

**Interim Report 3rd quarter 2002**  
**Nordea Bank Norge Group**

# Interim Report 3rd 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 or life assurance 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 to the first nine months of 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.

On 30 September 2002 it was agreed to sell 100% of the shares in Europay Norge AS to SEB Kort for NOK 1 billion. Six Norwegian banks shared ownership of Europay Norge AS of which Nordea Bank Norge owned 18.75%. Nordea Bank Norge will realise an accounting gain of approximately NOK 175 million. The gain is not reflected in the third quarter accounts due to the fact that the agreement is conditional upon a licence being granted by the Norwegian Banking, Insurance and Securities Commission.

## Summary

The result of the Nordea Bank Norge Group was affected by the slowdown of economic activity that continued during the first nine months of 2002.

Total income decreased by 5.7 per cent to NOK 5,034 million during the first nine months of 2002 compared to the corresponding period last year. Expenses are approximately at the same level as the corresponding period last year. Adjusted for the effect of the sold activities it has been an increase of 5.6 per cent and 12.6 per cent, respectively.

After taxes the profit for the first nine months of 2002 amounted to NOK 1,005 million (NOK 2,117 million) which corresponds to a return on the Group's equity of 7.6 per cent (16.1 per cent), annualised. The decrease, compared to the same period last year, is mainly due to a write-back of tax previously calculated and expensed amounting to NOK 763 million in the second quarter of 2001, whilst in 2002, in excess of ordinary tax expense, NOK 184 million has been expensed due to a few disputes with the Central Taxation Office for Large-sized Enterprises.

After taxes the profit for the third quarter amounted to NOK 140 million (NOK 274 million).

## Net interest income

Net interest income in the third quarter was NOK 1,145 million (NOK 1,185 million), corresponding to 1.94 per cent (2.01 per cent) of average total assets, annualised. The difference between the average deposit rate of interest and lending rate of interest amounted to 2.68 percentage points in the third quarter. This is 0.19 percentage points higher compared to the second quarter, and somewhat higher than the 2001 average that was 2.54 percentage points. Net interest income is nevertheless reduced compared to the previous quarter. This is due to a reversal of interest income from other products than deposit and lending.

## Net commissions

Net commissions in the third quarter of 2002 were NOK 246 million, which is at the same level as the previous quarter, but a decrease of NOK 51 million compared to the third quarter of 2001.

The decrease in net commissions was mainly due to a reduction in securities- and asset management-related commissions and fees caused by the sales of activities. Net commissions from payment services have increased somewhat compared to the third quarter of 2001.

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

During the third quarter of 2002 the subsidiary Nordea Equity Holdings AS reduced its activity considerably through the sale of the main part of the equity portfolio. The reason is that Nordea has reduced its risk willingness and therefore the risks allocated to equities. In addition, these activities will in the future be concentrated in Copenhagen.

Net change in value and profit (loss) on securities in the third quarter was negative with NOK 91 million (negative NOK 99 million), divided as a loss of NOK 108 million (loss NOK 124 million) on shares and a profit of NOK 17 million (NOK 25 million) on certificates and bonds.

Net change in value and profit (loss) from foreign exchange and financial derivatives was NOK 227 million (NOK 184 million) in the third quarter.

### **Other income**

Other income in the third quarter was NOK 57 million, which is NOK 13 million higher compared to the corresponding period last year.

### **Expenses**

Total expenses in the third quarter of 2002 were NOK 1,016 million (NOK 986 million), which is a decrease of NOK 22 million compared to the previous quarter.

Adjusted for the effect of the sold activities total expenses have increased by NOK 331 million up to 30 September 2002 compared to the corresponding period last year. New legislation regarding VAT, effective from 1 July 2001, has caused an increase in expenses of approximately NOK 70 million. 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, early retirement agreements and expenses related to the name change.

Relative to the average total assets, the costs represented 1.72 per cent (1.68 per cent) in the third quarter, annualised. The cost/income ratio, exclusive of net change in value and profit (loss) on securities,

amounted to 60.4 per cent (57.6 per cent) after nine months in 2002, and 60.7 per cent (57.7 per cent) in the third quarter of 2002.

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

In the third quarter the provision for losses on loans and guarantees was NOK 273 million (NOK 222 million). The Group's portfolio of total non-performing and doubtful commitments increased from NOK 4.6 billion to NOK 5.2 billion in the last quarter. Net non-performing and doubtful commitments, representing the book value of these commitments, amounted to NOK 3.8 billion as of 30 September 2002, which is an increase of NOK 0.3 billion during the quarter.

