



# Presentation for Investors

## 28 April 2004

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# **Interim Report First Quarter 2004**

## **Press conference**

28 April 2004

Lars G Nordström  
President and Group CEO

## Strong results in Q1

- Operating profit up 52% to EUR 584m (EUR 383m in Q4 2003)
- Net profit more than doubled to EUR 418m (EUR 202m)
- Total income up 2% to EUR 1,421m (EUR 1,399m)
- Total expenses down 10% to EUR 873m (EUR 973m)
- Loan losses down by 50% to EUR 42m (EUR 84m)
- Earnings per share EUR 0.15 (EUR 0.09)
- Return on equity (excl. goodwill) 18.2% (9.7%)

## **Continued progress confirmed year-on-year**

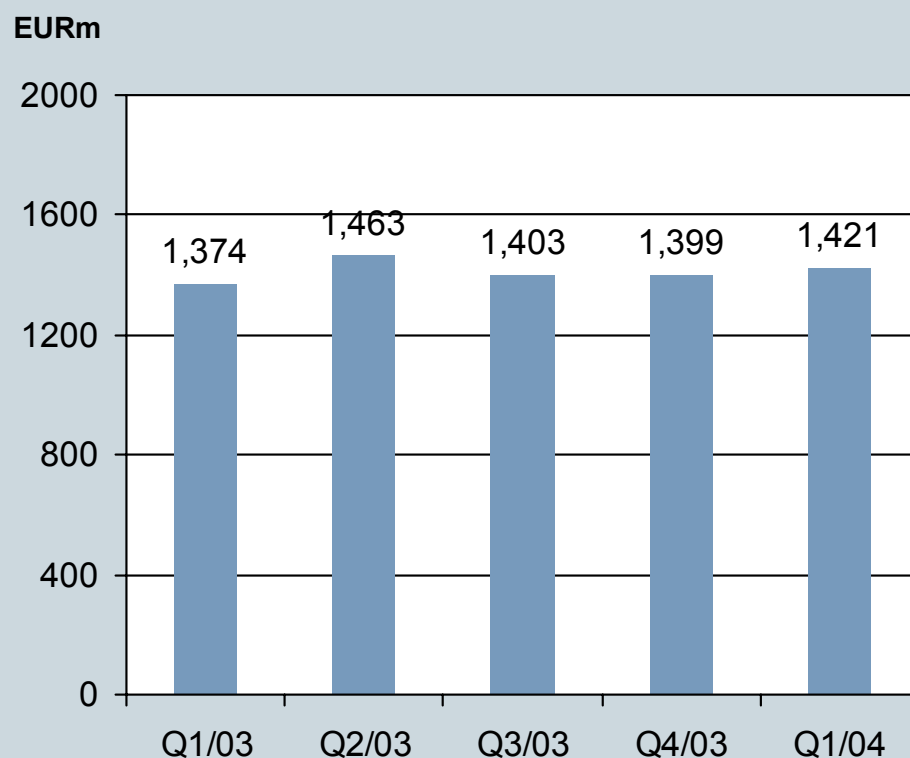
- Operating profit up 54% to EUR 584m (EUR 380m in Q1 2003)
- Net profit up 64% to EUR 418m (EUR 255m)
- Total income up 3% to EUR 1,421m (EUR 1,374m) and costs down 5% to EUR 873m (EUR 917m)
- Loan losses down by 57% to EUR 42m (EUR 98m)

## **Growth in business volumes and increased focus**

- Assets under Management at new all-time high EUR 121.9bn, up EUR 8.6bn in Q1
- Continued strong performance in Life operations
- Strong mortgage sales
- Strengthened position among large corporate clients, particularly in Sweden
- Real estate divestment process completed

# Increased income

**Income Q1/03-Q1/04<sup>1</sup>**



<sup>1</sup> Insurance reported according to the one-line principle

## Quarter-on-quarter:

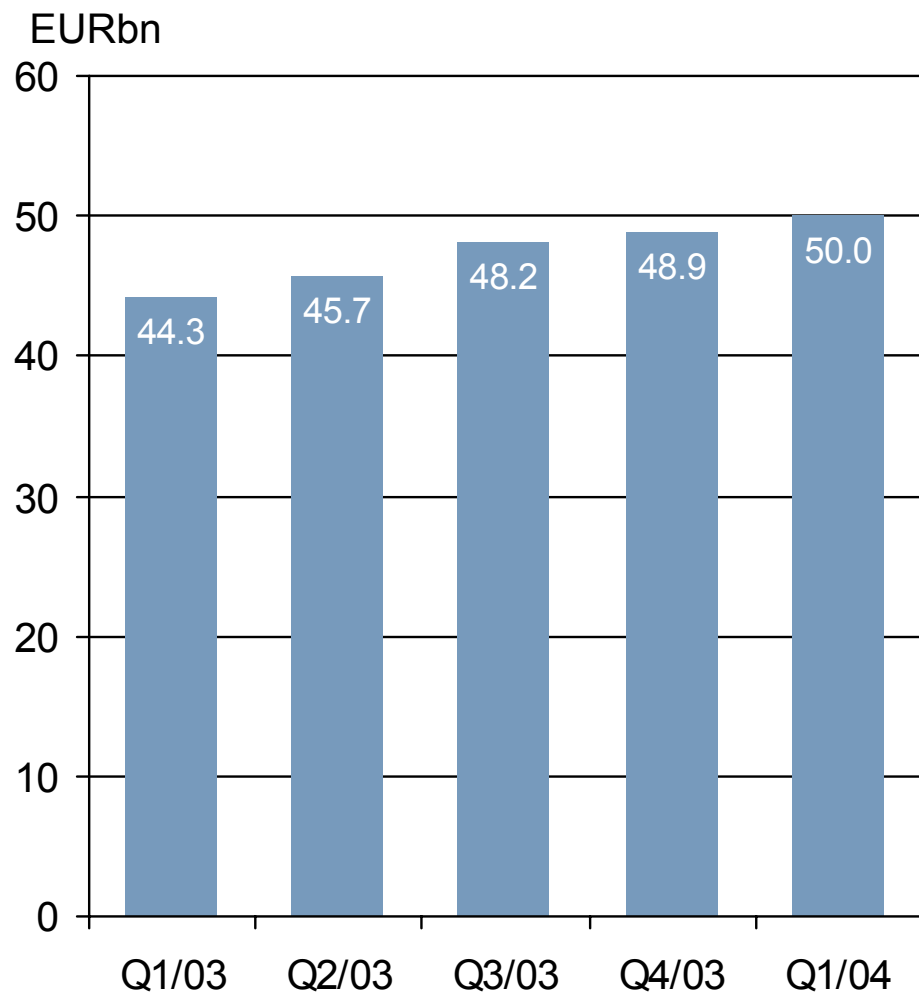
Total income up 2%

- Net interest income maintained
  - Volume growth in Retail Banking
  - Deposit margins declined
- Commission income up 2%
  - Positive development in equity markets
  - AuM up 8% to EUR 121.9bn
- Trading income up 25%
  - Strengthened position in large corporate client segment, particularly in Sweden
  - Volume growth in all product areas in Markets

## Year-on-year:

Total income up 3%

# Lending to households - mortgages



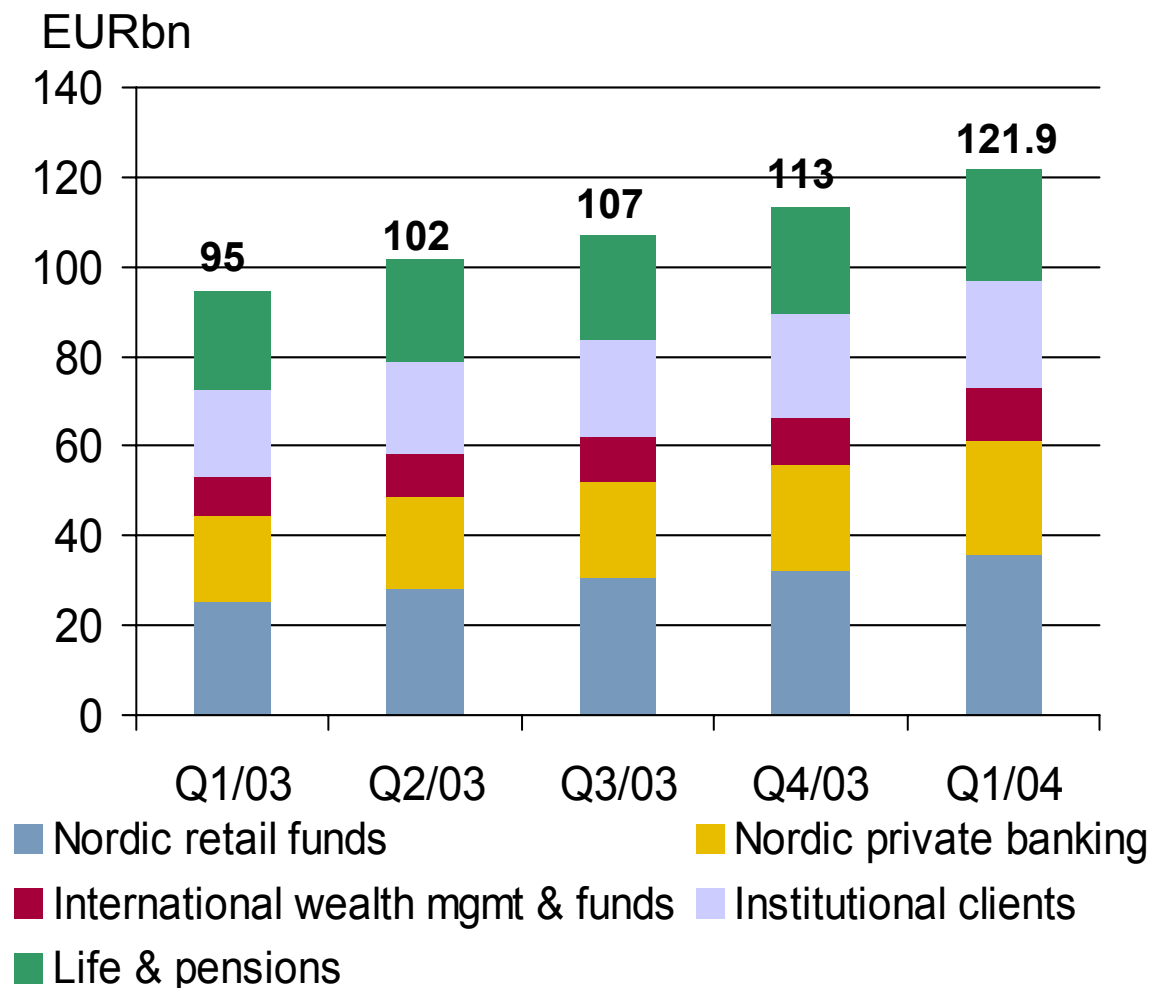
Market shares, %

	Q1/04	Q1/03	Q1/02
DK	13.3	12.7	11.9
FI	32.5*	32.8	n.a
NO	10.8*	10.3	9.9
SE	16.0	15.7	15.5

\*Data from January 2004



# Strong growth in assets under management

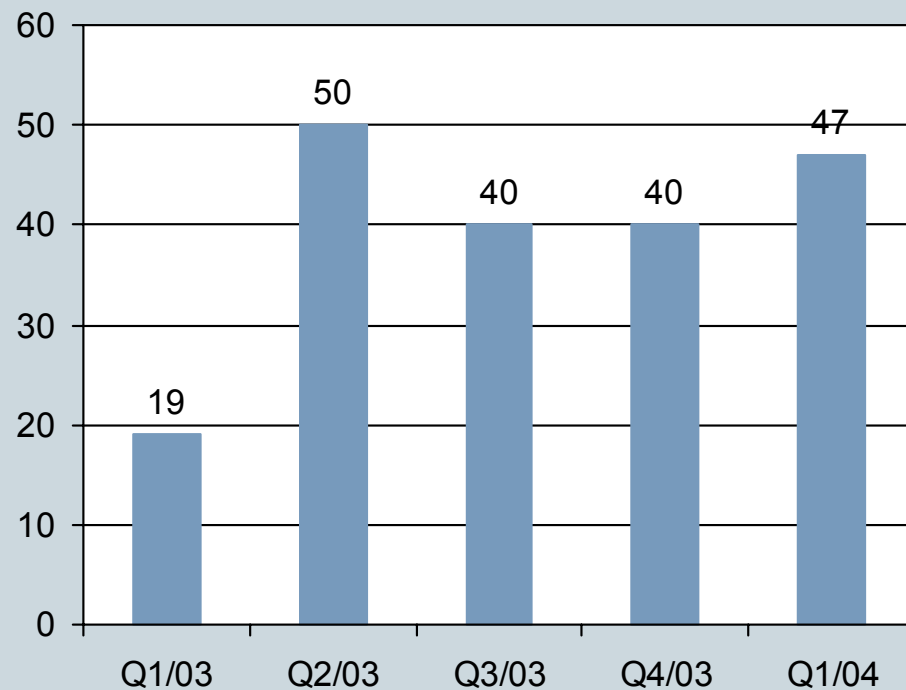


- Nordea market leader within retail funds in the Nordic region
  - Holds 20% of all Nordic investment fund assets
- AuM up 8% in Q1 to EUR 121.9bn
- Large distribution capacity
  - Inflow of EUR 4.2bn in Q1
- Asset appreciation EUR 4.4bn

# Continued strong performance in Life & Pensions

**Life and Pensions operating profit  
Q1/03-Q1/04**

EURm



## Quarter-on-quarter:

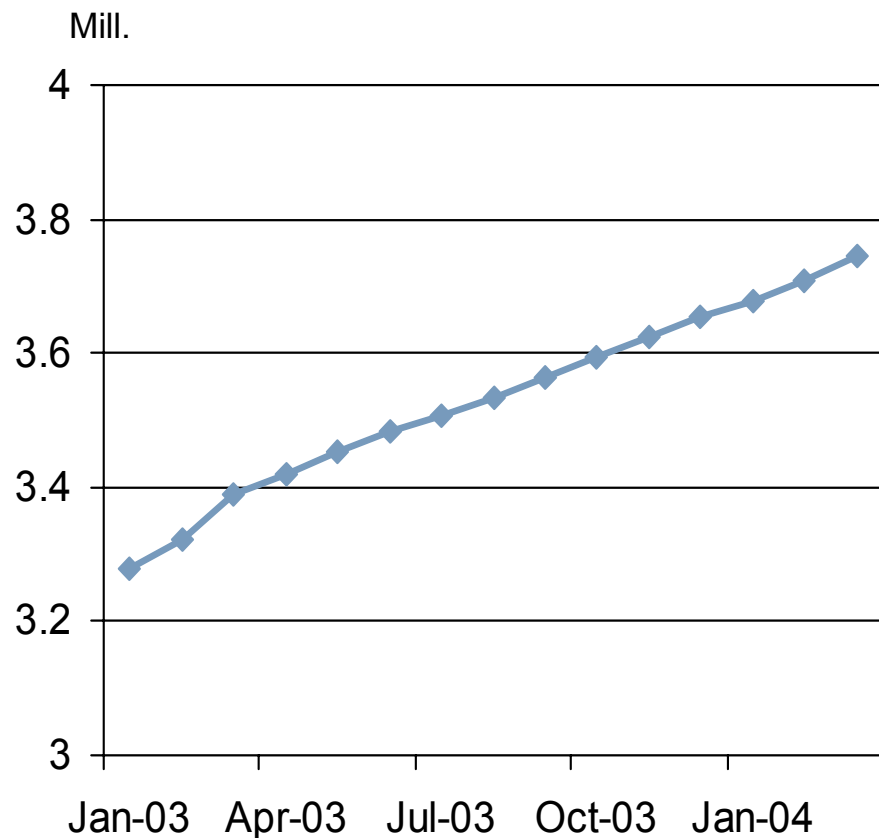
- Continued strong performance
- Investment return improved
- Increased financial buffers

## Year-on-year:

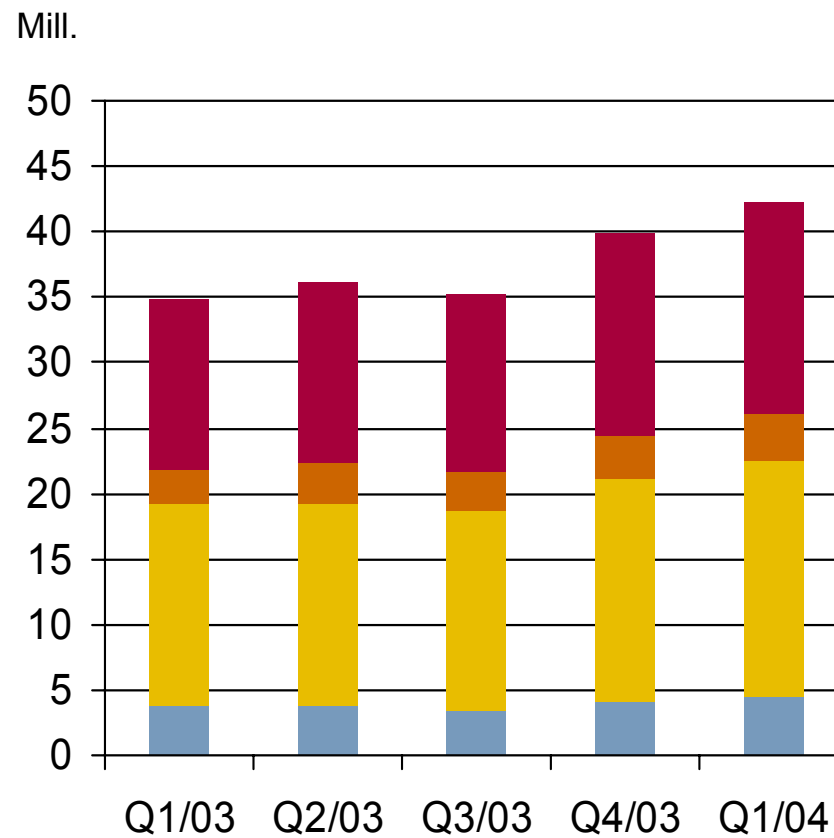
- Improved result reflecting the changed business model

# E-banking customers and payments

E-banking customers



E-banking payments

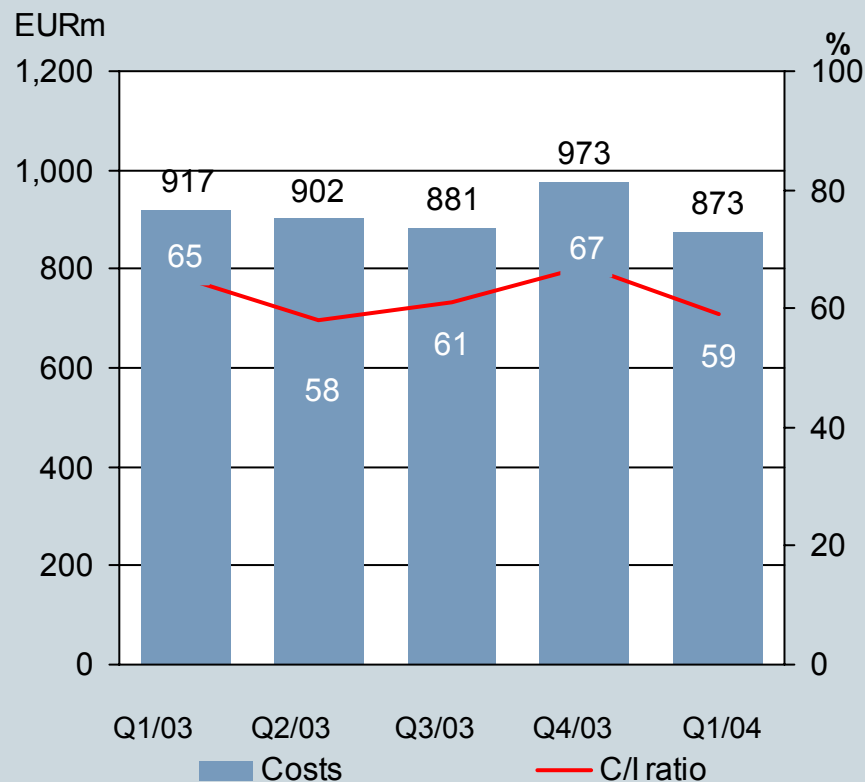


## **Strengthened position among large corporate clients, particularly in Sweden**

- Completion of several large transactions, not least in Sweden
- Clearly improved position in Sweden
  - A significantly increased number of clients regard Nordea as Lead Bank
- Growth in all product areas within Markets
- Integrated Corporate Netbank increasingly attracting new customers

# Cost management culture in place

**Costs and C/I ratio Q1/03-Q1/04**



## Quarter-on-quarter:

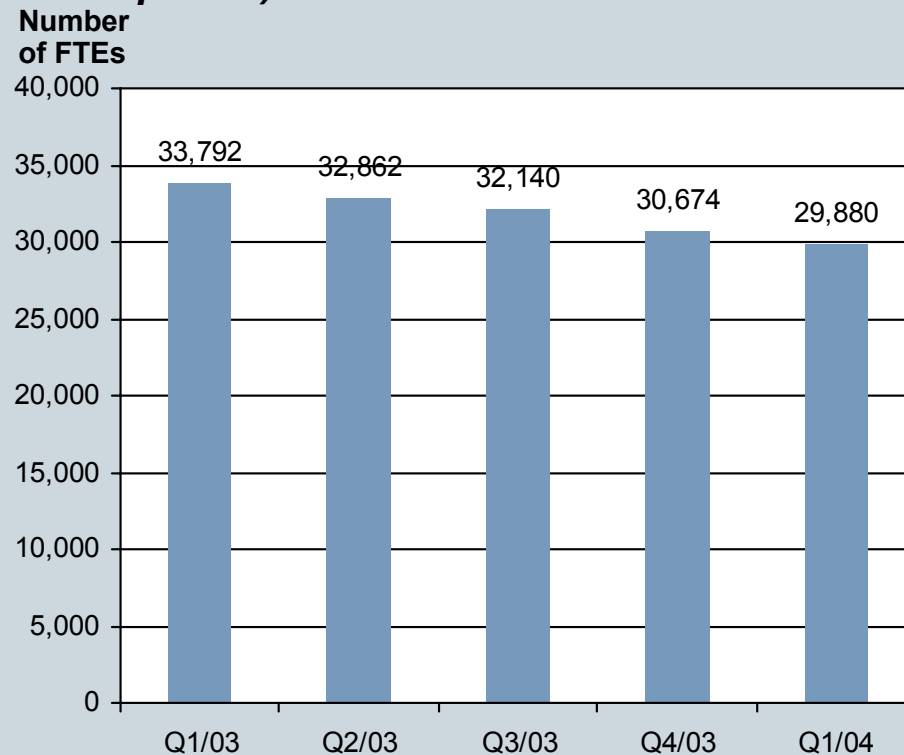
- Reported expenses down 10%
- Underlying expenses down 4%
- EUR 15m reserved for profit sharing in 2004
- Other expenses down 11%
  - Despite full effect of IBM JV staff transfer
  - Lower IT and marketing costs as well as lower rents and premises

## Year-on-year:

- Reported expenses down 5%
- Underlying expenses down 6%

# Number of employees down

**Full time equivalents (FTEs) Q1/03-Q1/04  
(end of period)**



## Quarter-on-quarter:

- Down by approx. 800 FTEs or 2.6%

## Year-on-year:

- Down by almost 12%
  - Outsourcing - approx. 1,300 FTEs
  - Rationalisation - approx. 2,700 FTEs

# Focus, consolidation and reducing complexity

## Joint venture with IBM (Nordic Processor) - ongoing:

- IT production Norway transferred to Nordic Processor

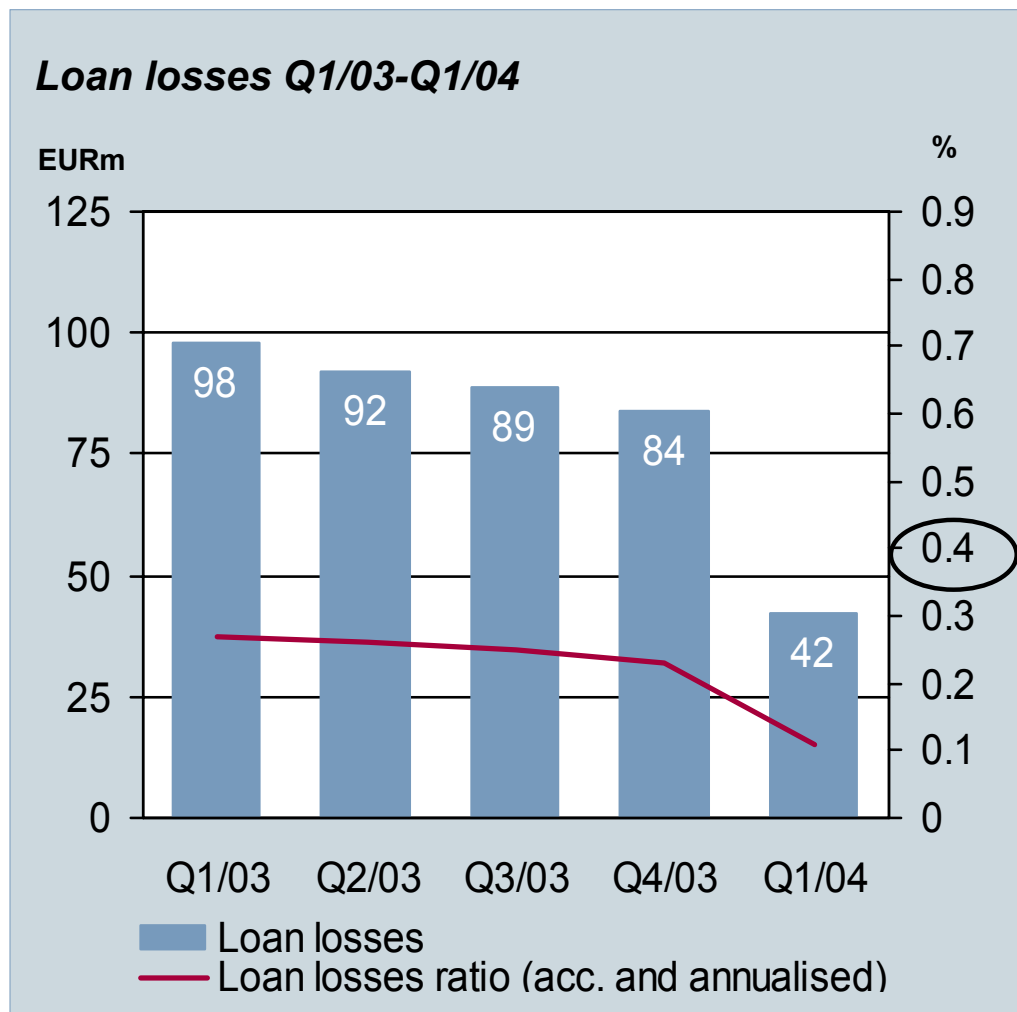
## Procurement and outsourcing projects:

- Office equipment
- Telecom
- Paper based payments in Sweden

## Legal structure:

- Nordea AB (publ) --> Nordea Bank AB (publ) 30 January 2004
- Nordea Bank Sweden AB (publ) merged into Nordea Bank AB (publ) 1 March 2004

# Good credit quality - loan losses down



## Quarter-on-quarter:

- Down 50%
- Loan loss ratio 0.11% in Q1
- No provisions in fish-farming
- Majority central provisions
  - Conservative evaluation of a few commitments

## Year-on-year:

- Down 57%



## **Real estate divestment process completed**

- Very comprehensive process successfully completed
- Properties and real estate shares divested during the last 12 months represent a book value of approx. EUR 1.6bn
- Sale of central business district properties in Finland, Norway and Sweden
- A gain of EUR 300m will be reflected in Q2 accounts
- Net financial effect of real estate disposals is a gain of EUR 185m
- Nordea no longer owns any major properties

**→ Going forward the financial effect of the divestments will be positive**

# Group financial targets

<i>Key performance indicator</i>	<i>2003</i>	<i>Q1/04</i>	<i>Target</i>
Total shareholder return, %	# 3	# 15	In the top five of the peer group of 20 banks
RoE, excluding goodwill, %	16.7 <sup>1)</sup>	18.2	> 15%
Costs, EURm	3,673	873	Same cost level as in 2003
Loan losses ratio, %	0.25	0.11	< 0.40% of loans and guarantees on average over a business cycle
Dividend pay-out ratio, %	48	NA	> 40%
Tier 1 capital ratio, %	7.3	6.7	> 6.5%
<i>Supporting performance indicator</i>			
Cost/income ratio, %	63	59	< 55% from 2005

1) 14.5% using standard tax rate and adjusted for the negative impact of the real estate write-down at year-end

## In summary

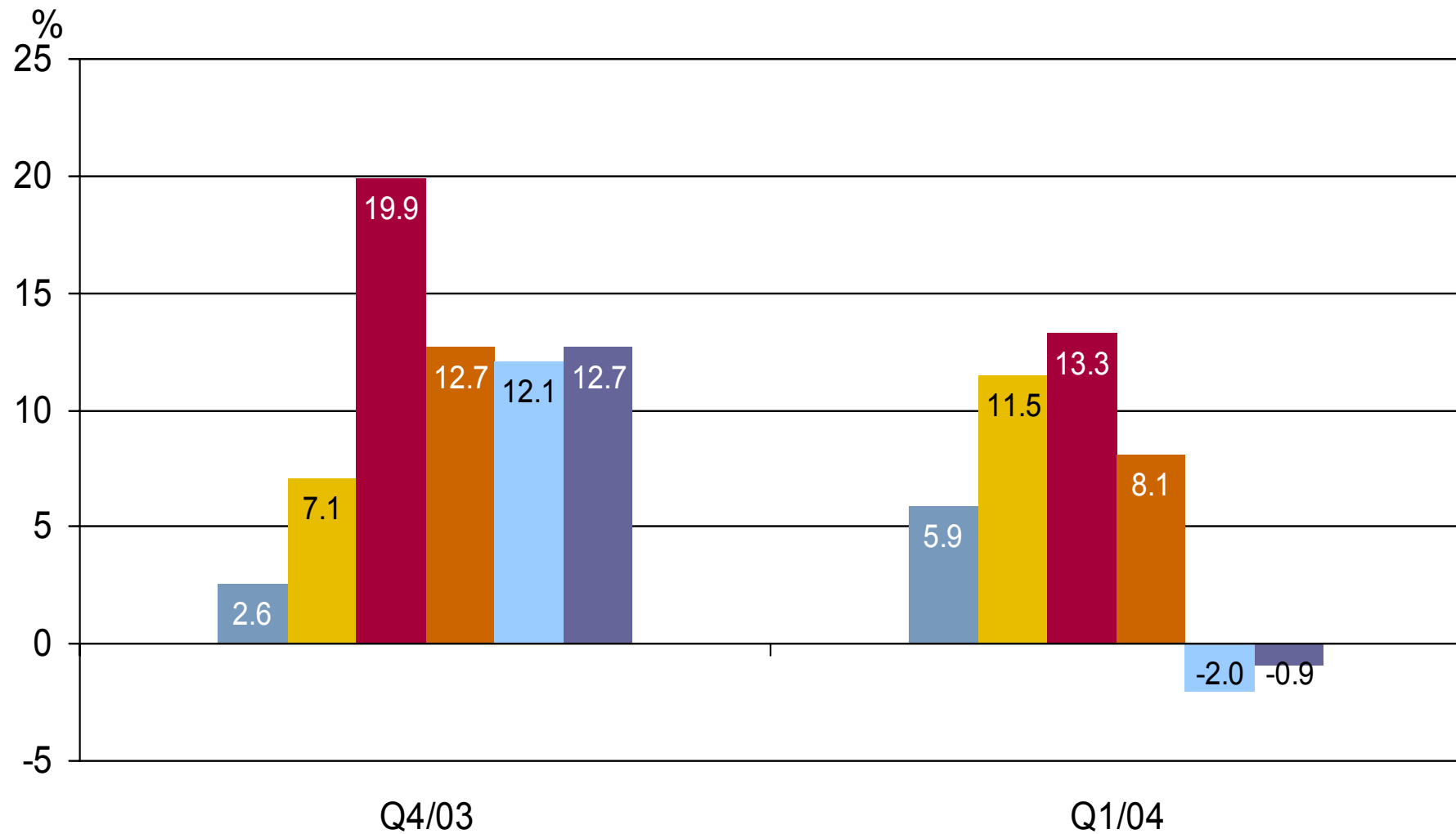
- Strong result in the first quarter of 2004
- Continued progress confirmed year-on-year
  - Efforts to improve performance increasingly visible in financials
  - Total income up 3%
  - Cost down 5%
  - Loan losses more than halved
- Well positioned to capture growth
- Focus on strict cost and risk management and on income development going forward

# Financial highlights

## Q1/04



## Market development – stock market indexes

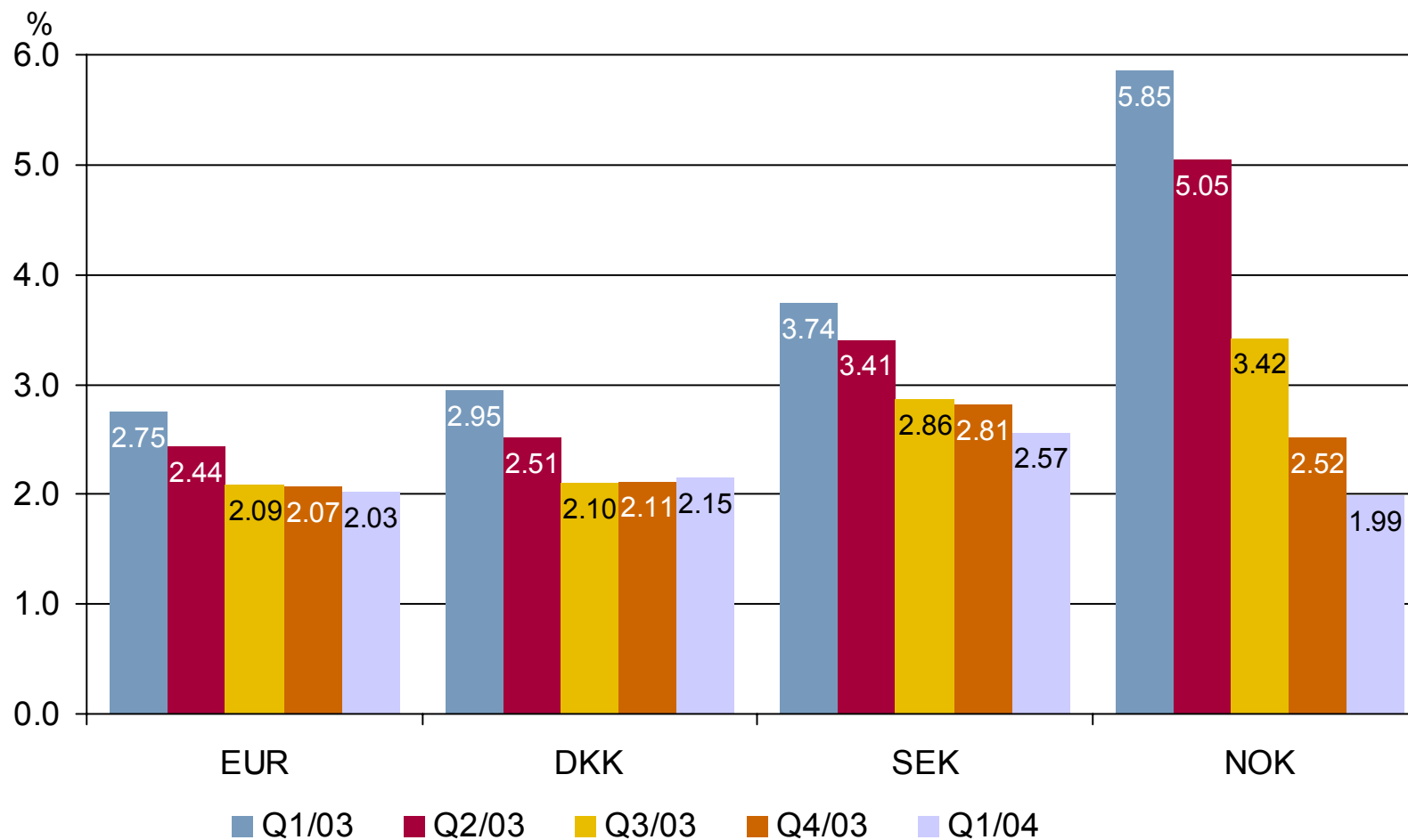


■ Copenhagen ■ Helsinki ■ Oslo ■ Stockholm ■ Nasdaq ■ Dow Jones

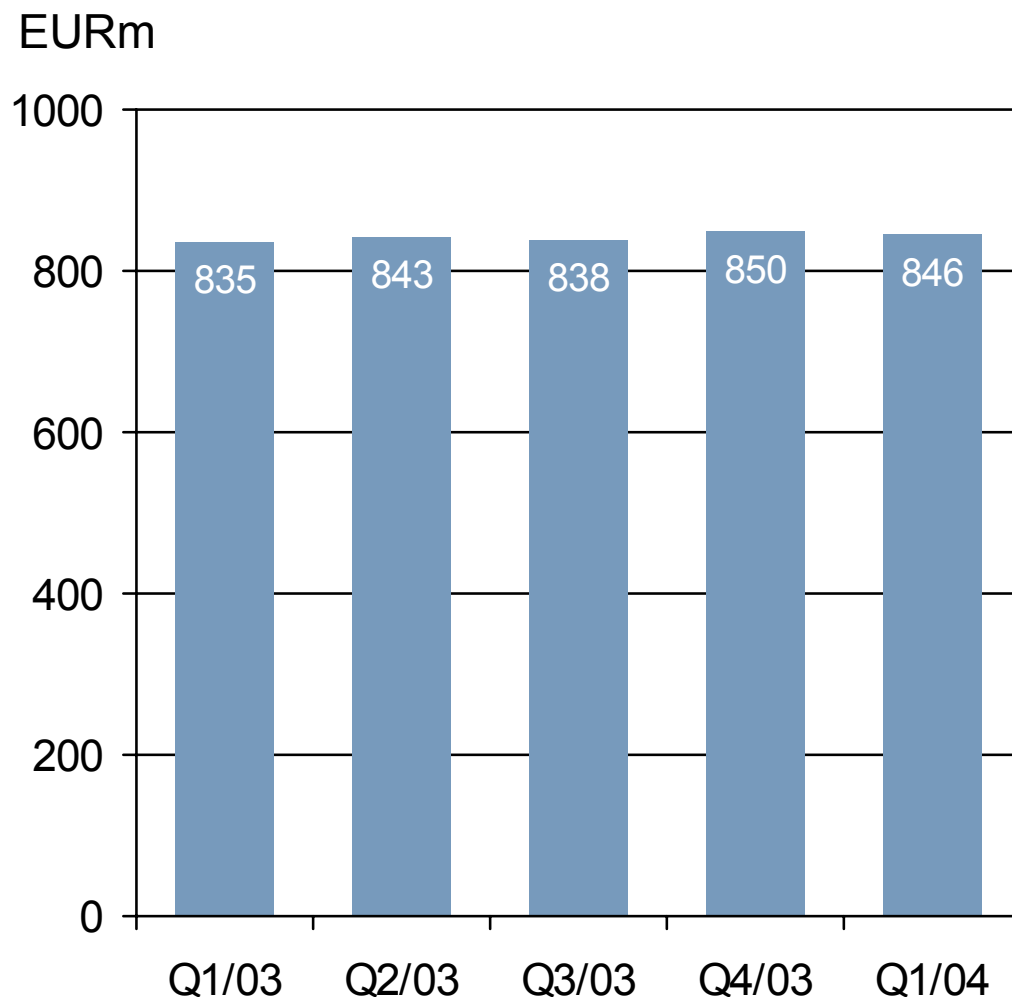
## Market development – interest rates

%	31-12-03	31-03-04	Change Q1/04
Short, EUR (one week)	2.07	2.00	-0.07
Long, EUR (5 years)	3.50	3.06	-0.44
Short, DK	2.12	2.13	+0.01
Long, DK	3.64	3.34	-0.30
Short, NO	2.22	1.88	-0.34
Long, NO	3.84	3.50	-0.34
Short, SE	2.80	2.37	-0.43
Long, SE	4.14	3.37	-0.77

