# MeritaNordbanken Unidanmark

## January – March 2000

Unidanmark

MeritaNordbanken

# Merger progress report

- Merger accepted by 97.1 per cent of Unidanmark shareholders
- Strong first quarter pro forma results for new group

 Unidanmark

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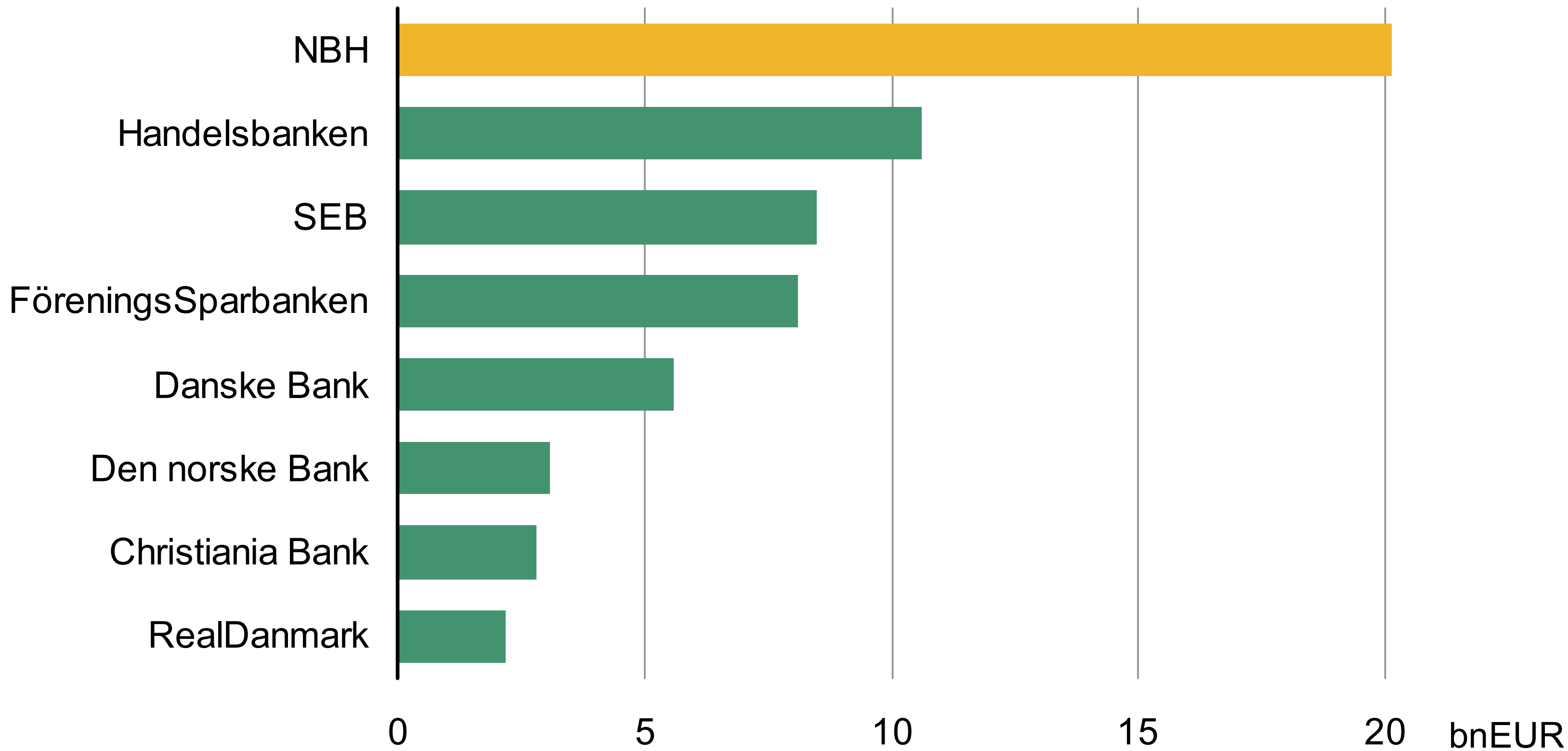
# Merger effected

- Shareholders representing 97.1 per cent of the Unidanmark A/S shares have accepted the share exchange offer from Nordic Baltic Holding (NBH) AB (publ)
- All other conditions fulfilled
- New Board of Directors and New Group Management operative
- Over 50 key management positions filled
- All major integration projects started
- NBH listed in Stockholm, Helsinki and Copenhagen

# The largest financial group in the Nordic region

Market capitalisation of Nordic banking groups, April 2000





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# Strong first quarter 2000 for the new group

- Operating profit EUR 729 million
  (DKK 5.4 billion/SEK 6.2 billion)

- Return on equity 19.2 %

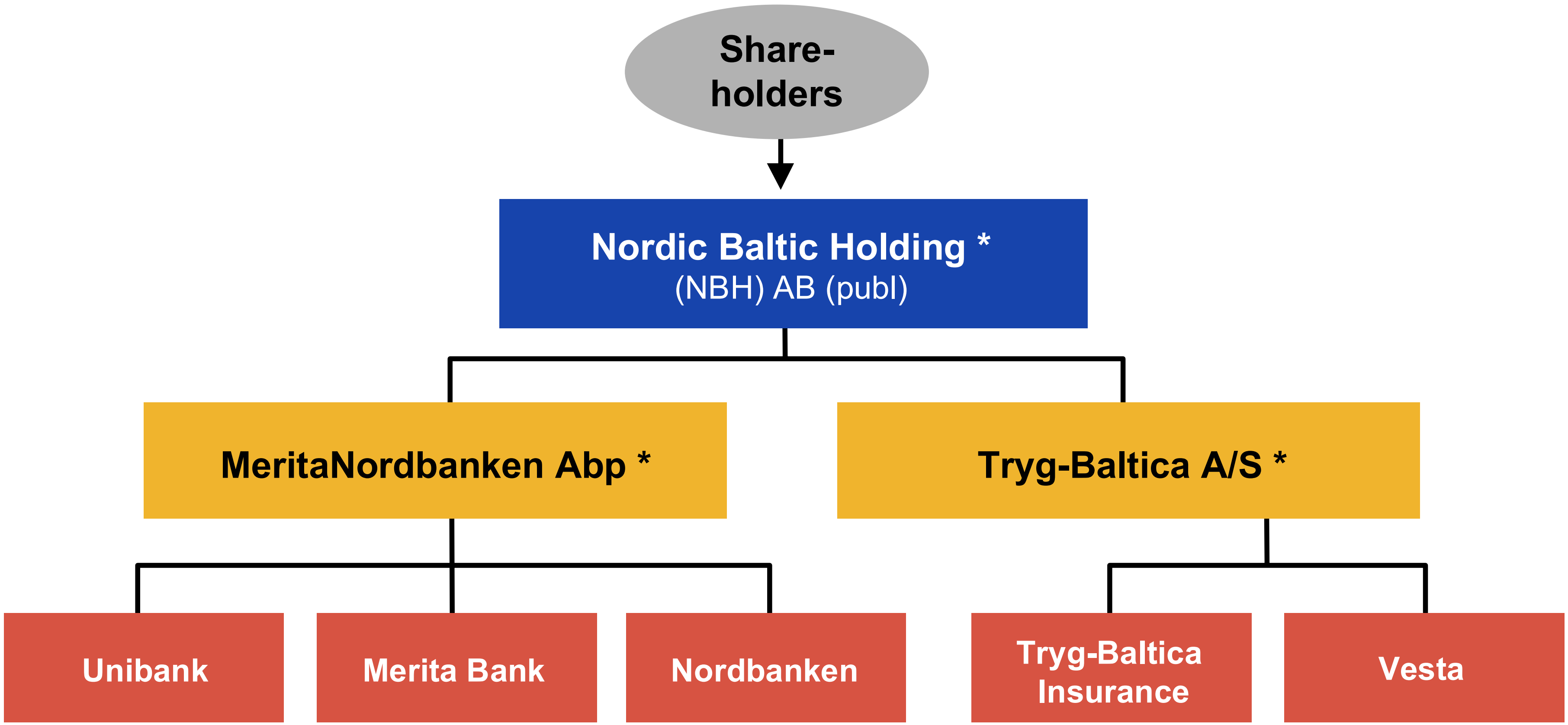
- Strong growth within Retail and Asset Management

