

**Interim Report 2<sup>nd</sup> quarter 2002**  
**Nordea Bank Norge Group**

# Interim Report 2nd quarter 2002

Nordea Bank Norge ASA (NBN) is a wholly owned subsidiary of Nordea Bank Finland Plc, which for its part is a wholly owned subsidiary of Nordea AB (publ), the parent company of the Nordea Group, listed on the Stockholm, Helsinki and Copenhagen Stock Exchanges.

From 1 July 2002, the business activities of the Nordea Group are organised in three cross-border business areas, Retail Banking, Corporate and Institutional Banking (CIB) and Asset Management & Life. The legal structure of the Nordea Group has been adjusted to match the functional organisation as closely as possible, although the alignment is not complete.

In addition to Nordea's entire retail banking operations in Norway, the activities of NBN comprise the commercial banking activities of CIB. However, neither CIB's securities broking or investment banking activities nor any of Nordea's asset management, life assurance or general insurance operations in Norway are included in the NBN's accounts.

See Note 1 General principles and the composition of the Group regarding a further specification of sold activities in 2001 and so far in 2002. Compared with the first half-year 2001, changes in the Nordea Group legal structure weaken the comparability of the NBN's figures. Material changes are commented below.

The consolidated interim report of Nordea AB (publ) embraces all the activities of the entire Group and gives the most complete and accurate picture of its operations. This interim report covers the operations of Nordea Bank Norge ASA and its subsidiaries.

## Summary

The result of the Nordea Bank Norway Group was affected by the slowdown of economic activity that continued during the first half-year, although there were signs of pick-up in certain areas in the second quarter. However, the equity markets were still weak.

Total income decreased by 7.5 per cent to NOK 3,450 million during the first half-year of 2002 compared to the corresponding period last year. Expenses decreased by 0.9 per cent in the same period. Adjusted for the effect of the sold activities it has been an increase of 4.4 per cent and 11.0 per cent, respectively.

After taxes the profit for the first half-year of 2002 amounted to NOK 865 million (NOK 1,843 million) which corresponds to a return on the Group's equity of 9.9 per cent (21.9 per cent).

After taxes the profit for the second quarter amounted to NOK 380 million (NOK 1,298 million). The decrease is mainly due to a write-back of tax previously calculated and expensed amounting to NOK 763 million in the second quarter of 2001.

## Net interest income

The net interest income in the second quarter was NOK 1,195 million (NOK 1,252 million), corresponding to 2.04 per cent (2.02 per cent) of average total assets, annualised. The difference between the average deposit rate of interest and lending rate of interest amounted to 2.49 percentage points in the second quarter. This is 0.05 percentage points higher compared to the first quarter, but somewhat lower than the 2001 average that was 2.54 percentage points.

## Net commissions

Net commissions in the second quarter of 2002 were NOK 250 million, which is a decrease of NOK 92 million compared to the same period in 2001. The decrease in net commissions was mainly due to a reduction in securities- and management-related commissions and fees caused by the sales of activities. Net commissions from payment services also decreased compared to the same period in 2001.

### **Changes in value and profit (loss) on securities and foreign exchange**

Net changes in value and profit (loss) on securities in the second quarter were negative with NOK 52 million (profit of NOK 61 million), divided as a loss of NOK 69 million (profit of NOK 19 million) on shares and a profit of NOK 17 million (profit of NOK 42 million) on certificates and bonds.

Net income from foreign exchange and financial derivatives was NOK 166 million (NOK 195 million) in the second quarter.

### **Other income**

Other income in the second quarter of 2002 was NOK 85 million, which is approximately the same level as the corresponding period last year.

### **Expenses**

Total expenses in the second quarter of 2002 were NOK 1,038 million (NOK 1,078 million). Adjusted for the effect of the sold activities total expenses have increased by NOK 94 million, or 10.0 per cent. New legislation regarding VAT, effective from July 2001, has caused an increase in expenses of approximately NOK 35 million in the second quarter of 2002 compared to the corresponding period last year. Further, the increase is principally related to somewhat higher depreciations, establishment of the new departments "Private Banking" and "Investering og Pensjon" in the end of last year and expenses related to the name change.