## Short interest rates - average (one week)



# Net interest income



QoQ:

- Total lending up 1%
- Continued volume growth in Retail
  - increased market shares in mortgages
- Deposit margins declined
  - lower interest rates in Sweden and Norway
- Hedge effect in Q1 EUR 10-15m
  - hedge now largely expired

YoY:

- Nii up 1%
- Strong growth in mortgage lending



## Structural Interest Income Risk (SIIR)

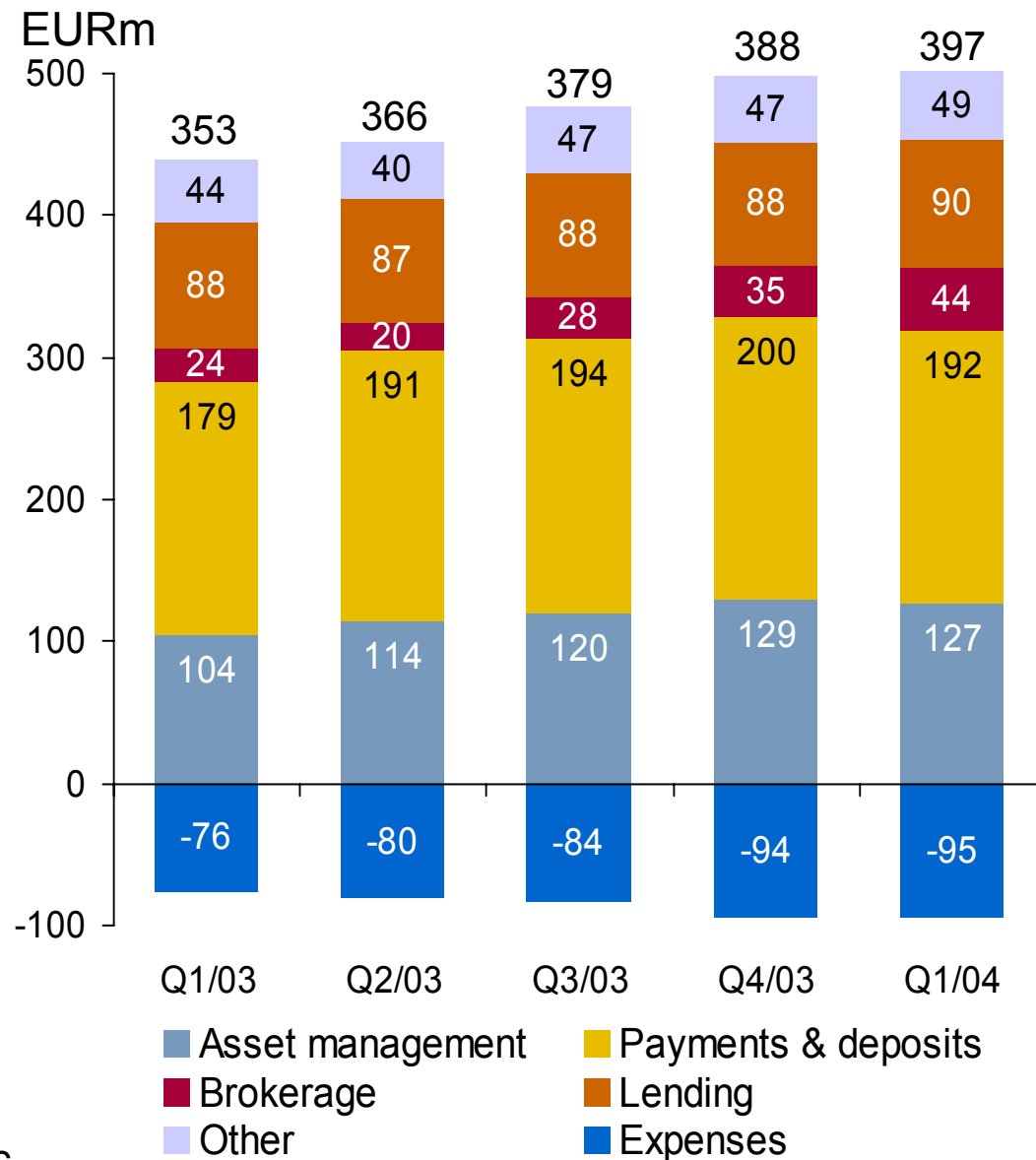
EURm, annualised effect on Nii*	Q1/04	Q4/03
Increasing market rates, 100bp	298	275
Decreasing market rates, 100bp	-263	-251

\*Approx. end of period

- Hedging arrangement has now largely expired

SIIR is defined as the effect on net interest income (Nii) in the next 12 months if market rates change by one percentage point. Figures are asymmetrical as interest rates on deposits from customers cannot be reduced below 0%. Figures are based on maturity and repricing structure, and the effect going forward will be subject to management decisions and the competitive situation in the market.

# Net commission income



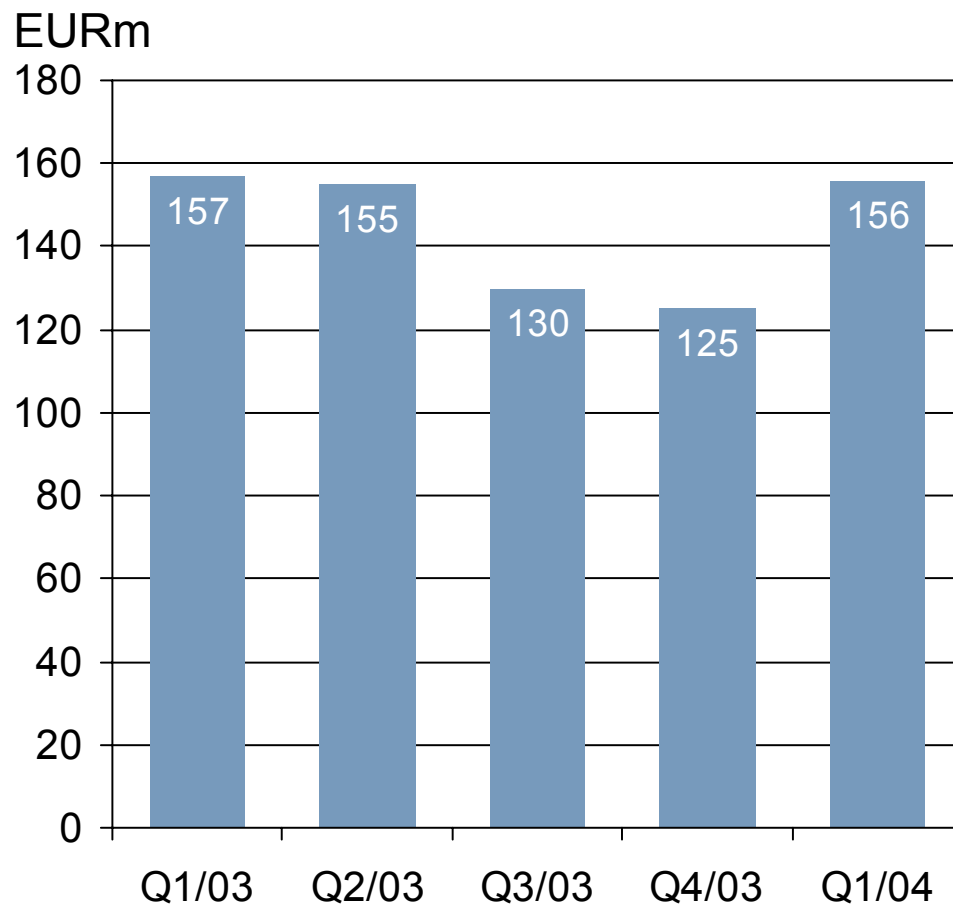
## QoQ:

- Positive development in equity markets
  - brokerage improved
- AuM up 8% to EUR 121.9bn
- Asset Mgmt revenues maintained at high level
- No. of payments down 4% from seasonally high Q4

## YoY:

- Commission income up 12%
  - increased equity related income

# Trading



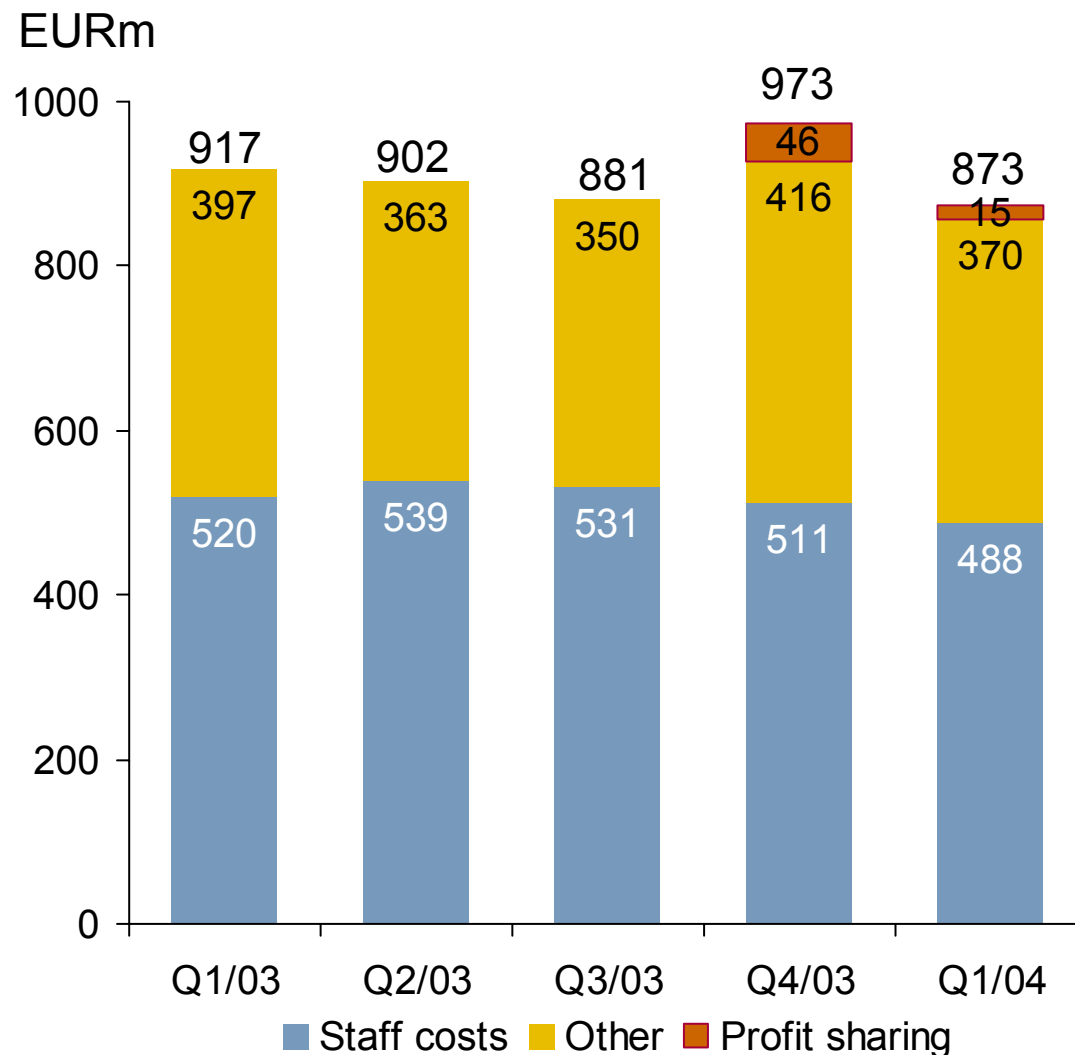
QoQ:

- Up 25%
- Strengthened position in large corporate client segment, particularly in Sweden
- Volume growth in all product areas

YoY:

- Same high level

# Expenses



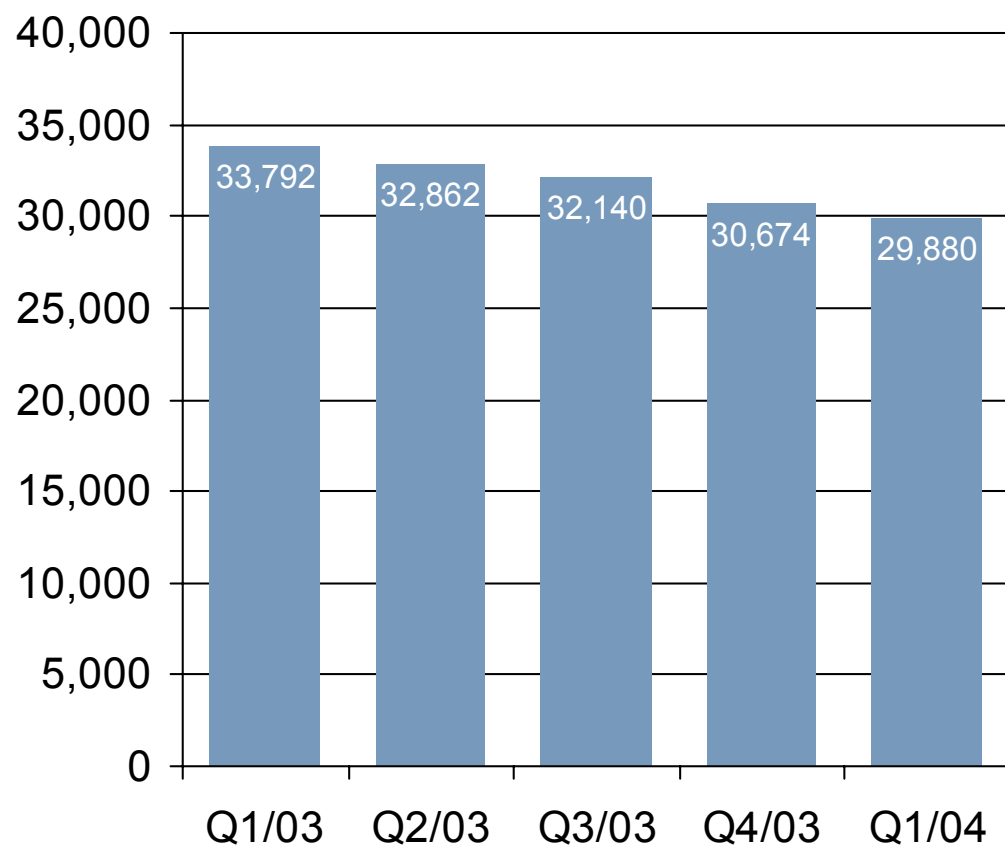
## QoQ:

- Reported expenses down 10%
- Underlying expenses down 4%
- Profit sharing Q1 EUR 15m
- Other expenses down 11%
  - despite full effect of IBM JV staff transfer
  - lower IT and marketing costs as well as lower rents and premises

## YoY:

- Reported expenses down 5%
- Underlying expenses down 6%

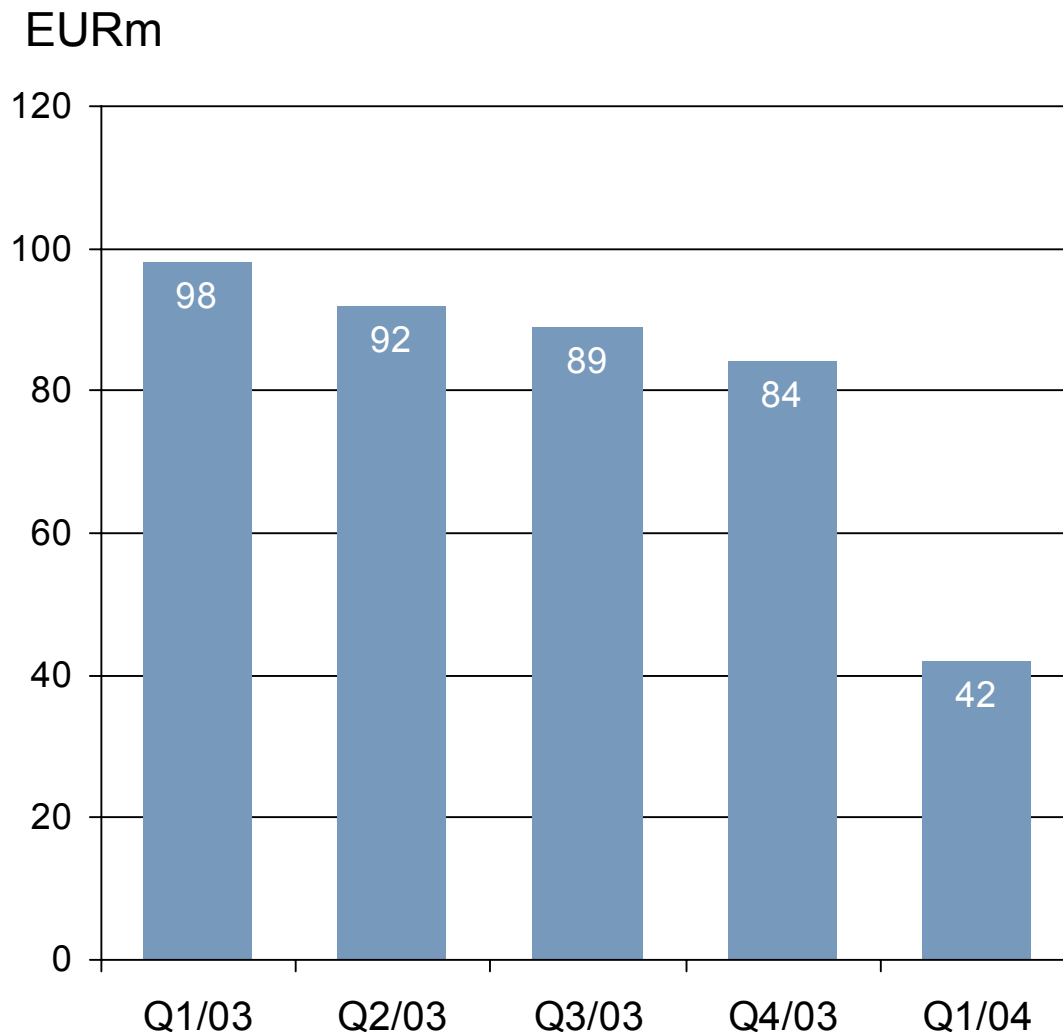
## Development of FTEs



FTEs	Q1/04	2003
Retail	17,882	18,320
CIB	1,974	2,102
AM & Life	1,797	1,796
GPT	6,554	6,772
Other	1,673	1,684
<b>Total</b>	<b>29,880</b>	<b>30,674</b>
<b>Change</b>	<b>-2.6%</b>	

End of period

# Loan losses



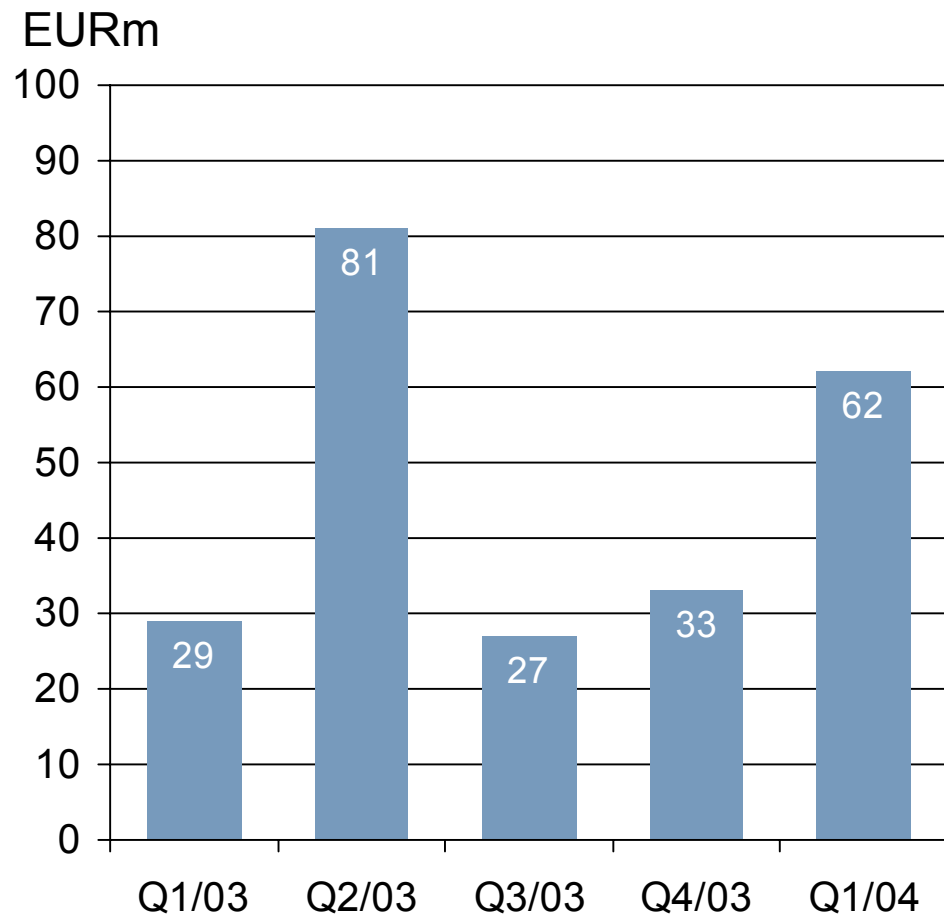
QoQ:

- Down 50%
- Loan loss ratio 0.11% in Q1
- No provisions in fish-farming
- Majority central provisions
  - conservative evaluation of a few commitments

YoY:

- Down 57%

## Investment earnings, banking



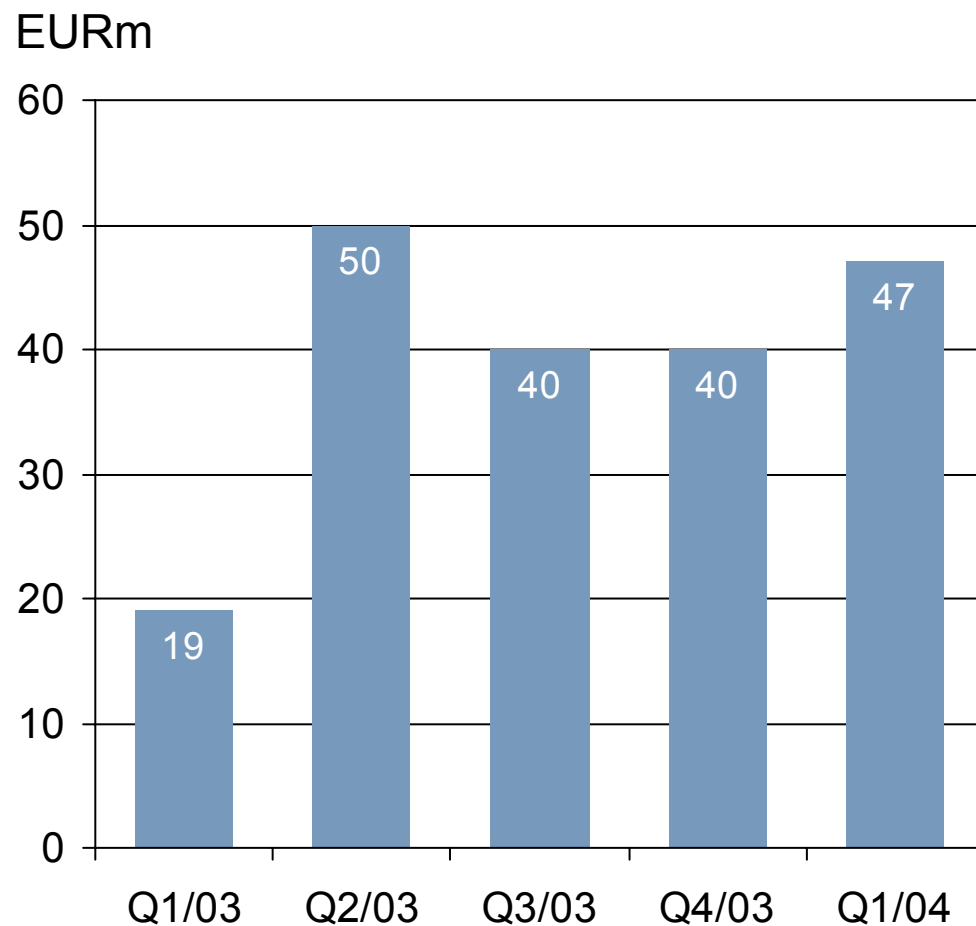
QoQ:

- Favourable positioning
  - active use of risk limits
- Falling long-term rates
- Rising equity markets

YoY:

- Larger gains on both equities and fixed income

## Operating profit, Life insurance



QoQ:

- Continued strong performance
- Investment return improved
- Increased financial buffers

YoY:

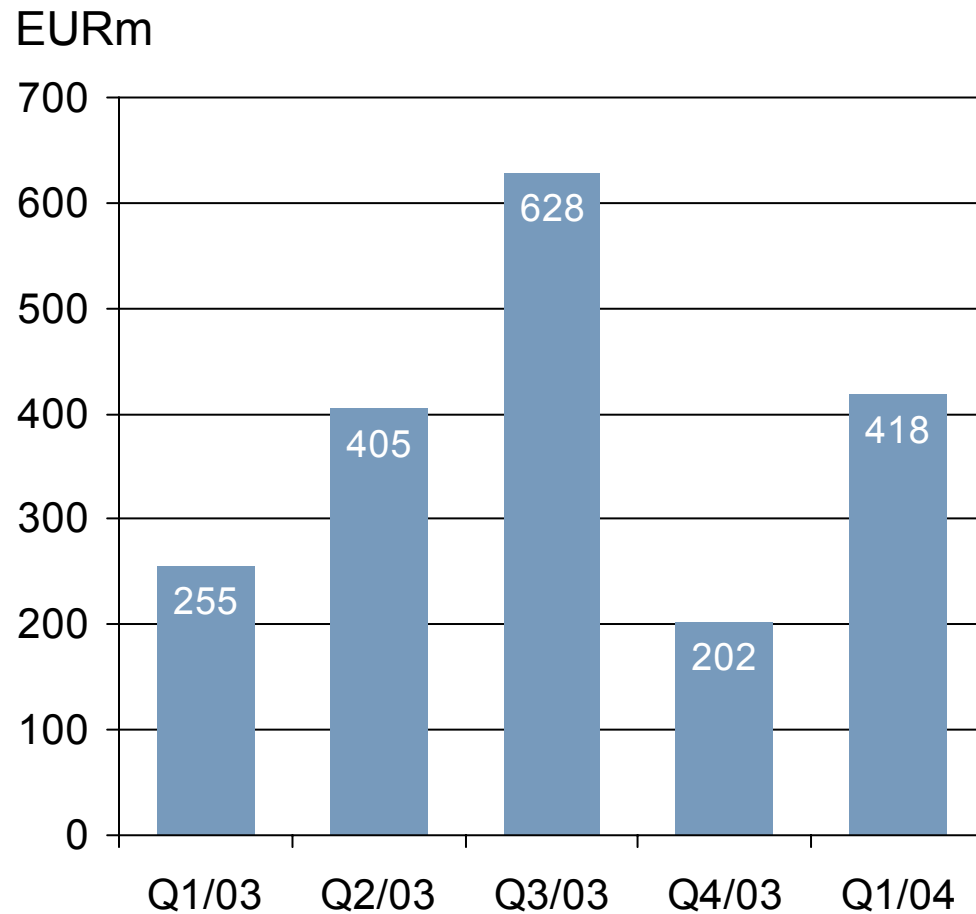
- Improved profit reflecting the changed business model



## Income statement summary

EURm	Q1/04	Q4/03	Chg %	Q1/03	Chg %
Total income	1,421	1,399	2	1,374	3
Total expenses	-873	-973	-10	-917	-5
Loan losses, net	-42	-84	-50	-98	-57
Equity method	9	14		14	
Profit before inv. earnings and insurance	515	356		373	
Investment earnings, banking	62	33	88	29	114
Operating profit, life insurance	47	40	18	19	147
Goodwill depreciation	-40	-46		-41	
Operating profit	584	383	52	380	54

# Net profit



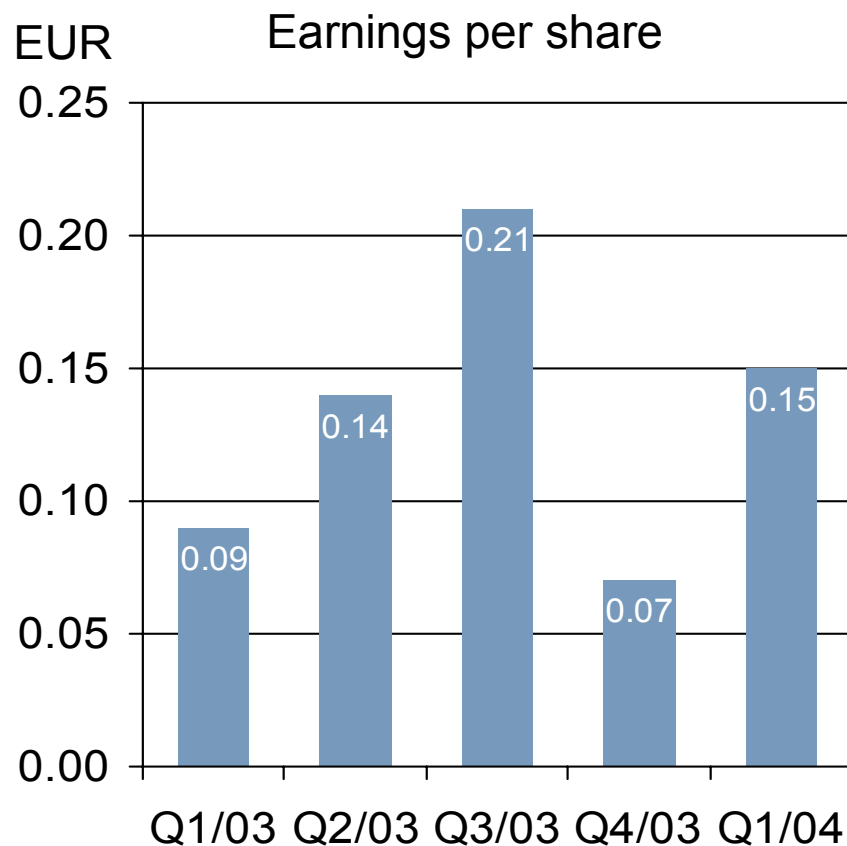
QoQ:

- Up 107%
- Write-down of real estate reduced profit in Q4

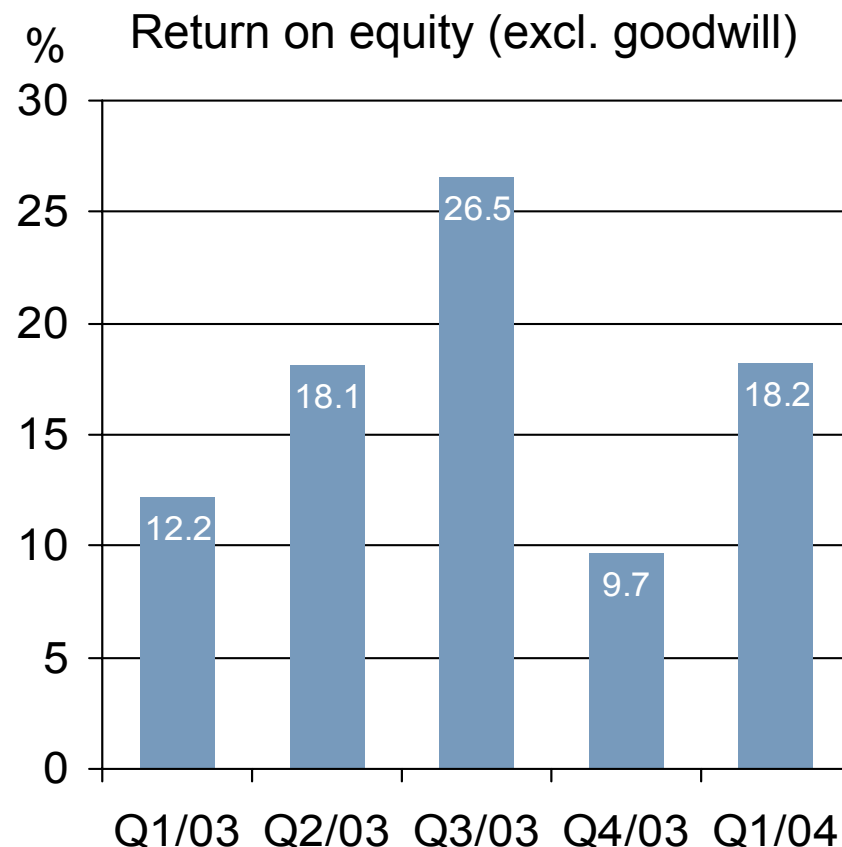
YoY:

- Up 64%

# Key figures

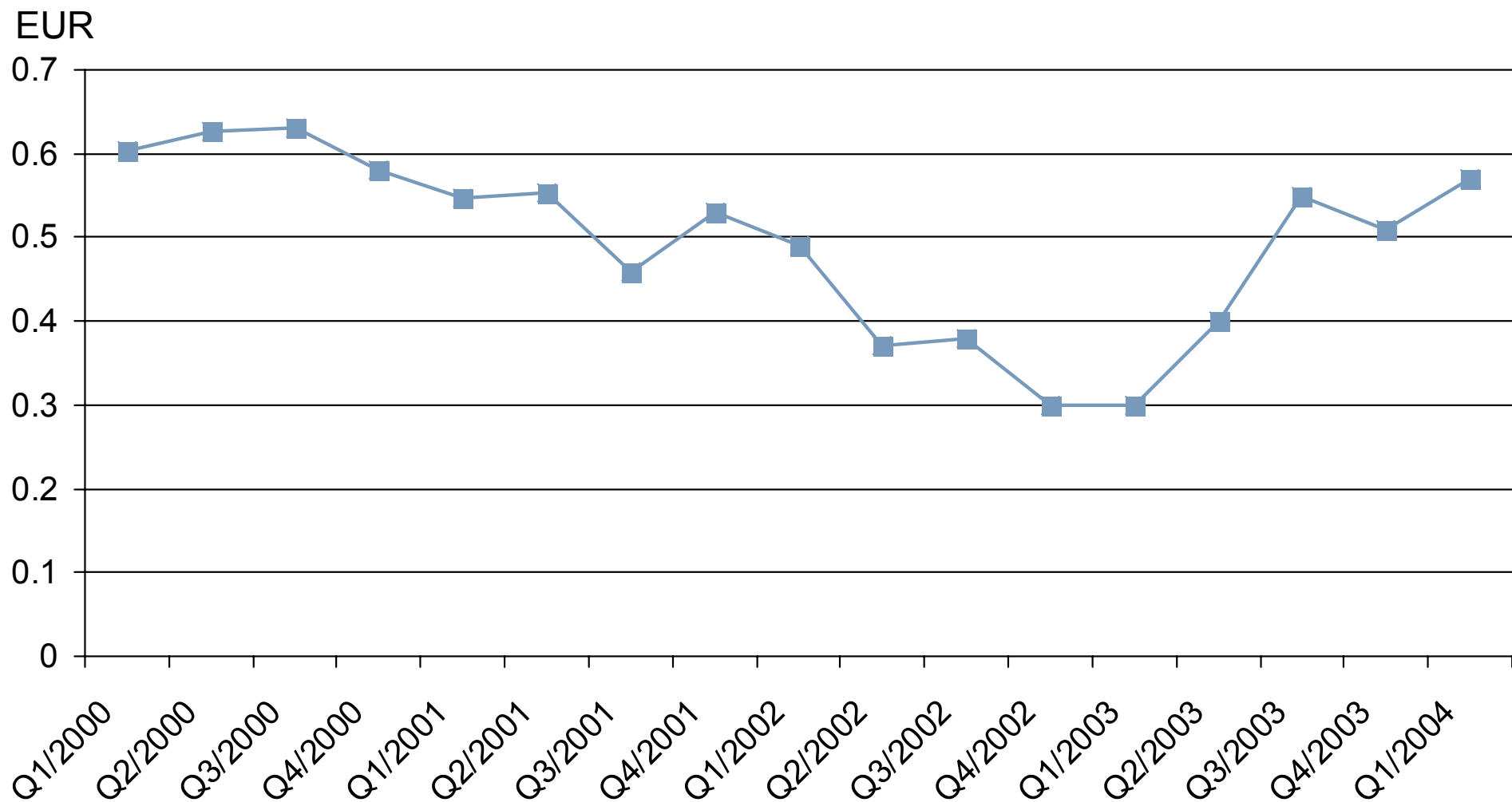


<b>EPS 2003</b>	<b>EUR 0.51</b>
<b>EPS 2003 adjusted to standard tax and for real estate write-down</b>	<b>EUR 0.43</b>



