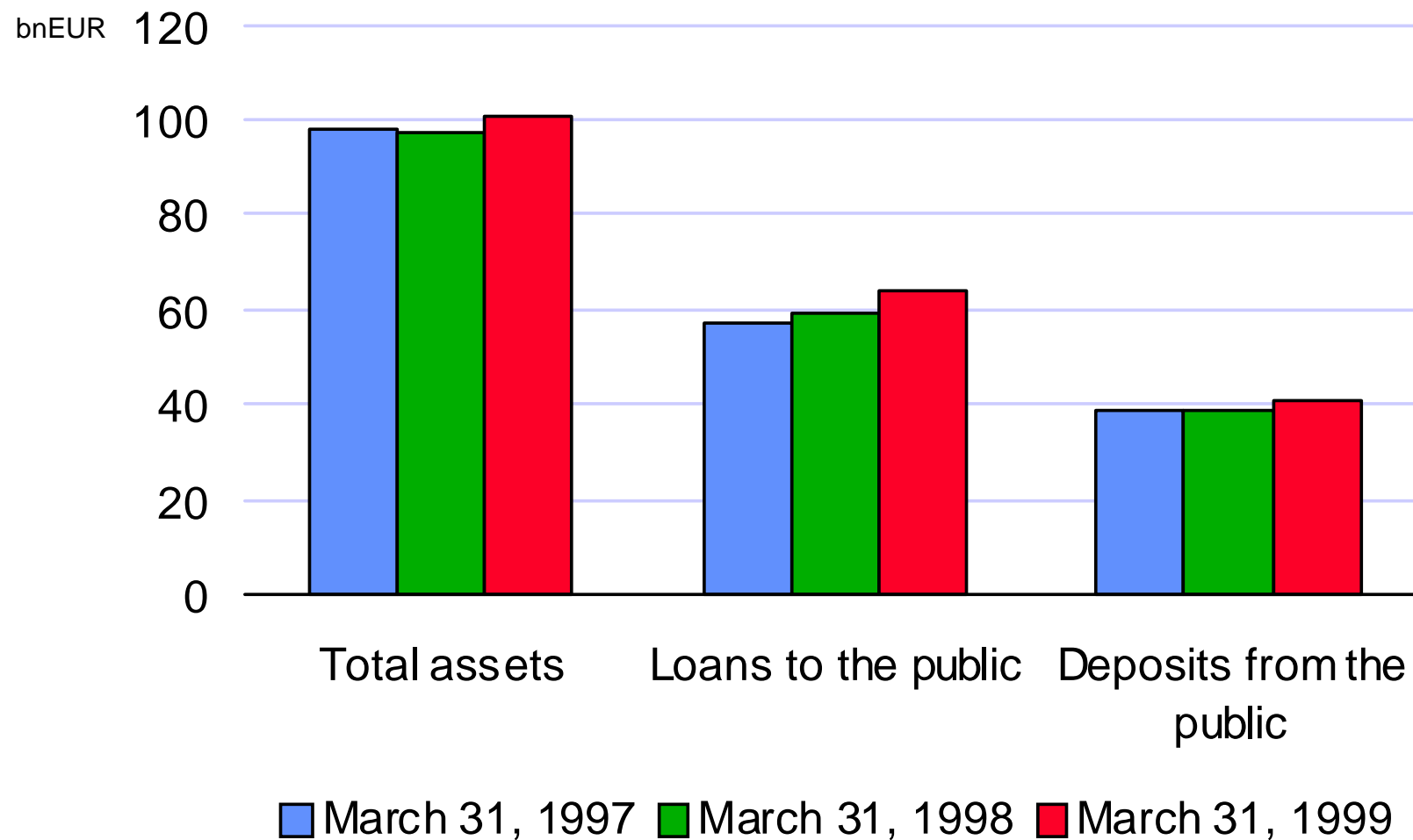
Data as per December 31, 1998.

MeritaNordbanken Group

Balance sheet

bnEUR	March 31 1999	March 31 1998	Change, %	March 31, 1999 bnFIM	bnSEK
Loans to the public	63.8	58.8	9	379	567
Loans to financial institutions and central banks	11.1	11.1	0	66	99
Interest-bearing securities					
Financial current assets	10.1	9.6	5	60	90
Financial fixed assets	3.8	5.0	-24	23	34
Other assets	11.8	12.4	-5	70	104
Total assets	100.6	96.9	4	598	894
Deposits from the public	40.6	39.1	4	241	361
Due to financial institutions and central banks	16.7	14.3	17	99	148
Debt instruments outstanding	21.8	24.7	-12	130	194
Other liabilities	13.2	10.2	29	79	117
Subordinated debt	3.4	3.8	-11	20	30
Shareholders' equity	4.9	4.8	2	29	44
Total liabilities and shareholders' equity	100.6	96.9	4	598	894

Balance sheet



Capital adequacy

	March 31, 1999	March 31, 1998
Tier 1 ratio, %	7.3	7.3
- <i>Merita Bank</i>	6.0	5.7
- <i>Nordbanken</i>	6.1	6.3
Total capital ratio, %	10.7	9.9
- <i>Merita Bank</i>	10.8	9.8
- <i>Nordbanken</i>	9.7	10.0