# Pro forma financial information

Jan – March 2000

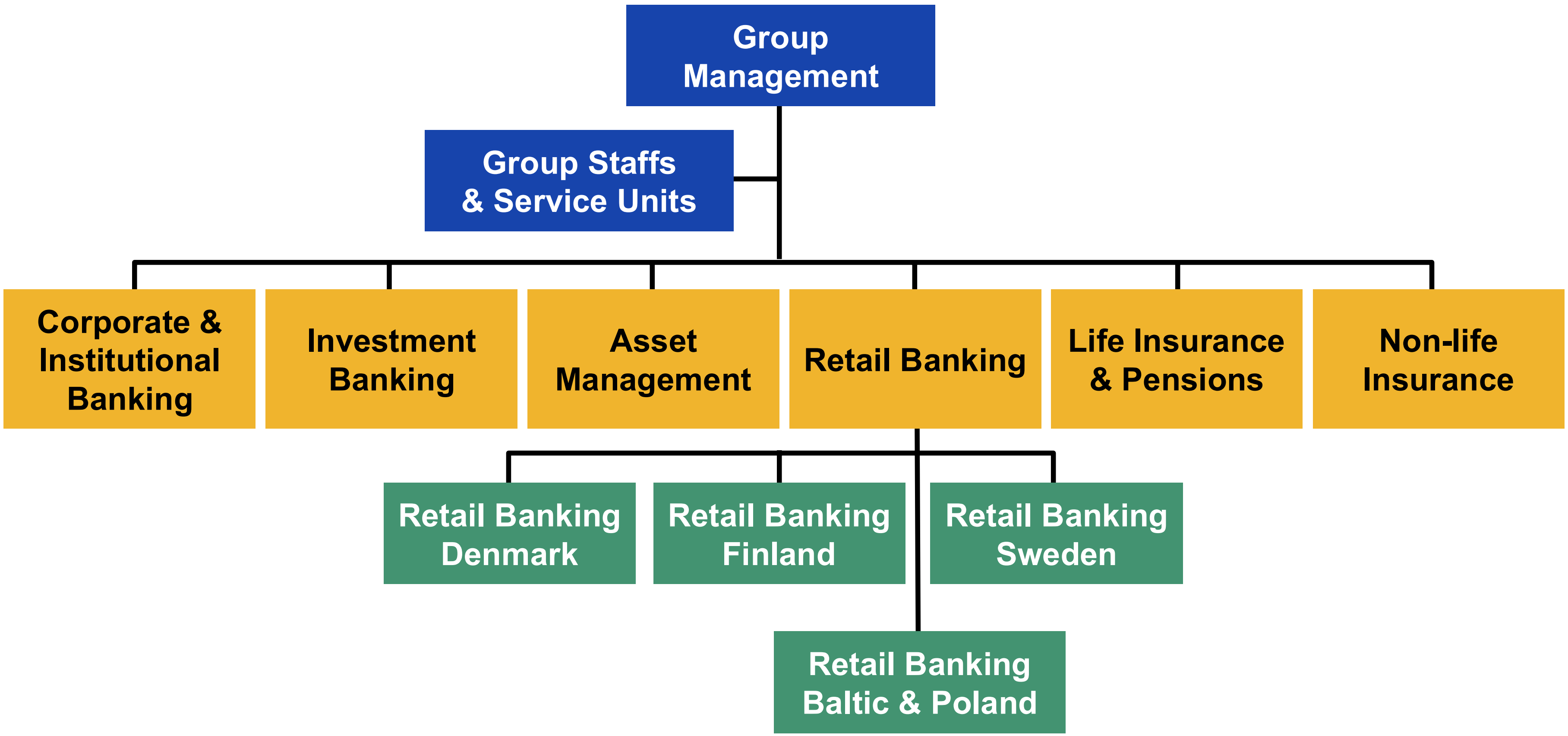
| | Jan-March 2000 | Full year 1999 |
|---|---|---|
| Earnings per share, EUR | 0.17 | 0.55 |
| Shareholders' equity per share, EUR | 3.45 | 3.43 |
| Shares outstanding after full conversion | 2 984.1 | 2 987.2 |

# Legal structure

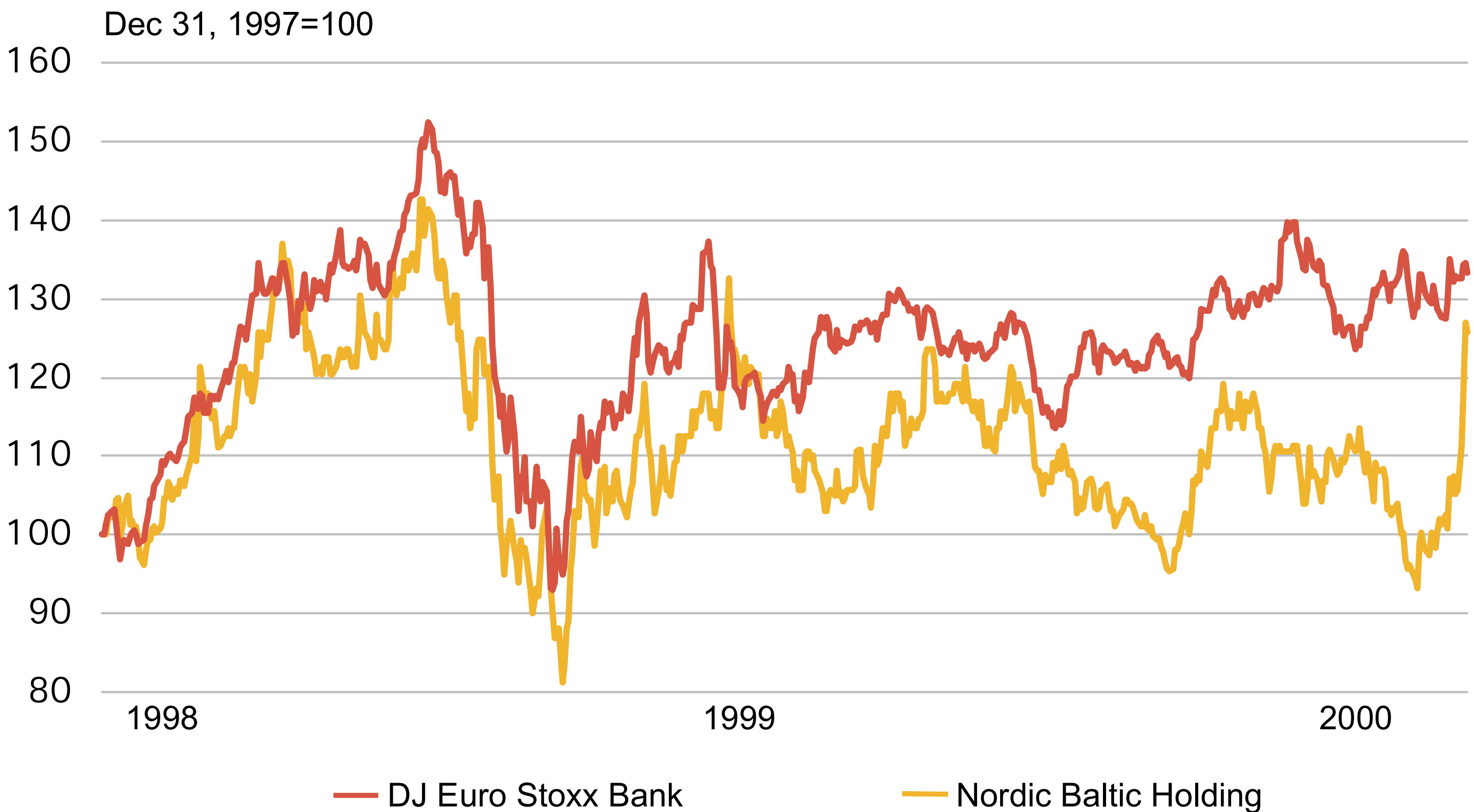



* Preparing to adopt a new name.