<b>RoE 2003</b>	<b>16.7%</b>
<b>RoE adjusted to standard tax and for real estate write-down</b>	<b>14.5%</b>

## Earnings per share – 12 months rolling

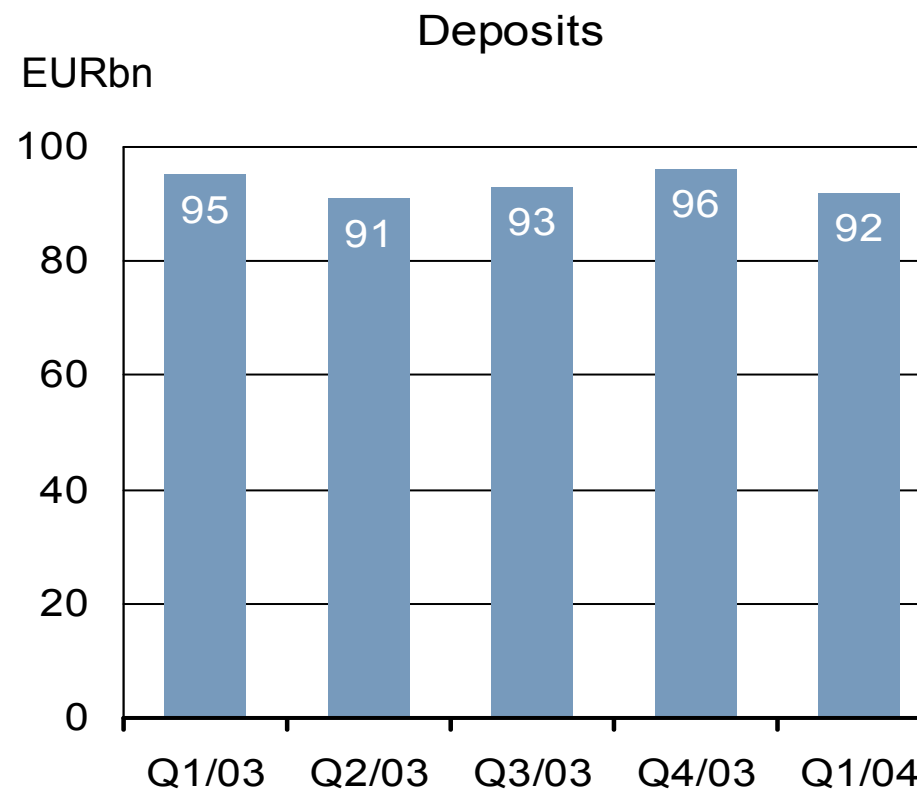
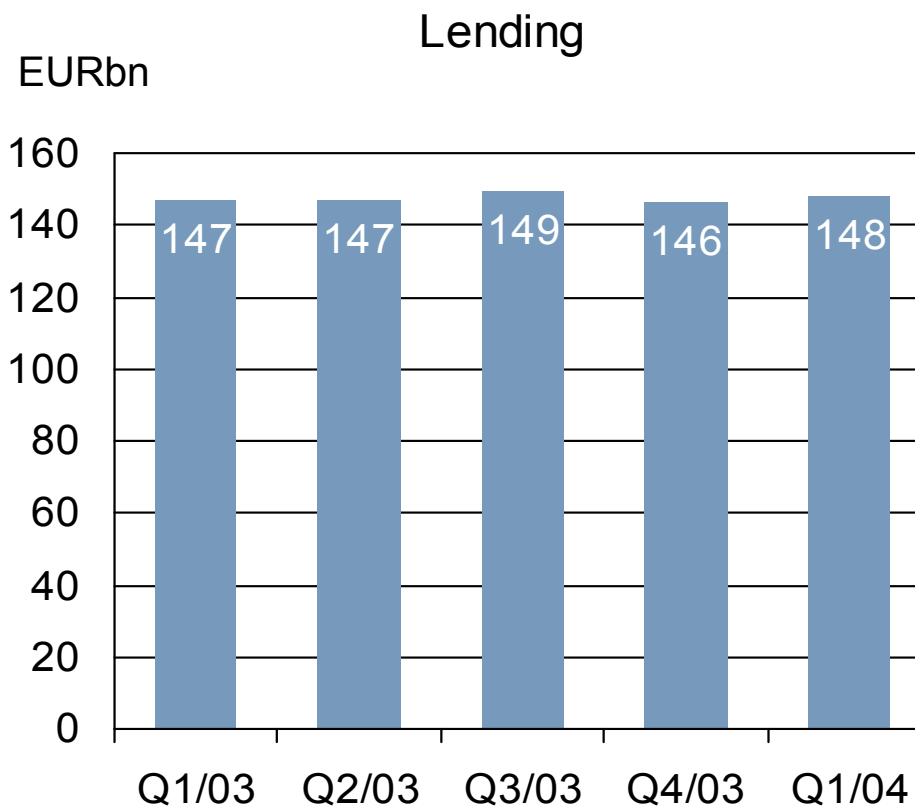


## Balance sheet - key items

EURbn	Q1/04	Q4/03	Q1/03	Change, 12 months %
Lending	148.0	145.6	147.0	1
Deposits	92.1	95.6	94.6	-3
Shareholders' equity	11.3	12.2	12.1	-7
Total assets	257.6	262.2	261.9	-2
Risk-weighted assets	135.2	134.4	136.6	-1

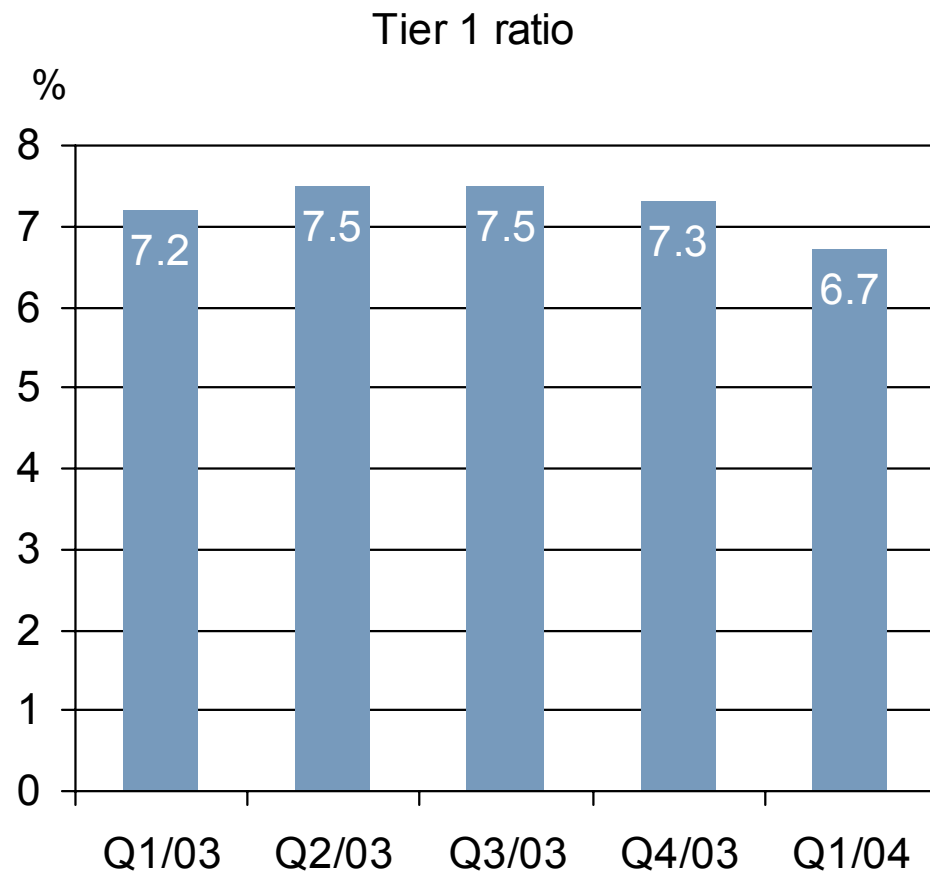
End of period

# Lending and deposits



End of period

# Capital position



- IAS19/RR29 (pensions) in place
  - equity reduced by EUR 183m
  - Tier 1 reduced by approx. 15bp
- Buyback of 63 mill shares in Q1
- Q1 profit not included
- Authorisation from AGM to purchase up to 10% of the total no. of shares

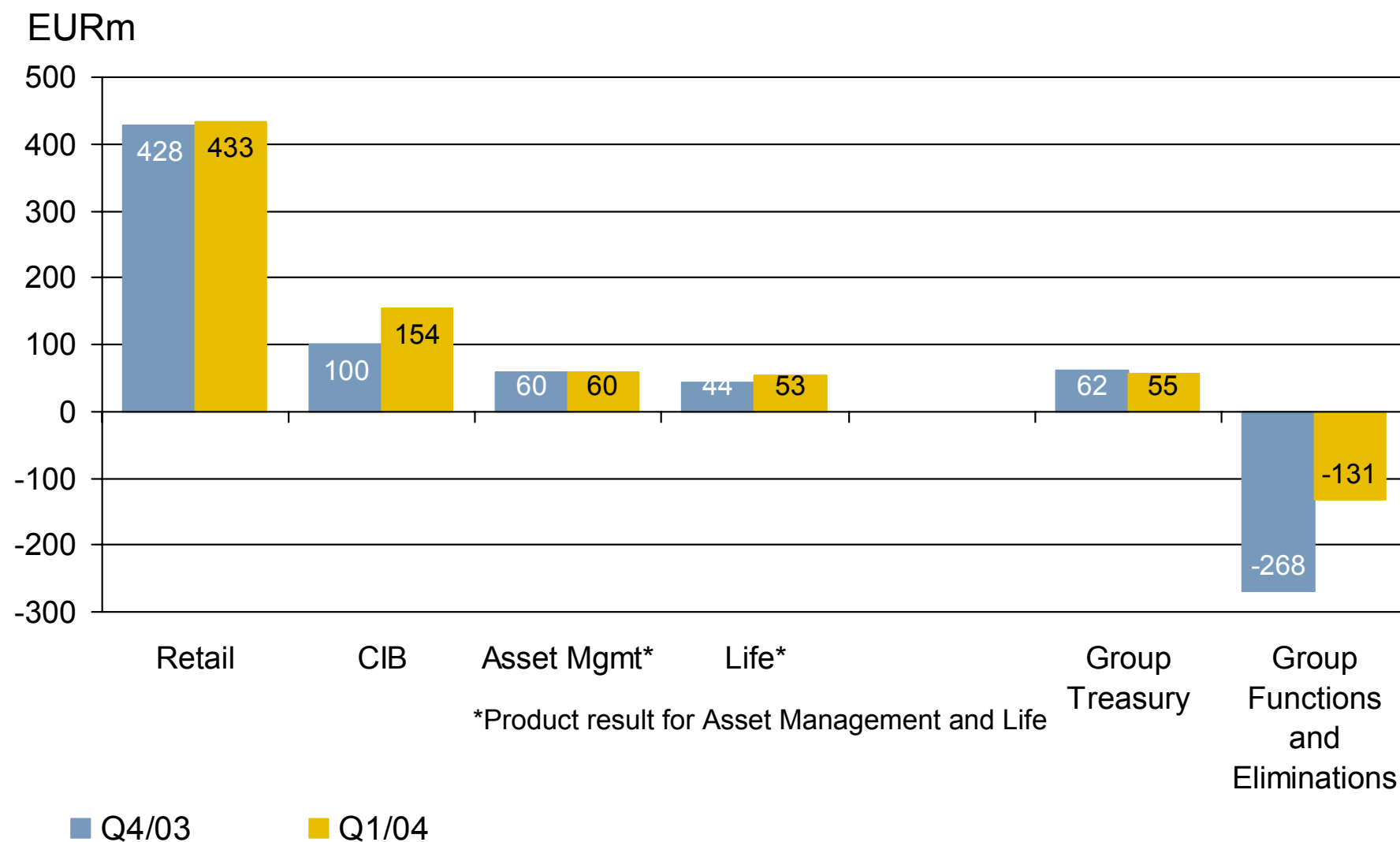
End of period

## Real estate divestment process completed

- Sale of central business district properties in Finland, Norway and Sweden
  - A gain of approx. EUR 300m will be reflected in Q2 accounts
  - Properties and real estate shares divested during the last 12 months represent a book value of approx. EUR 1.6bn
  - Net financial effect of real estate disposals is a gain of approx. EUR 185m
  - Nordea owns no major properties
- ➔ Going forward the financial effect of the divestments will be positive

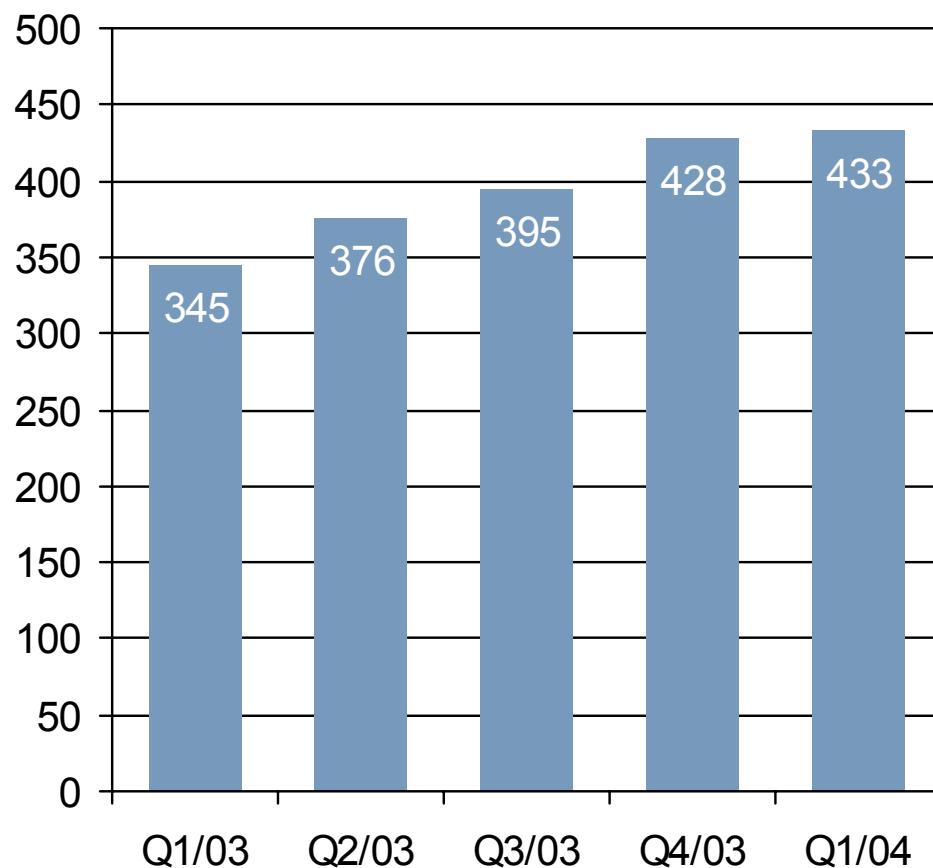


# Result by business area



# Retail Banking operating profit

EURm

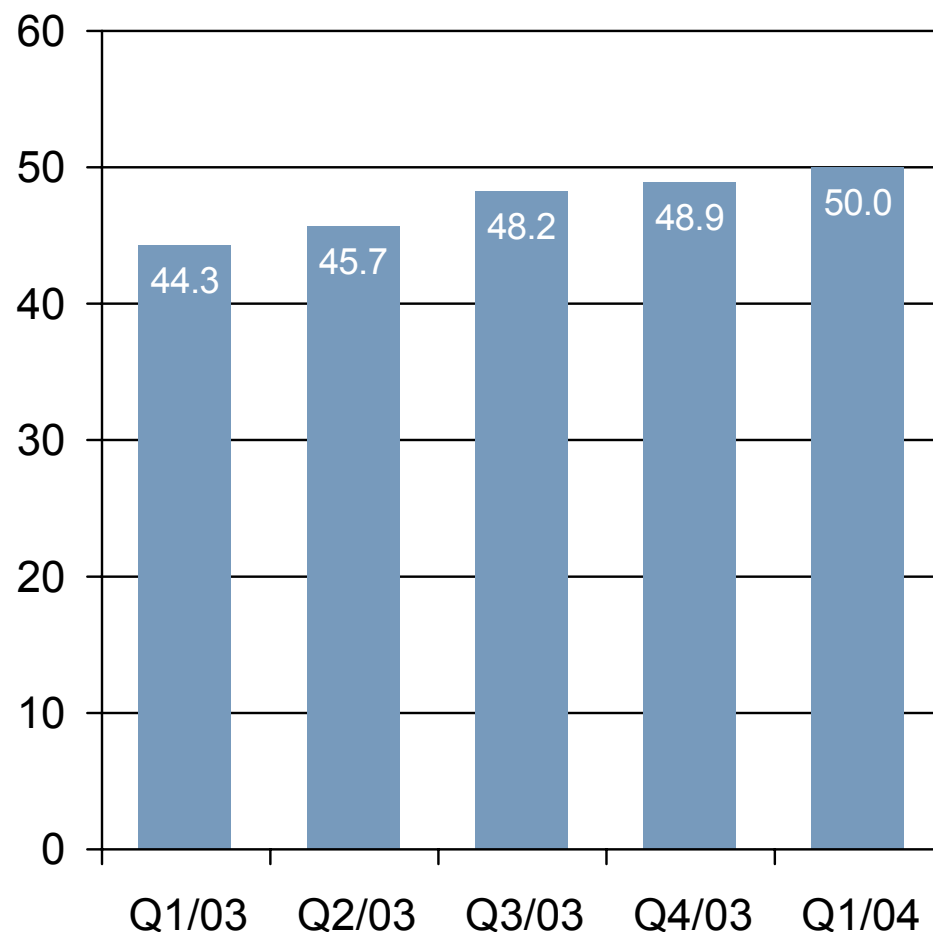


- Strong sales of mortgages
- Signs of growth in the corporate segment
- Sharply reduced loan losses

Key ratios	Q1/04	Q4/03
C/I ratio, %	58	55
RoE, %	26	26

# Lending to households - mortgages

EURbn

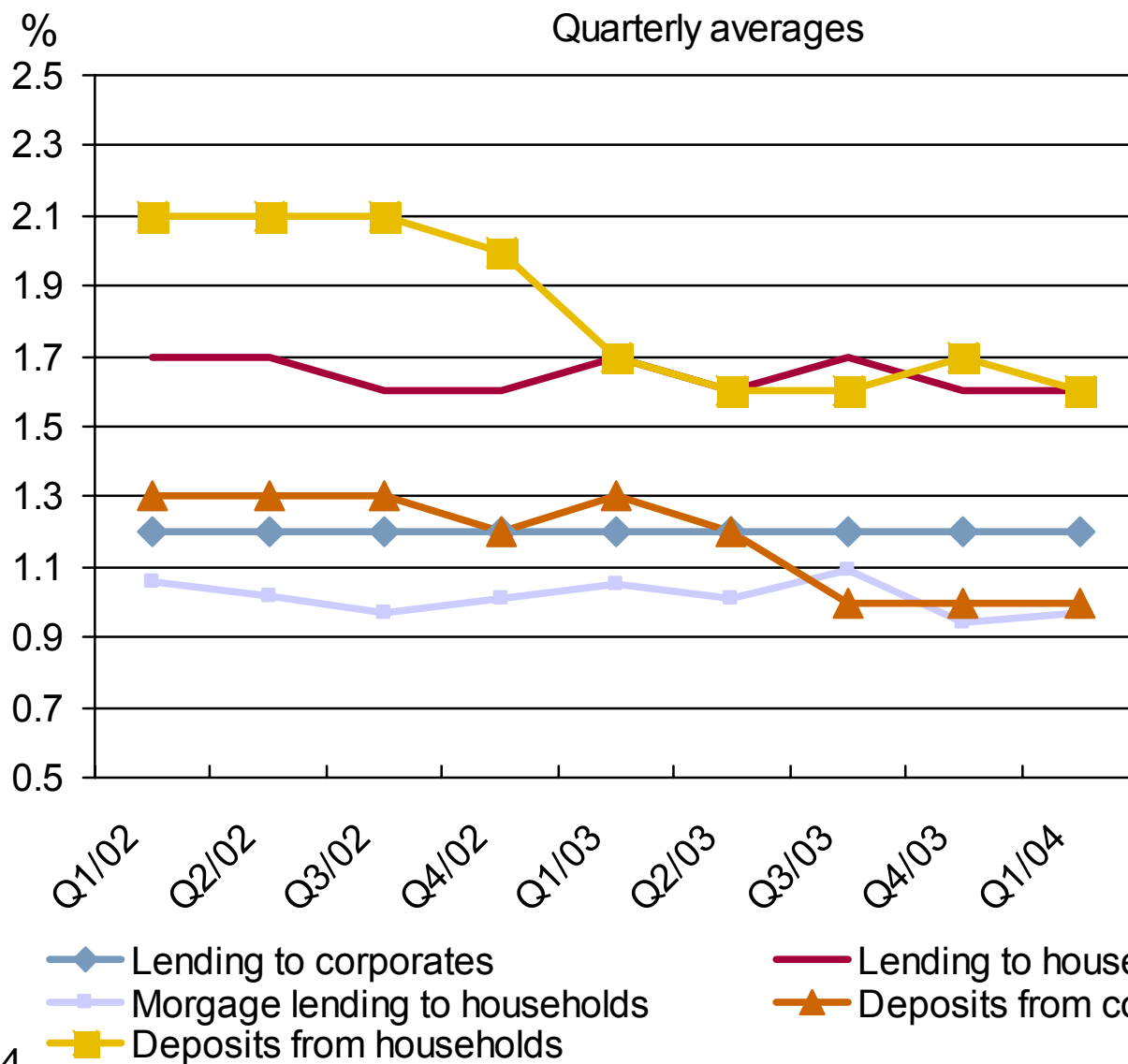


Market shares, %

	Q1/04	Q1/03	Q1/02
DK	13.3	12.7	11.9
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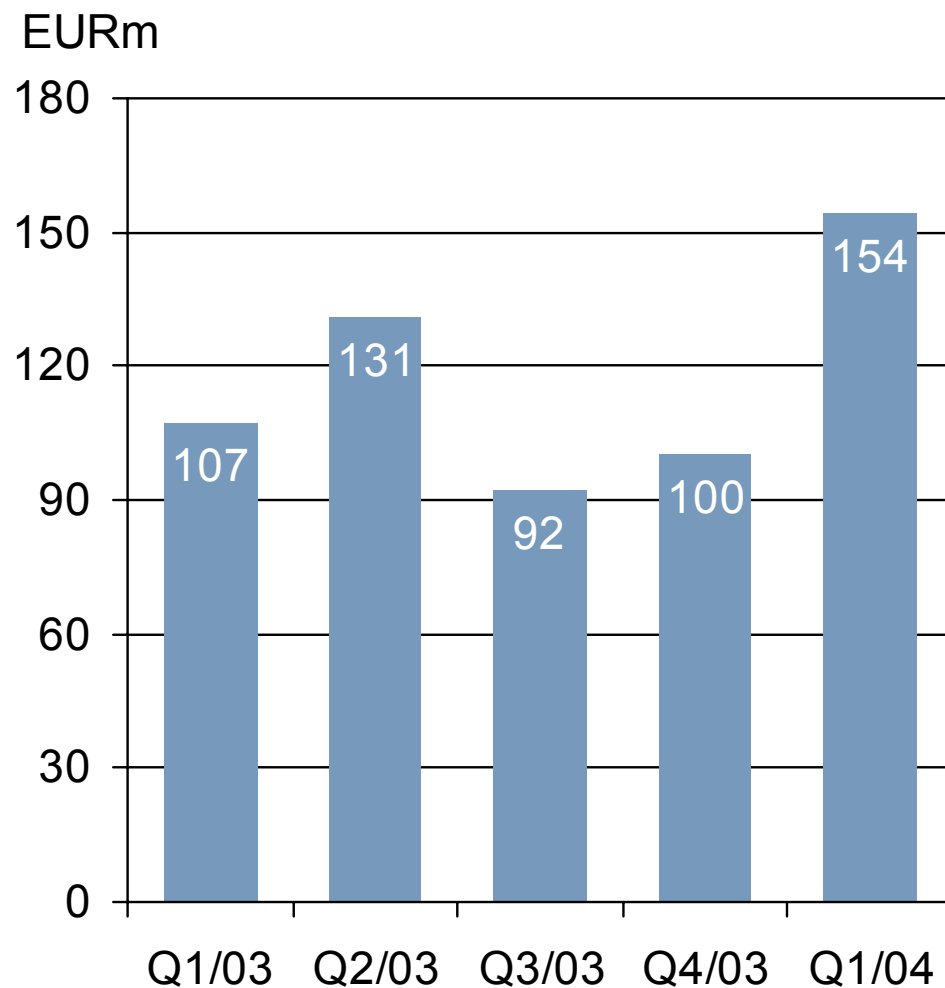
\*Data from January 2004

# Retail Banking, lending and deposit margins



- Stable lending margins
- Somewhat declining deposit margins
  - including hedge effect
- Average Nordic mortgage margin approx. 100bp

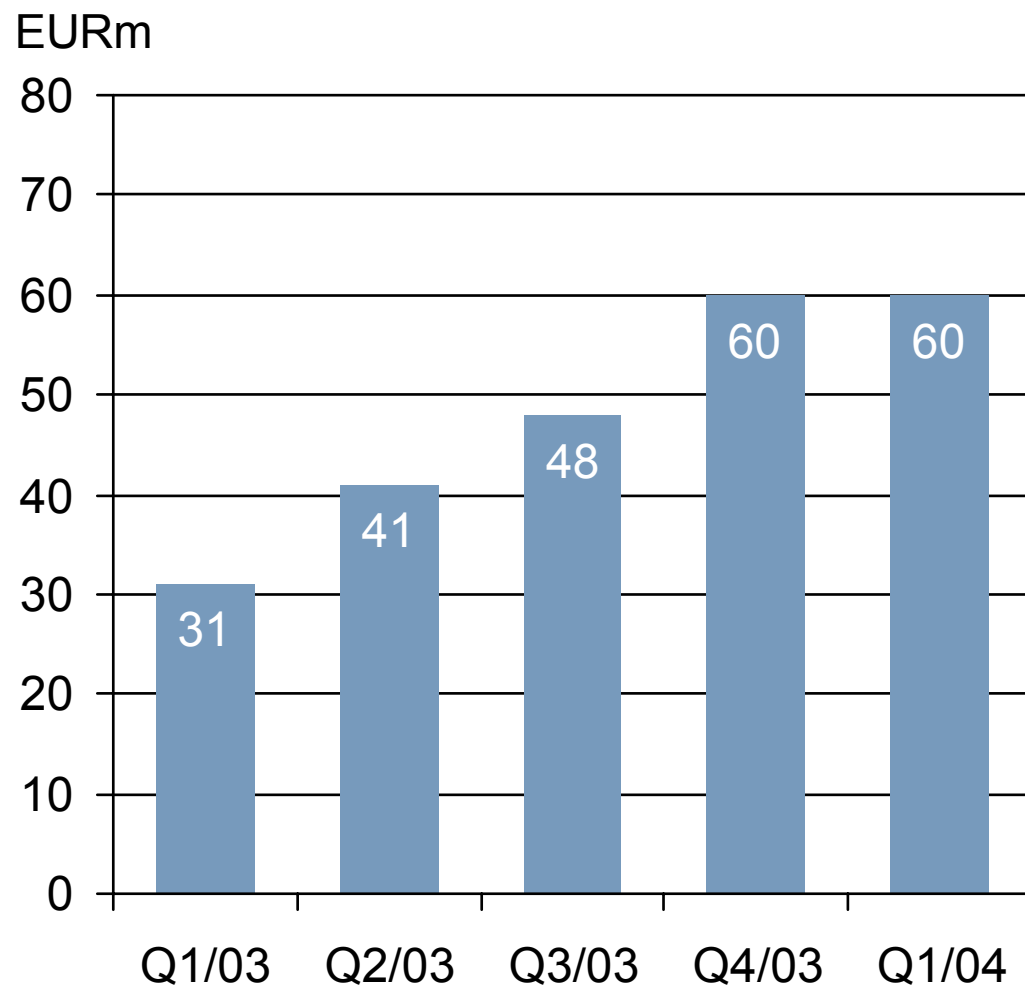
# CIB operating profit



- Strong revenue growth in Markets
- Pick up in activity within M&A
- Nordic equity markets continued the positive trend
- Positive loan losses

Key ratios	Q1/04	Q4/03
C/I ratio, %	48	54
RoE, %	25	15

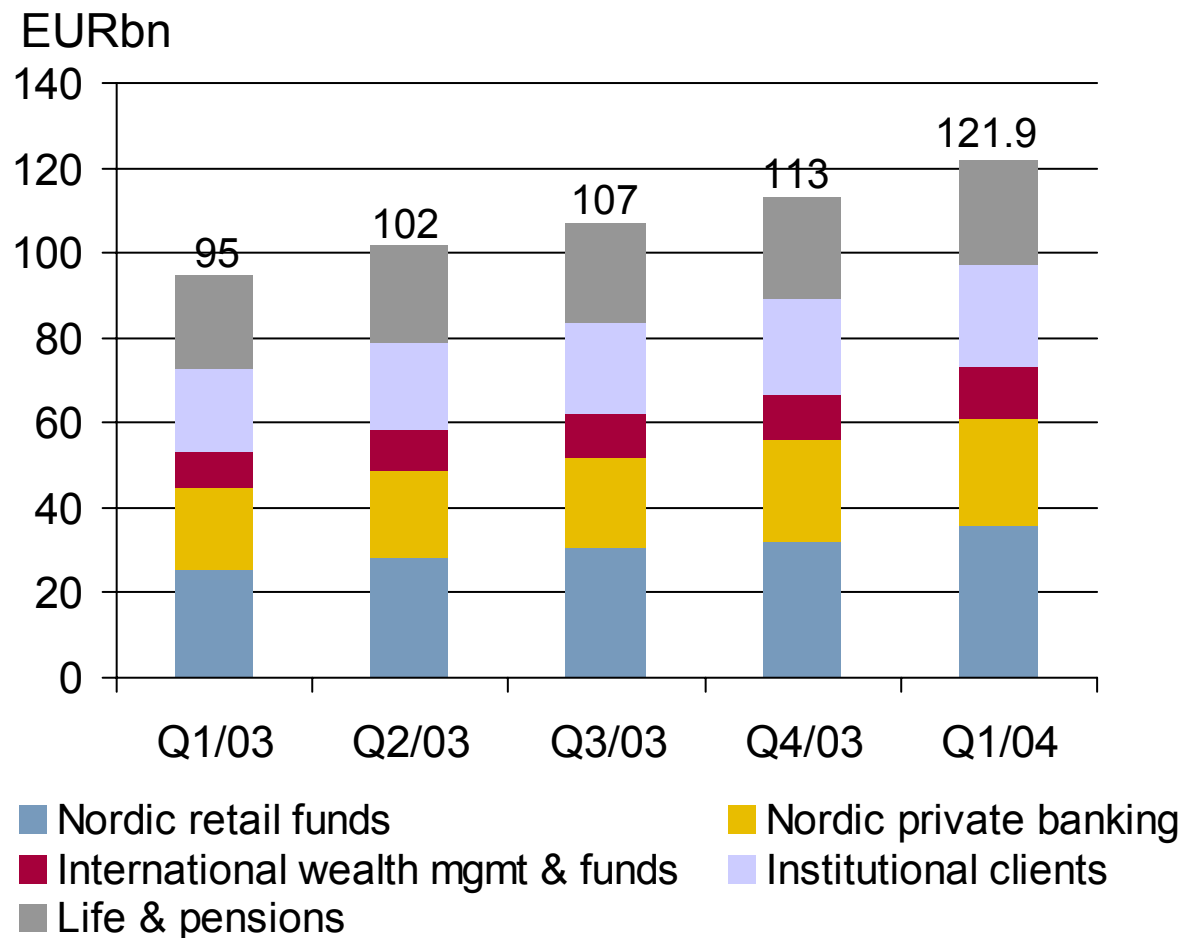
# Asset Management product result



- Result maintained at high level
- AuM up EUR 8.6bn to EUR 121.9bn in Q1
  - net inflow of EUR 4.2bn in Q1
- Asset appreciation EUR 4.4bn

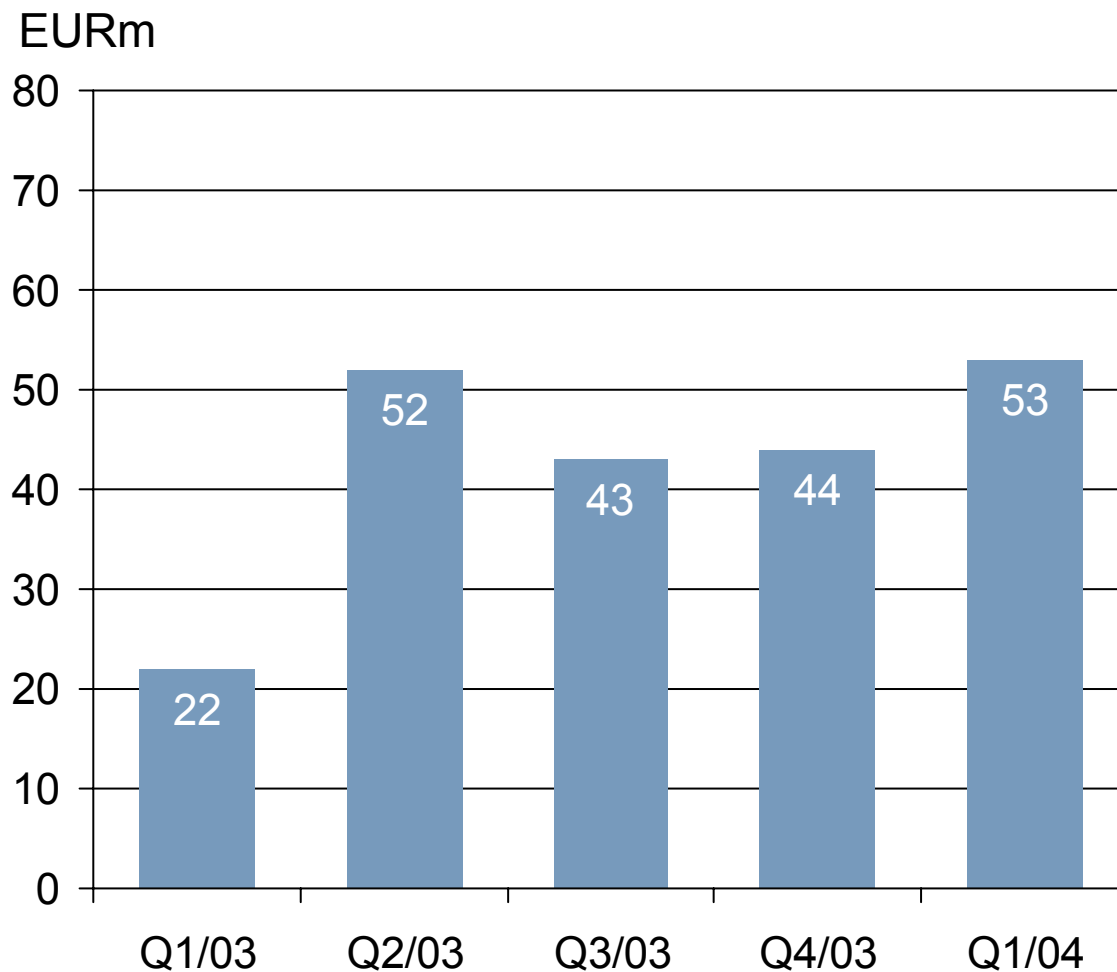
Key ratios	Q1/04	Q4/03
C/I ratio, %	56	56
AuM, EURbn	122	113

# Assets under management



- Strong distribution capacity
- Nordea market leader within retail funds in the Nordic region
  - holds 20% of all Nordic investment fund assets

# Life Insurance, product result



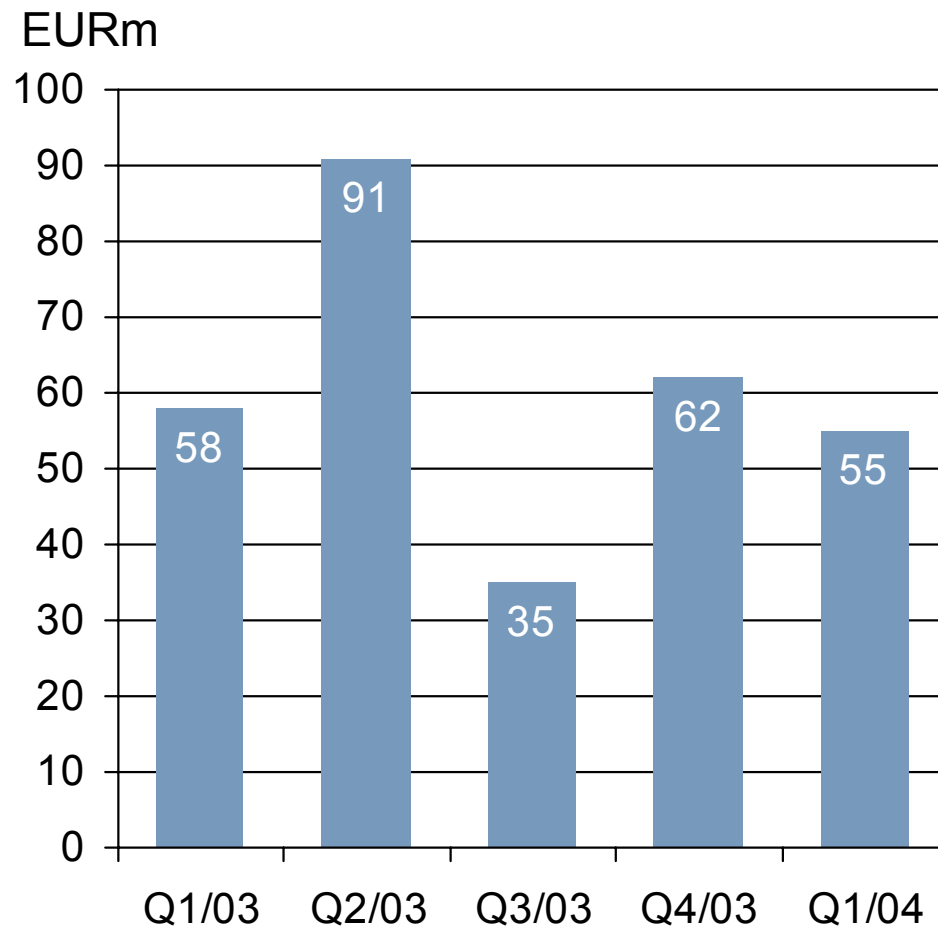
- High result at stable level
- Increased financial buffers
- Effect of changed business model increasingly visible