### **Taxes**

In the third quarter the Group has expensed NOK 148 million as taxes, which equals 51.4 per cent of profit before taxes. See Note 4 Taxes for further information.

### **Balance sheet**

At the end of September 2002 the Group's total assets were NOK 249 billion. The increase of NOK 21 billion in the last quarter was mainly caused by an increase in deposits in the Central Bank and an increase in the portfolio of certificates and bonds. Net loans to customers increased by NOK 2.8 billion to NOK 190.6 billion in the last quarter, while there was an increase over the last 12 months of NOK 6.3 billion. Adjusted for the effect of the sold activities net loans to customers increased by approximately NOK 11 billion over the last 12 months. The increase in loans has mainly been in Retail Banking, while there was a reduction in the volumes in CIB. Deposits from customers decreased by 4.0 per cent compared to the end of June 2002 and amount to NOK 101.9 billion at the end of September 2002.

### **Capital adequacy**

The risk-weighted asset base of the Group was NOK 202.1 billion as of 30 September 2002, which is an increase of NOK 1.2 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 21,691 million, which represents a capital ratio of 10.7 per cent. In Nordea Bank Norge ASA the capital ratio was 11.1 per cent. The Group's core capital was NOK 16,935 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				
		3rd quarter		9 months		Full year	3rd quarter		9 months		Full year
		2002	2001	2002	2001	2001	2002	2001	2002	2001	2001
Interest income		4,160	4,155	11,989	13,637	17,771	3,750	3,852	10,769	12,544	16,477
Interest expenses		3,015	2,970	8,454	10,017	12,909	2,768	2,796	7,681	9,317	12,160
<b>Net interest income</b>		<b>1,145</b>	<b>1,185</b>	<b>3,535</b>	<b>3,620</b>	<b>4,862</b>	<b>982</b>	<b>1,056</b>	<b>3,088</b>	<b>3,227</b>	<b>4,317</b>
Dividends and profit from group companies and associated companies		17	-1	78	65	100	29	-12	150	317	574
Commissions and fees		318	380	977	1,196	1,590	319	344	977	1,088	1,454
Commission expenses		-72	-83	-252	-246	-329	-72	-77	-252	-232	-316
Net change in value and profit (loss) on securities		-91	-99	-30	55	140	18	21	81	110	134
Net change in value and profit (loss) on foreign exchange and financial derivatives		227	184	604	529	681	227	184	604	529	681
Other non-interest income		40	45	122	120	389	28	31	80	76	265
<b>Total non-interest income</b>		<b>439</b>	<b>426</b>	<b>1,499</b>	<b>1,719</b>	<b>2,571</b>	<b>549</b>	<b>491</b>	<b>1,640</b>	<b>1,888</b>	<b>2,792</b>
Personnel expenses		587	539	1,659	1,633	2,244	557	479	1,571	1,489	2,062
Administrative expenses		259	298	873	936	1,379	247	279	842	891	1,297
Ordinary depreciation and write-downs		72	70	221	166	252	69	66	212	154	232
Other non-interest expenses		98	79	305	311	505	99	87	304	304	496
<b>Total non-interest expenses</b>		<b>1,016</b>	<b>986</b>	<b>3,058</b>	<b>3,046</b>	<b>4,380</b>	<b>972</b>	<b>911</b>	<b>2,929</b>	<b>2,838</b>	<b>4,087</b>
<b>Operating profit before loan losses and profit on long-term securities</b>		<b>568</b>	<b>625</b>	<b>1,976</b>	<b>2,293</b>	<b>3,053</b>	<b>559</b>	<b>636</b>	<b>1,799</b>	<b>2,277</b>	<b>3,022</b>
Provision for losses on loans and guarantees	2, 3	273	222	345	384	705	269	222	335	377	691
Profit (losses/write-downs) on long-term securities		-7	-	-8	-	-	10	-	9	-	-
<b>Operating profit</b>		<b>288</b>	<b>403</b>	<b>1,623</b>	<b>1,909</b>	<b>2,348</b>	<b>300</b>	<b>414</b>	<b>1,473</b>	<b>1,900</b>	<b>2,331</b>
Income taxes	4	148	129	618	-208	-283	160	140	468	-217	-300
<b>Net profit</b>		<b>140</b>	<b>274</b>	<b>1,005</b>	<b>2,117</b>	<b>2,631</b>	<b>140</b>	<b>274</b>	<b>1,005</b>	<b>2,117</b>	<b>2,631</b>
<b>Earnings per share, fully diluted (NOK) (per quarter/9 months/year)</b>		<b>0.25</b>	<b>0.50</b>	<b>1.82</b>	<b>3.84</b>	<b>4.77</b>					