# Group structure



# Share price development

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# January – March 2000

# Unidanmark

## Including Vesta in 1Q00

| | 1Q99 | 1Q00 |
|---|---|---|
| Profit before tax, EURm | 143 | 274 |
| ROE, % | 11,9 | 20,2 |
| Earnings per share, DKK | 12 | 19 |

Unidanmark

# Unidanmark

## Including Vesta in 1Q00

| EURm | 1Q99 | 2Q99 | 3Q99 | 4Q99 | 1Q00 |
|---|---|---|---|---|---|
| Core earnings, bank | 333 | 338 | 323 | 332 | 402 |
| Core earnings, insurance | 98 | 97 | 94 | 89 | 83 |
| Core earnings, Unidanmark A/S | 1 | 1 | 0 | 9 | 2 |
| **Core earnings** | **432** | **435** | **417** | **431** | **487** |
| Expenses and depreciation | (329) | (344) | (324) | (339) | (374) |
| **Profit on core activities** | **103** | **92** | **92** | **92** | **113** |
| Investment portfolio income | 17 | 37 | (9) | 240 | 161 |
| Associated and group undertakings | 24 | 6 | 3 | (1) | (0) |
| **Profit on ordinary activities** | **143** | **135** | **86** | **331** | **274** |

Unidanmark

# Banking

## Operating profit before tax

| EURm | 1Q99 | 2Q99 | 3Q99 | 4Q99 | 1Q00 |
|---|---|---|---|---|---|
| Excluding investment portfolio income: | | | | | |
| Net interest income | 228 | 224 | 216 | 228 | 236 |
| Other income | 135 | 118 | 121 | 124 | 180 |
| Provisions for bad and doubtful debts | (30) | (4) | (14) | (20) | (14) |
| **Core earnings** | 333 | 338 | 323 | 332 | 402 |
| Expenses and depreciation | (250) [1] | (269) | (253) | (265) | (258) |
| **Profit on core banking activities** | 83 | 69 | 70 | 67 | 144 |
| Return on investment portfolio | 19 | 9 | (6) | 86 | 58 |
| Revaluation of shares in ass. and affiliates | 24 | 5 | 2 | 14 | (0) |
| **Operating profit before tax** | 126 | 84 | 67 | 168 | 201 |

1) Excluding restructuring costs

# Insurance

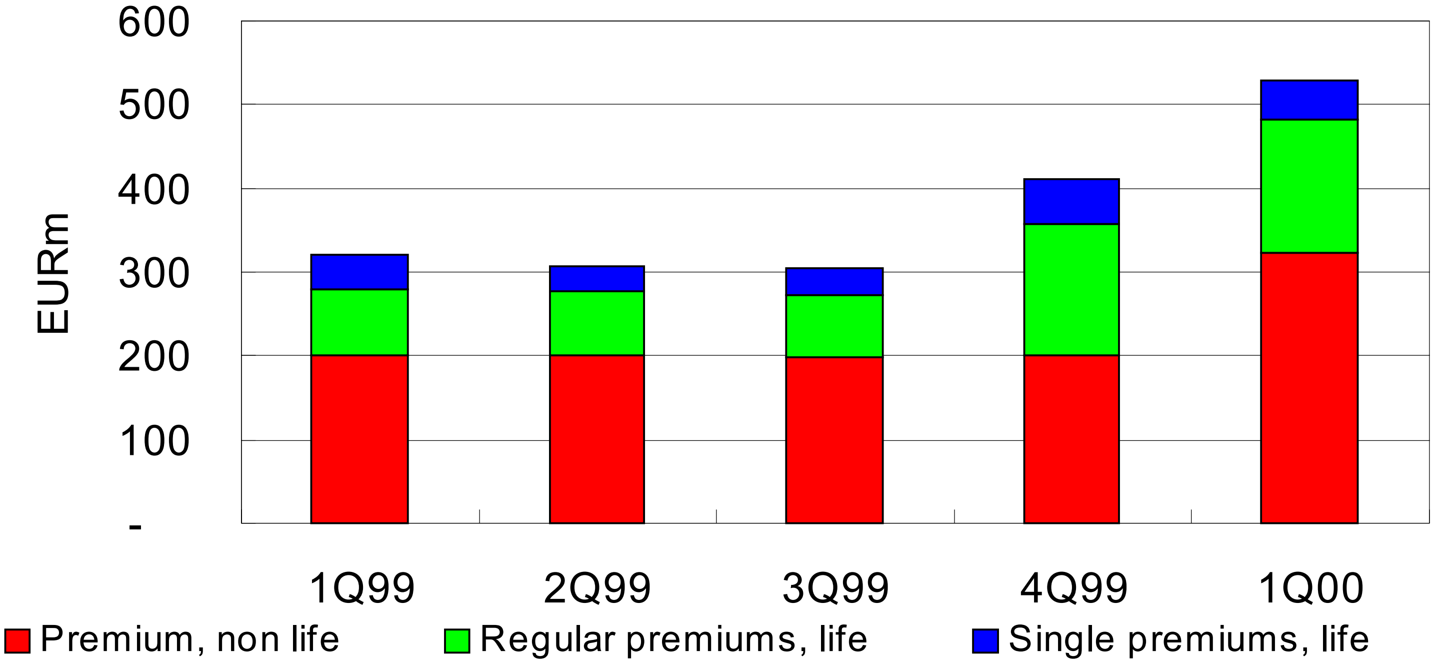
## Operating profit before tax

| EURm | 1Q99 | 2Q99 | 3Q99 | 4Q99 | 1Q00 | 1Q00[1] |
|---|---|---|---|---|---|---|
| Premium income, non-life | 201 | 201 | 198 | 200 | 324 | 203 |
| Regular premiums, life | 78 | 76 | 74 | 158 | 158 | 88 |
| Single premiums, life | 42 | 29 | 33 | 53 | 46 | 38 |
| **Premium income, total** | **320** | **306** | **305** | **411** | **528** | **329** |
| Profit on investment activities | 132 | 298 | 148 | 868 | 687 | 643 |
| Claims incurred | (140) | (134) | (136) | (176) | (305) | (156) |
| Benefits paid | (103) | (94) | (93) | (135) | (133) | (118) |
| Change in other provisions | (110) | (278) | (131) | (878) | (694) | (604) |
| **Core earnings** | **98** | **97** | **94** | **89** | **83** | **93** |
| Expenses and depreciation | (69) | (72) | (71) | (72) | (112) | (70) |
| **Profit on core activities** | **30** | **25** | **23** | **17** | **(30)** | **23** |
| Investment portfolio income | (2) | 28 | (4) | 154 | 103 | 80 |
| **Operating profit before tax** | **28** | **52** | **20** | **172** | **74** | **103** |