Key ratios	Q1/04	Q4/03
Inv return, %	3.2	0.7
Financial buffers*, %	5.6	4.7

\* Financial buffers in % of provisions



## Group Treasury operating profit



- Favourable positioning
  - strong investment earnings
- Falling long-term interest rates
- Rising equity markets

## Group Functions and Eliminations

	Q1/04	Q4/03
Income	-5	-69
Expenses	-66	-173
Loan losses	-35	-14
Equity method	-1	6
Operating profit, Life	7	14
Goodwill	-31	-32
Operating profit	-131	-268

### QoQ:

- IBM JV start-up costs EUR 30m Q4
- Full-year profit sharing in Q4
- Central loan loss provisions Q1

### General:

- Results from real estate holdings (non-owner occupied)
- Expenses in Group functions not defined as service offered to business areas
- Depreciation of goodwill related to the creation of Nordea

## Outlook 2004

- First quarter results were strong
- Short-term interest rates have continued to decline
  - increase not expected in the short term
- Challenging to maintain net interest income going forward
- Outlook for increased revenues is positive, although at a moderate level
- Sharp attention on cost control will be maintained also going forward
- Total costs in 2004 targeted not to exceed reported costs in 2003
- Loan loss ratio in 2004 is expected to be lower than the level experienced in 2003

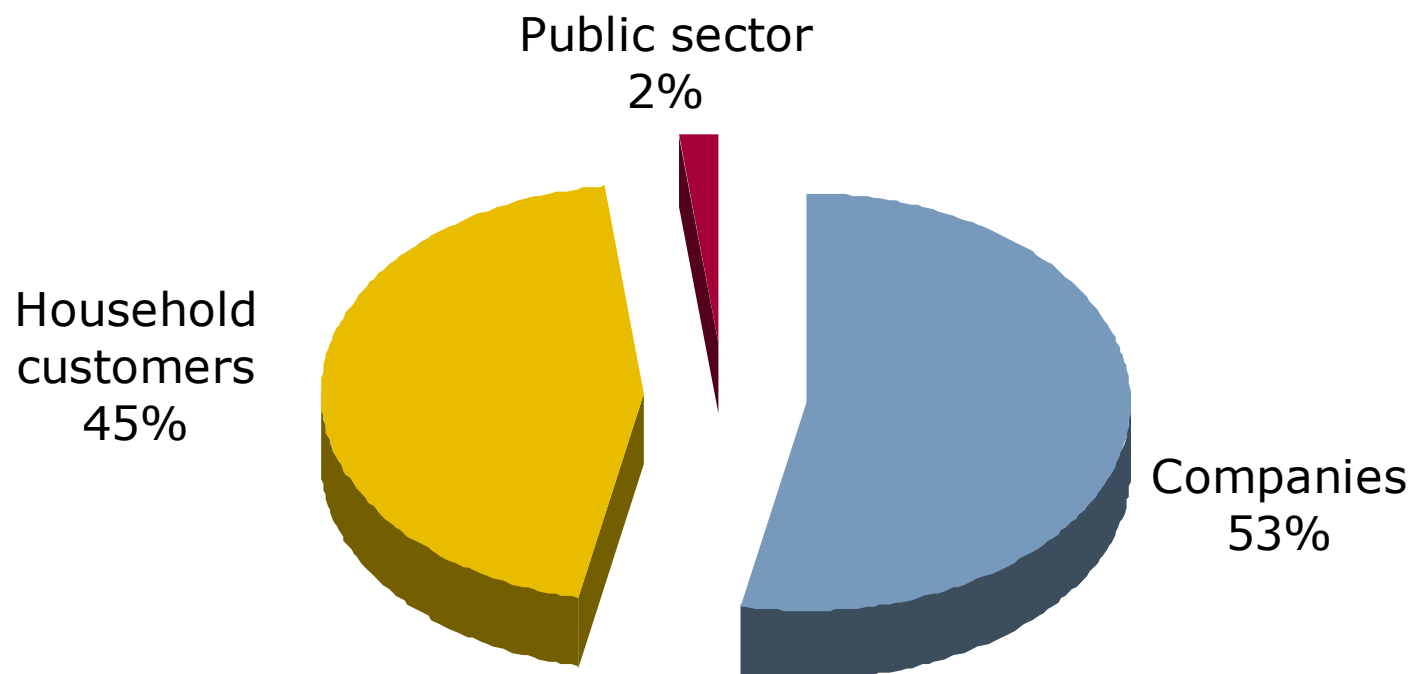
# Credit quality



# Loan portfolio by customer group

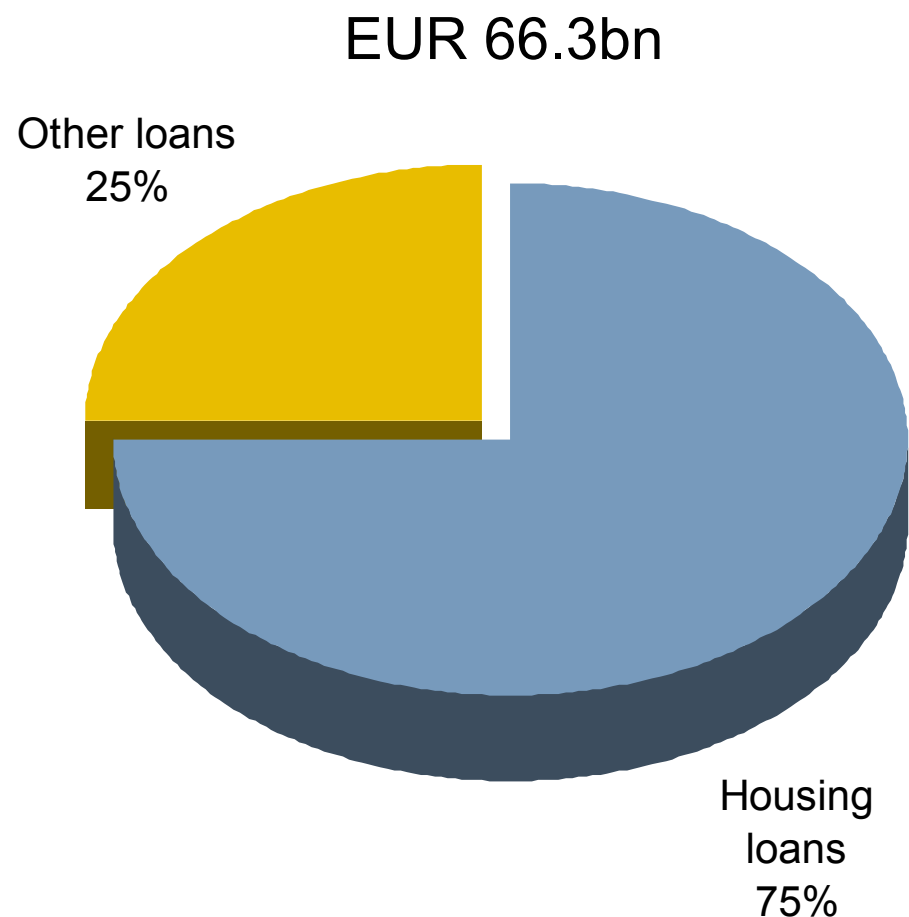
End of Q1/04

EUR 148.0bn



# Lending to household customers

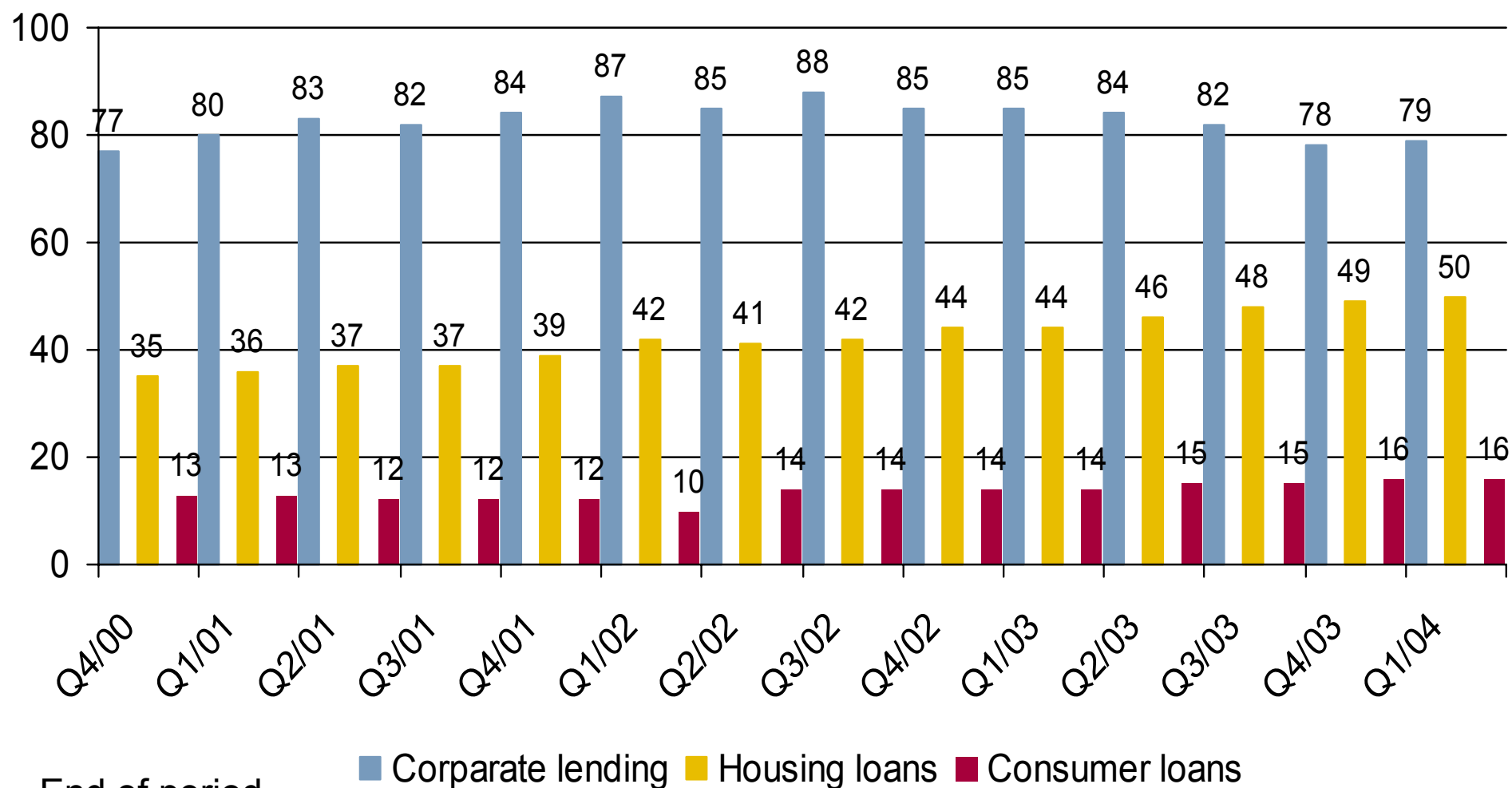
End of Q1/04



- Continued strong growth in mortgage lending
- Other loans comprise
  - consumer credits
  - investment credits
  - car financing
  - overdraft facilities
  - credit cards

# Loan portfolio by customer category\*

EURbn

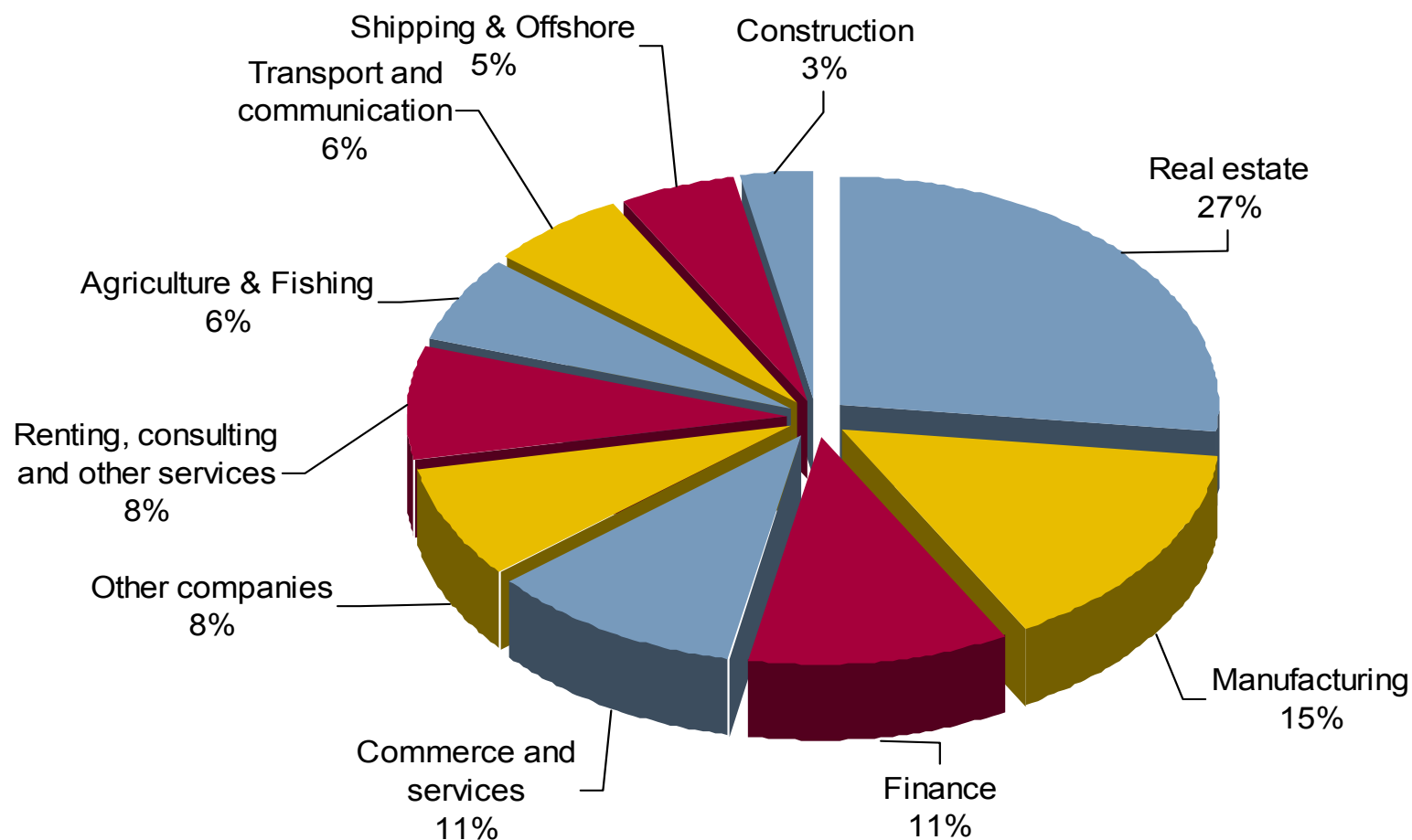


\*Excluding public sector

# Lending to companies by industry

End of Q1/04

EUR 78.6 bn





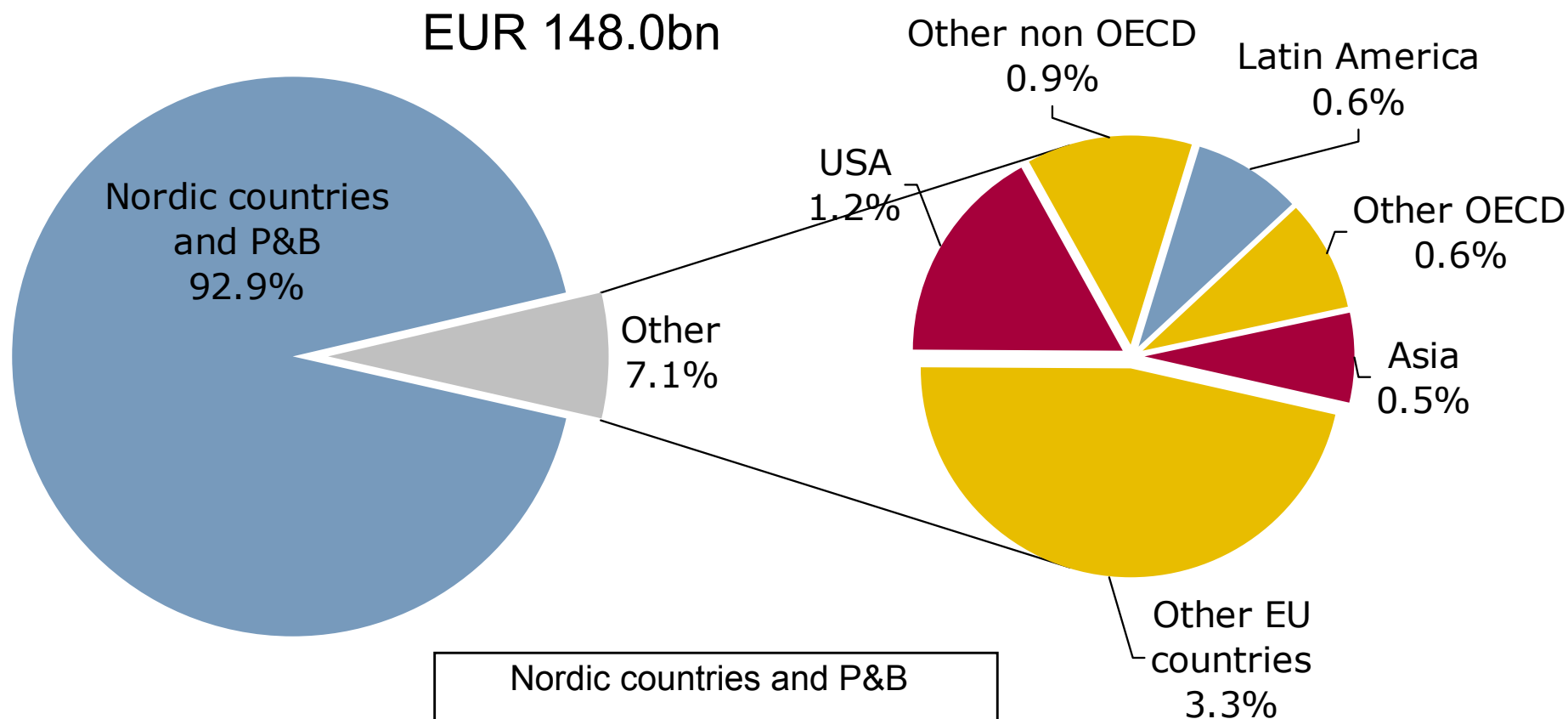
# Loan portfolio in figures

EURbn	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03
Household customers	66.3	64.7	63.5	60.2	58.6
Real estate	20.9	21.2	22.0	22.0	22.6
Construction	2.7	2.6	2.5	2.8	2.9
Transport, communication	4.3	4.4	4.6	3.8	3.5
Trade and services	8.8	8.7	9.1	9.1	8.9
Manufacturing	11.9	12.5	13.2	12.5	13.5
Finance	8.7	8.3	11.2	12.2	10.7
Renting, Consulting and other services	5.9	5.7	6.1	7.0	8.7
Other companies/public sector	9.4	9.5	8.3	8.6	8.5
Agriculture & Fishing	5.0	4.3	4.3	4.3	4.3
Shipping & Offshore	4.1	3.7	3.9	4.5	4.7
Total	148.0	145.6	148.7	147.0	147.0

End of period

# Lending by geographical area

End of Q1/04



Nordic countries and P&B	
● Denmark	39.4
● Finland	32.3
● Norway	22.3
● Sweden	42.4
● P&B	1.1

# Transfer risk exposure

EURm. End of Q1/04

Asia	585
------	-----

<i>-of which</i>	China	235
	South Korea	128
	Indonesia	27

Middle East	273
-------------	-----

<i>-of which</i>	Iran	100
	Turkey	57

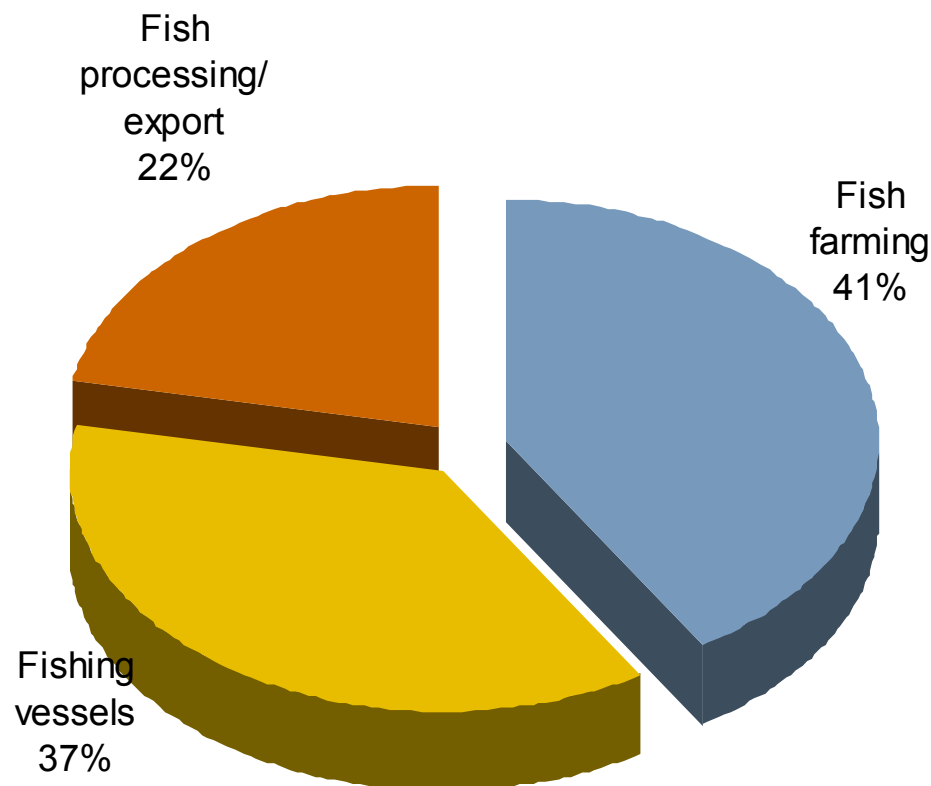
Latin America	212
---------------	-----

<i>-of which</i>	Brazil	127
	Mexico	38
	Chile	10
	Panama	13
	Argentina	2

# Nordea fisheries financing

End of Q1/04

Total exposure approx. EUR 2.0 bn



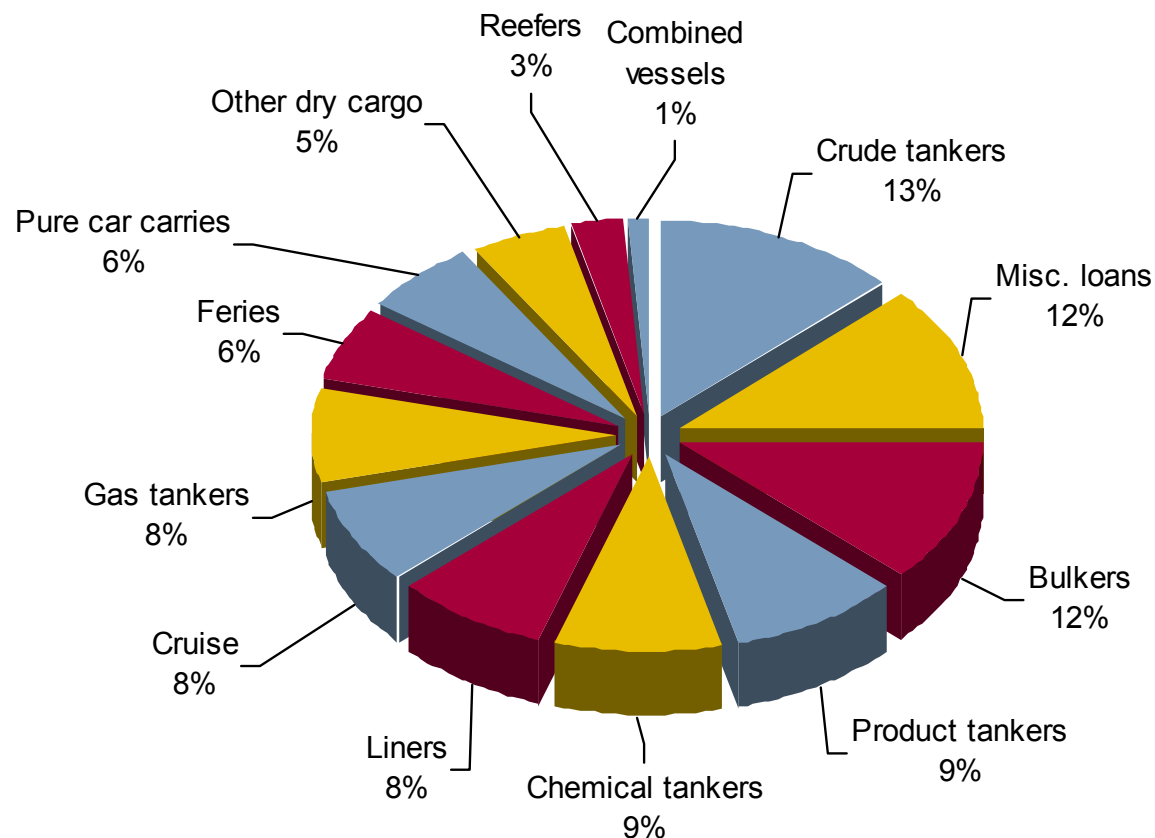
- Total outstanding EUR 1.7bn
- Mainly Norwegian exposure
- Fish farming
  - represents approx. 0.6% of total loan book
  - further increases in salmon prices in 2004
  - no further provisions in Q1

# Nordea shipping portfolio

Distribution by type of vessel

End of Q1/04

Total exposure approx. EUR 5.7bn

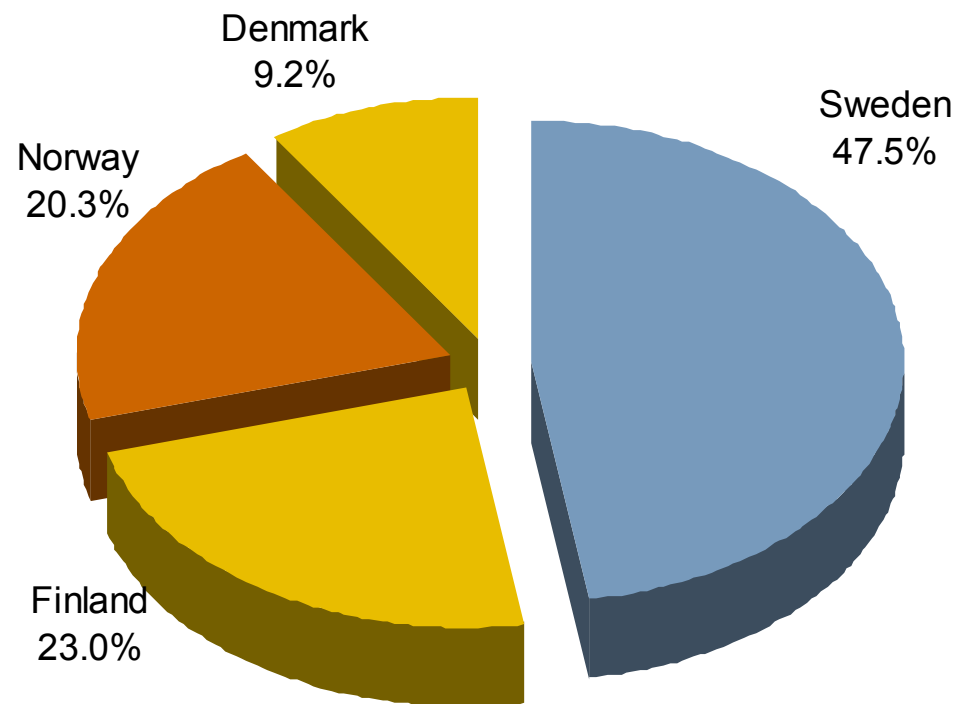


- Outstanding, EUR 5.0bn
- Well diversified portfolio by type of vessel
- Focus on large industrial players
- Exposure split approx 55% / 45% Nordic / Int'l.

# Nordea real estate financing portfolio

End of Q1/04

Total exposure approx. EUR 20.9bn



- Largest industry exposure
- Relatively large and financially strong companies
- High level of collateral coverage
- Lending to residential real estate companies approx 50%

# Impaired loans

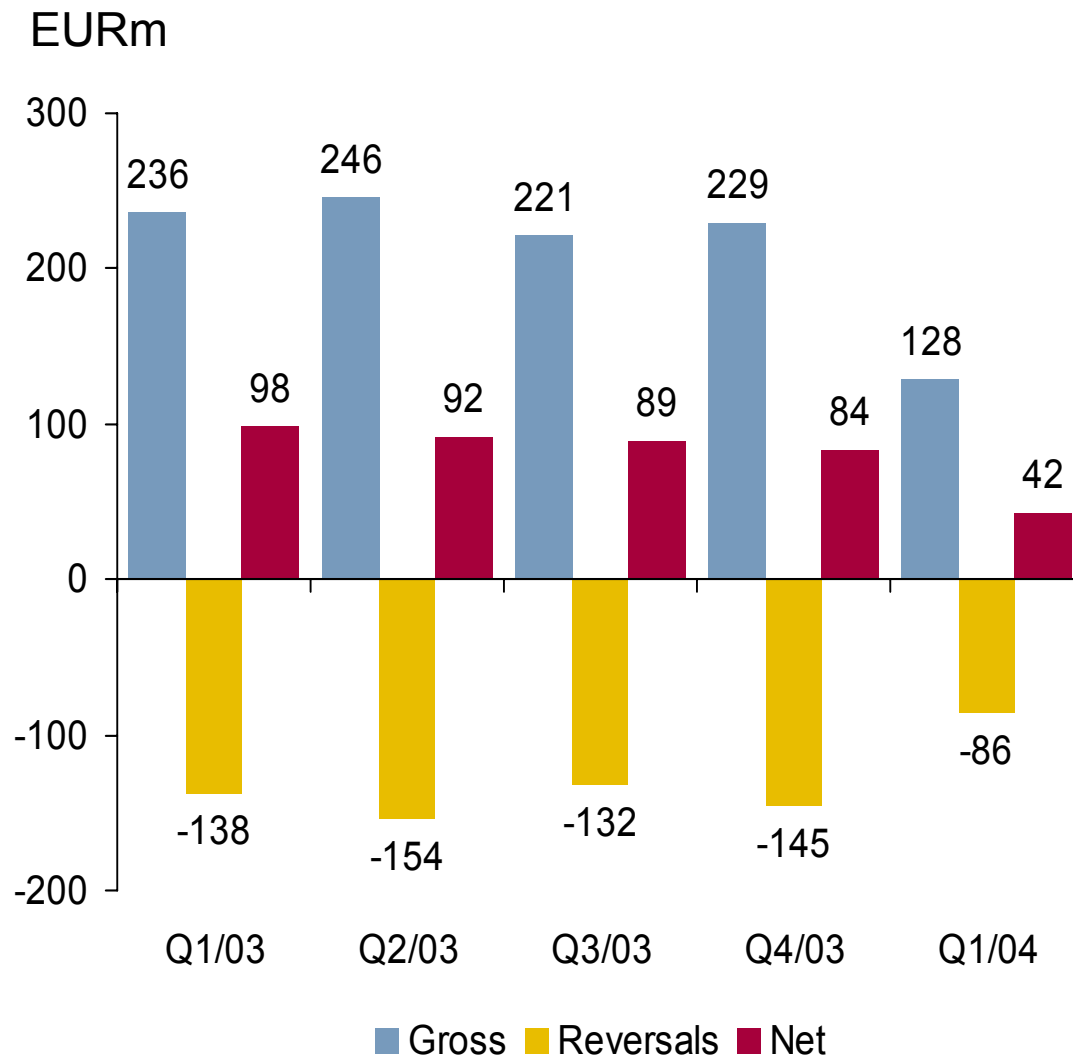
EURm. End of period	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03
Impaired loans, gross	2,615	2,649	2,916	2,851	2,892
Provisions	1,929	-1,936	-2,072	-2,015	-2,087
<i>Of which:</i>					
<i>Specific provisions</i>	-1,449	-1,468	-1,624	-1,571	-1,630
<i>Appraised by category</i>	-60	-62	-64	-65	-64
<i>General provisions</i>	-420	-406	-384	-379	-393
Impaired loans, net	686	713	844	836	805
Transfer risk reserve	100	99	105	109	124
<i>Provisions/impaired loans, gross (%)</i>	74	73	71	71	72
<i>Impaired loans, net/lending (%)</i>	0.46	0.49	0.57	0.57	0.55

# Impaired loans

EURm. End of Q1/04	Gross	Provisions	Net
Household customers	524	343	181
Real estate	191	146	45
Construction	70	62	8
Transport, communication	231	182	49
Trade and services	226	175	51
Manufacturing	307	235	72
Finance	75	62	13
Renting, Consulting and other services	241	187	54
Other companies	447	287	160
Public sector	1	1	0
Agriculture & Fishing	236	191	45
Shipping & Offshore	66	58	8
Total	2,615	1,929	686



# Loan losses



QoQ:

- Down 50%
- Loan loss ratio 0.11% in Q1
- No provisions in fish-farming
- Majority central provisions
  - conservative evaluation of a few commitments

YoY:

- Down 57%

# Comments on certain industries

## Real estate

- Vacancy rates for office buildings high particularly in the Stockholm region
- Rent levels down from peak but still higher than original levels 3-5 years ago
- Low interest rates help secure cash flow and secondary market values
- New construction volumes adjusted to decreased demand
- Large foreign interest in Nordic property market
- Residential part of portfolio performing strongly

## Comments on certain industries

### Shipping and Offshore industry

- China the driving force for shipping boom
- Bulk market particularly strong
- Tanker market strong but volatile
- Cruising market recovering from global uncertainties
- Offshore industry suffering from uncertainty of oil prices
- Nordea's exposure well diversified with modern ships and globally competitive companies
- Restructuring and consolidation of industry continue

# Economic capital

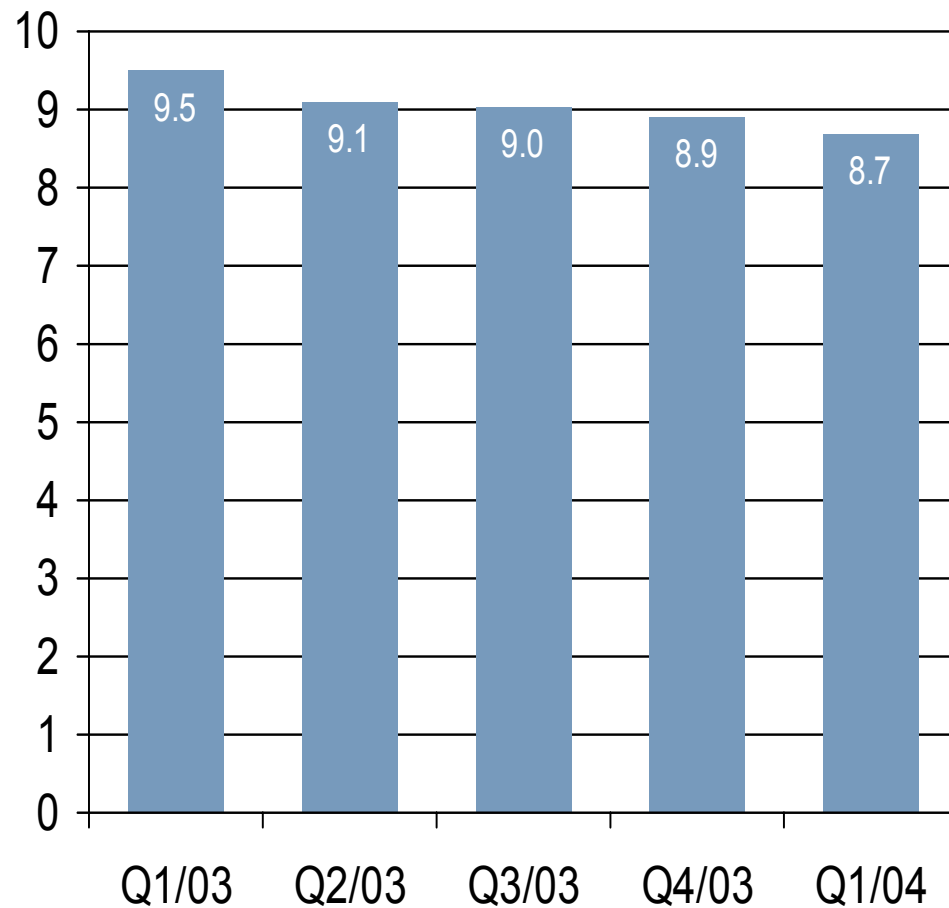


## Economic capital (EC)

- EC is the capital required by Nordea to cover unexpected losses
- 6 different risk categories are incorporated
- The measurement period is one year
- The confidence level is 99.97%
- The economic capital may change over time due to:
  - composition of risk exposures
  - changes in parameters
- Economic capital is used for
  - risk management
  - performance measurement
  - capital allocation

# Economic capital

EURbn



QoQ:

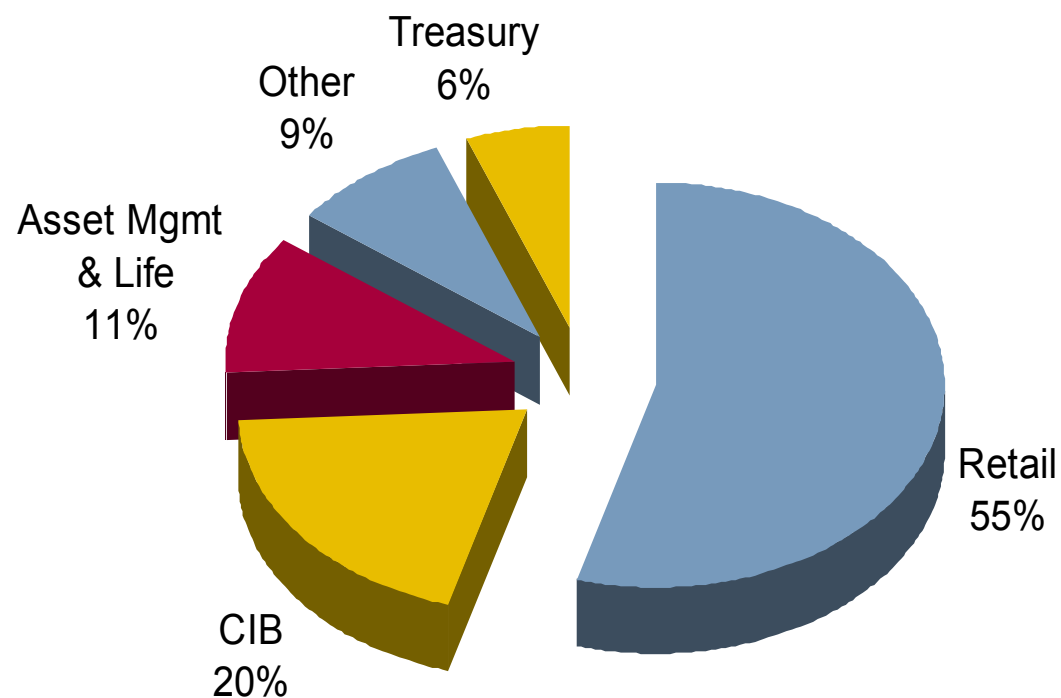
- EC somewhat reduced within Life

YoY:

- EC reduced by EUR 0.8bn

# Economic capital per business area

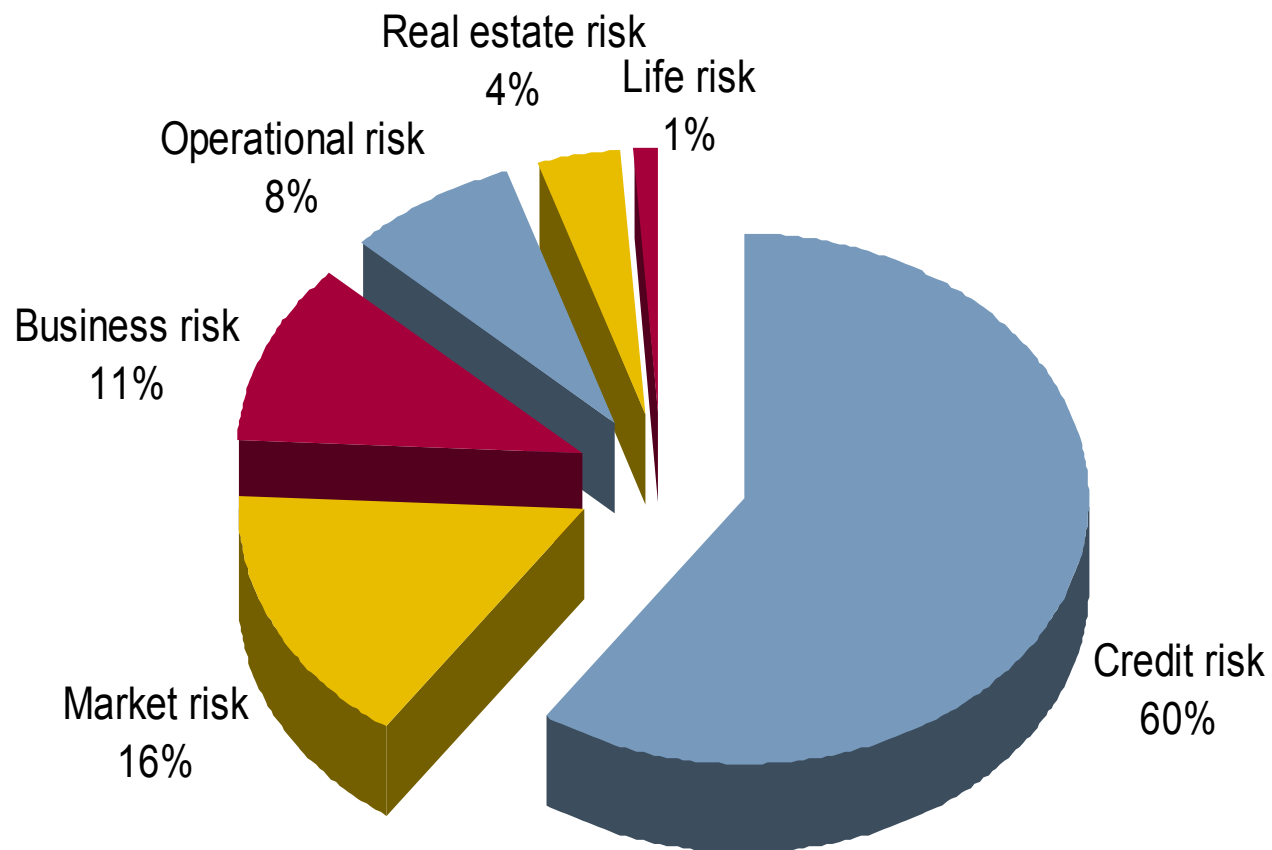
End of Q1/04



EC per business area, EURbn	Q1/04
Retail Banking	4.8
CIB	1.7
Asset Mgmt	0.1
Life	0.8
Treasury	0.5
Other	0.8
Total	8.7

## Distribution of economic capital - by risk category

End of Q1/04

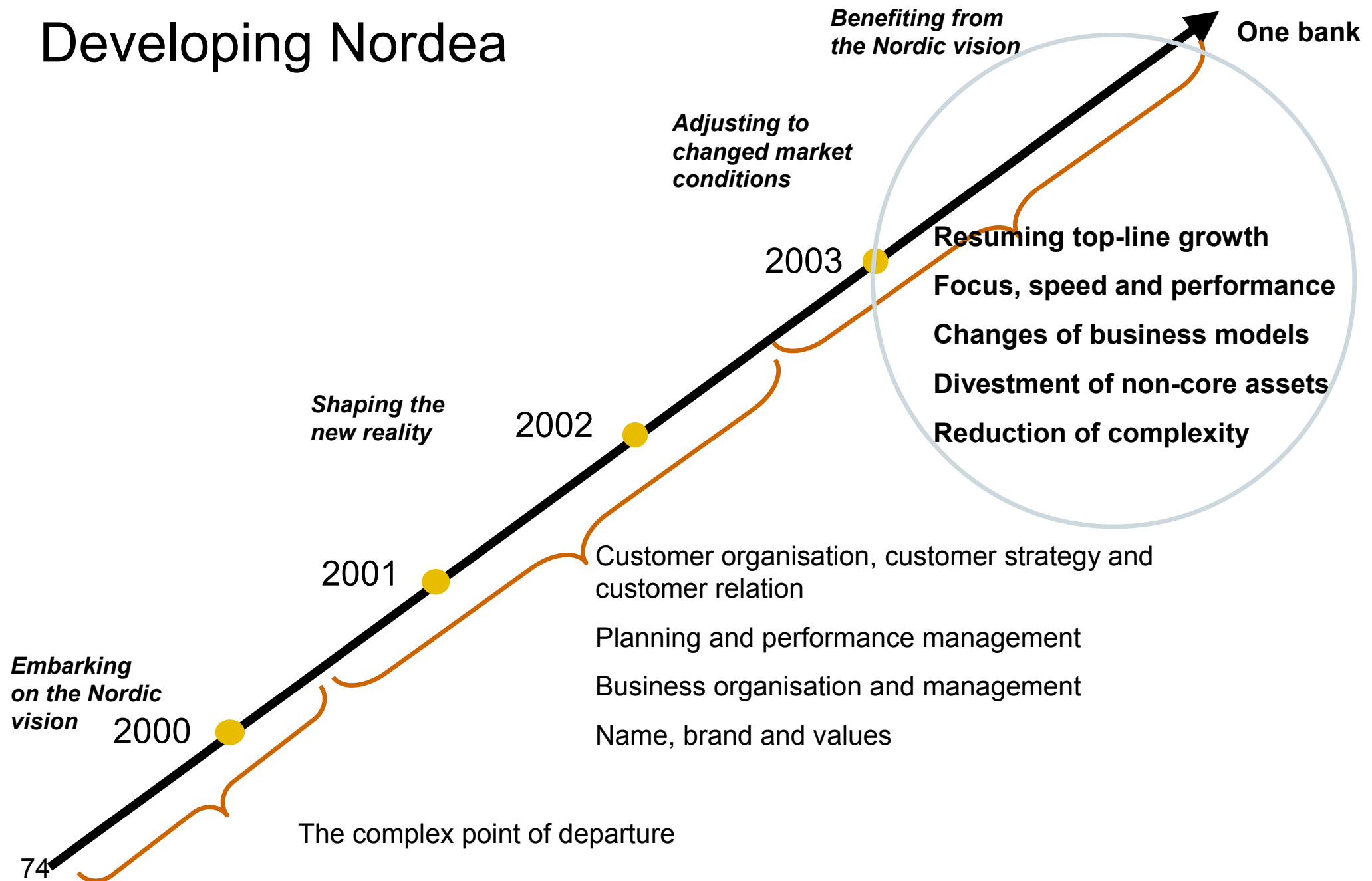




# Nordea



# Developing Nordea



## Mission: 'Making it possible'

By providing a broad set of easily accessible and competitive financial services and solutions, Nordea helps customers to reach their objectives.

## Vision

We will be valued as the leading financial services group in the Nordic and Baltic markets with a substantial growth potential.

We will be in the top league or show superior profitable growth in every market and product area in which we choose to compete.

We will have the leading multichannel distribution with a top world ranking in e-based financial solutions and a high level of usage of our e-services

We will be a good corporate citizen ensuring confidence and trust

## Strategic themes 2004



# Strategic themes firmly anchored throughout the Group

	Retail Banking	Corp. and Inst. Banking	Asset Management & Life	Group / Group functions
<i>Ensure stable and profitable growth of income</i>	<ul style="list-style-type: none"> <li>• Increase sales to all existing customers</li> <li>• Acquire new profitable customers</li> <li>• Sell more through all channels: Branches, Netbank and Contact Centres</li> <li>• Sell products in bundles</li> </ul>	<ul style="list-style-type: none"> <li>• Increase share of wallet</li> <li>• Further enhance position among large corporate customers in Sweden</li> <li>• Increase focus on Financial Institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Capture share of growth in the long-term savings and life area</li> <li>• Grow economic profit in Life &amp; Pensions at low volatility</li> </ul>	
<i>Ensure operational excellence, strict cost management and reduced complexity</i>	<ul style="list-style-type: none"> <li>• Implement common solutions</li> <li>• Encourage the customers to use Netbank and Contact Centres</li> <li>• Handle customers according to segment-based strategy</li> <li>• Enforce strict cost management</li> </ul>	<ul style="list-style-type: none"> <li>• Realise full potential of the existing cost saving initiatives and harvest full benefits</li> <li>• Increase organisational efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Standardise service concepts</li> <li>• Streamline support functions</li> <li>• Ensure continuous product range management</li> <li>• Leverage on existing products/processes</li> </ul>	<ul style="list-style-type: none"> <li>• Centralisation and consolidation of production processes</li> <li>• Centralisation and consolidation of administrative processes</li> <li>• Selective use of sourcing alternatives</li> </ul>
<i>Ensure capital efficiency and high credit portfolio quality</i>	<ul style="list-style-type: none"> <li>• Use economic profit to determine individual corporate customer strategy</li> <li>• Secure the right procedure for credit-granting</li> <li>• Monitor credit risks and take rapid action</li> <li>• Use credit-scoring models</li> </ul>	<ul style="list-style-type: none"> <li>• Limited use of balance sheet</li> <li>• Price according to risk</li> <li>• Proactive handling of credit risk</li> </ul>	<ul style="list-style-type: none"> <li>• Proactively manage compliance and operational risk</li> <li>• Realise full potential of the changed business model in Life &amp; Pensions</li> </ul>	<ul style="list-style-type: none"> <li>• Complete divestment of real estate</li> <li>• Roll-out of economic capital/economic profit framework</li> </ul>

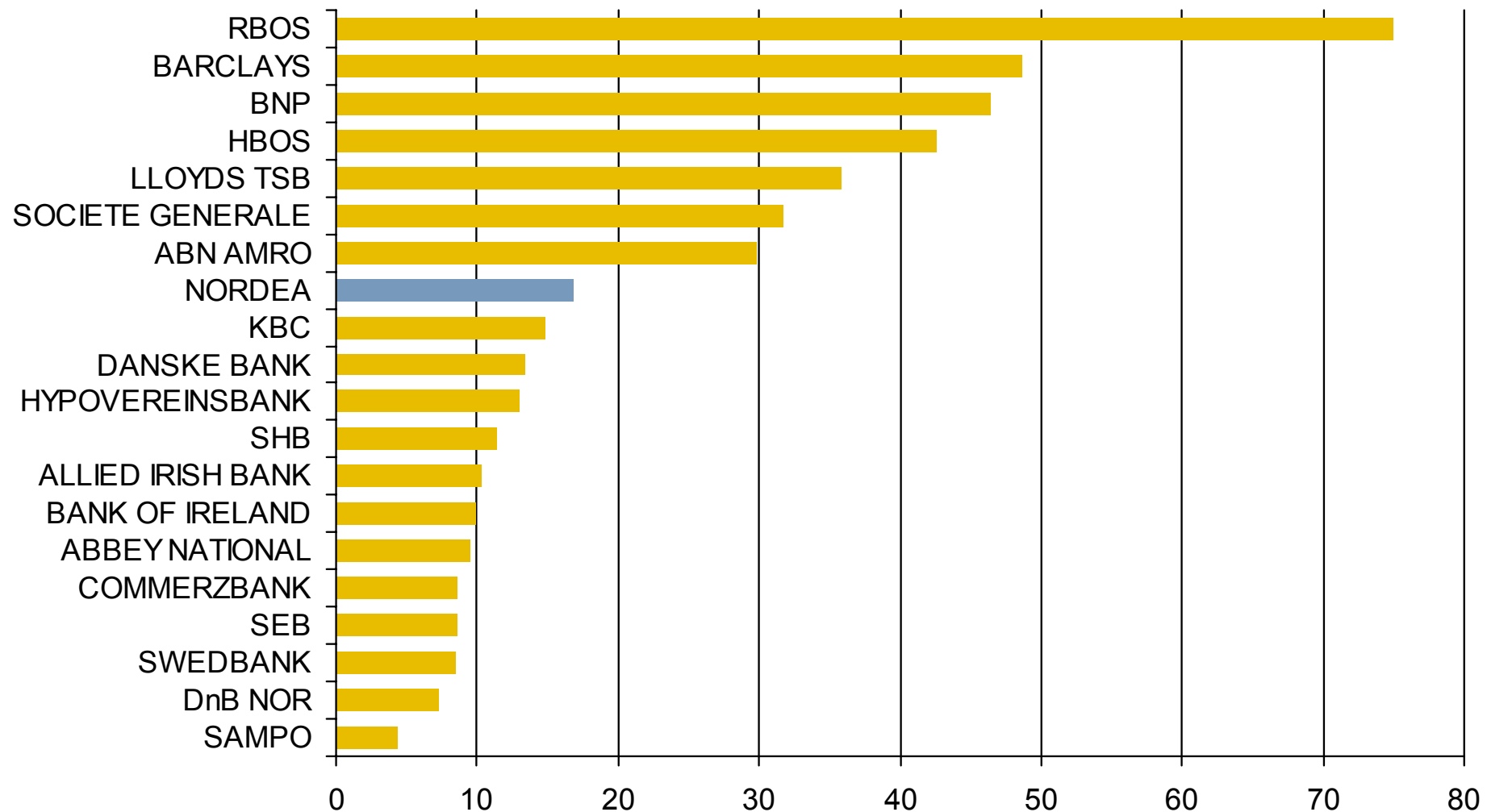
## Financial targets

Key performance indicator	Q1/04	2003	Target
Total shareholder return, peer group ranking	15th	3rd	In the top five of the peer group
Return on equity excluding goodwill, %	18.2	16.7	Sustainable RoE>15% from 2004
Costs, EURm	873	3,673	Same cost level as in 2003
Cost/income ratio, %	59	63	< 55 % from 2005 and with present business mix
Loan losses ratio, %	0.11	0.25	< 0.40% of loans and guarantees on average over a business cycle
Dividend pay-out ratio,%	n.a	48*	> 40 % of net profit
Tier 1 capital ratio, %	6.7	7.3	> 6.5%

\*Dividend for 2003 EUR 0.25 per share.

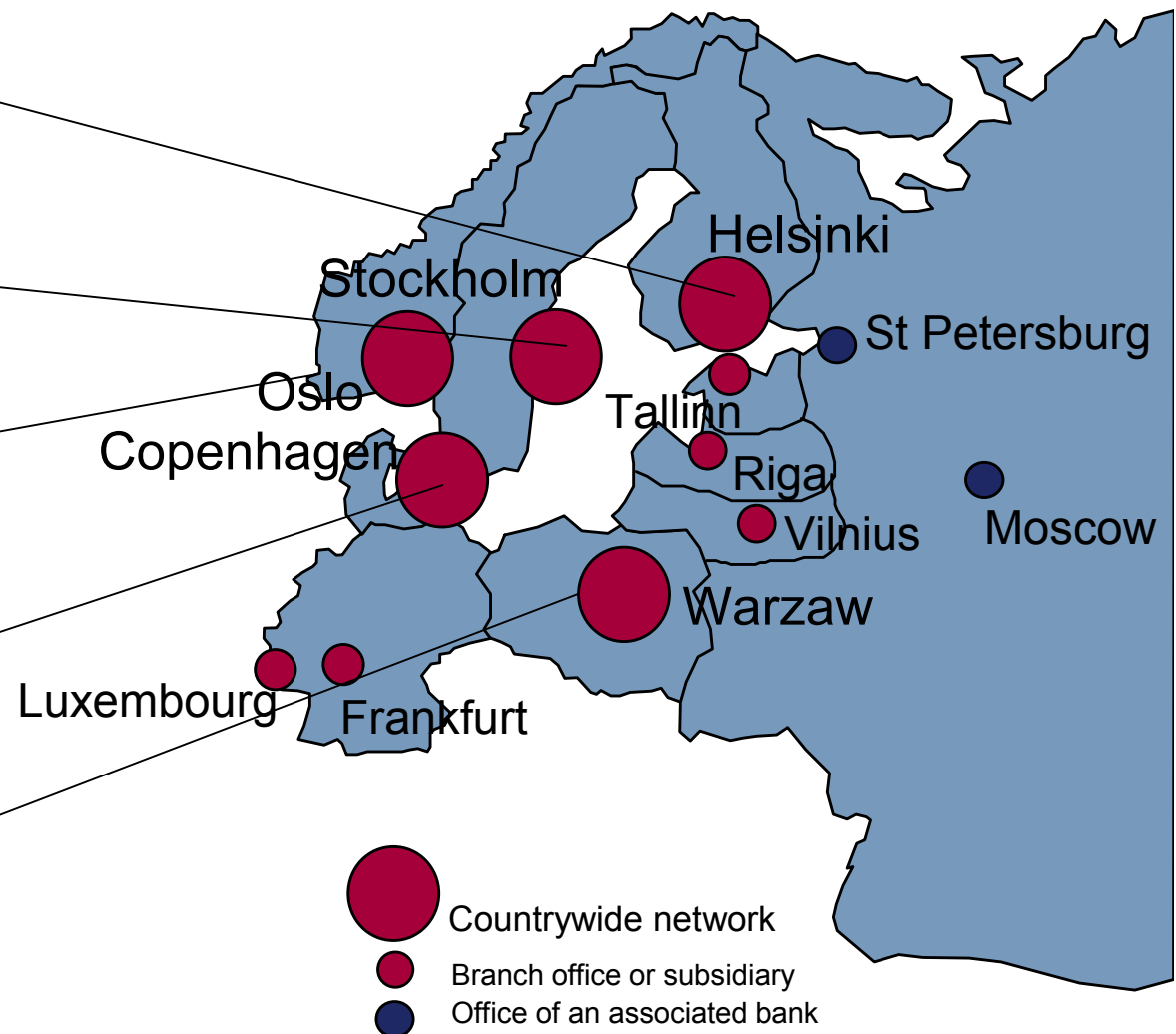
# Peer group\* by market cap, EURbn

19 April 2004







# Strong distribution network throughout the Nordic and Baltic Sea region

	Finland		
	Branch offices	416	
	Personnel	8,792	
	Sweden		
	Branch offices	256	
	Personnel	7,500	
	Norway		
	Branch offices	130	
	Personnel	3,553	
	Denmark		
	Branch offices	344	
	Personnel	8,538	
	Poland and Baltic		
	Branches/salepoints	59	
	Personnel	1,497	
	Total locations	1,205	
	Total personnel	29,880	





## Large customer base with high penetration in e-banking

	 DK	 FI	 NO	 SE	Baltic Sea Region	Total
<i>Banking customers (1,000)</i>						
Personal customers	1,620	2,960	630	4,100	280	9,590
Corporate customers	80	320	65	440	30	935
Life insurance customers (1,000)	615	315	235	510	55	1,735
E-banking customers (1,000)	558	1,231	289	1,615	49	3,742

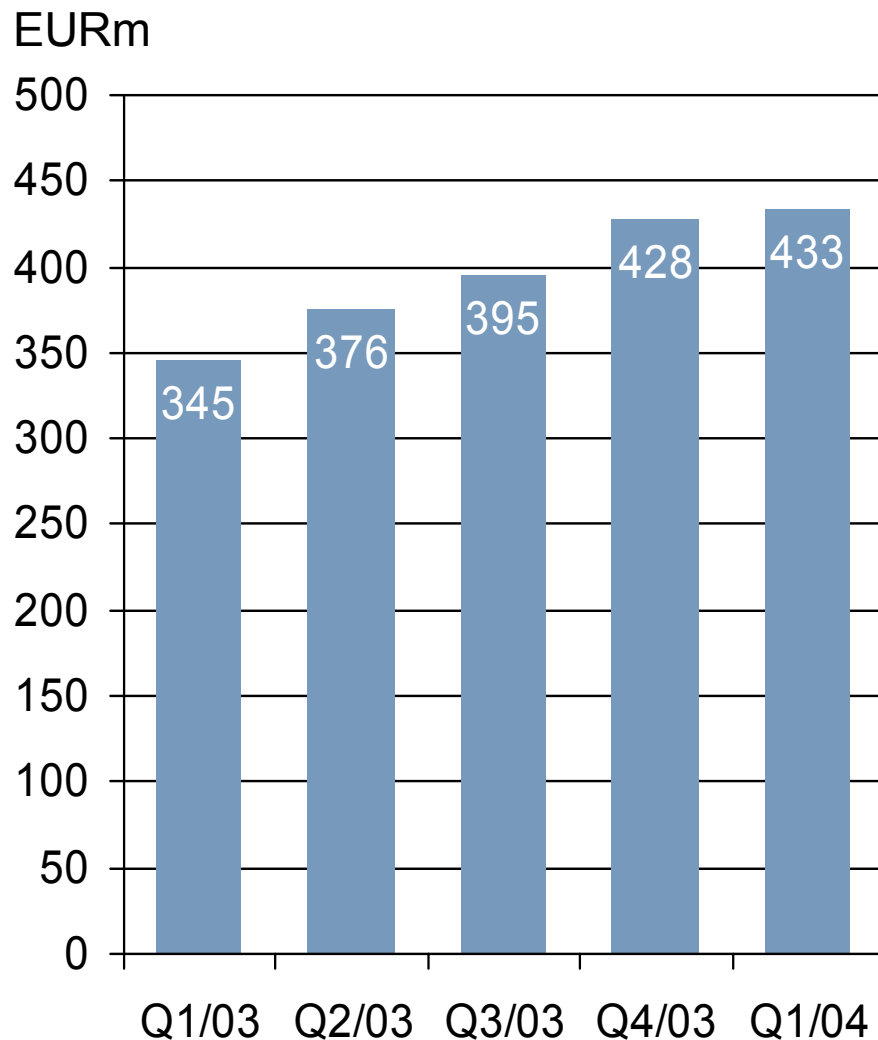
# Business areas



# Retail Banking



## Retail Banking operating profit



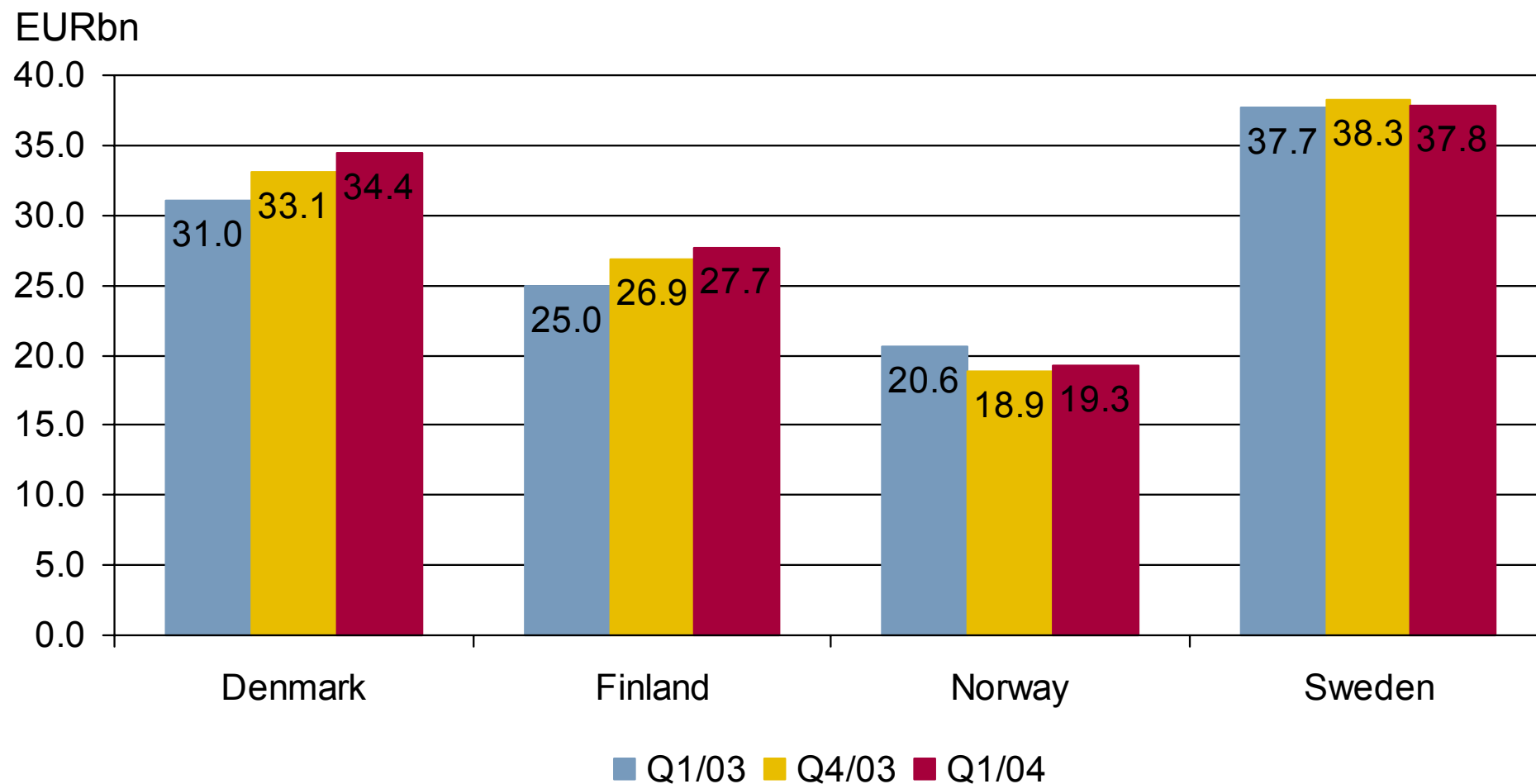
- Strong sales of mortgages
- Signs of growth in the corporate segment
- Sharply reduced loan losses

Key ratios	Q1/04	Q4/03
C/I ratio, %	58	55
RoE, %	26	26

## Retail Banking operating profit by markets

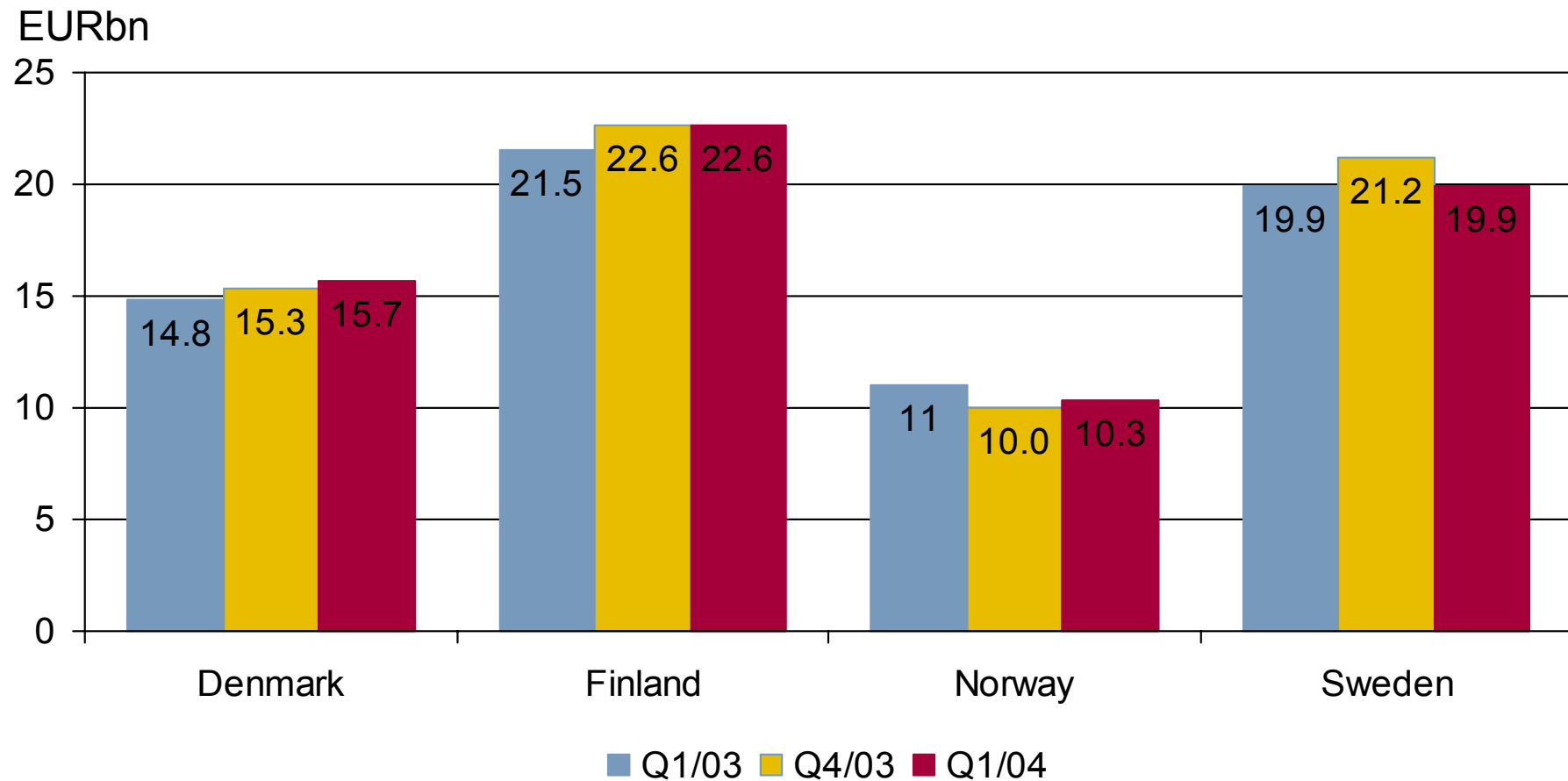
	Retail		DK		FI		NO		SE		P&B	
EURm	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4
Net interest income	727	758	200	208	187	198	113	117	211	225	12	11
Non-interest income	345	356	88	87	91	99	36	35	120	124	8	8
Total income	1,072	1,114	288	295	278	297	149	152	331	349	20	19
Total expenses	-621	-619	-163	-161	-159	-151	-85	-98	-189	-188	-15	-15
Profit bef. loan loss	451	495	125	134	119	146	64	54	142	161	5	4
Loan losses	-16	-65	-9	-19	-2	22	-4	-60	1	-8	-1	1
Operating profit	433	428	121	120	117	168	60	-6	139	149	2	3
C/I ratio %	58	55	56	54	57	51	57	65	57	54	76	79
RoE %	26	26	25	25	31	44	21	-2	30	32	5	9
Economic capital, EURbn	4.8	4.7	1.4	1.4	1.1	1.1	0.8	0.8	1.4	1.3	0.1	0.1

# Retail Banking lending



End of period

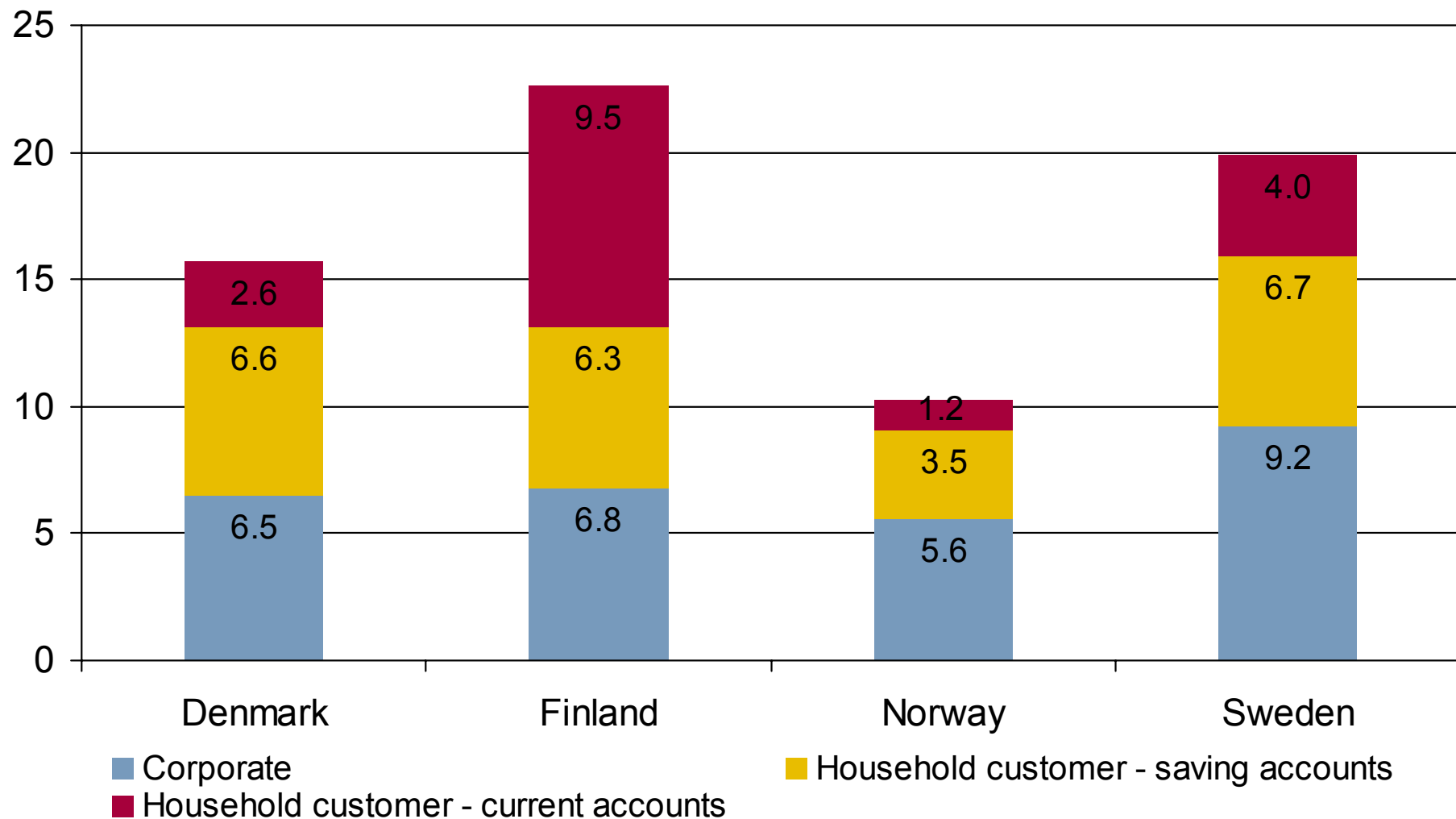
# Retail Banking deposits



End of period

# Retail Banking deposits

EURbn. End of Q1/04



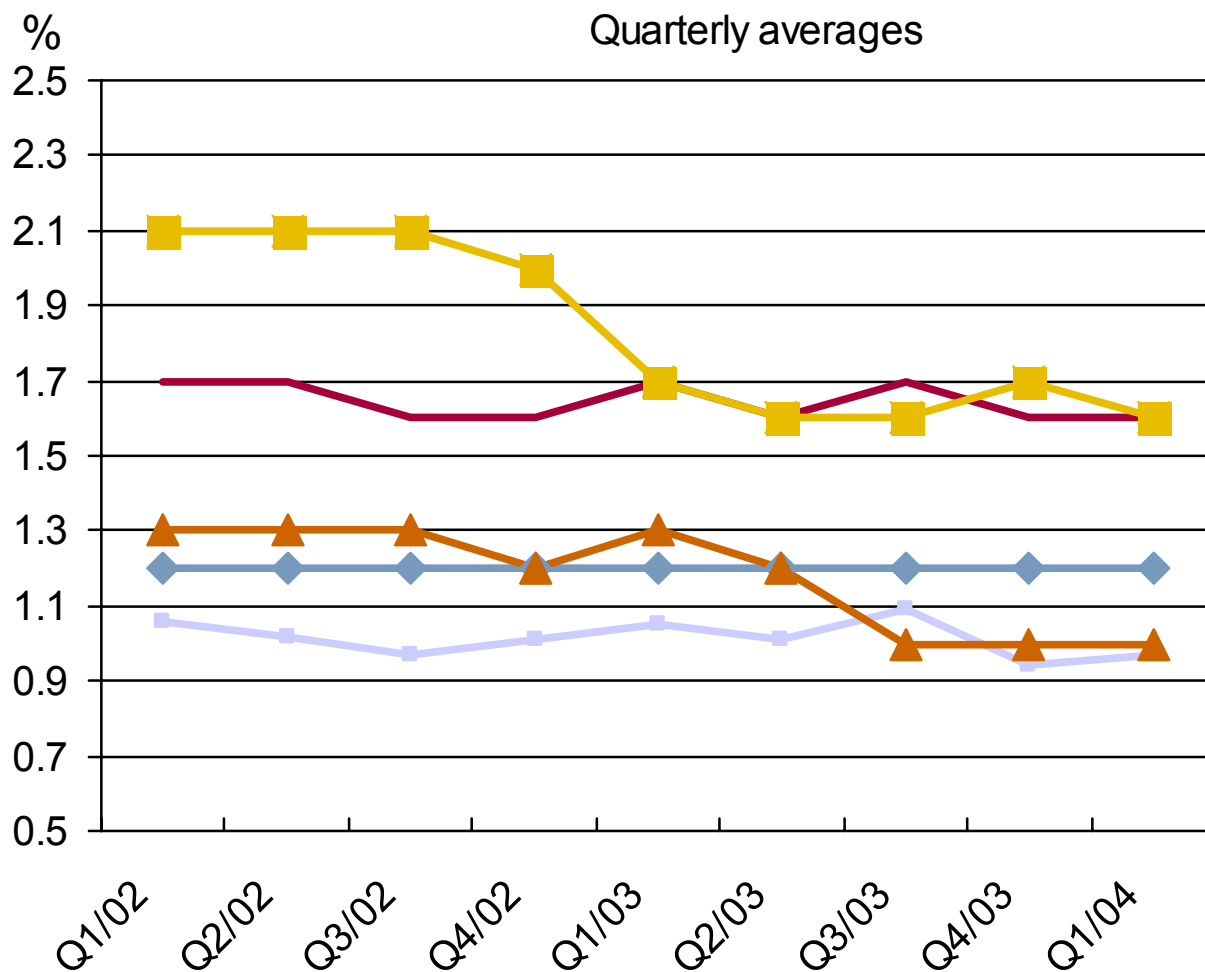


## Retail Banking, volumes and margins

EURbn	Volumes		Margins	
	Q1/04	Q4/03	Q1/04	Q4/03
Lending to corporates	56.8	56.0	1.2%	1.2%
Lending to household customers	64.3	63.0	1.6%	1.6%
Household mortgages	50.0	48.9	0.9%	1.0%
Total lending	121.1	119.0	1.4%	1.4%
Deposits from corporates	28.6	29.0	1.0%	1.0%
Deposits from household customers	40.9	41.0	1.6%	1.7%
Total deposits	69.6	70.0	1.3%	1.4%