Per-share data

	Q1/1999	Q1/1998
Earnings per share		
- Merita	EUR 0.17 (0.13)	EUR 0.19 (0.11)
- Nordbanken Holding	SEK 1.55 (1.20)	SEK 1.67 (0.96)
Equity per share ¹⁾		
- Merita	EUR 2.36	EUR 2.29
- Nordbanken Holding	SEK 20.53	SEK 18.96

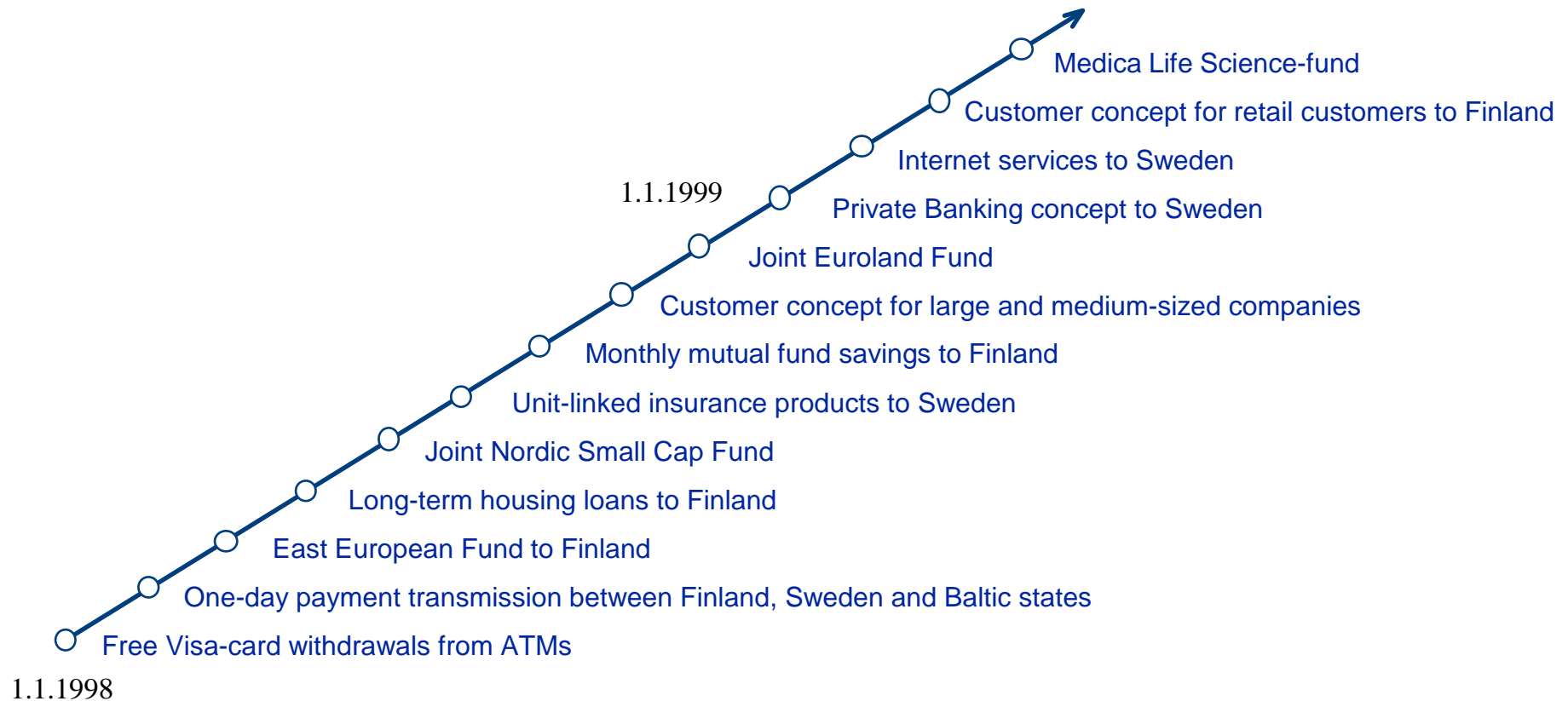
(Excluding items affecting comparability.)

¹⁾ At the end of the period.