1) Excluding Vesta and extra provisions for the December 1999 hurricane

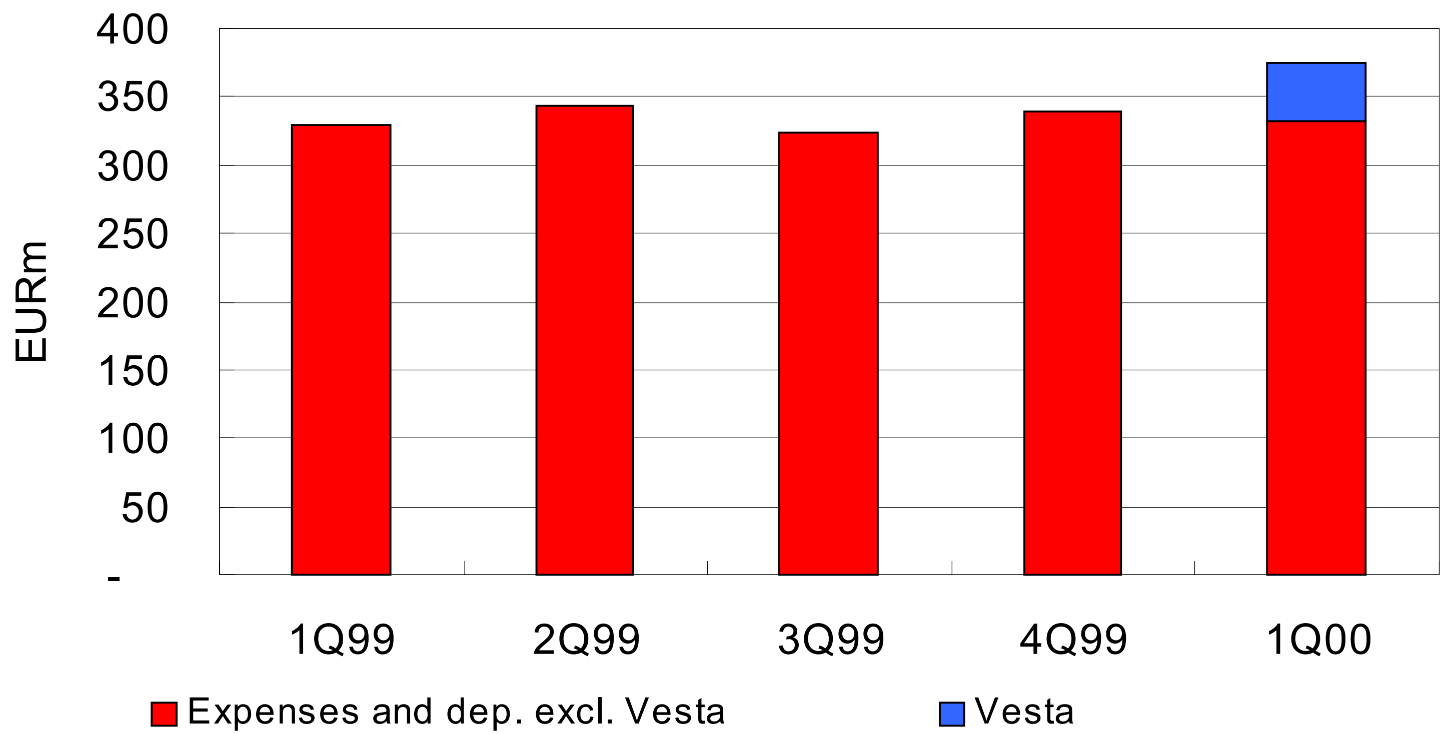
# Insurance

## Premium income, including Vesta



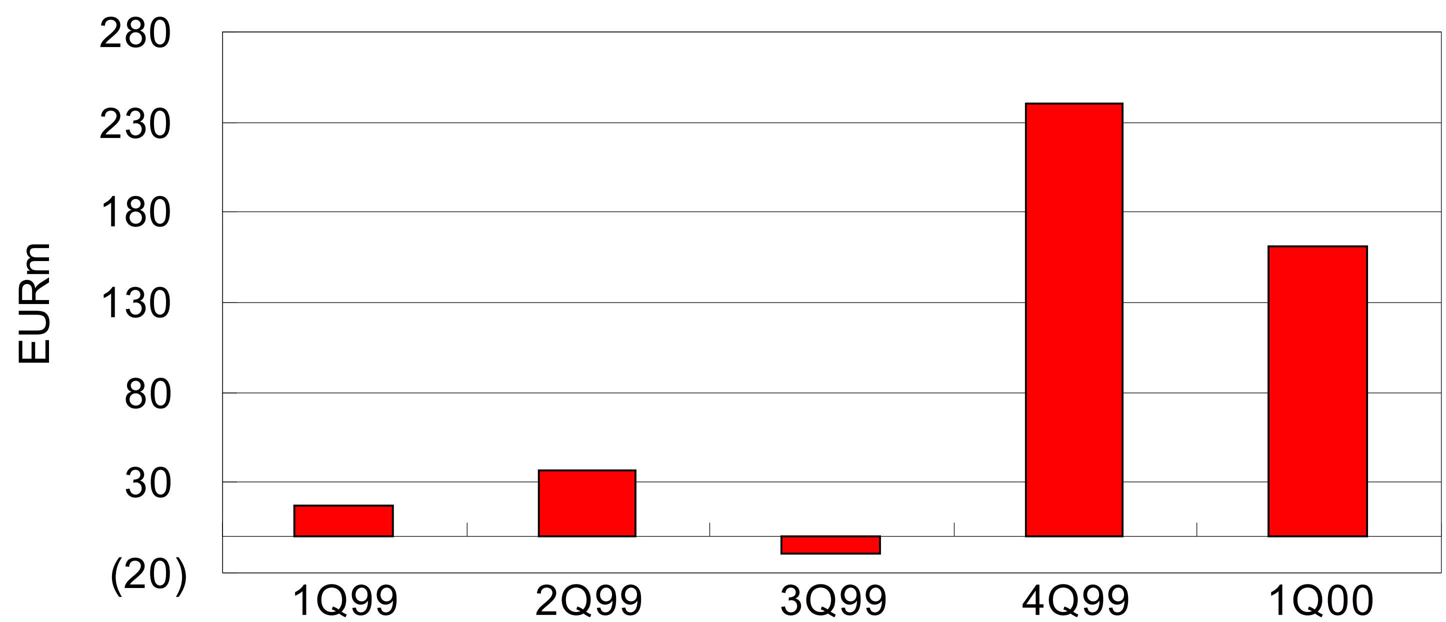
# Unidanmark

## Expenses and depreciation



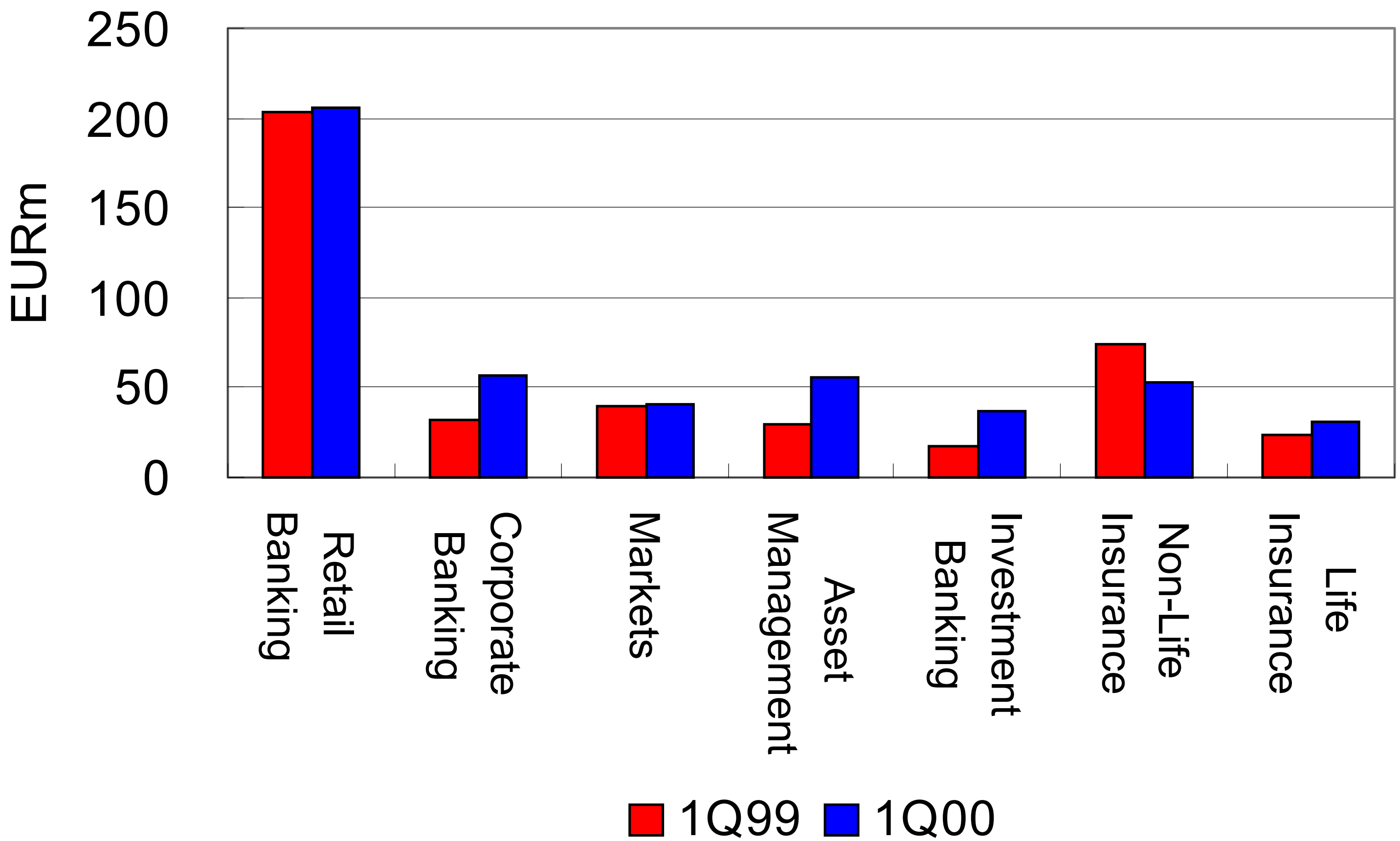
# Unidanmark

## Return on investment portfolio

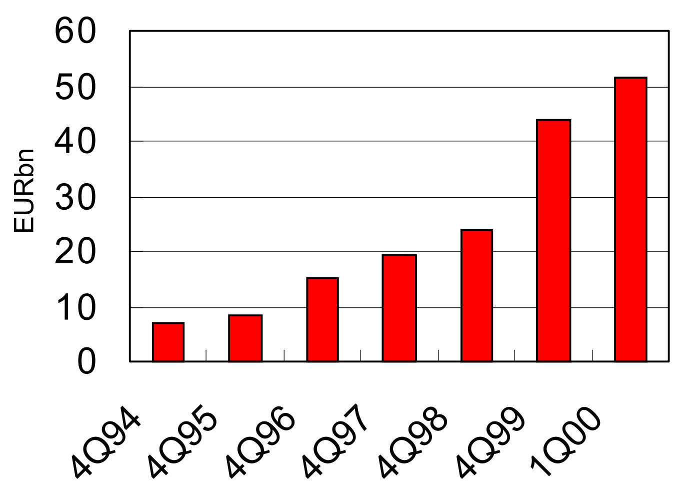


# Business areas

## Core earnings before provisions for bad and doubtful debt



# Capital under administration




## Breakdown by asset class

### Investment Management

| | 4Q98 | 4Q99 | 1Q00 |
|---|---|---|---|
| Danish bonds | 57% | 40% | 33% |
| International bonds | 2% | 2% | 9% |
| Danish equities | 12% | 18% | 11% |
| International equities | 26% | 39% | 43% |
| Cash and cash equivalents | 3% | 1% | 4% |