Margins are quarterly averages and exclude Poland and Baltic, volumes end of period

# Retail Banking, lending and deposit margins



- Stable lending margins
- Somewhat declining deposit margins
  - including hedge effect
- Average Nordic mortgage margin approx. 100bp

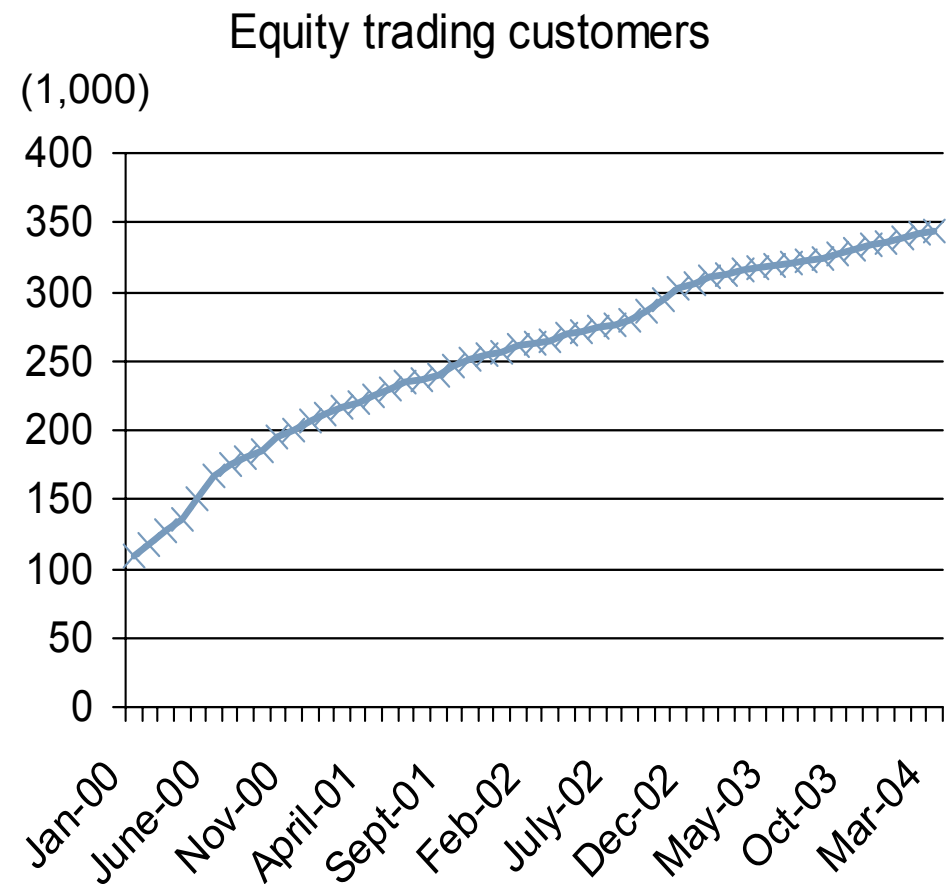
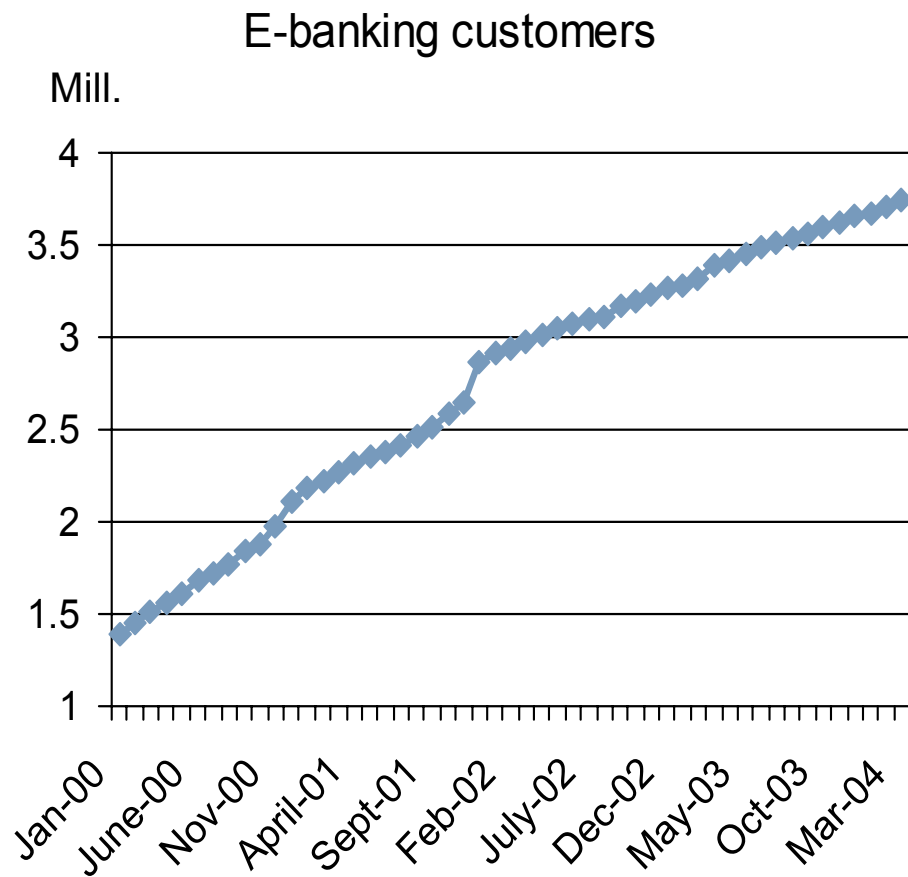
◆ Lending to corporates  
 ◆ Mortgage lending to households  
 ◆ Deposits from households

◆ Lending to households  
 ◆ Deposits from corporates

# E-banking & transactions

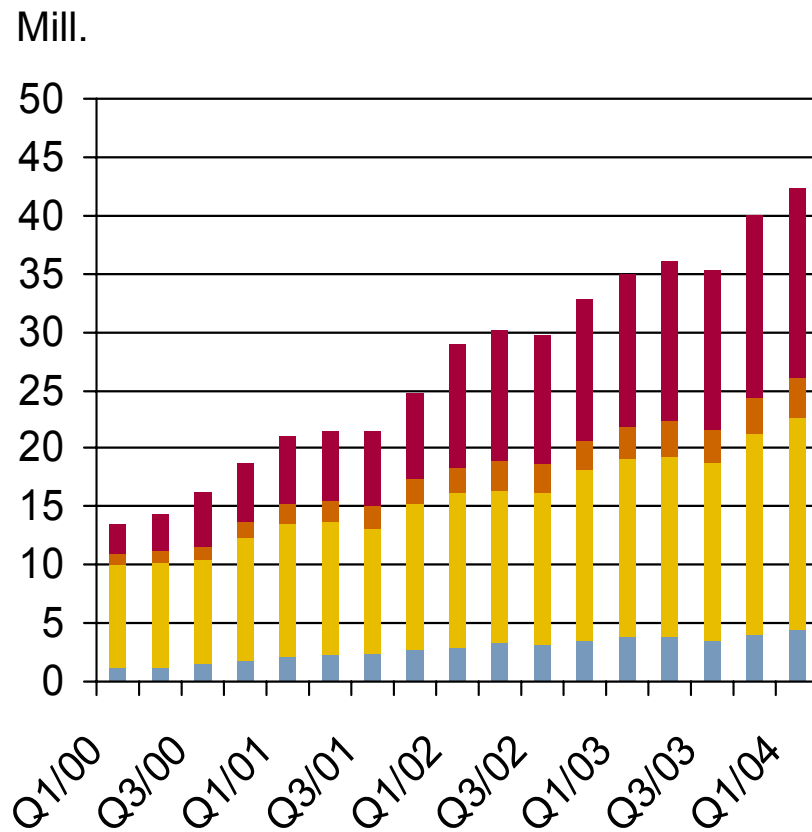


# E-banking customers

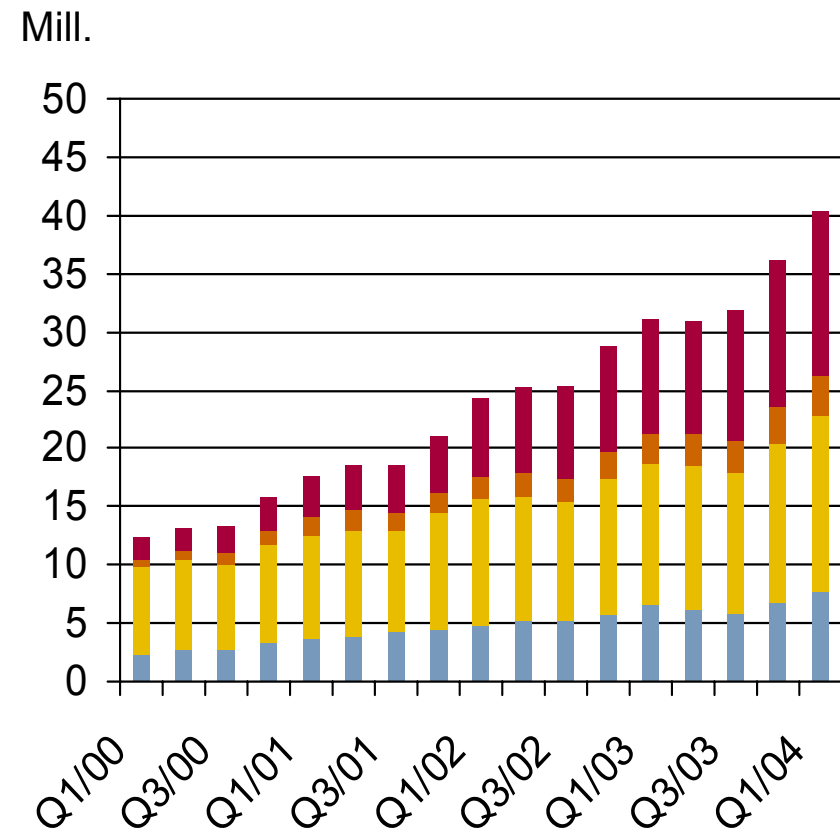


# Payments and log-ons

E-banking payments

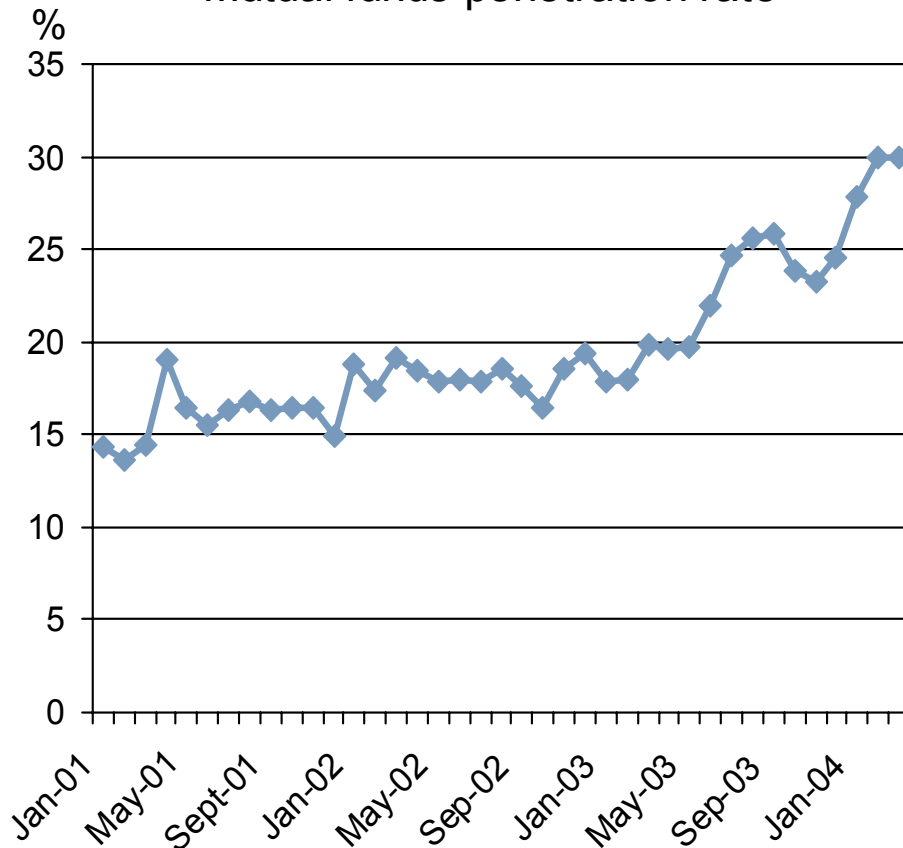


E-banking log-ons

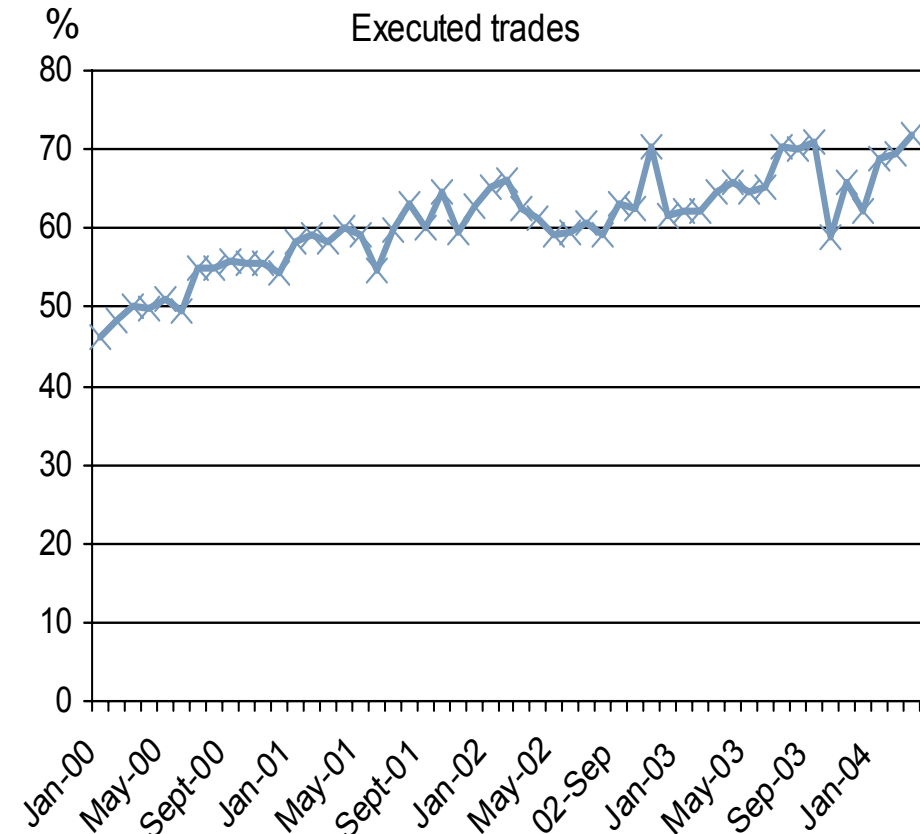


# Penetration on the net

Mutual funds penetration rate

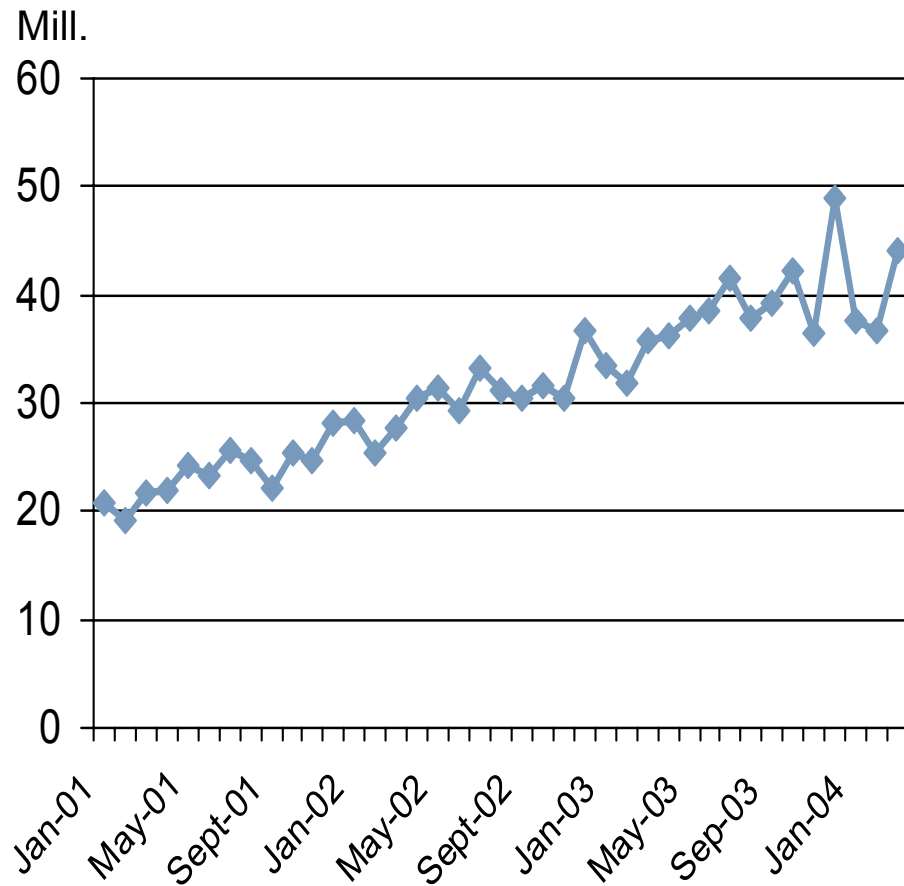


Equity trading penetration rate

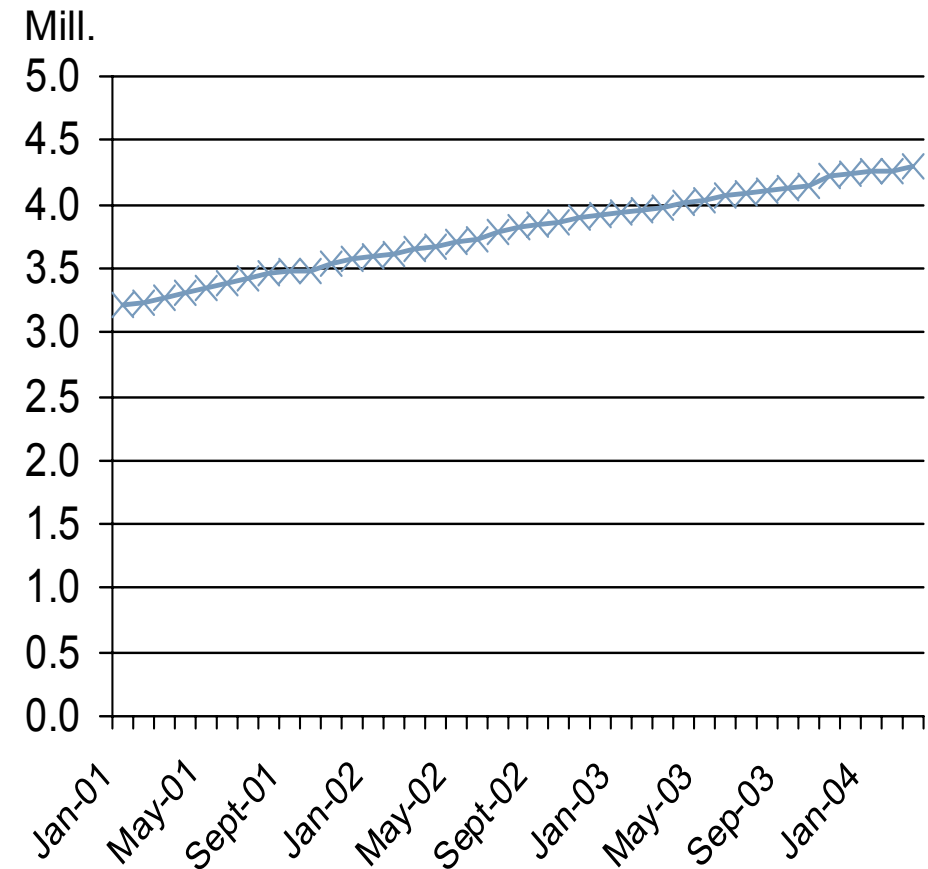


# Cards

Card payments

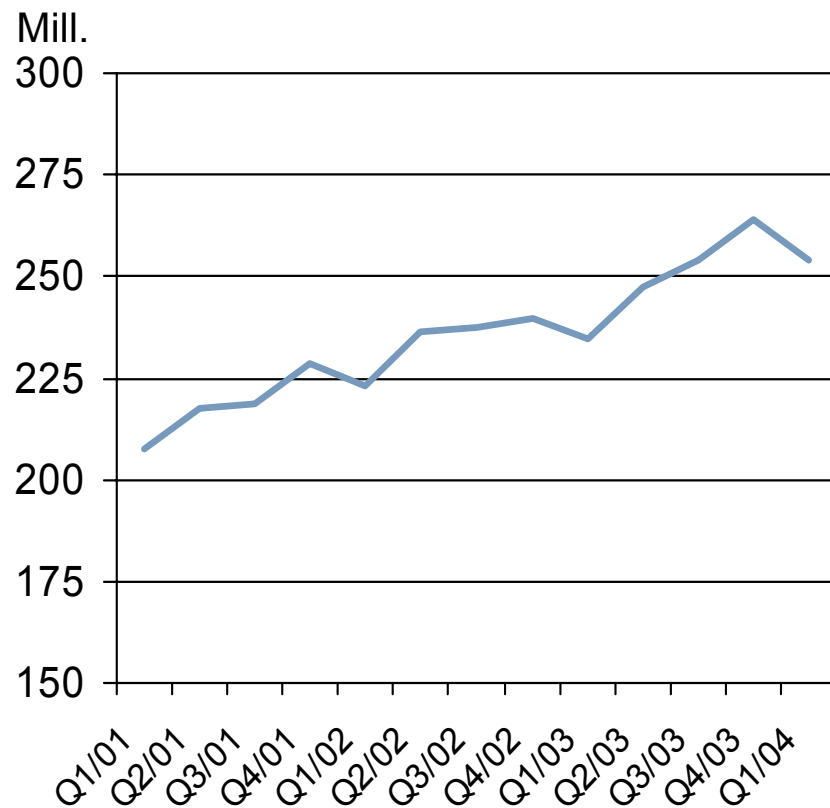


Issued debit and credit cards

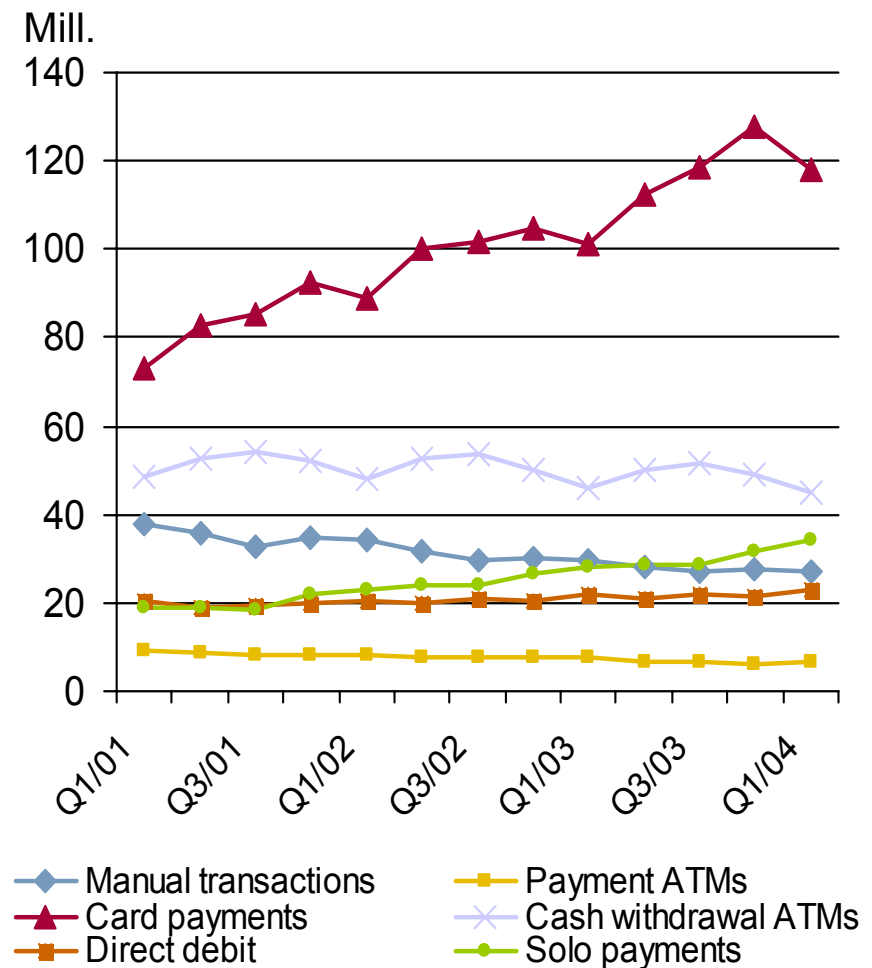


# Payment transactions, households

Payments transactions, households



Breakdown of transactions

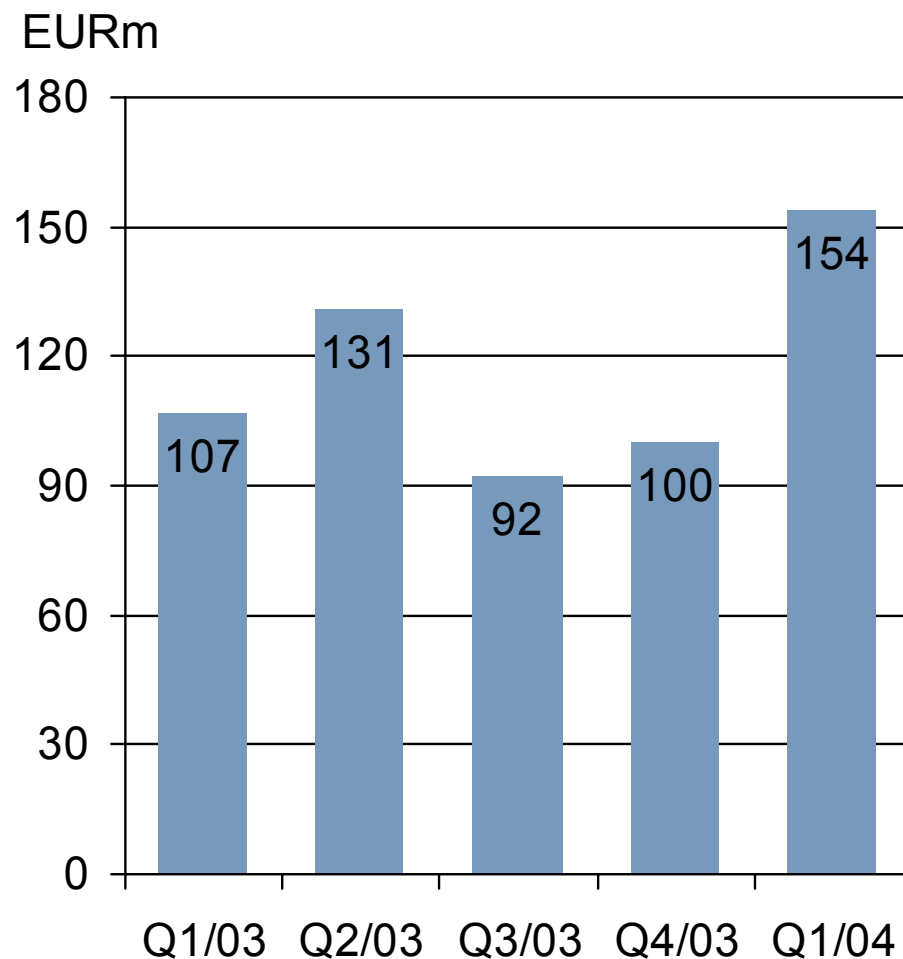




# Corporate and Institutional Banking (CIB)



# CIB operating profit



- Strong revenue growth in Markets
- Pick up in activity within M&A
- Nordic equity markets continued the positive trend
- Positive loan losses

Key ratios	Q1/04	Q4/03
C/I ratio, %	48	54
RoE, %	25	15

# Stock market development

	Market Volume		Market index
	Q1 2004, EURbn	Chg Q1 vs Q4, %	Q1 2004, %
Denmark	23.4	+36.8	5.9
Finland	56.5	+50.3	11.5
Norway	27.1	+38.3	13.4
Sweden	115.6	+50.1	8.1

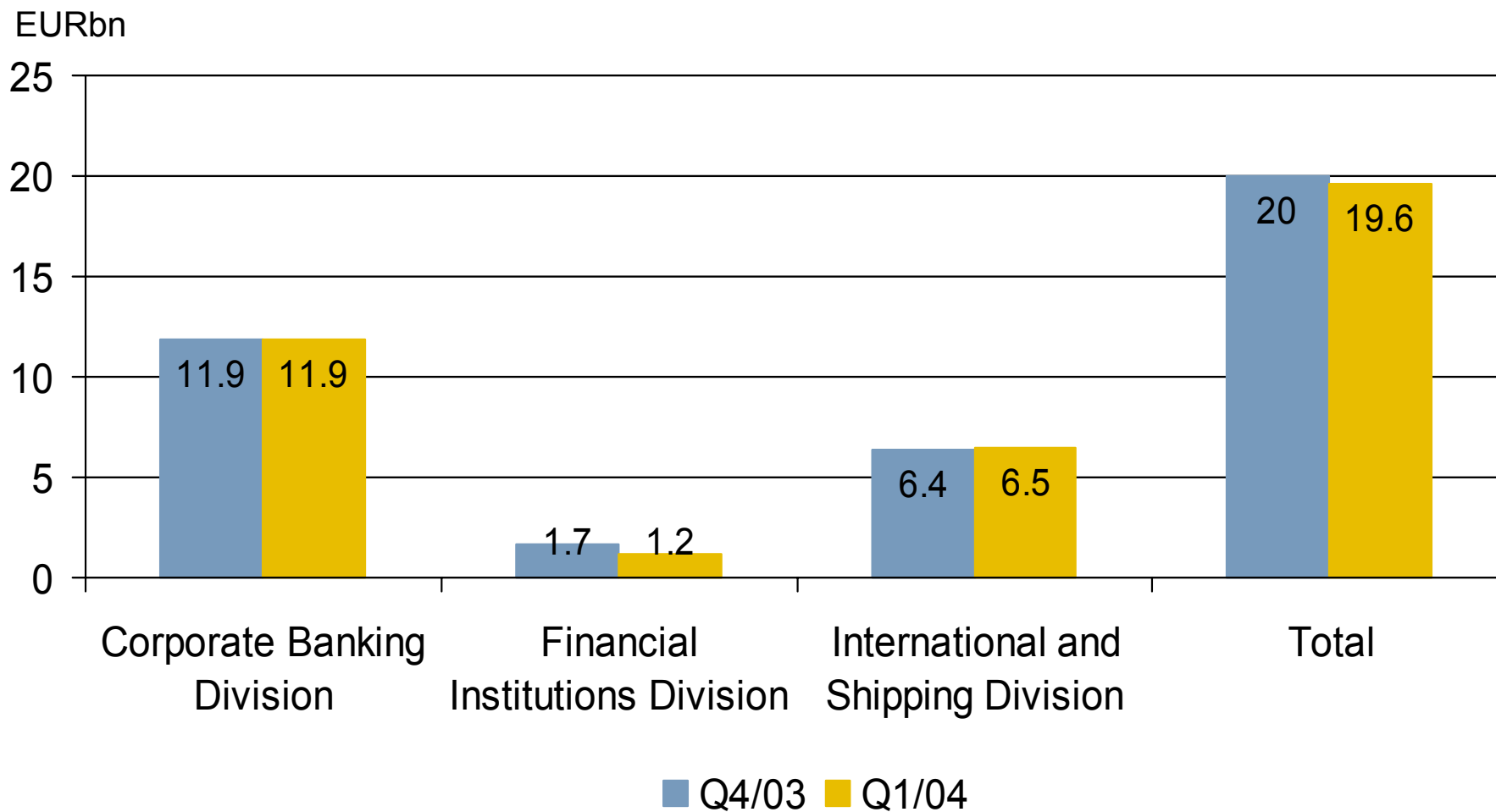
Source: Nordea Securities

# CIB operating profit by main area

	CIB		Corporate Banking Division		Financial Institutions Division		International and Shipping Division		Other		Markets	
EURm	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4
Total income	276	238	127	98	88	58	43	45	18	37	180	141
Total expenses	-134	-129	-39	-38	-28	-31	-10	-13	-57	-47	-75	-69
Profit bef. loan losses	142	109	88	60	60	27	33	32	-39	-10	105	72
Loan losses	9	-6	5	-10	0	4	4	1	0	-1	0	0
Transfer risk	0	1	0	1	0	0	0	0	0	0	0	0
Equity method	5	3	0	0	0	0	0	0	5	3	0	0
Operating profit	154	100	92	50	59	30	37	33	-34	-13	105	72
Economic capital	1.7	1.8	1.0	1.1	0.2	0.2	0.3	0.3	0.3	0.2	0.6	0.6
C/I ratio %	48	54										

\* Markets has product responsibility for trading products such as FX, fixed income and related derivatives and is evaluated by monitoring the product result. The product result includes all income and expenses related to the respective products, which is allocated to the customer responsible unit within Corporate and Institutional Banking and Retail Banking.