Merger synergies

- Plan
 - Income and cost synergies of almost EUR 120 million by the year 2000
- Implementation
 - Synergies materialize as planned
 - Staff reductions continue – net 760 since October 1997 incl. expansion in key strategic areas, appr. 275 employees

New products every month



New business generated

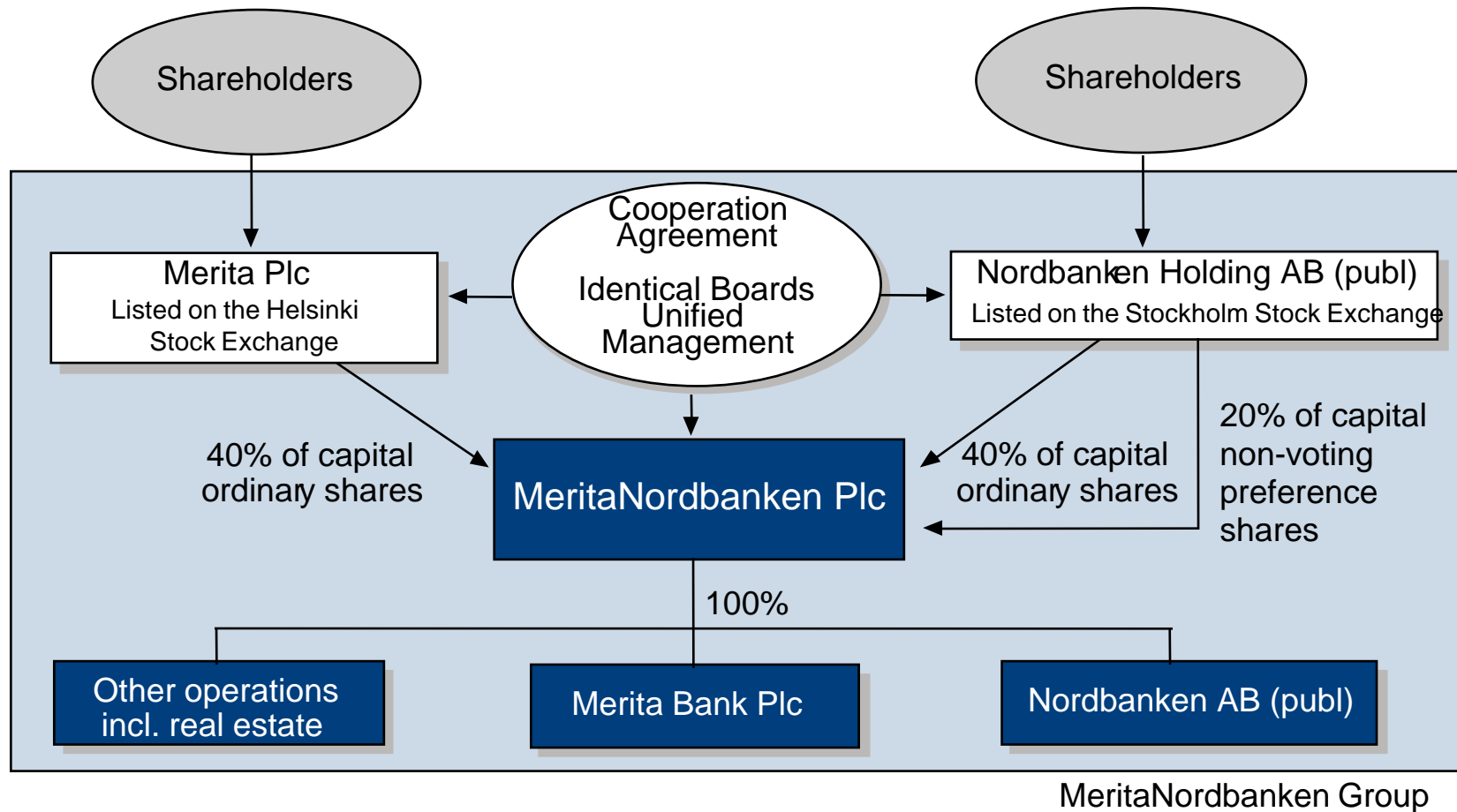
- Unit-linked insurance products in Sweden
EUR 0 => EUR 240 million (March 31)
- Long-term housing loans in Finland
EUR 0 euro => EUR 118 million (March 31)
- New cross-boarder mutual funds
(Nordic Small Cap, Euroland, Medica Life Science)
EUR 0 euro => EUR 154 million (April 24)
- Monthly savings into mutual funds in Finland
EUR 0 euro => EUR million 10 (March 31)

Stronger presence in the Baltic Sea region

- New regional bank for the Baltic states and Poland
- Second branch opened in Tallinn
- MeritaNordbanken Finance Latvia Ltd
 - wholly owned finance company
- MeritaNordbanken Latvia

Appendices

Group structure



MeritaNordbanken Group

Agency ratings, April 1999

	Moody's		S &P		Fitch IBCA		Thomson Bankwatch	
	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term
Merita Bank	P-1	A2	A-1	A	F1	A	TBW-1	AA-
Nordbanken	P-1	A1	A-1	A	F1	A+	TBW-1	AA-
Nordbanken Hypotek		Aa3						

Reporting 1999

- Financial reporting:

January - June

August 25

January - September

October 26

Contact information

MeritaNordbanken Investor Relations

SE-105 71 STOCKHOLM

Telephone + 46 8 614 7850

Telefax + 46 8 614 8710

E-mail: investor.relations@nb.se

FIN-00020 MERITA

+ 358 9 165 43041

+ 358 9 612 1264

merita.investorrelations@merita.mailnet.fi

Investor information on the Internet:

www.meritanordbanken.com

MeritaNordbanken Group