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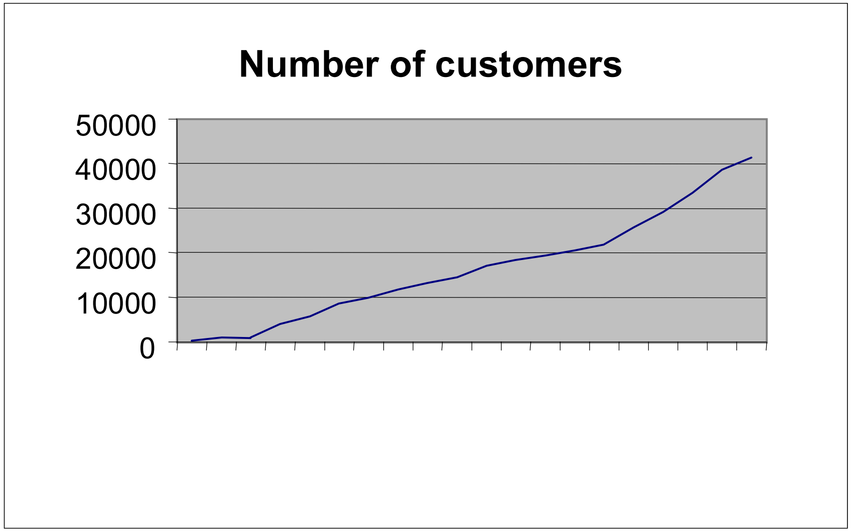
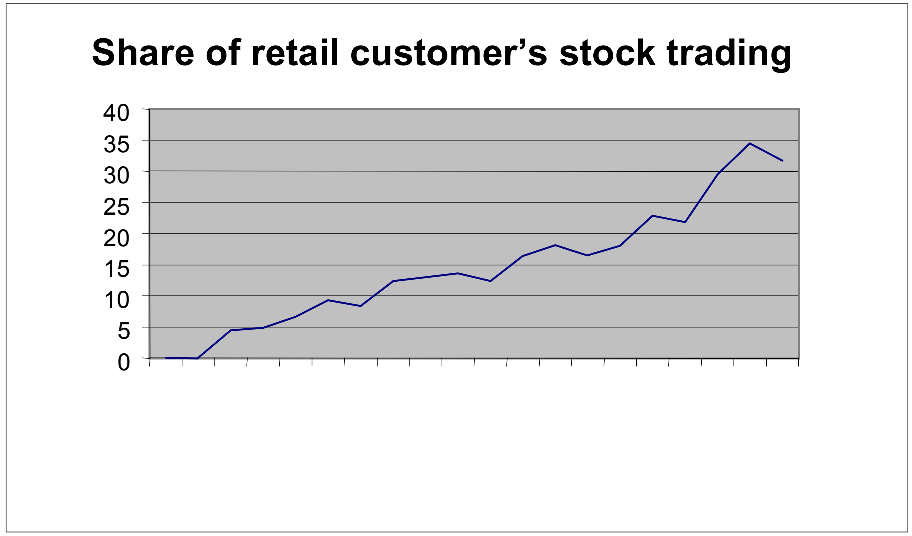
# Online investment



# MeritaNordbanken

## January – March 2000

# Steps towards a leading Nordic banking group

- Merger with Unidanmark
- Extension and adjustment of cash offer for Christiania Bank og Kreditkasse shares
- Completion of the new structure – a single-owner company
- Acquisitions and expansion continue in Baltic countries and Poland
- Concentration on core business; sale of Aleksia shares

# Result

Jan – March, 2000

| | 2000 Q1 | 1999 Q1 |
|---|---|---|
| Operating profit, mEUR | 472 | 375 (489*) |
| Return on equity, % | 23.1 | 22.4 |
| Earnings per share, EUR | 0.16 | 0.13 |

* Including capital gain from sale of Pohjola shares, 114 mEUR.