## Interim results

NOK million	1st quarter 2001	2nd quarter 2001	3rd quarter 2001	4th quarter 2001	1st quarter 2002	2nd quarter 2002	3rd quarter 2002
Interest income	4,690	4,792	4,155	4,134	3,865	3,964	4,160
Interest expenses	3,507	3,540	2,970	2,892	2,670	2,769	3,015
<b>Net interest income</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>	<b>1,145</b>
Dividends and profit from associated companies	10	56	-1	35	19	42	17
Commissions and fees	394	422	380	394	317	342	318
Commission expenses	-83	-80	-83	-83	-88	-92	-72
Net change in value and profit (loss) on securities	93	61	-99	85	113	-52	-91
Net change in value and profit (loss) on foreign exchange and financial derivatives	150	195	184	152	211	166	227
Other non-interest income	37	38	45	269	39	43	40
<b>Total non-interest income</b>	<b>601</b>	<b>692</b>	<b>426</b>	<b>852</b>	<b>611</b>	<b>449</b>	<b>439</b>
Personnel expenses	549	545	539	611	548	524	587
Administrative expenses	284	354	298	443	296	318	259
Ordinary depreciation and write-downs	48	48	70	86	74	75	72
Other non-interest expenses	101	131	79	194	86	121	98
<b>Total non-interest expenses</b>	<b>982</b>	<b>1,078</b>	<b>986</b>	<b>1,334</b>	<b>1,004</b>	<b>1,038</b>	<b>1,016</b>
<b>Operating profit before loan losses and profit on long-term securities</b>	<b>802</b>	<b>866</b>	<b>625</b>	<b>760</b>	<b>802</b>	<b>606</b>	<b>568</b>
Provision for losses on loans and guarantees	47	115	222	321	-7	79	273
Profit (losses/write-downs) on long-term securities	-	-	-	-	-	-1	-7
<b>Operating profit</b>	<b>755</b>	<b>751</b>	<b>403</b>	<b>439</b>	<b>809</b>	<b>526</b>	<b>288</b>
Income taxes	210	-547	129	-75	324	146	148
<b>Net profit</b>	<b>545</b>	<b>1,298</b>	<b>274</b>	<b>514</b>	<b>485</b>	<b>380</b>	<b>140</b>
<b>Average total assets</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>	<b>236,251</b>