Relative to the average total assets, the costs represented 1.77 per cent (1.74 per cent) in the second quarter, annualised. The cost/income ratio, exclusive of net changes in value and profit (loss) on securities, amounted to 60.3 per cent (57.6 per cent) in the first half-year.

### **Provision for losses on loans and guarantees**

In the second quarter the provision for losses on loans and guarantees were NOK 79 million (NOK 115 million). The Bank's portfolio of total non-performing and doubtful commitments increased from NOK 4.4 billion to NOK 4.6 billion in the last quarter. Net non-performing and doubtful commitments, representing the book value of these commitments, amounted to NOK 3.5 billion as of 30 June 2002, which is an increase of NOK 0.3 billion during the quarter.

### **Taxes**

In the second quarter the Group has expensed NOK 146 million as taxes, which equals 27.8 per cent of profit before taxes.

The Norwegian Supreme Court handed down its ruling in June 2002 in the tax case that the Bank had brought against the State concerning the right to claim relief of losses on the sale of subsidiaries within the Group. The Supreme Court upheld the judgement of the Borgarting Lagmannsrett that the losses for which Nordea Bank Norge ASA has claimed relief do not qualify for relief under the Company Tax Act. The case related to two matters that have in total reduced the Bank's tax loss carry-forward by NOK 536 million. The judgement does not affect the financial statements.

### **Balance sheet**

At the end of June 2002 the Group's total assets were NOK 228 billion. The decrease of NOK 10 billion in the last quarter was mainly caused by a decrease in deposits in the Central Bank and reduced deposits with and loans to other credit institutions. Net loans to customers increased with NOK 0.9 billion to NOK 187.8 billion in the last quarter, while there was an increase over the last 12 months of NOK 4.7 billion. Adjusted for the effect of the sold activities net loans to customers increased by approximately NOK 14 billion over the last 12 months. The increase in loans has mainly been in Retail Banking. Deposits from customers increased by 5.3 per cent compared to the end of March 2002 and amount to NOK 106.2 billion at the end of June 2002.

### **Capital adequacy**

The risk-weighted asset base of the Group was NOK 200.9 billion as of 30 June 2002, which is a decrease of NOK 2 billion in the last quarter.

Under current regulations, the capital ratio is required to be at least 8 per cent at all times. The Group's total capital amounted to NOK 21,642 million, which represents a capital ratio of 10.8 per cent. In Nordea Bank Norge ASA the capital ratio was 11.1 per cent. The Group's core capital was NOK 16,870 million, equalling 8.4 per cent. Fifty per cent of the profit before taxes as of 30 June 2002 has been included in the calculation.