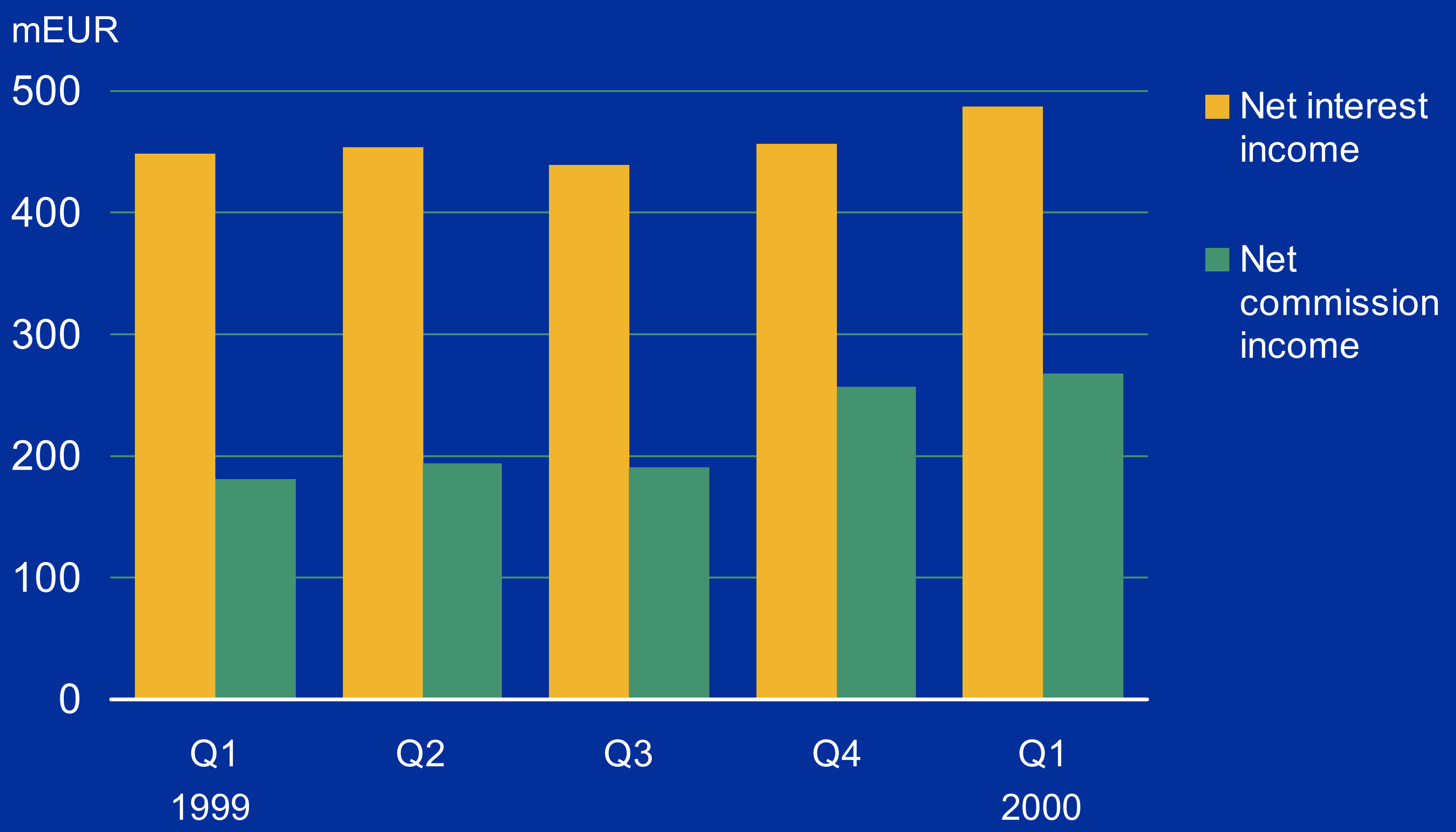
# Income statement

## Quarterly

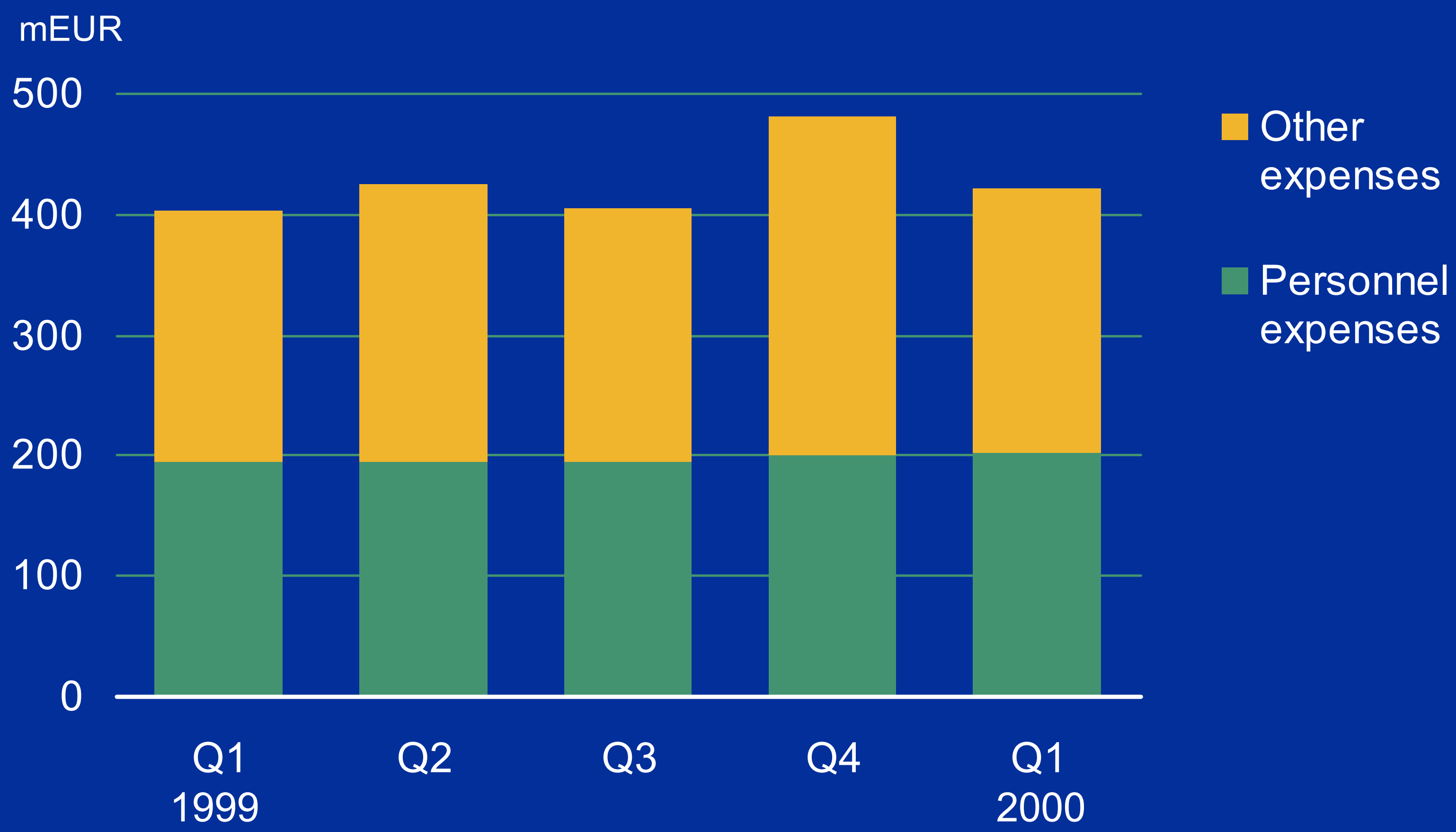
| mEUR | 2000 Q1 | 1999 Q 4 | Q 3 | Q 2 | Q1 |
|---|---|---|---|---|---|
| Net interest income | 487 | 457 | 439 | 454 | 448 |
| Net commission income | 267 | 257 | 190 | 194 | 181 |
| Net result from financial operations | 34 | 17 | -7 | -53 | 34 * |
| Other operating income | 94 | 57 | 60 | 91 | 92 |
| Total operating income | 882 | 788 | 682 | 686 | 755 |
| Personnel expenses | -202 | -200 | -195 | -196 | -196 |
| Other expenses | -220 | -281 | -210 | -229 | -207 |
| Total expenses | -422 | -481 | -405 | -425 | -403 |
| **Profit before loan losses** | **460** | **307** | **277** | **261** | **352** |
| Loan losses, net | -3 | -2 | 0 | 0 | -20 |
| Profit from companies accounted for under the equity method | 15 | 30 | 5 | 19 | 43 |
| **Operating profit** | **472** | **335** | **282** | **280** | **375** * |

* Excluding capital gain from sale of Pohjola shares, 114 mEUR.