## Balance sheet

NOK million	Note	The Group			The Parent Bank		
		30.09.02	30.09.01	31.12.01	30.09.02	30.09.01	31.12.01
<b>Assets</b>							
Cash and deposits with central banks		22,360	7,559	4,915	22,360	7,559	4,915
Deposits with and loans to credit institutions		3,542	21,434	9,760	9,707	26,802	16,294
<b>Total cash and claims on credit institutions</b>		<b>25,902</b>	<b>28,993</b>	<b>14,675</b>	<b>32,067</b>	<b>34,361</b>	<b>21,209</b>
Loans to customers	6	193,530	188,295	187,136	167,252	162,990	160,441
Specific allowance	3, 6	-1,325	-1,116	-1,271	-1,246	-1,027	-1,187
General allowance for loan losses	6	-1,633	-1,642	-1,633	-1,524	-1,538	-1,524
<b>Net loans to customers</b>		<b>190,572</b>	<b>185,537</b>	<b>184,232</b>	<b>164,482</b>	<b>160,425</b>	<b>157,730</b>
<b>Repossessed assets</b>		<b>36</b>	<b>101</b>	<b>61</b>	<b>26</b>	<b>90</b>	<b>52</b>
Certificates and bonds	5	22,181	17,318	18,372	21,934	16,941	18,022
Equities and investments	5	849	1,283	1,399	70	80	112
<b>Total securities</b>		<b>23,030</b>	<b>18,601</b>	<b>19,771</b>	<b>22,004</b>	<b>17,021</b>	<b>18,134</b>
<b>Associated companies</b>		<b>595</b>	<b>985</b>	<b>579</b>	<b>595</b>	<b>549</b>	<b>579</b>
<b>Equities and investments in group companies</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>5,095</b>	<b>5,288</b>	<b>5,009</b>
<b>Deferred tax asset, goodwill and other intangible assets</b>		<b>681</b>	<b>1,127</b>	<b>1,212</b>	<b>563</b>	<b>986</b>	<b>1,077</b>
<b>Real estate and machinery</b>		<b>2,485</b>	<b>2,585</b>	<b>2,580</b>	<b>2,420</b>	<b>2,499</b>	<b>2,515</b>
<b>Other assets</b>		<b>1,123</b>	<b>2,215</b>	<b>3,185</b>	<b>1,003</b>	<b>2,034</b>	<b>3,389</b>
<b>Prepaid expenses and accrued income</b>		<b>4,455</b>	<b>4,428</b>	<b>4,026</b>	<b>4,160</b>	<b>4,141</b>	<b>3,798</b>
<b>Total assets</b>		<b>248,879</b>	<b>244,572</b>	<b>230,321</b>	<b>232,415</b>	<b>227,394</b>	<b>213,492</b>
<b>Liabilities and equity</b>							
Deposits from credit institutions		70,554	57,080	41,594	66,765	54,397	38,885
Deposits from customers		101,902	103,629	104,332	102,643	103,823	104,922
<b>Total deposits</b>		<b>172,456</b>	<b>160,709</b>	<b>145,926</b>	<b>169,408</b>	<b>158,220</b>	<b>143,807</b>
Certificates and bond loans		41,343	48,932	48,044	28,857	35,648	34,681
Other liabilities		3,353	4,045	8,619	3,117	3,973	8,474
Accrued expenses and prepaid receivables		8,245	5,118	3,386	7,655	4,861	3,241
Allowances for liabilities		1,103	1,154	1,112	1,089	1,104	1,096
<b>Total other liabilities</b>		<b>54,044</b>	<b>59,249</b>	<b>61,161</b>	<b>40,718</b>	<b>45,586</b>	<b>47,492</b>
<b>Subordinated loan capital</b>		<b>4,405</b>	<b>6,169</b>	<b>6,277</b>	<b>4,315</b>	<b>5,143</b>	<b>5,236</b>
Share capital		3,860	3,860	3,860	3,860	3,860	3,860
Reserves		13,109	12,468	13,097	13,109	12,468	13,097
Profit for the period		1,005	2,117	-	1,005	2,117	-
<b>Total equity</b>		<b>17,974</b>	<b>18,445</b>	<b>16,957</b>	<b>17,974</b>	<b>18,445</b>	<b>16,957</b>
<b>Total liabilities and equity</b>		<b>248,879</b>	<b>244,572</b>	<b>230,321</b>	<b>232,415</b>	<b>227,394</b>	<b>213,492</b>

Nordea Bank Norge ASA  
Oslo, 24 October 2002

Lars G. Nordström  
Acting Chairman of the Board

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>31.03.01</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>	<b>30.09.02</b>
Total assets	245,053	236,923	244,572	230,321	237,927	227,888	<b>248,879</b>
Net loans to customers	186,256	183,063	185,537	184,232	186,857	187,769	<b>190,572</b>
Net loans to customers as percentage of total assets	76.0	77.3	75.9	80.0	78.5	82.4	<b>76.6</b>
Deposits from customers	108,931	104,566	103,629	104,332	100,817	106,162	<b>101,902</b>
Deposits from customers as percentage of total assets	44.5	44.1	42.4	45.3	42.4	46.6	<b>40.9</b>
Deposit ratio (customer deposits to net loans to customers)	58.5	57.1	55.9	56.6	54.0	56.5	<b>53.5</b>
Total non-performing commitments	2,373	1,812	2,289	2,162	2,160	2,402	<b>2,567</b>
Net non-performing commitments	1,675	1,084	1,421	1,273	1,265	1,644	<b>1,638</b>
Risk-weighted assets	216,100	210,200	211,100	203,200	202,900	200,900	<b>202,100</b>
Book equity per share (NOK) *	30.61	32.96	33.45	30.75	31.63	32.35	<b>32.60</b>
Earnings per share (per quarter) (NOK)	0.99	2.35	0.50	0.93	0.88	0.69	<b>0.25</b>
Cost/income ratio (excluding net change in value and profit (loss) on securities per quarter)	58.1	57.2	57.7	66.4	59.3	61.2	<b>60.7</b>
Numbers of employees (full-time positions)	4,065	4,035	4,093	4,096	4,081	4,001	<b>4,003</b>

\* Excluding allocations of dividend, not yet paid at the time, of NOK 2.00 per share as at 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 Norge's activities have been sold to other companies in the Group in 2001 and in the first half year of 2002.