# CIB lending volume

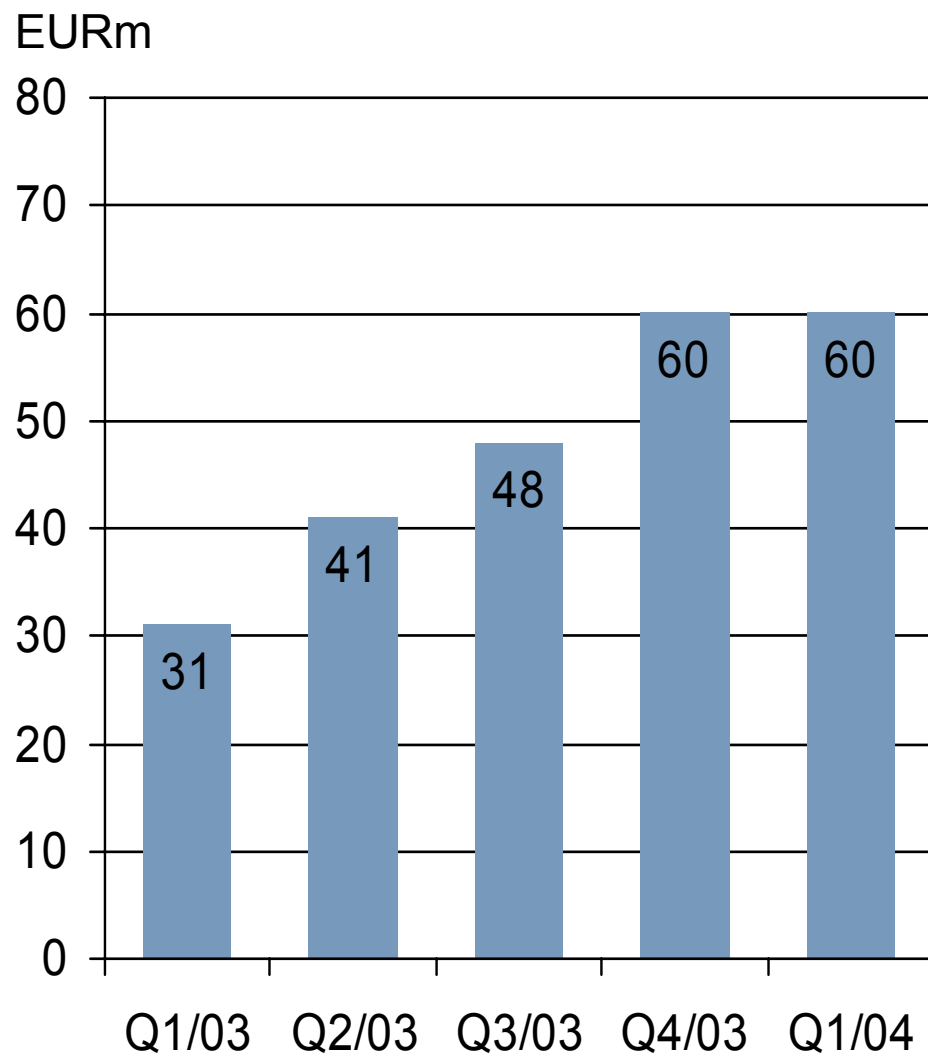


End of period

# Asset Management & Life



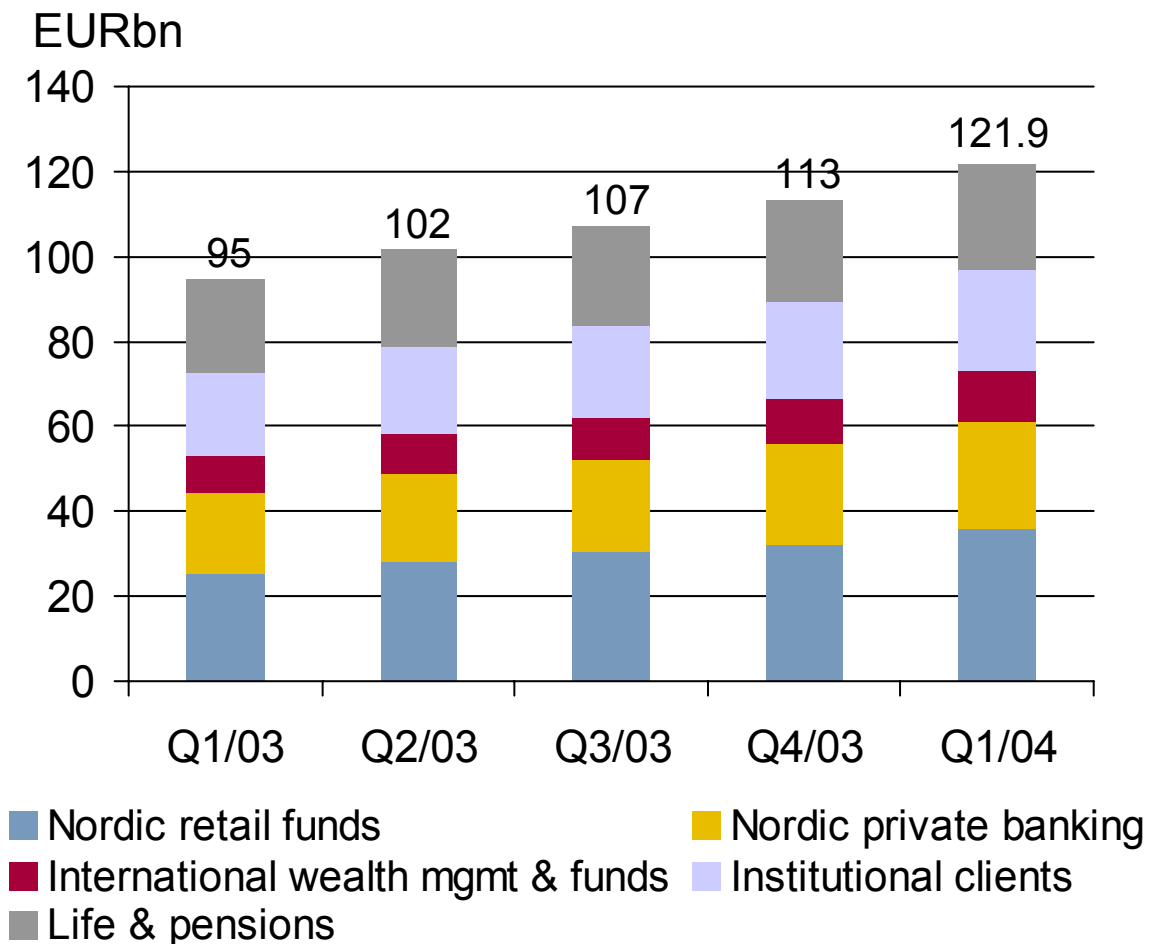
# Asset Management product result



- Result maintained at high level
- AuM up EUR 8.6bn to EUR 121.9bn in Q1
  - net inflow of EUR 4.2bn in Q1
- Asset appreciation EUR 4.4bn

Key ratios	Q1/04	Q4/03
C/I ratio, %	56	56
AuM, EURbn	122	113

# Assets under management

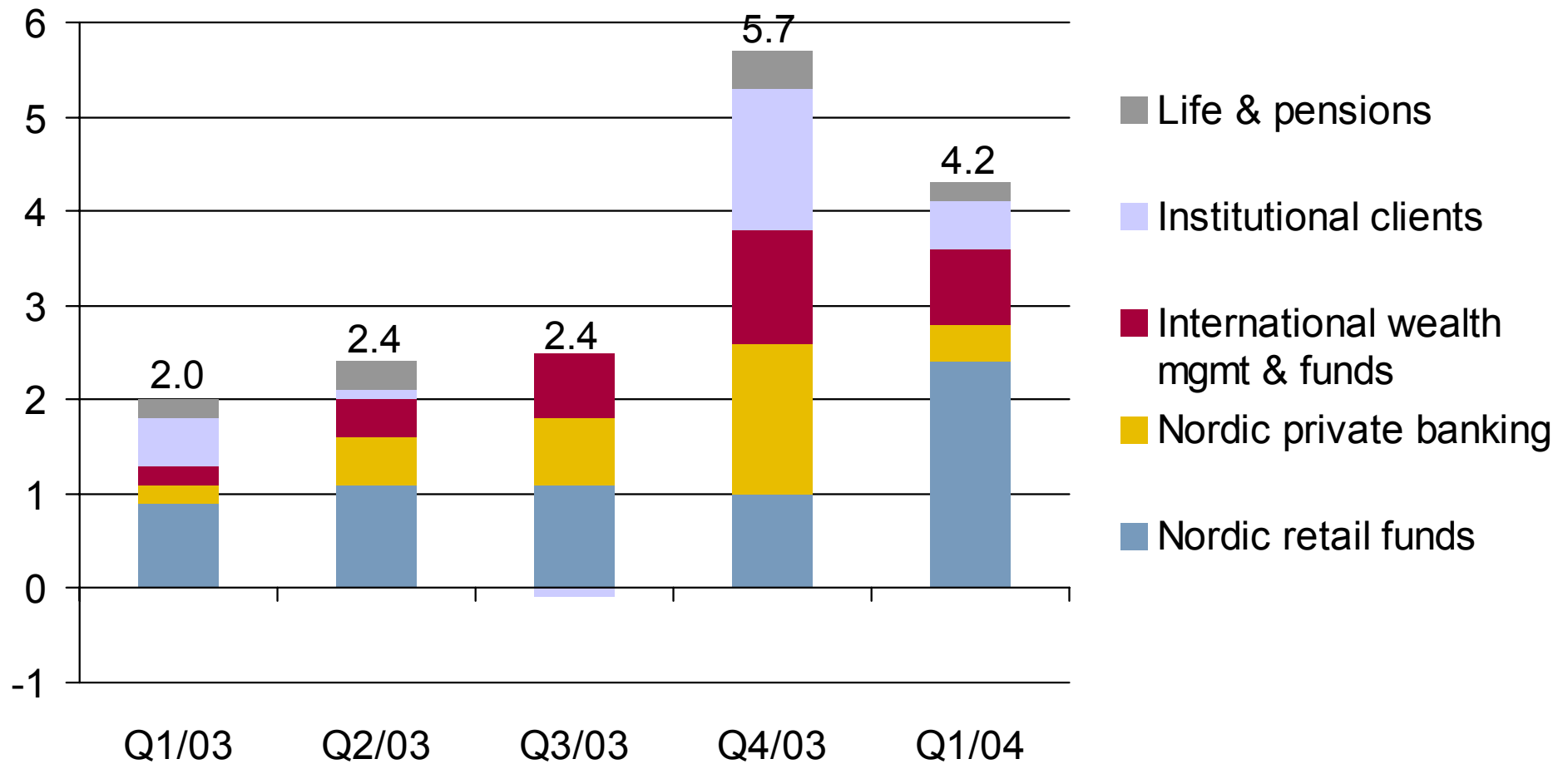


- Strong distribution capacity
- Nordea market leader within retail funds in the Nordic region
  - holds 20% of all Nordic investment fund assets



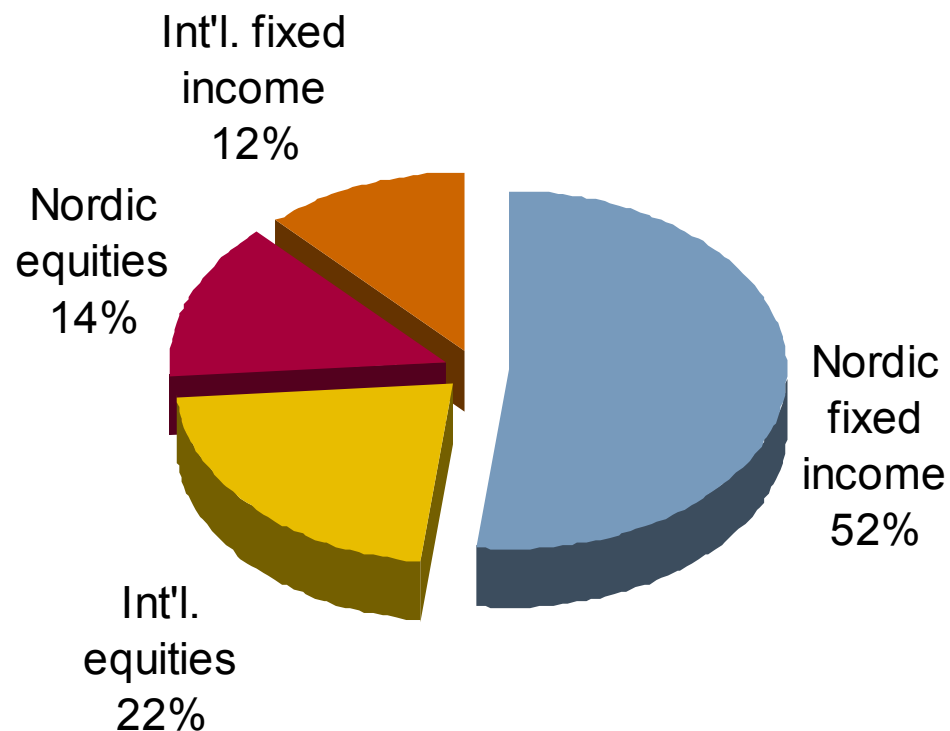
# Net inflows

EURbn

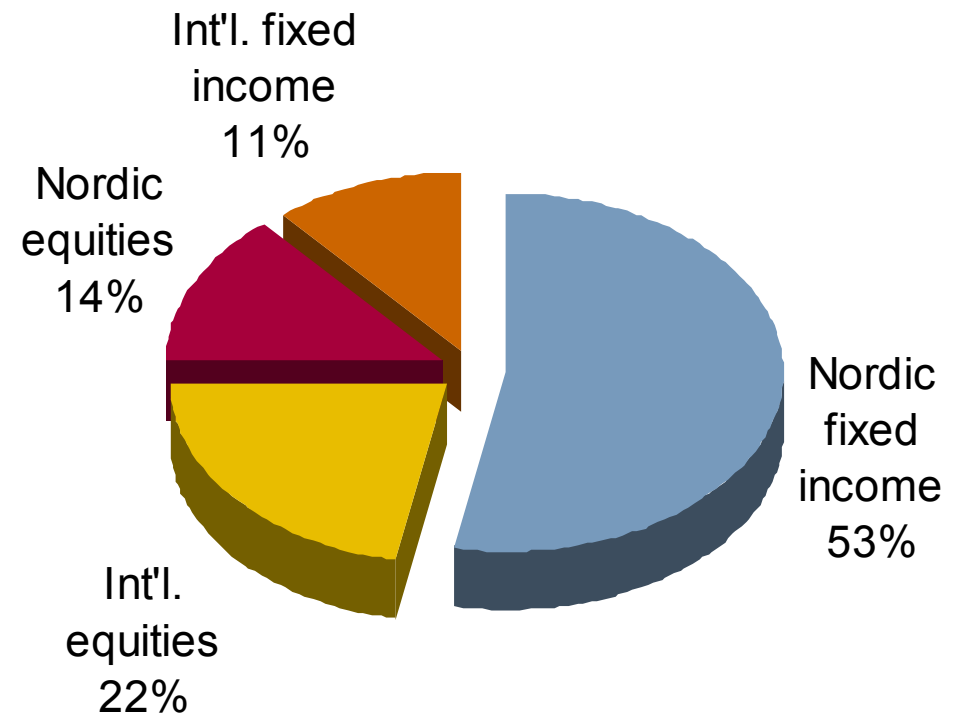


## Asset structure – Investment Management\*

Q1/04  
EUR 77.7bn



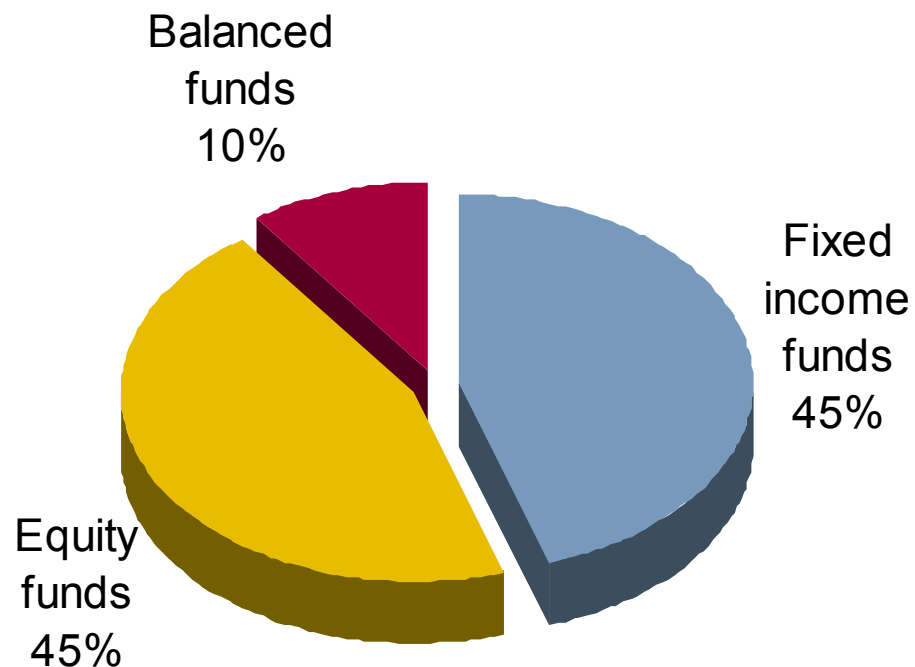
Q4/03  
EUR 73.7bn



## Asset structure – Investment Funds

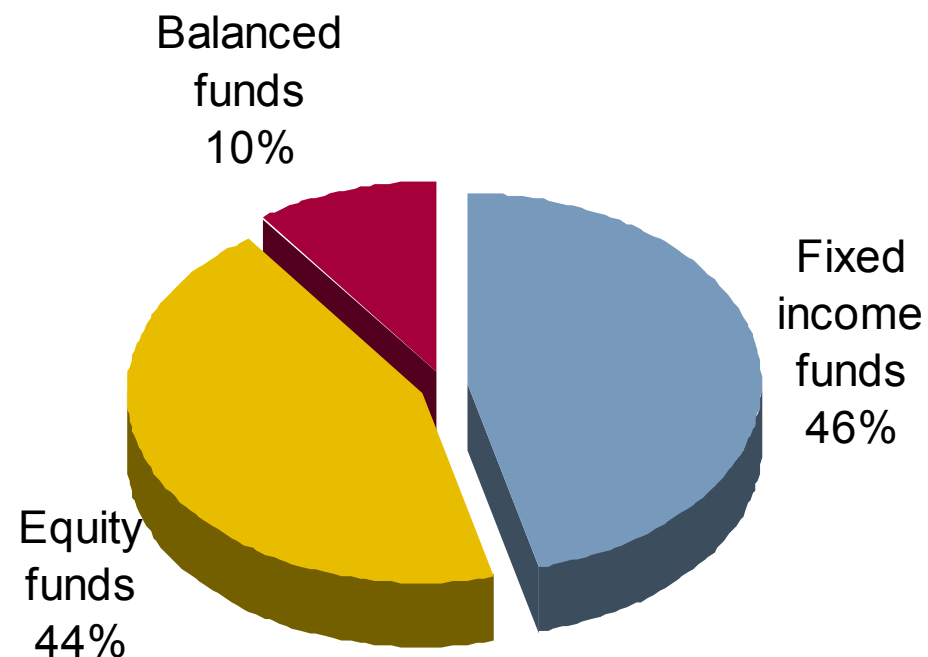
Q1/04

EUR 45.5bn

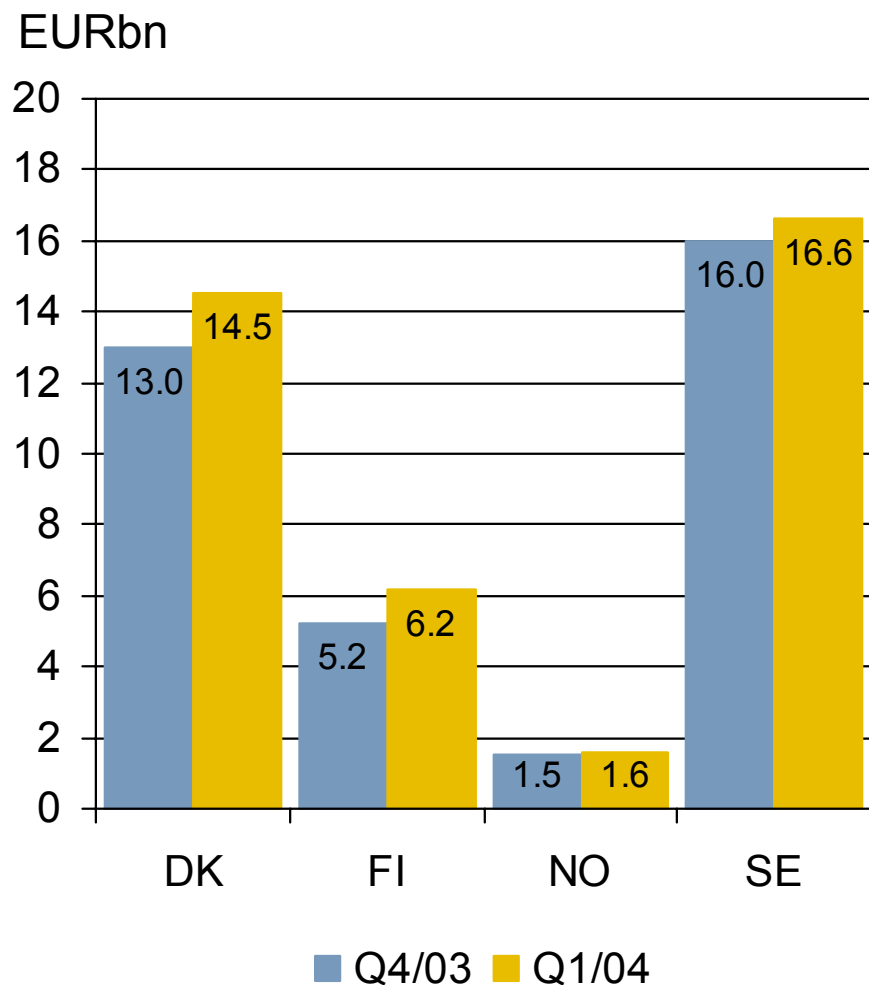


Q4/03

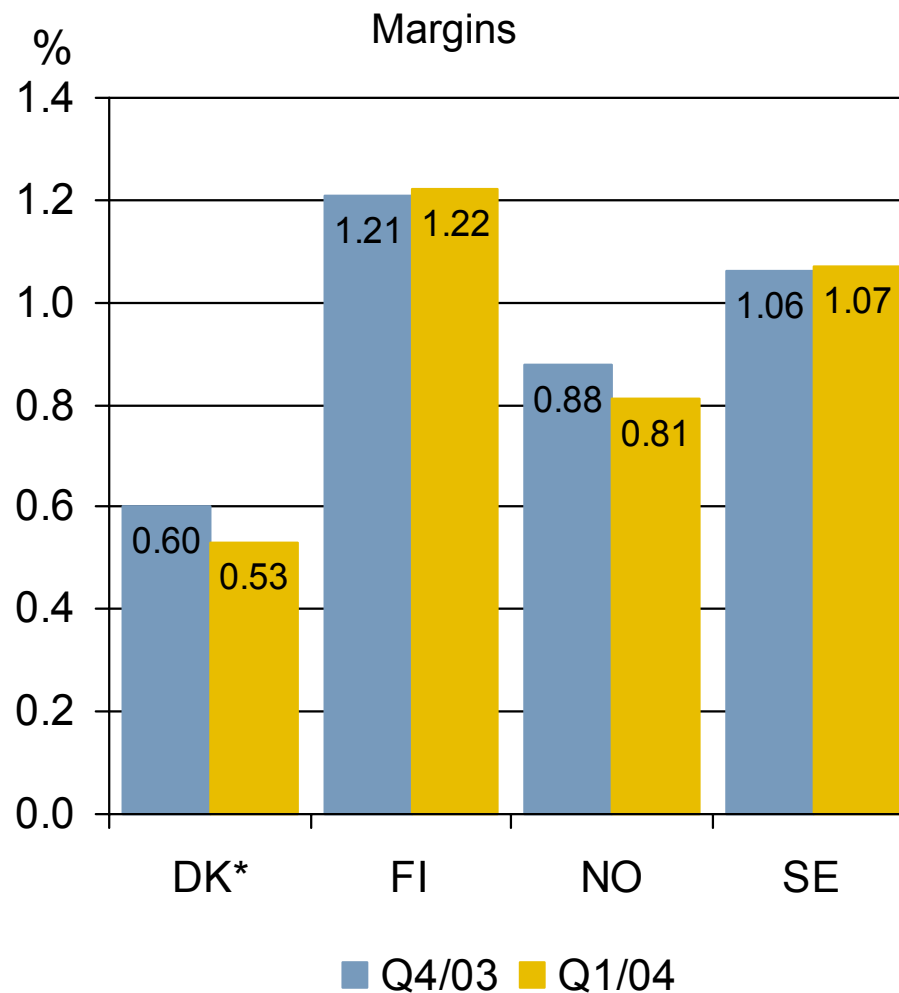
EUR 41.2bn



# Investment Funds, volumes and margins

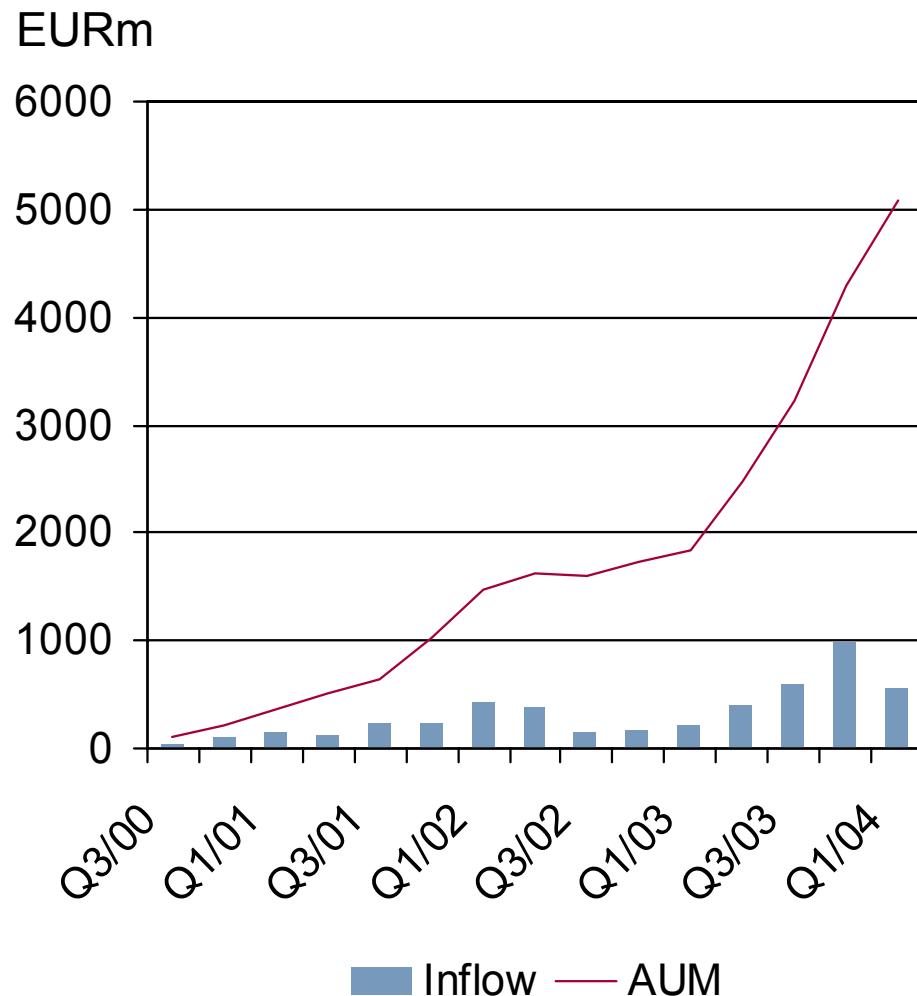


End of period



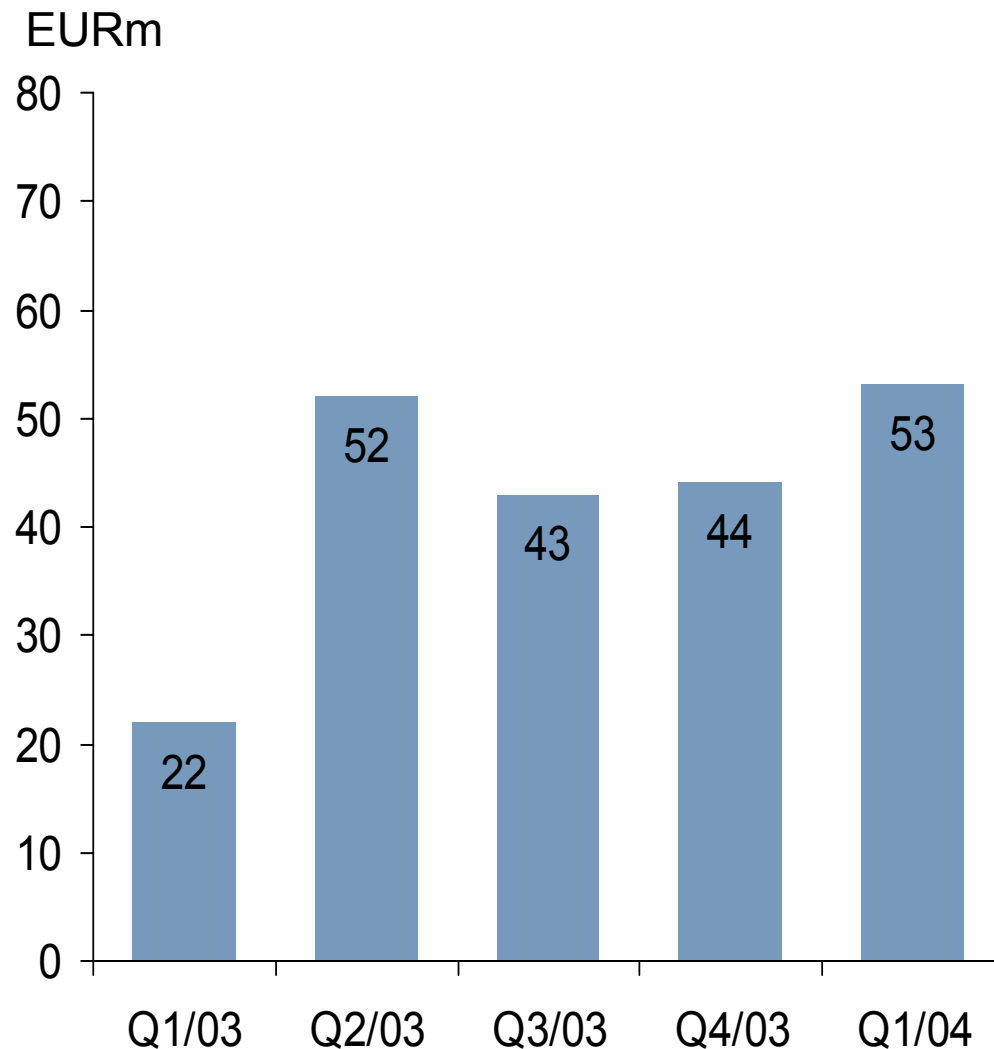
\* Net margin

# European Fund distribution



- Net inflow amounted to EUR 0.5bn in Q1
- More than 1000 active distribution agreements
- Assets by country of source:
  - 25% from Switzerland
  - 25% from Germany
  - 16% from Spain
  - 10% from Luxembourg
  - 8% from Austria
  - 7% from UK
  - 6% from France
  - 3% from Other

# Life Insurance, product result



- High result at stable level
- Increased financial buffers
- Effect of changed business model increasingly visible

Key ratios	Q1/04	Q4/03
Inv return, %	3.2	0.7
Financial buffers*, %	5.6	4.7

\* Financial buffers in % of provisions

## Life - breakdown of product result

EURm	Q1/04	Q4/03
Normalised operating margin	45	62
Fluctuations compared to normalised investment return	347	-114
Change in discount rate for life provisions	-98	111
Allocation to policy-holders	-30	-6
Allocation to/from financial buffers	-218	-10
Net profit from other business	3	-2
Operating profit Unit Linked business	7	6
Product result before distribution expenses	56	47
Distribution expenses Retail	-3	-3
<b>Total product result</b>	<b>53</b>	<b>44</b>

# Life

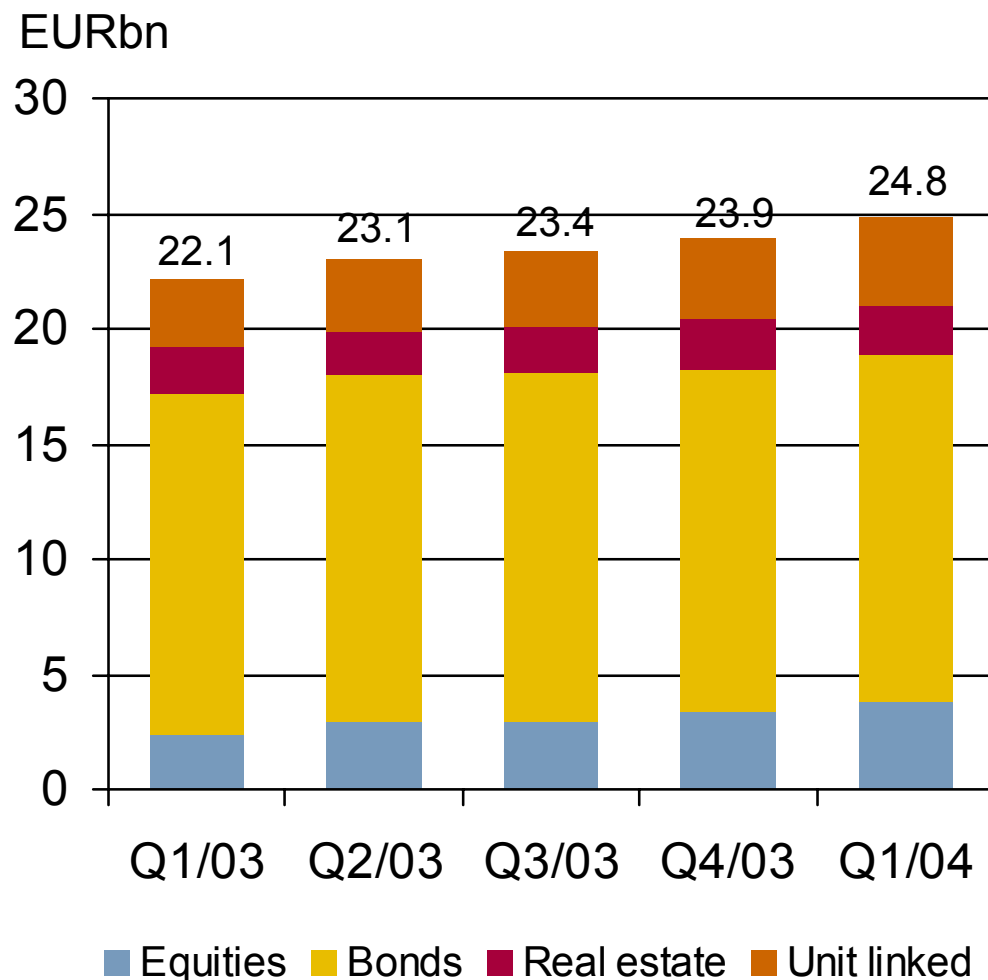
EURm	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03
<b>TRADITIONAL LIFE</b>					
Premiums written net	491	533	370	461	499
Normalised investment. return	234	244	236	247	250
Benefits paid and change in provision	-655	-687	-532	-626	-636
Insurance operating expenses	-25	-28	-24	-28	-27
<b>Normalised operating margin</b>	<b>45</b>	<b>62</b>	<b>50</b>	<b>54</b>	<b>86</b>
Fluctuations compared to normalised investment return	347	-114	-151	297	-14
<b>Change in discount rate for life provisions</b>	<b>-98</b>	<b>111</b>	<b>126</b>	<b>-126</b>	<b>-48</b>
<b>Actual operating margin</b>	<b>294</b>	<b>59</b>	<b>25</b>	<b>225</b>	<b>24</b>
Of which allocated to policyholders	-30	-6	-13	-13	-8
Of which to/from financial buffers	-218	-10	28	-165	11
Net profit from other business	3	-2	-1	4	-1
Product result before distribution expenses	<b>49</b>	<b>41</b>	<b>39</b>	<b>51</b>	<b>26</b>
<b>UNIT LINKED BUSINESS</b>					
Premiums written, net of reinsurance	152	168	87	87	100
Product result before distribution expenses	7	6	7	4	-1
<b>TOTAL LIFE &amp; PENSIONS</b>					
Premiums written, net of reinsurance	643	701	457	548	598
Product result before distribution expenses	56	47	46	55	25
Distribution expenses Retail	-3	-3	-3	-3	-3
<b>Product result</b>	<b>53</b>	<b>44</b>	<b>43</b>	<b>52</b>	<b>22</b>
Of which profit within Retail Banking	13	18	10	10	9



# Life

EURm	Denmark	Finland	Norway	Sweden	Other	Total
<b>TRADITIONAL LIFE</b>						
Premiums written net	167	175	109	34	6	491
Normalised investment return	117	60	36	17	3	234
Benefits paid and change in provision	-259	-209	-133	-41	-12	-655
Insurance operating expenses	-11	-2	-8	-2	-2	-25
<b>Normalised operating margin</b>	<b>13</b>	<b>23</b>	<b>5</b>	<b>9</b>	<b>-5</b>	<b>45</b>
Fluctuation compared to normalised investment return	230	59	26	32	0	347
Change in discount rate for life provisions	-98	0	0	0	0	-98
<b>Actual operating margin</b>	<b>146</b>	<b>82</b>	<b>31</b>	<b>41</b>	<b>-6</b>	<b>294</b>
Of which allocated to policyholders	0	-5	-25	0	0	-30
Of which to/from financial buffers	-126	-59	7	-40	0	-218
Net profit from other business	-2				4	3
<b>Product result before distribution expenses</b>	<b>17</b>	<b>19</b>	<b>13</b>	<b>1</b>	<b>-1</b>	<b>49</b>
<b>UNIT LINKED BUSINESS</b>						
Premiums written, net of reinsurance	13	75	17	33	14	152
Product result before distribution expenses	0	5	0	2	0	7
<b>TOTAL LIFE &amp; PENSIONS</b>						
Premiums written, net of reinsurance	179	250	127	68	20	643
Product result before distribution expenses	18	22	13	4	-5	56
Distribution expenses Retail	0	-2	0	0	0	-3
<b>Product result</b>	<b>17</b>	<b>20</b>	<b>13</b>	<b>3</b>	<b>-5</b>	<b>53</b>

## Life - investments



- Equities
  - predominantly listed equities
  - 50/50 Nordic/international
- Bonds
  - $\frac{3}{4}$  Nordic issuers
  - primarily govnm't & mortgage inst.