# Net interest and commission income

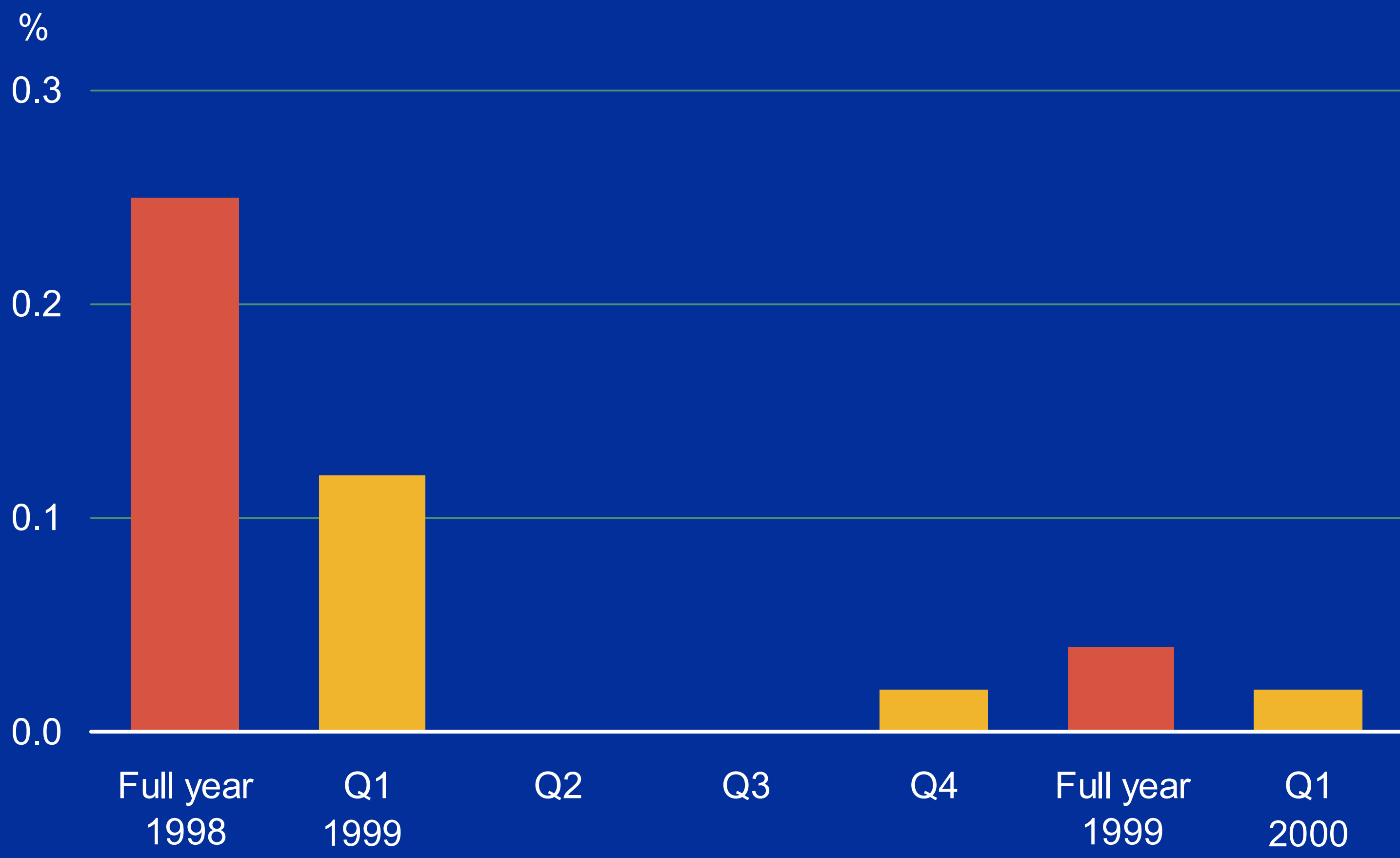


# Expenses



mEUR
500
400
300
200
100
0
Q1
1999
Q2
Q3
Q4
Q1
2000
Other expenses
Personnel expenses

# Loan loss level



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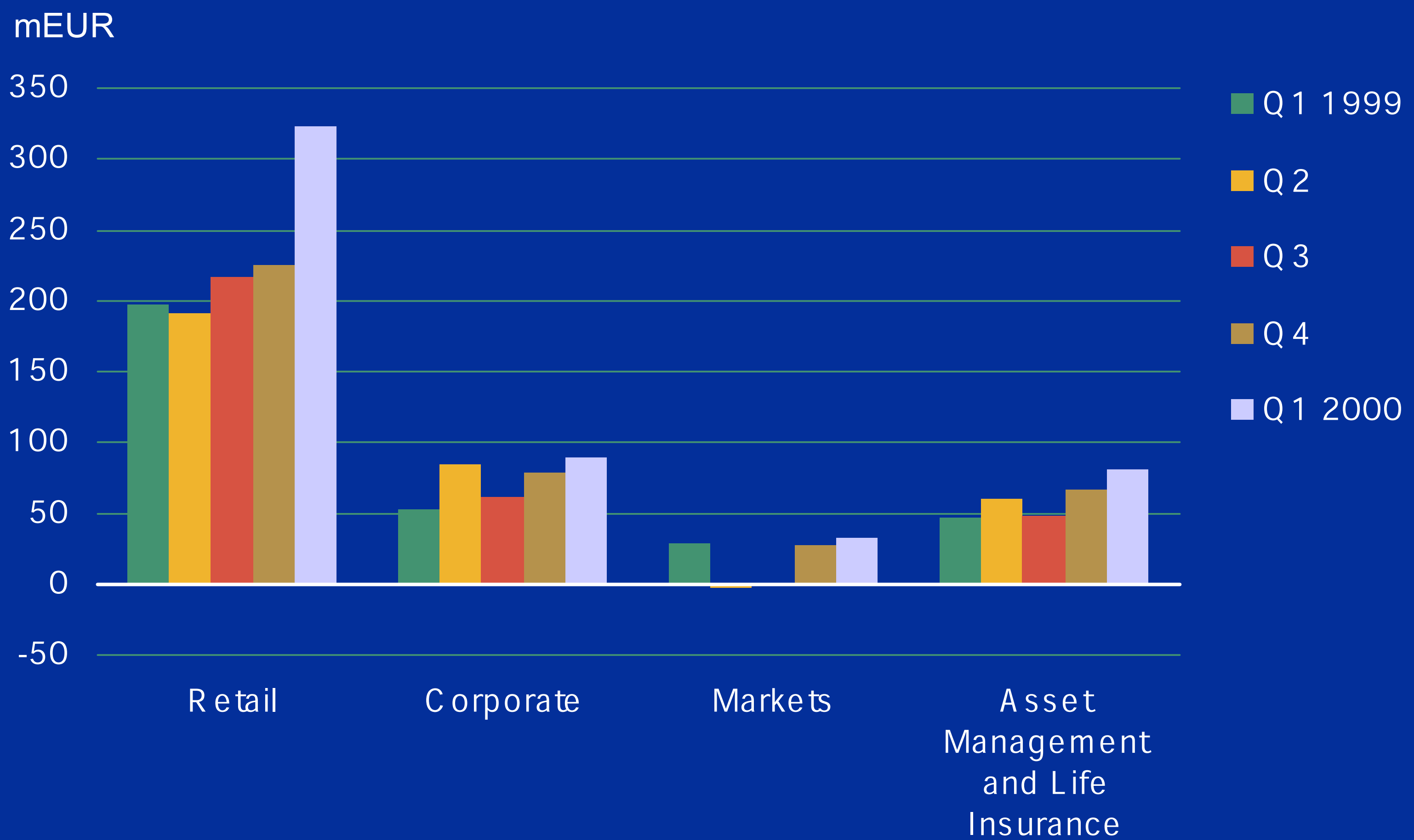
# Operating profit by business area