## Statement of income

NOK million	Note	The Group					The Parent Bank				
		2nd quarter		6 months		Full year	2nd quarter		6 months		Full year
		2002	2001	2002	2001	2001	2002	2001	2002	2001	2001
Interest income		3,964	4,792	7,829	9,482	17,771	3,575	4,363	7,019	8,692	16,477
Interest expenses		2,769	3,540	5,439	7,047	12,909	2,514	3,239	4,913	6,521	12,160
<b>Net interest income</b>		<b>1,195</b>	<b>1,252</b>	<b>2,390</b>	<b>2,435</b>	<b>4,862</b>	<b>1,061</b>	<b>1,124</b>	<b>2,106</b>	<b>2,171</b>	<b>4,317</b>
Dividends and profit from group companies and associated companies		42	56	61	66	100	63	177	121	329	574
Commissions and fees		342	422	659	816	1,590	341	383	658	744	1,454
Commission expenses		(92)	(80)	(180)	(163)	(329)	(92)	(76)	(180)	(155)	(316)
Net change in value and profit (loss) on securities		(52)	61	61	154	140	18	40	63	89	134
Net change in value and profit (loss) on foreign exchange and financial derivatives		166	195	377	345	681	166	195	377	345	681
Other non-interest income		43	38	82	75	389	28	24	52	45	265
<b>Total non-interest income</b>		<b>449</b>	<b>692</b>	<b>1,060</b>	<b>1,293</b>	<b>2,571</b>	<b>524</b>	<b>743</b>	<b>1,091</b>	<b>1,397</b>	<b>2,792</b>
Personnel expenses		524	545	1,072	1,094	2,244	496	506	1,014	1,010	2,062
Administrative expenses		318	354	614	638	1,379	308	339	595	612	1,297
Ordinary depreciation and write-downs		75	48	149	96	252	72	44	143	88	232
Other non-interest expenses		121	131	207	232	505	120	120	205	217	496
<b>Total non-interest expenses</b>		<b>1,038</b>	<b>1,078</b>	<b>2,042</b>	<b>2,060</b>	<b>4,380</b>	<b>996</b>	<b>1,009</b>	<b>1,957</b>	<b>1,927</b>	<b>4,087</b>
<b>Operating profit before loan losses and profit on long-term securities</b>		<b>606</b>	<b>866</b>	<b>1,408</b>	<b>1,668</b>	<b>3,053</b>	<b>589</b>	<b>858</b>	<b>1,240</b>	<b>1,641</b>	<b>3,022</b>
Provision for losses on loans and guarantees	2, 3	79	115	72	162	705	77	114	66	155	691
Profit (losses/write-downs) on long-term securities		(1)	-	(1)	-	-	(1)	-	(1)	-	-
<b>Operating profit</b>		<b>526</b>	<b>751</b>	<b>1,335</b>	<b>1,506</b>	<b>2,348</b>	<b>511</b>	<b>744</b>	<b>1,173</b>	<b>1,486</b>	<b>2,331</b>
Income taxes	4	146	(547)	470	(337)	(283)	131	(554)	308	(357)	(300)
<b>Net profit</b>		<b>380</b>	<b>1,298</b>	<b>865</b>	<b>1,843</b>	<b>2,631</b>	<b>380</b>	<b>1,298</b>	<b>865</b>	<b>1,843</b>	<b>2,631</b>
<b>Earnings per share, fully diluted (NOK)</b>		<b>0.69</b>	<b>2.35</b>	<b>1.57</b>	<b>3.34</b>	<b>4.77</b>					

## Interim results

NOK million	4th quarter 2000	1st quarter 2001	2nd quarter 2001	3rd quarter 2001	4th quarter 2001	1st quarter 2002	2nd quarter 2002
Interest income	4,992	4,690	4,792	4,155	4,134	3,865	3,964
Interest expenses	3,757	3,507	3,540	2,970	2,892	2,670	2,769
<b>Net interest income</b>	<b>1,235</b>	<b>1,183</b>	<b>1,252</b>	<b>1,185</b>	<b>1,242</b>	<b>1,195</b>	<b>1,195</b>
Dividends and profit from group companies and associated companies	76	10	56	(1)	35	19	42
Commissions and fees	449	394	422	380	394	317	342
Commission expenses	(72)	(83)	(80)	(83)	(83)	(88)	(92)
Net change in value and profit (loss) on securities	55	93	61	(99)	85	113	(52)
Net change in value and profit (loss) on foreign exchange and financial derivatives	169	150	195	184	152	211	166
Other non-interest income	55	37	38	45	269	39	43
<b>Total non-interest income</b>	<b>732</b>	<b>601</b>	<b>692</b>	<b>426</b>	<b>852</b>	<b>611</b>	<b>449</b>
Personnel expenses	603	549	545	539	611	548	524
Administrative expenses	389	284	354	298	443	296	318
Ordinary depreciation and write-downs	53	48	48	70	86	74	75
Other non-interest expenses	147	101	131	79	194	86	121
<b>Total non-interest expenses</b>	<b>1,192</b>	<b>982</b>	<b>1,078</b>	<b>986</b>	<b>1,334</b>	<b>1,004</b>	<b>1,038</b>
<b>Operating profit before loan losses and profit on long-term securities</b>	<b>775</b>	<b>802</b>	<b>866</b>	<b>625</b>	<b>760</b>	<b>802</b>	<b>606</b>
Provision for losses on loans and guarantees	129	47	115	222	321	(7)	79
Profit (losses/write-downs) on long-term securities	-	-	-	-	-	-	(1)
<b>Operating profit</b>	<b>646</b>	<b>755</b>	<b>751</b>	<b>403</b>	<b>439</b>	<b>809</b>	<b>526</b>
Income taxes	(65)	210	(547)	129	(75)	324	146
<b>Net profit</b>	<b>711</b>	<b>545</b>	<b>1,298</b>	<b>274</b>	<b>514</b>	<b>485</b>	<b>380</b>
<b>Average total assets</b>	<b>243,080</b>	<b>249,105</b>	<b>247,804</b>	<b>235,344</b>	<b>235,125</b>	<b>238,979</b>	<b>234,224</b>