The branch offices of Nordea Bank Norge 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-Fondsfor sikring AS to Vesta Liv Holding AS.

On 31 December 2001 the Bank's shares in Nordea Fondene Norge AS (formerly K-Fondene) were sold to Nordea Fondene Norge Holding AS and its shares in Nordea Investment Management ASA (formerly K-Kapitalforvaltning) were sold to Nordea Investment Management Norge Holding AS. Nordea Asset Management AB owns both of the purchasing companies, and this company also acquired the shares in 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.

The Banking, Insurance and Securities Commission approved these sales on 28 August 2002.

Adjusted for the sale of these activities total income and total non-interest expenses per the end of the third quarter 2001 were NOK 4,767 million and NOK 2,716 million, respectively. This represents a reduction of NOK 186 million and NOK 572 million as compared to the reported accounts per the third quarter 2001. Net loans to customers are reduced with approximately NOK 8 billion due to the sales compared to the end of the third quarter 2001.

## Note 2 Provision for losses on loans and guarantees

### Loan loss provision by industry

	3rd quarter 2002		9 months 2002	
	NOK million	Percentage of total loans*)	NOK million	Percentage of total loans *)
Retail market	-8	-0.1	-33	-0.1
Primary industries (agriculture/fisheries)	18	0.7	29	0.4
Mining, oil extraction and drilling	-1	-0.2	-1	-0.1
Manufacturing industry	54	1.4	51	0.4
Power and water supply, building and construction	4	0.3	10	0.2
Wholesale and retail trade	5	0.3	26	0.5
Hotels and restaurants	-1	-0.3	-5	-0.4
Shipping and aviation	-1	-	32	0.2
Real estate	-2	-	22	0.1
Commercial services	205	3.4	215	1.2
Other	-	-	-1	-
<b>Total</b>	<b>273</b>	<b>0.6</b>	<b>345</b>	<b>0.2</b>
Change in general allowance	-	-	-	-
<b>Net loan loss provision</b>	<b>273</b>	<b>0.6</b>	<b>345</b>	<b>0.2</b>

\*) Annualised

## Note 3 Charge-offs and changes in allowances

NOK million	3rd quarter 2002	9 months 2002
Specific allowance, beginning of period	1,091	1,271
New loan loss provisions	292	437
Purchased commitments	-	18
Sold commitments	-	-130
Change in previous allowances	-25	-66
Charge-offs	-36	-194
Exchange rate differences	3	-11
Specific allowance, end of period	1,325	1,325
Of which specific allowance on guarantees	-	-
<b>Specific allowance on loans, end of period</b>	<b>1,325</b>	<b>1,325</b>
<b>Net losses on loans and guarantees during the period</b>		
New specific loan loss provisions	292	437
Charge-offs that affect the result	4	4
Change in previous allowances	-25	-66
Net loss (profit) on repossessed assets etc.	17	20
Recoveries on commitments previously written off	-15	-50
Change in general allowance	-	-
<b>Provision for losses on loans and guarantees</b>	<b>273</b>	<b>345</b>



## Note 4 Taxes

The tax charge for the period includes payable taxes and changes in deferred taxes. The calculated taxes for the third quarter 2002 are NOK 148 million, corresponding to 51.4 percent of operating profit before taxes. The high percentage is mainly due to recording of approximately NOK 88 million in increased taxes in Nordea Bank Norge in the third quarter following a ruling made by "Ligningsnemda" on 1 October 2002 which caused a change in the Bank's tax return regarding the income year 2001. The case concerns the Bank's sales of its foreign branches in London and Singapore. The Bank will lodge an appeal to "Overligningsnemda".

The calculated taxes for the nine months of 2002 is NOK 618 million corresponding to approximately 38 per cent of operating profit before taxes. The high percentage is, in addition to what is mentioned in the first paragraph, mainly due to recording of NOK 96 million in increased taxes in the subsidiary Nordea Finans Norge following a ruling made by "Ligningsnemda" on 25 February 2002 which caused a change in 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".