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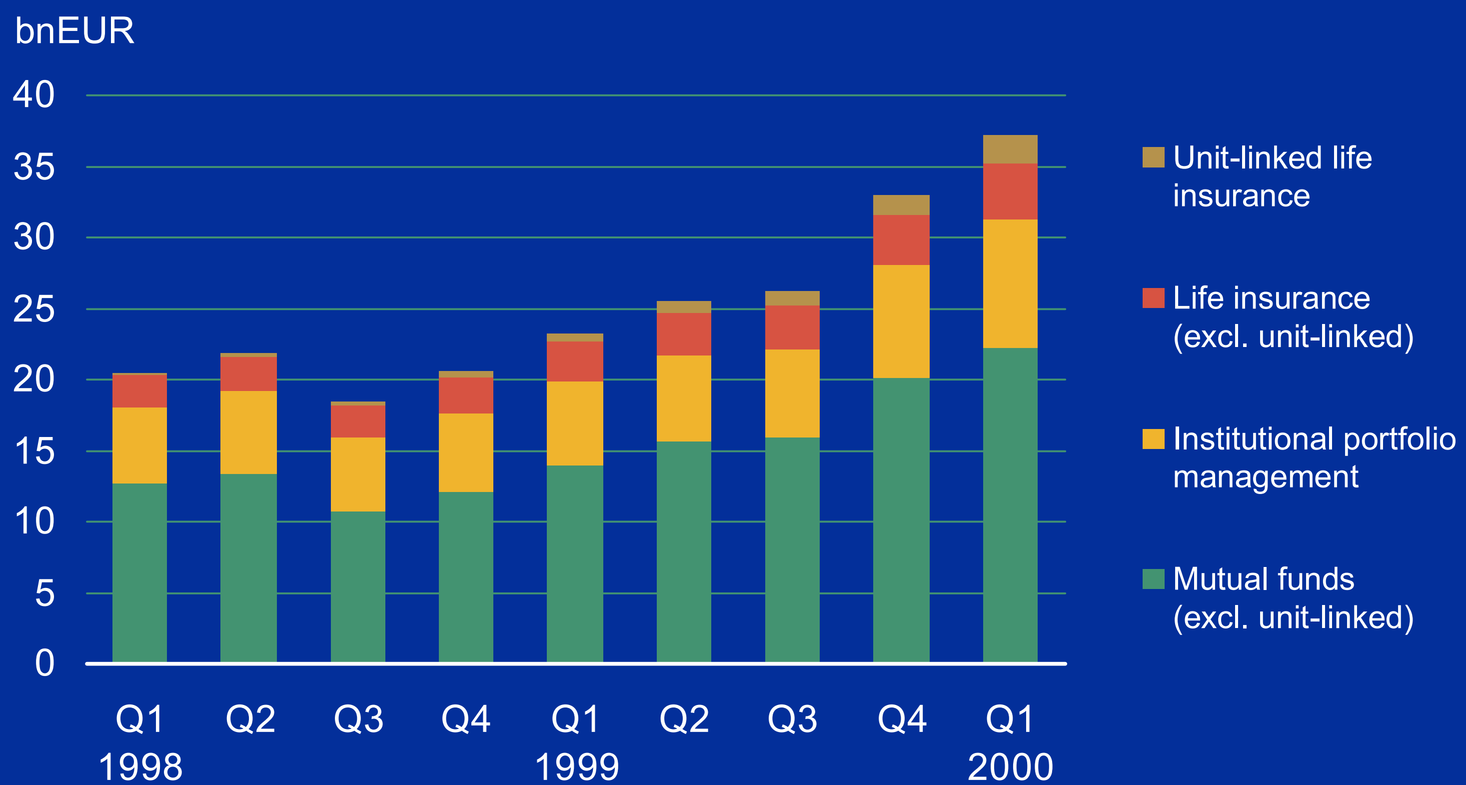
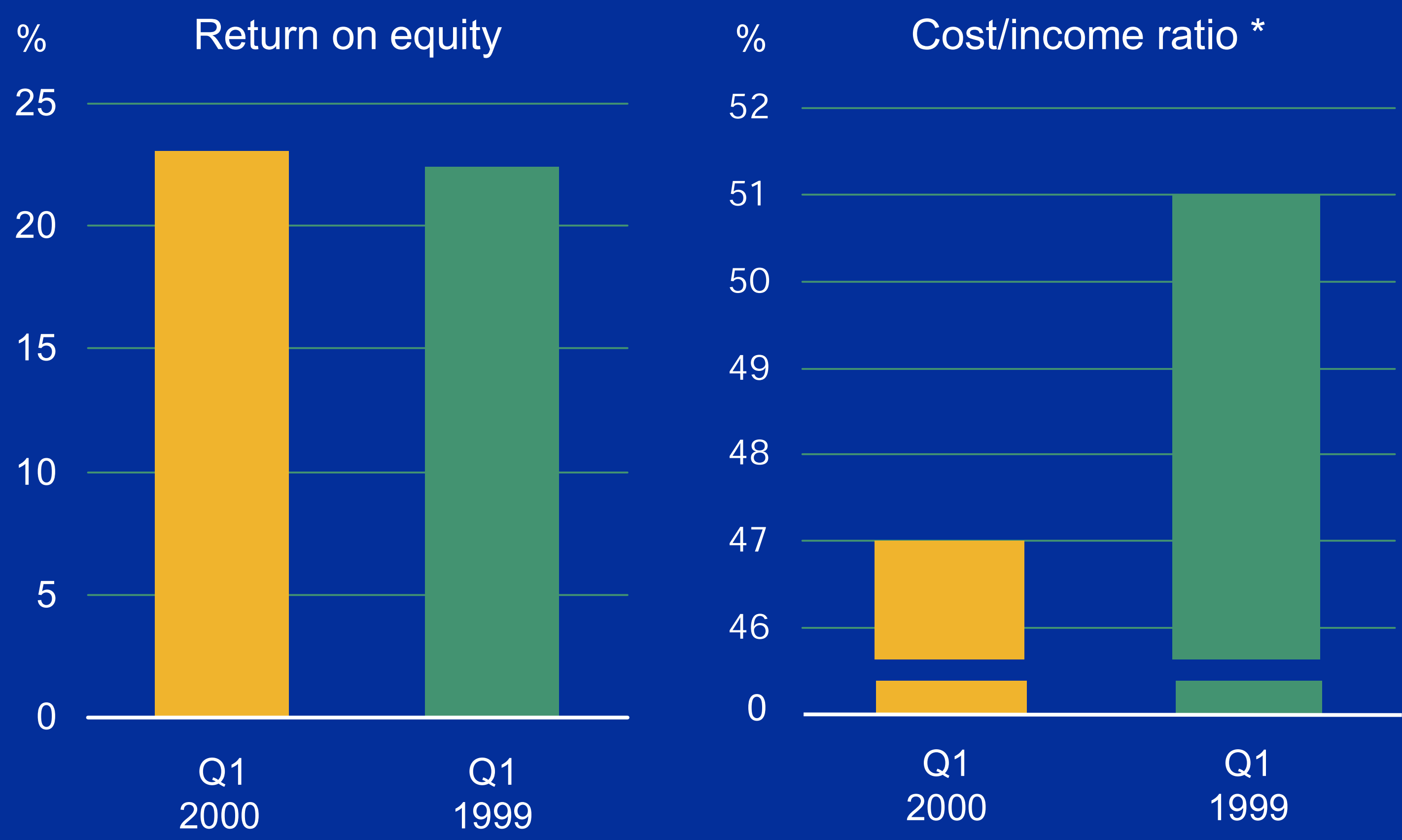
# Asset Management and Life Insurance

## Assets under management



# Key figures – result




* Before loan losses.



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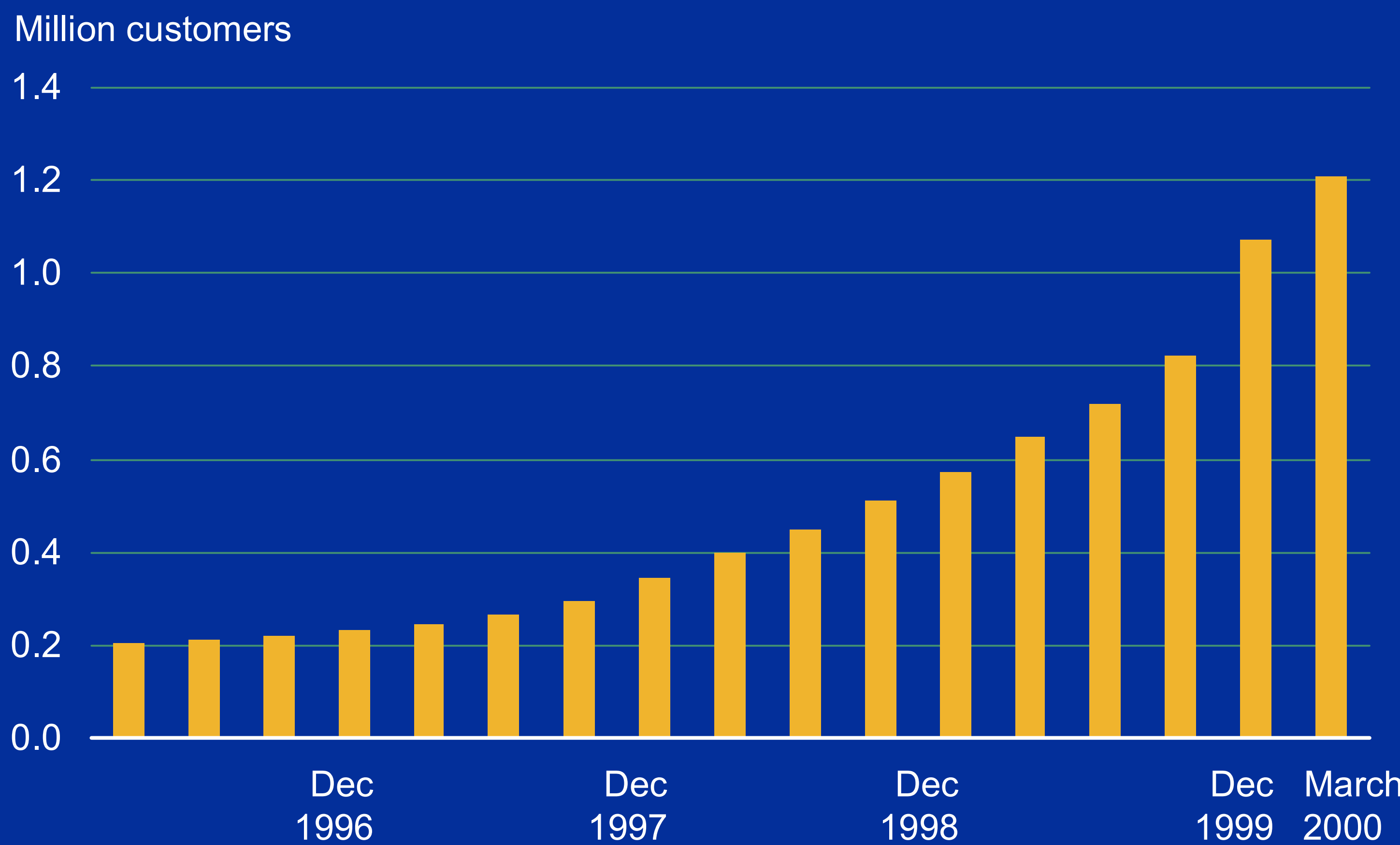
# Internet bank

Number of customers 1996 – 2000



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