## Balance sheet

		The Group			The Parent Bank		
NOK million	Note	30.06.02	30.06.01	31.12.01	30.06.02	30.06.01	31.12.01
<b>Assets</b>							
Cash and deposits with central banks		6,984	2,349	4,915	6,984	2,349	4,915
Deposits with and loans to credit institutions		6,601	21,342	9,760	11,808	28,069	16,294
<b>Total cash and claims on credit institutions</b>		<b>13,585</b>	<b>23,691</b>	<b>14,675</b>	<b>18,792</b>	<b>30,418</b>	<b>21,209</b>
Loans to customers	6	190,493	185,632	187,136	164,124	161,437	160,441
Specific allowance	3, 6	(1,091)	(975)	(1,271)	(997)	(886)	(1,187)
General allowance for loan losses	6	(1,633)	(1,594)	(1,633)	(1,524)	(1,489)	(1,524)
<b>Net loans to customers</b>		<b>187,769</b>	<b>183,063</b>	<b>184,232</b>	<b>161,603</b>	<b>159,062</b>	<b>157,730</b>
<b>Repossessed assets</b>		<b>53</b>	<b>63</b>	<b>61</b>	<b>47</b>	<b>54</b>	<b>52</b>
Certificates and bonds	5	16,150	16,467	18,372	15,829	16,010	18,022
Equities and investments	5	1,144	1,589	1,399	75	74	112
<b>Total securities</b>		<b>17,294</b>	<b>18,056</b>	<b>19,771</b>	<b>15,904</b>	<b>16,084</b>	<b>18,134</b>
<b>Associated companies</b>		<b>584</b>	<b>989</b>	<b>579</b>	<b>584</b>	<b>541</b>	<b>579</b>
<b>Equities and investments in group companies</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>5,078</b>	<b>5,309</b>	<b>5,009</b>
<b>Deferred tax asset, goodwill and other intangible assets</b>		<b>746</b>	<b>1,262</b>	<b>1,212</b>	<b>723</b>	<b>1,132</b>	<b>1,077</b>
<b>Real estate and machinery</b>		<b>2,527</b>	<b>2,402</b>	<b>2,580</b>	<b>2,461</b>	<b>2,317</b>	<b>2,515</b>
<b>Other assets</b>		<b>1,096</b>	<b>2,860</b>	<b>3,185</b>	<b>1,127</b>	<b>2,631</b>	<b>3,389</b>
<b>Prepaid expenses and accrued income</b>		<b>4,234</b>	<b>4,537</b>	<b>4,026</b>	<b>4,021</b>	<b>4,343</b>	<b>3,798</b>
<b>Total assets</b>		<b>227,888</b>	<b>236,923</b>	<b>230,321</b>	<b>210,340</b>	<b>221,891</b>	<b>213,492</b>
<b>Liabilities and equity</b>							
Deposits from credit institutions		46,966	42,599	41,594	41,878	42,665	38,885
Deposits from customers		106,162	104,566	104,332	106,862	104,647	104,922
<b>Total deposits</b>		<b>153,128</b>	<b>147,165</b>	<b>145,926</b>	<b>148,740</b>	<b>147,312</b>	<b>143,807</b>
Certificates and bond loans		41,129	48,483	48,044	28,939	33,309	34,681
Other liabilities		1,099	8,457	8,619	957	9,754	8,474
Accrued expenses and prepaid receivables		9,163	5,006	3,386	8,489	4,823	3,241
Allowances for liabilities		1,069	1,124	1,112	1,055	1,074	1,096
<b>Total other liabilities</b>		<b>52,460</b>	<b>63,070</b>	<b>61,161</b>	<b>39,440</b>	<b>48,960</b>	<b>47,492</b>
<b>Subordinated loan capital</b>		<b>4,466</b>	<b>8,515</b>	<b>6,277</b>	<b>4,326</b>	<b>7,446</b>	<b>5,236</b>
Share capital		3,860	3,860	3,860	3,860	3,860	3,860
Reserves		13,109	12,470	13,097	13,109	12,470	13,097
Profit for the period		865	1,843	-	865	1,843	-
<b>Total equity</b>		<b>17,834</b>	<b>18,173</b>	<b>16,957</b>	<b>17,834</b>	<b>18,173</b>	<b>16,957</b>
<b>Total liabilities and equity</b>		<b>227,888</b>	<b>236,923</b>	<b>230,321</b>	<b>210,340</b>	<b>221,891</b>	<b>213,492</b>