## Note 5 Securities

	30.09.02		30.09.01		31.12.01	
Trading portfolio	Cost	Book value/ market value	Cost	Book value/ market value	Cost	Book value/ market value
Certificates and bonds	11,117	11,148	5,067	5,087	8,239	8,261
Equities and investments	299	274	724	655	742	776
<b>Total trading portfolio</b>	<b>11,416</b>	<b>11,422</b>	<b>5,791</b>	<b>5,742</b>	<b>8,981</b>	<b>9,037</b>

### Short positions \*)

Certificates and bonds	494	494	-	-	384	383
Equities and investments	-	-	187	184	5	5

Other current and fixed assets	Book value	Book value	Book value
Certificates and bonds	11,033	12,231	10,111
Equities and investments	575	628	623
<b>Total other current and fixed assets</b>	<b>11,608</b>	<b>12,859</b>	<b>10,734</b>

### Unrealised gains on other current and fixed assets

Certificates and bonds	77	88	84
Equities and investments **)	-	-	-

\*) Included in Other liabilities

\*\*) Unrealised gains on unquoted stocks not included

Equities and investments classified as other current and fixed assets include only non-listed equities and investments.

During the third quarter of 2002 the subsidiary Nordea Equity Holdings AS reduced its activity considerably through sale of the main part of the equity portfolio. The reason is that Nordea has reduced its risk willingness and therefore the risks allocated to equities. In addition, these activities will in the future be concentrated in Copenhagen.

On 30 September 2002 it was agreed to sell 100% of the shares in Europay Norge AS to SEB Kort for NOK 1 billion. Six Norwegian banks shared ownership of Europay Norge AS of which Nordea Bank Norge owned 18.75%. Nordea Bank Norge will realise an accounting gain of approximately NOK 175 million. The gain is not reflected in the third quarter accounts due to the fact that the agreement is conditional upon a licence being granted by the Norwegian Banking, Insurance and Securities Commission.

## Note 6 Analysis of the loan portfolio

	Total		Allowances				Net	
	NOK million		NOK million		%		NOK million	
	30.09.02	30.06.02	30.09.02	30.06.02	30.09.02	30.06.02	30.09.02	30.06.02
Non-performing commitments	2,567	2,402	929	758	36	32	1,638	1,644
Doubtful commitments	2,586	2,200	396	333	15	15	2,190	1,867
<b>Total</b>	<b>5,153</b>	<b>4,602</b>	<b>1,325</b>	<b>1,091</b>	<b>26</b>	<b>24</b>	<b>3,828</b>	<b>3,511</b>
Of which guarantees etc.	-1,671	-869	-	-	-	-	-1,671	-869
Other loans	190,048	186,760	1,633	1,633	0.9	0.9	188,415	185,127
<b>Total</b>	<b>193,530</b>	<b>190,493</b>	<b>2,958</b>	<b>2,724</b>	<b>2</b>	<b>1</b>	<b>190,572</b>	<b>187,769</b>

Non-performing commitments were distributed as follows

	Total non-performing		Allowances				Net non-performing	
	NOK million		NOK million		%		NOK million	
	30.09.02	30.06.02	30.09.02	30.06.02	30.09.02	30.06.02	30.09.02	30.06.02
Corporate commitments	2,078	1,938	763	597	37	31	1,315	1,341
Retail commitments	489	464	166	161	34	35	323	303
<b>Total</b>	<b>2,567</b>	<b>2,402</b>	<b>929</b>	<b>758</b>	<b>36</b>	<b>32</b>	<b>1,638</b>	<b>1,644</b>

## Note 7 Capital ratio

	NOK billion	
	30.09.02	30.09.01
<b>Risk-weighted assets as at</b>		
Total assets	169.7	178.3
Total off-balance sheet items	22.3	26.1
Total market and foreign exchange risk	10.1	6.7
<b>Risk-weighted assets</b>	<b>202.1</b>	<b>211.1</b>

	NOK million		%	
	30.09.02	30.09.01	30.09.02	30.09.01
<b>Capital ratio as at</b>				
Core capital	16,935	15,842	8.4	7.5
Supplementary capital	4,792	6,586	2.3	3.1
Deductions	-36	-37	-	-
<b>Total capital</b>	<b>21,691</b>	<b>22,391</b>	<b>10.7</b>	<b>10.6</b>

Our auditors have reviewed the interim report as at 30 June 2002. Therefore, 50 % of pre-tax profit for the first six months is included in the core capital. The capital ratio requirement is 8 per cent.