Nordea Bank Norge ASA  
Oslo, 23rd August 2002

Thorleif Krarup  
Chairman of the Board

Lars G Nordström

Carl-Johan Granvik

Liv Irene Haug

Carl Erik Krefting

Hege Marie Norheim

Markku Pohjola

Baard Syrrist  
Managing director

## Key figures

<b>NOK million</b>	<b>31.12.00</b>	<b>31.03.01</b>	<b>30.06.01</b>	<b>30.09.01</b>	<b>31.12.01</b>	<b>31.03.02</b>	<b>30.06.02</b>
Total assets	236,184	245,053	236,923	244,572	230,321	237,927	<b>227,888</b>
Net loans to customers	181,100	186,256	183,063	185,537	184,232	186,857	<b>187,769</b>
Net loans to customers as percentage of total assets	76.7	76.0	77.3	75.9	80.0	78.5	<b>82.4</b>
Deposits from customers	106,468	108,931	104,566	103,629	104,332	100,817	<b>106,162</b>
Deposits from customers as percentage of total assets	45.1	44.5	44.1	42.4	45.3	42.4	<b>46.6</b>
Deposit ratio (customer deposits to net loans to customers)	58.8	58.5	57.1	55.9	56.6	54.0	<b>56.5</b>
Total non-performing commitments	2,184	2,373	1,812	2,289	2,162	2,160	<b>2,402</b>
Net non-performing commitments	1,334	1,675	1,084	1,421	1,273	1,265	<b>1,644</b>
Risk-weighted assets	209,600	216,100	210,200	211,100	203,200	202,900	<b>200,900</b>
Book equity per share (NOK)	29.62 *	30.61 *	32.96	33.45	30.75 *	31.63	<b>32.35</b>
Earnings per share (per quarter) (NOK)	1.29	0.99	2.35	0.50	0.93	0.88	<b>0.69</b>
Cost/income ratio (excluding net change in value and profit (loss) on securities (per quarter)	62.3	58.1	57.2	57.7	66.4	59.3	<b>61.2</b>
Numbers of employees (full-time positions)	4,063	4,065	4,035	4,093	4,096	4,081	<b>4,001</b>

\* Excluding allocations of dividend, not yet paid at the time, of NOK 2.00 per share as at 4Q00 and 1Q01 and NOK 3.63 as at 4Q01.

## Notes to the statement of income and the balance sheet

### Note 1 General principles and composition of the Group

The quarterly accounts have been set out in accordance with the same principles as the 2001 annual accounts. Unless stated otherwise, the notes show Group figures.

As part of the restructuring of the Nordea group, some elements of Nordea Bank Norway's activities have been sold to other companies in the Group in 2001 and in the first half of 2002.

The branch offices of Nordea Bank Norway in London and Singapore were sold to Nordea Bank Finland on 31 May and 30 November 2001, respectively. The activities in New York, including parts of the loan portfolio, have been sold to Nordea Bank Finland in New York.

On 11 October 2001 the Norwegian Banking, Insurance and Securities Commission approved the sale of the Bank's shares in Norske Liv AS and K-Fondsforikring AS to Vesta Liv Holding AS.

On 31 December 2001 the Bank's shares in Nordea Fondene AS (formerly K-Fondene) were sold to Nordea Fondene Holding AS and its shares in Nordea Investment Management AS were sold to Nordea Investment Management Norge Holding AS. Both of the purchasing companies are owned by Nordea Asset Management AB, and this company also acquired Nordea Pension Services AS on 1 November 2001.

On 1 April 2002 Nordea Securities, which was a department in Nordea Bank Norge ASA, was sold to a Norwegian branch of Nordea Securities AB.

These sales have not yet been formally approved by the Banking, Insurance and Securities Commission.

Adjusted for the sale of these activities total income and total non-interest expenses were NOK 3,306 million and NOK 1,838 million, respectively. This represents a reduction of NOK 420 million and NOK 220 million as compared to the reported accounts per second quarter 2001. Net loans to customers in the sold activities at the end of second quarter 2001 were approximately NOK 9 billion.

## Note 2 Provision for losses on loans and guarantees

### Loan loss provision by industry

	2nd quarter 2002		6 months 2002	
	NOK million	Percentage of total loans*)	NOK million	Percentage of total loans*)
Retail market	(14)	(0.1)	(25)	(0.1)
Primary industries (agriculture/fisheries)	11	0.4	11	0.2
Mining, oil extraction and drilling	-	-	-	-
Manufacturing industry	7	0.2	(3)	-
Power and water supply, building and construction	1	-	6	0.2
Wholesale and retail trade	21	1.1	21	0.6
Hotels and restaurants	(6)	(1.1)	(4)	(0.4)
Shipping and aviation	31	0.6	33	0.3
Real estate	24	0.3	24	0.1
Commercial services	6	0.1	10	0.1
Other	(2)	(0.2)	(1)	(0.1)
<b>Total</b>	<b>79</b>	<b>0.2</b>	<b>72</b>	<b>0.1</b>
Change in general allowance	-	-	-	-
<b>Net loan loss provision</b>	<b>79</b>	<b>0.2</b>	<b>72</b>	<b>0.1</b>

\*) Annualised

## Note 3 Charge-offs and changes in allowances

	2nd quarter 2002	6 months 2002
Specific allowance, beginning of period	1,229	1,271
New loan loss provisions	117	145
Purchased commitments	-	18
Sold commitments	(130)	(130)
Change in previous allowances	(26)	(41)
Charge-offs	(91)	(158)
Exchange rate differences	(8)	(14)
Specific allowance, end of period	1,091	1,091
Of which specific allowance on guarantees	-	-
<b>Specific allowance on loans, end of period</b>	<b>1,091</b>	<b>1,091</b>
<b>Net losses on loans and guarantees during the period</b>		
New specific loan loss provisions	117	145
Charge-offs that affect the result	(2)	-
Change in previous allowances	(26)	(41)
Net loss (profit) on repossessed assets etc.	3	3
Recoveries on commitments previously written off	(13)	(35)
Change in general allowance	-	-
<b>Provision for losses on loans and guarantees</b>	<b>79</b>	<b>72</b>



## Note 4 Taxes

The tax charge for the period includes payable taxes and changes in deferred taxes. The calculated taxes for the second quarter 2002 are NOK 146 million, corresponding to 27.8 percent of operating profit before taxes.

The calculated taxes for the first half year 2002 is NOK 470 million corresponding to approximately 35 per cent of operating profit before taxes. The high percentage is mainly due to recording of NOK 96 million in increased taxes in the subsidiary Nordea Finans Norge following a ruling made by "Ligningsnemda" in February 2002 which caused a change of the company's tax return regarding the income year 1999. The case concerns the right to carry forward losses after a merger with a subsidiary. The company has lodged an appeal to "Overligningsnemda".

The Norwegian Supreme Court handed down its ruling in June 2002 in the tax case that the Bank had brought against the State concerning the right to claim relief for losses on the sale of subsidiaries within the Group. The Supreme Court upheld the judgement of the Borgarting Lagmannsrett that the losses for which Nordea Bank Norge ASA has claimed relief do not qualify for relief under the Company Tax Act. The case related to two matters that have in total reduced the Bank's tax loss carry-forward by NOK 536 million. The judgement does not affect the financial statements.

## Note 5 Securities

	30.06.02		30.06.01		31.12.01	
<b>Trading portfolio</b>	<b>Cost</b>	<b>Book value/ market value</b>	<b>Cost</b>	<b>Book value/ market value</b>	<b>Cost</b>	<b>Book value/ market value</b>
Certificates and bonds	6,844	6,843	5,029	5,024	8,239	8,261
Equities and investments	539	544	177	169	742	776
<b>Total trading portfolio</b>	<b>7,383</b>	<b>7,387</b>	<b>5,206</b>	<b>5,193</b>	<b>8,981</b>	<b>9,037</b>
<b>Short positions *)</b>						
Certificates and bonds	494	494	-	-	384	383
Equities and investments	-	-	300	300	5	5
<b>Other current and fixed assets</b>		<b>Book value</b>		<b>Book value</b>		<b>Book value</b>
Certificates and bonds		9,307		11,443		10,111
Equities and investments		600		1,420		623
<b>Total other current and fixed assets</b>		<b>9,907</b>		<b>12,863</b>		<b>10,734</b>
<b>Unrealised gains on other current and fixed assets</b>						
Certificates and bonds		26		12		84
Equities and investments **)		-		25		-

\*) Included in Other liabilities

\*) Unrealised gains on unquoted stocks not included

Following an adjustment of the Group's investment strategy a new appraisal of financial assets and the classification of these was undertaken during the third quarter 2001. The effect of this was that all listed shares of Nordea Equity Holdings' equities that were earlier classified as a banking portfolio, now are classified as a trading portfolio. Equities and investments classified as other current and fixed assets include therefore only non-listed equities and investments.

## Note 6 Analysis of the loan portfolio

	Total		Allowances				Net	
	NOK million		NOK million		%		NOK million	
	30.06.02	31.03.02	30.06.02	31.03.02	30.06.02	31.03.02	30.06.02	31.03.02
Non-performing commitments	2,402	2,160	758	895	32	41	1,644	1,265
Doubtful commitments	2,200	2,280	333	334	15	15	1,867	1,946
<b>Total</b>	<b>4,602</b>	<b>4,440</b>	<b>1,091</b>	<b>1,229</b>	<b>24</b>	<b>28</b>	<b>3,511</b>	<b>3,211</b>
Of which guarantees etc.	(869)	(749)	-	-	-	-	(869)	(749)
Other loans	186,760	186,028	1,633	1,633	0.9	0.9	185,127	184,395
<b>Total</b>	<b>190,493</b>	<b>189,719</b>	<b>2,724</b>	<b>2,862</b>	<b>1</b>	<b>2</b>	<b>187,769</b>	<b>186,857</b>

Non-performing commitments were distributed as follows

	Total non-performing		Allowances				Net non-performing	
	NOK million		NOK million		%		NOK million	
	30.06.02	31.03.02	30.06.02	31.03.02	30.06.02	31.03.02	30.06.02	31.03.02
Corporate commitments	1,938	1,681	597	733	31	44	1,341	948
Retail commitments	464	479	161	162	35	34	303	317
<b>Total</b>	<b>2,402</b>	<b>2,160</b>	<b>758</b>	<b>895</b>	<b>32</b>	<b>41</b>	<b>1,644</b>	<b>1,265</b>

## Note 7 Capital ratio

Risk-weighted assets as at

NOK billion	30.06.02	30.06.01
Total assets	167.9	177.0
Total off-balance sheet items	23.3	25.2
Total market and foreign exchange risk	9.7	8.0
<b>Risk-weighted assets</b>	<b>200.9</b>	<b>210.2</b>

Capital ratio as at	30.06.02	30.06.01	30.06.02	30.06.01
	NOK million		%	
Core capital	16,870	15,706	8.4	7.5
Supplementary capital	4,808	6,747	2.4	3.2
Deductions	(36)	(37)	-	-
<b>Total capital</b>	<b>21,642</b>	<b>22,416</b>	<b>10.8</b>	<b>10.7</b>