## Life - asset allocation

	Total, EURbn		Equities, %	
	Q1/04	Q4/03	Q1/04	Q4/03
Denmark	11.6	11.2	18	16*
Finland	6.6	6.3	18	17
Norway	3.3	3.2	12	10
Sweden	2.8	2.7	4	3
Total	24.3	23.4	15	14

\*Hedged

# Life - solvency situation

End of Q1/04

EURm	Required solvency	Actual solvency	Solvency buffer	Solvency in % of requirement
Denmark	451	509	58	113
Finland	225	594	369	264
Norway	120	196	76	163
Sweden	66	145	79	219

## Life – financial buffers\*

	EURm		% of total provisions	
	Q1/04	Q4/03	Q1/04	Q4/03
Denmark	717	623	7.3	6.5
Finland	204	145	4.3	3.1
Norway	55	62	2.0	2.3
Sweden	83	48	5.2	3.0
Total	1,058	878	5.6	4.7

## Life – solvency sensitivity, end of Q1/04

%	Denmark	Finland	Norway	Sweden
Solvency in % of requirement	113	264	163	219
Equities drop 12%	112	234	139	205
Interest rates down 50bp	110	282	167	251
Interest rates up 50bp	115	247	159	137

## Life – buffer sensitivity, end of Q1/04

EURm	Denmark	Finland	Norway	Sweden
Financial buffers*	717	204	55	83
Equities drop 12%	-151	-68	-33	-10
Interest rates down 50bp	29	26	5	21
Interest rates up 50bp	-1	-24	-5	-25

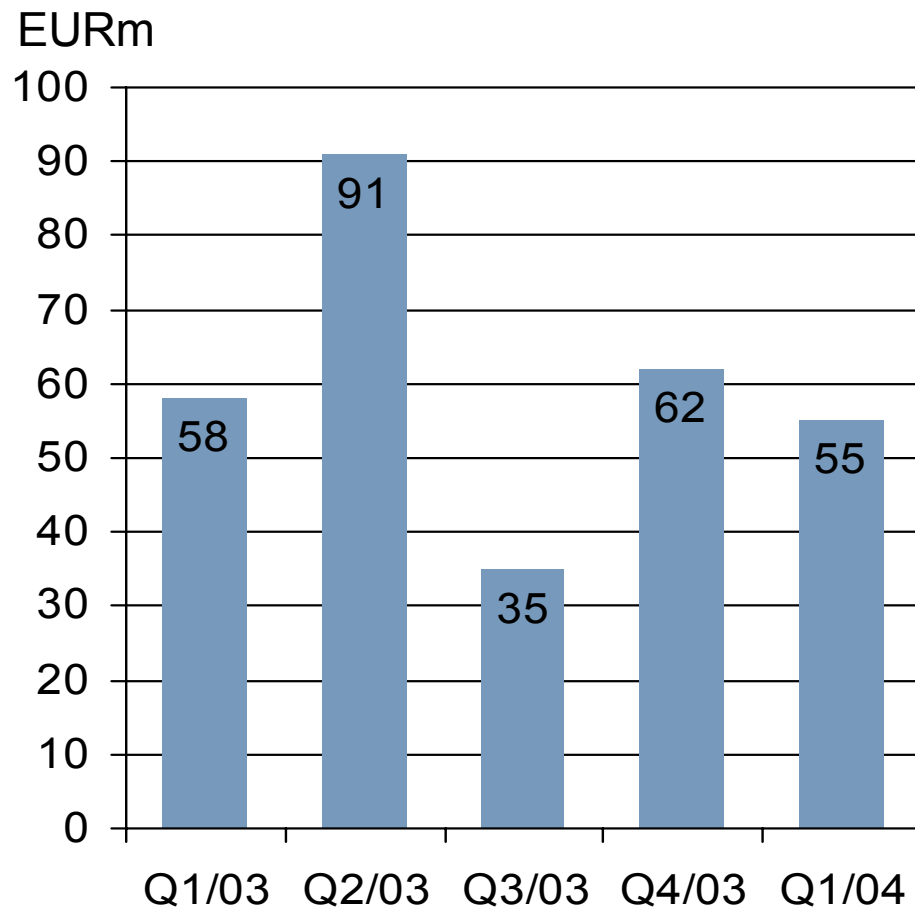
\* Financial buffers are defined in accordance with local regulations and practices.

# Group Treasury





## Group Treasury operating profit

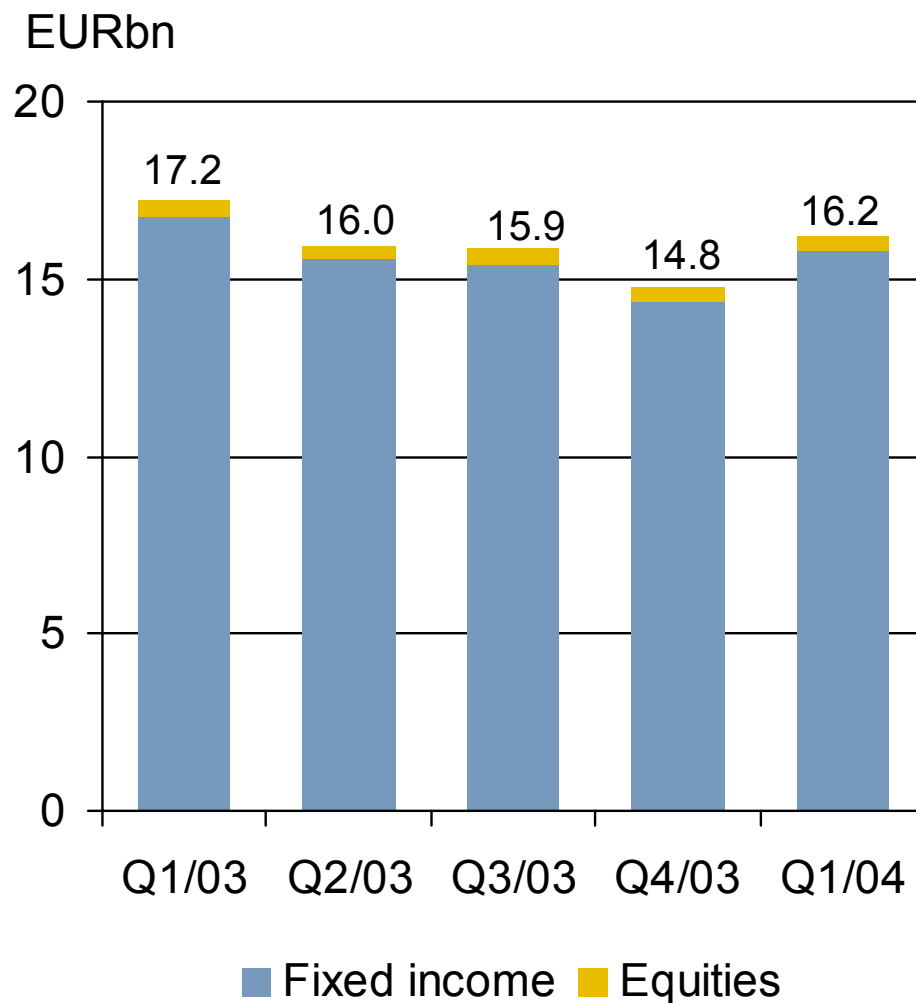


- Favourable positioning
  - strong investment earnings
- Falling long-term interest rates
- Rising equity markets

## Group Treasury operating profit by main areas

EURm	Total		Group Investment				Group Funding	
	Q1/04	Q4/03	Fixed income portfolios		Equity portfolios		Q1/04	Q4/03
			Q1/04	Q4/03	Q1/04	Q4/03		
Income			48	5	18	32	1	37
Expenses			-3	-3	-1	-1	-8	-8
Profit excl. Investment earnings	-7	29					-7	29
Investment earnings	62	33	45	2	17	31		
<b>Operating profit</b>	<b>55</b>	<b>62</b>						

## Group Treasury - investments



End of period

- Equities
  - listed, unlisted & private equity funds
- Bonds
  - $\frac{3}{4}$  Nordic issuers
  - primarily government and mortgage inst.

# Treasury – risk management

End of Q1/04

- Price risk
  - price risk in interest-rate positions, calculated as a parallel shift assuming a change in market interest rates of 100bp
- Equity risk (VaR)
  - risk related to equities, calculated as VaR, comprise all equities including listed, unlisted and private equity

EURm, end of period	Q1/04	Q4/03
Interest rate risk	178	98
Equity risk (VaR)	53	49

- Active use of risk limits in Q1

# Balance sheet

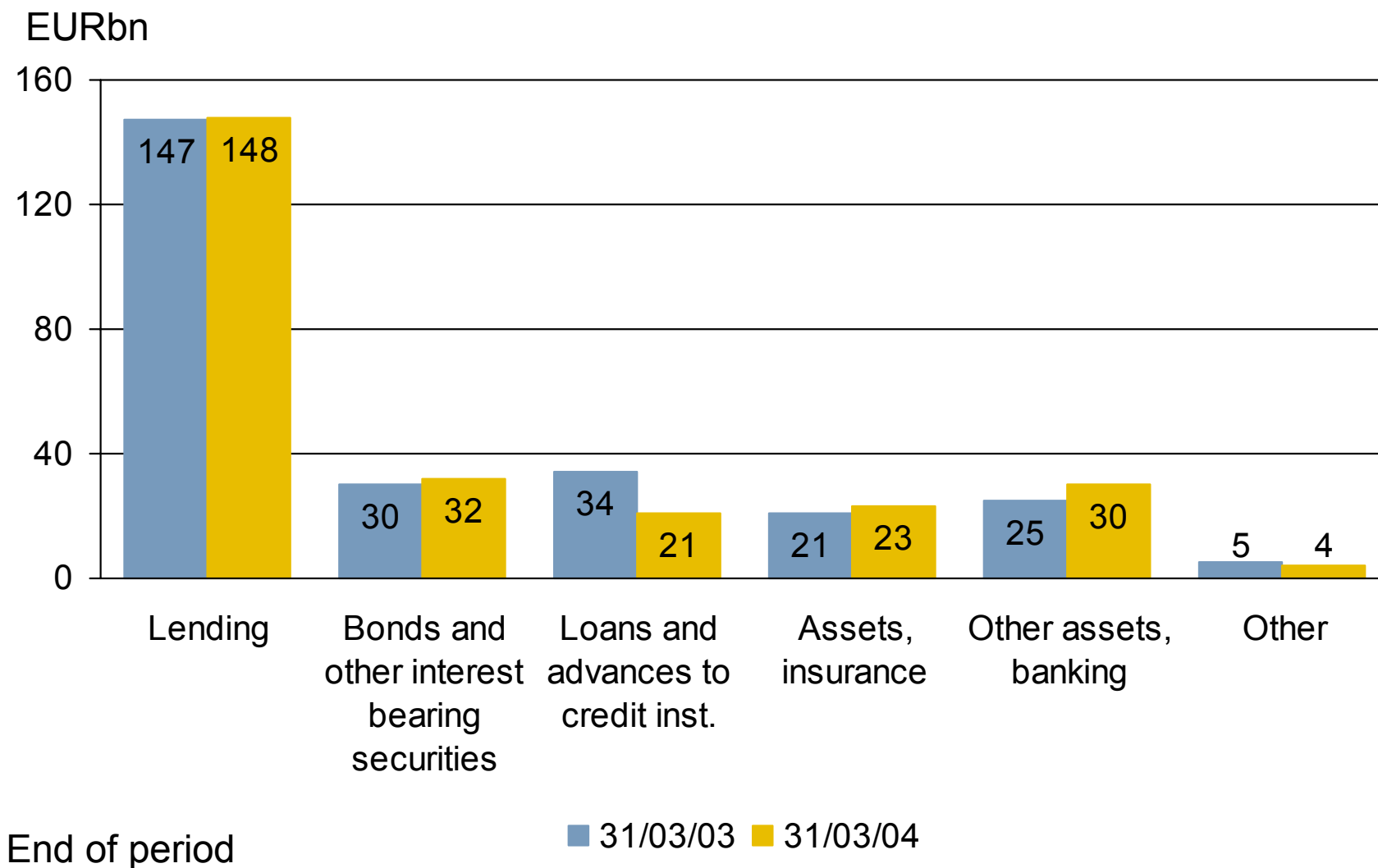


## Balance sheet - key items

EURm	Q1/04	Q4/03	Q1/03	Change, 12 months %
Lending	147,979	145,644	147,009	1
Deposits	92,149	95,556	94,600	-3
Shareholders' equity	11,262	12,177	12,145	-7
Total assets	257,592	262,190	261,938	-2
Risk-weighted assets	135,175	134,396	136,646	-1

End of period

## Balance sheet structure - assets



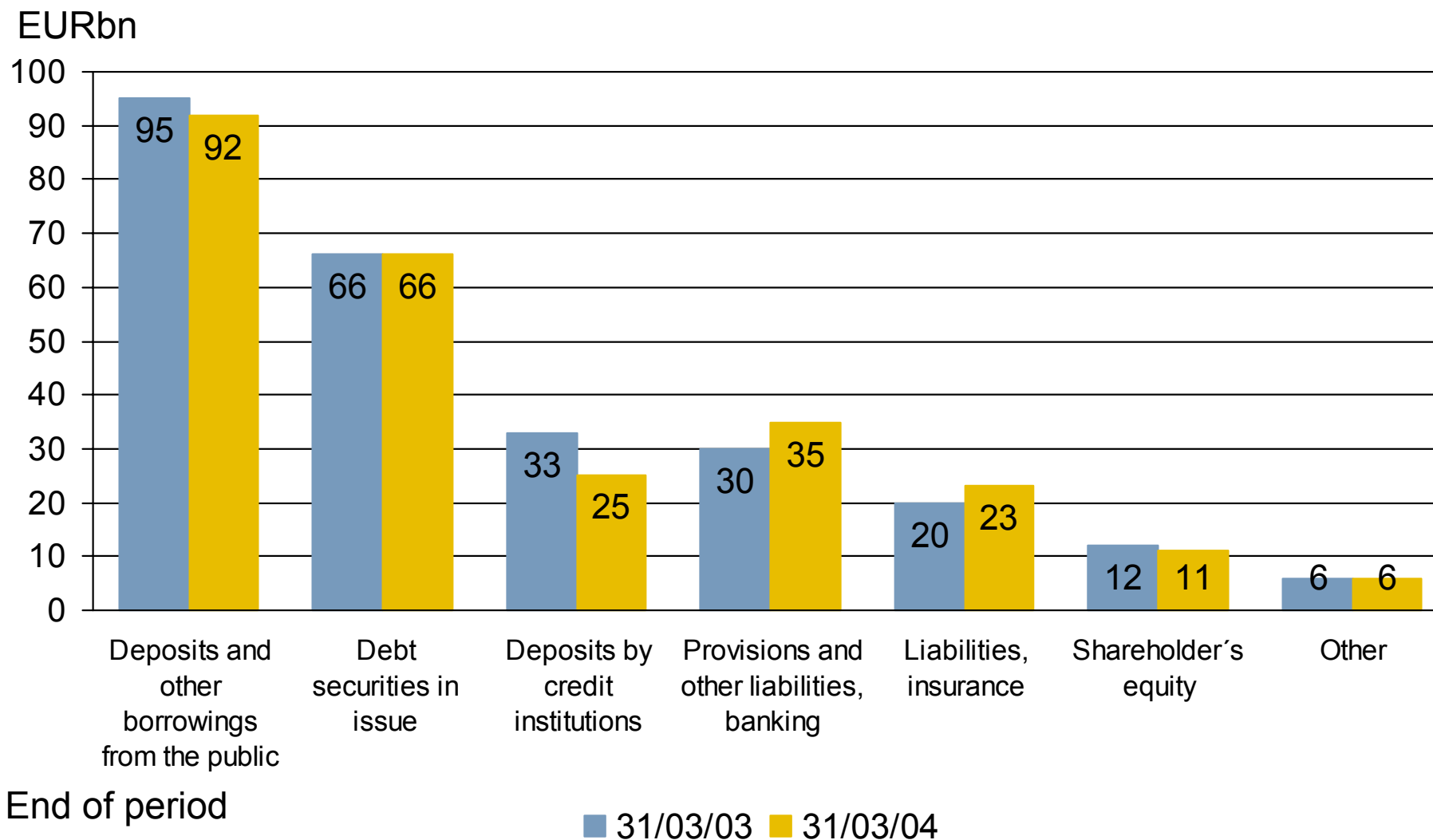
## Real estate holdings

Book value. EURbn	Q1/04	2003	2002	2001	2000
Owner occupied properties	0.4	0.4	1.2	1.5	1.4
Non owner occupied properties	0.1	0.1	0.2	0.3	0.6
Shares in real estate holding companies	0.1	0.2	0.4	0.3	0.4
Investments of the insurance companies	2.1	2.1	1.9	2.0	1.6
<b>Total</b>	<b>2.7</b>	<b>2.8</b>	<b>3.7</b>	<b>4.1</b>	<b>4.0</b>

End of period

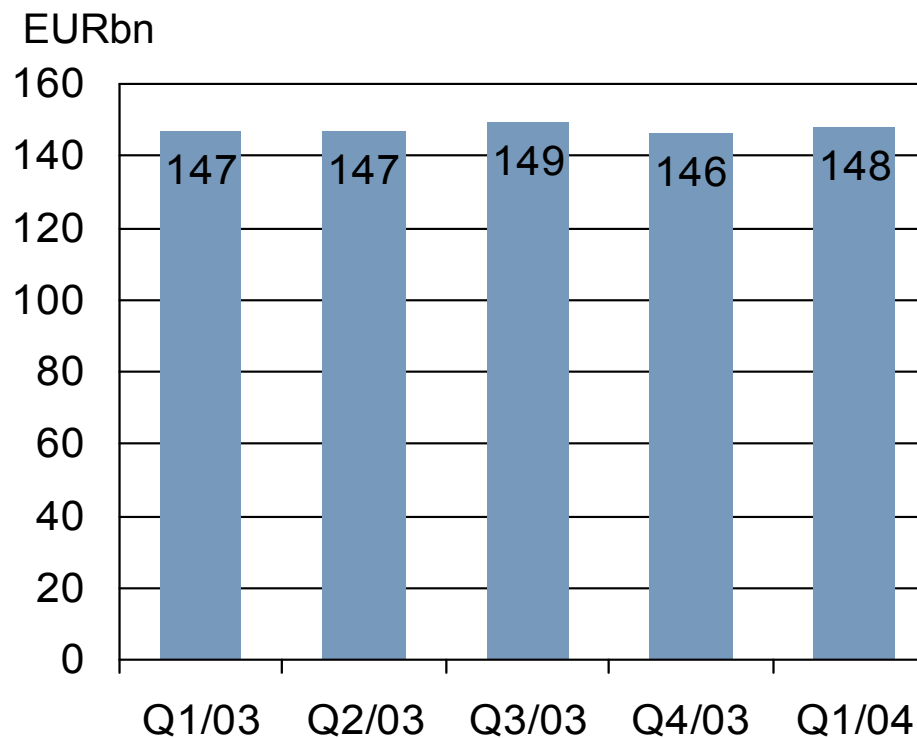


## Balance sheet structure – liabilities and equity

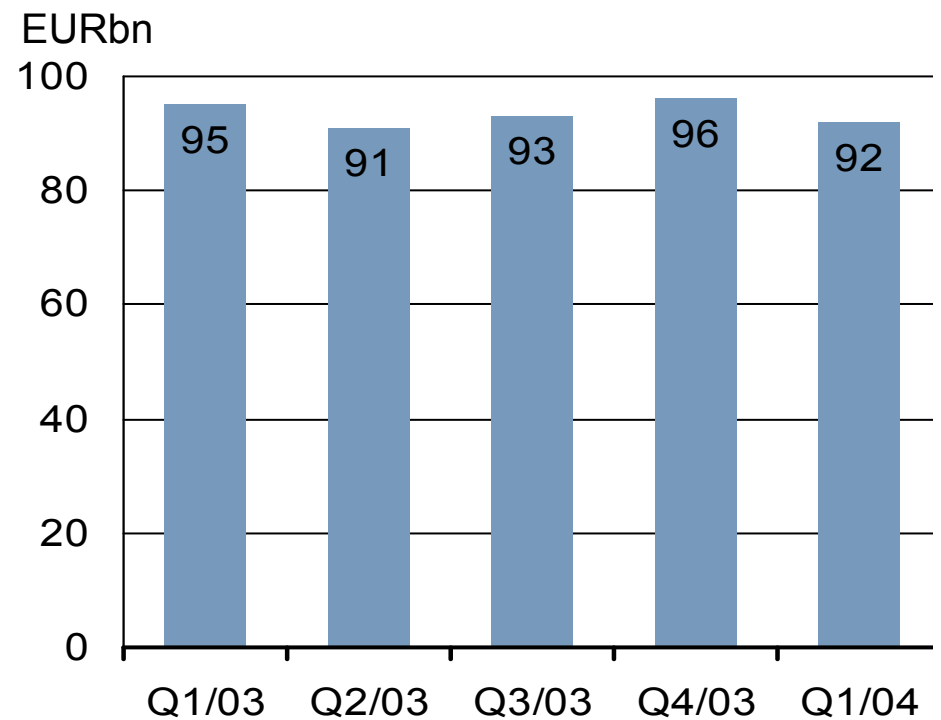


# Lending and deposits

Lending



Deposits



End of period

# Capital base

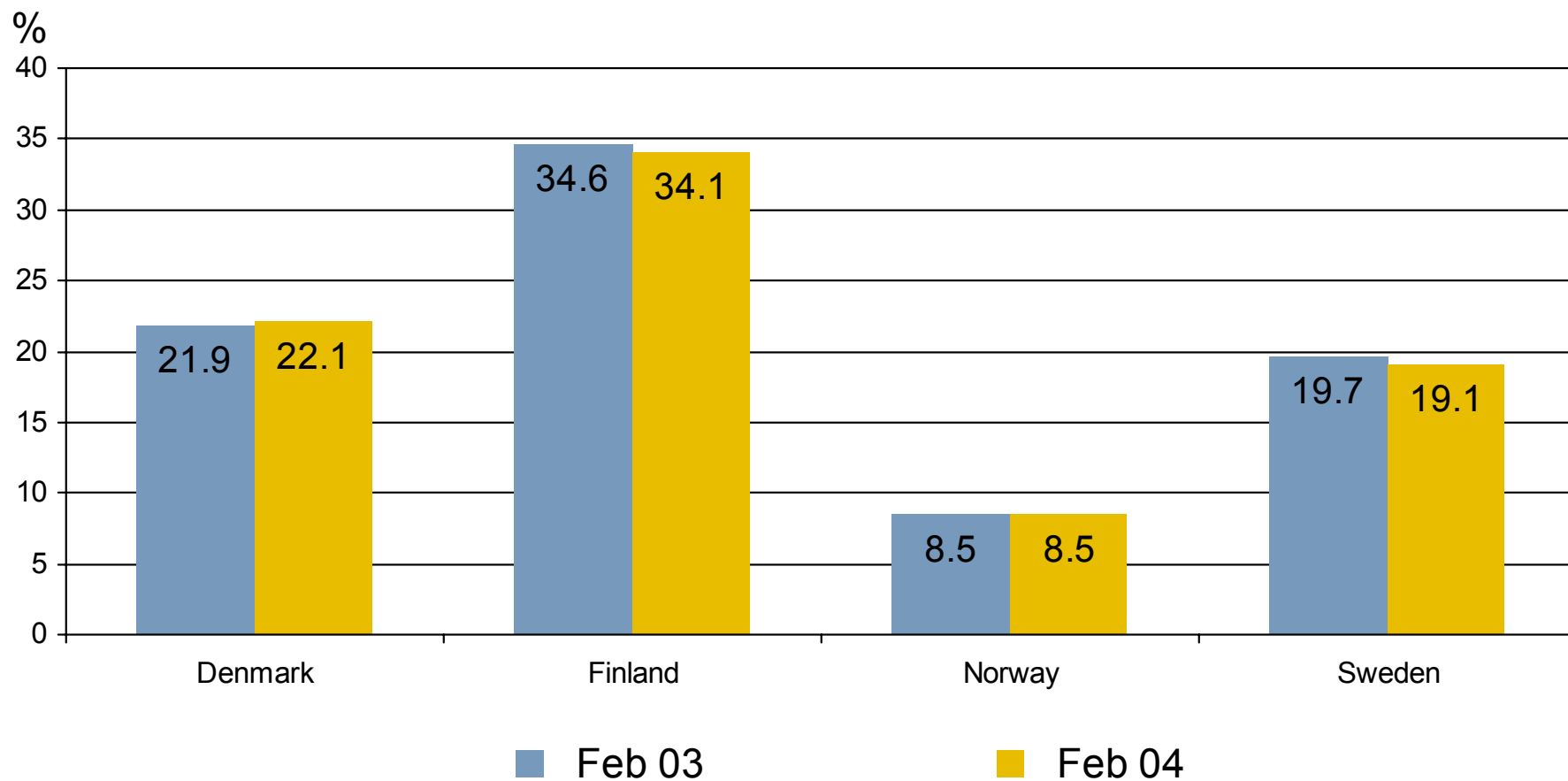
EURm	End of Q1/04
Shareholders' equity	11,262
Deductions insurance companies and other	-769
Shareholders' equity in the capital base	10,493
Hybrid capital	285
Minority interests	6
Group goodwill	-1,721
Other deductions	-62
<b>TIER 1 Capital</b>	<b>9,002</b>
TIER 2 Capital (subordinated debt)	5,053
Deductions for investments in insurance companies	-1,441
Deductions for other investments	-263
<b>Capital base</b>	<b>12,351</b>

# Market shares

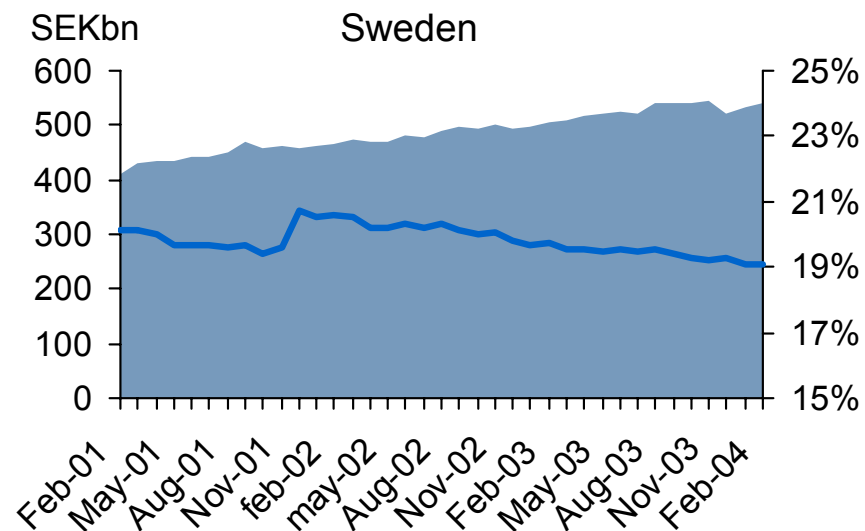
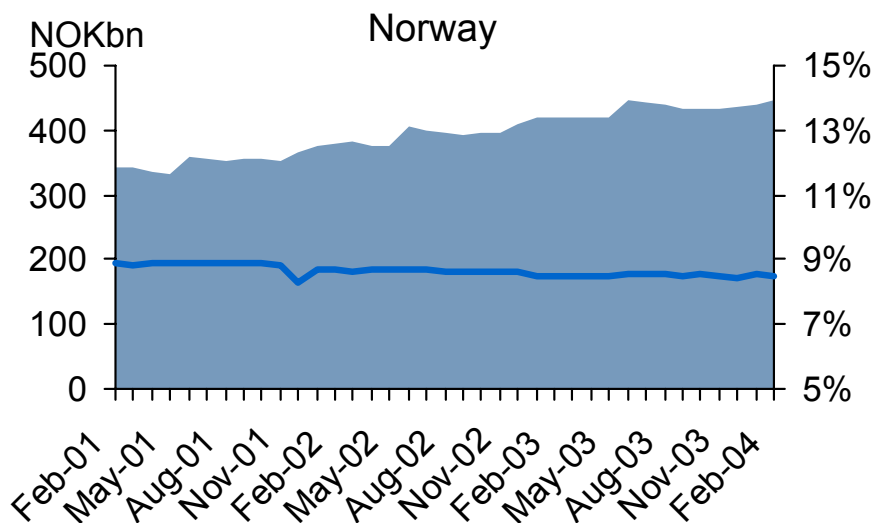
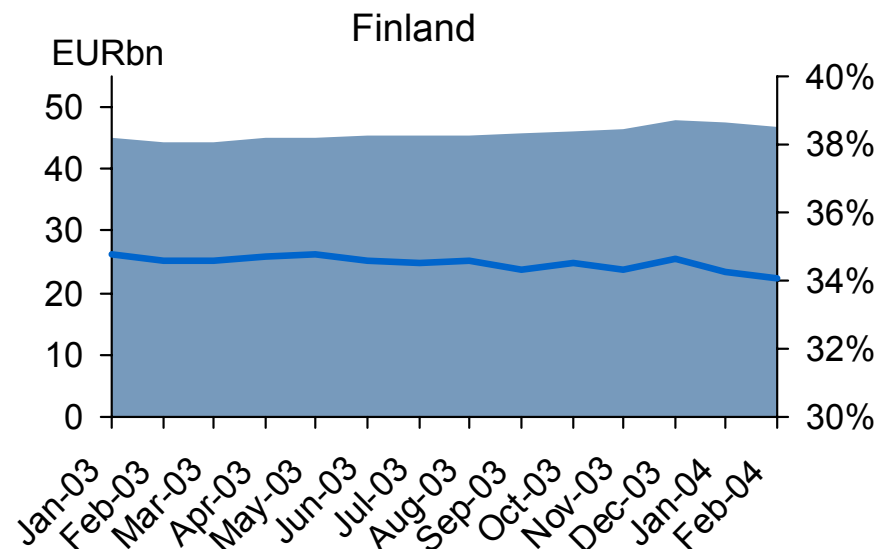
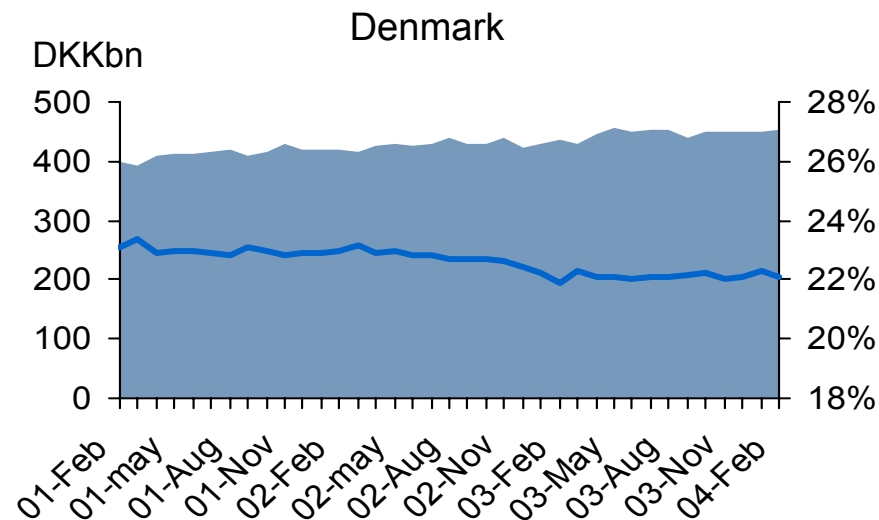
\* Statistics as of February 2004



## Market shares, personal customer deposits



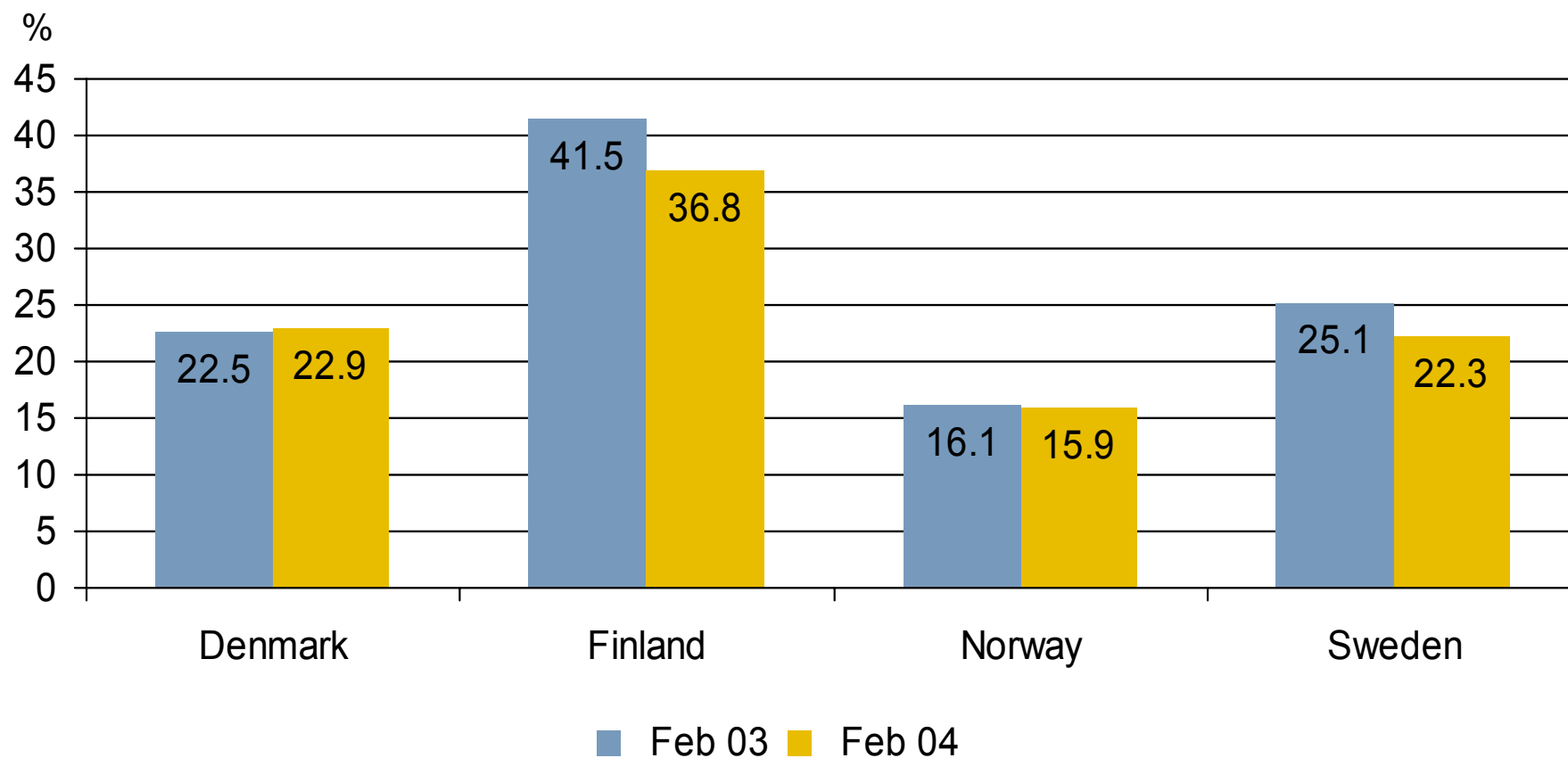
# Personal customer deposits - market volume & share



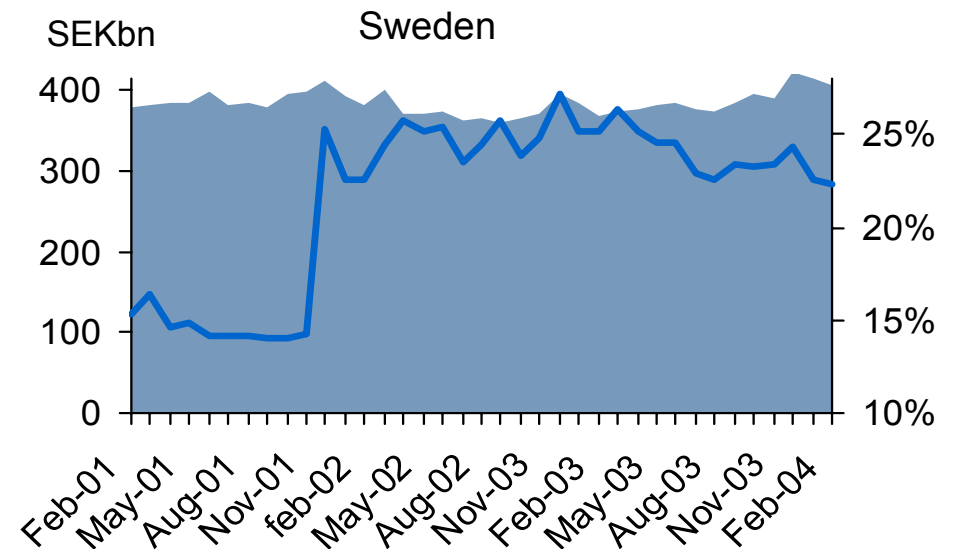
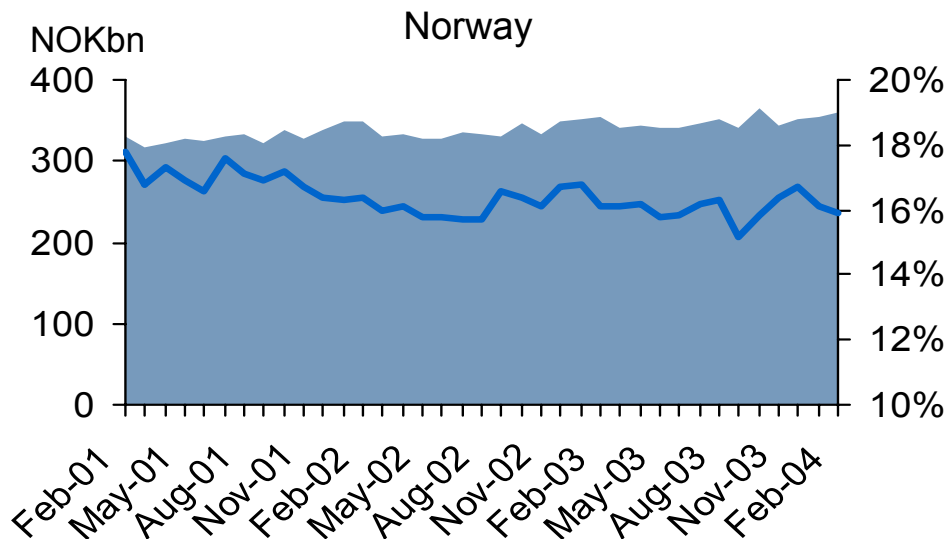
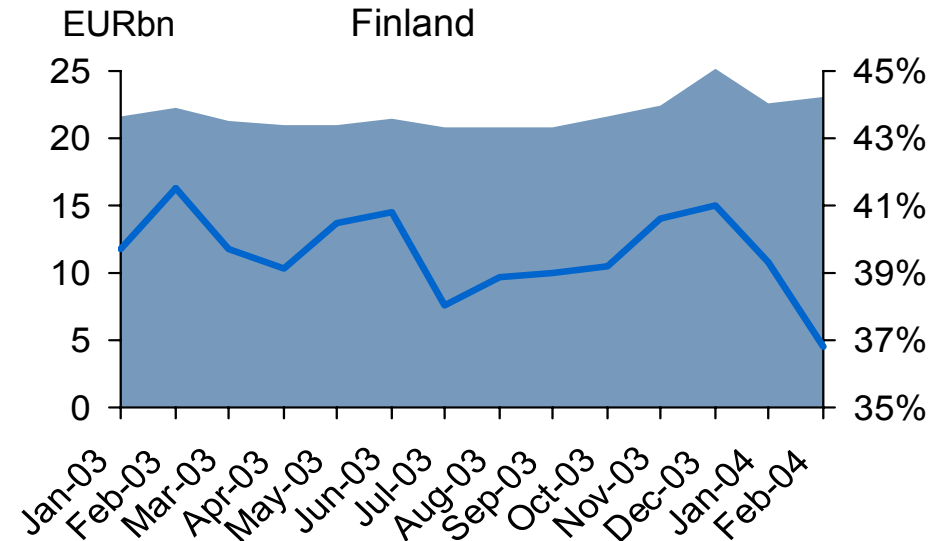
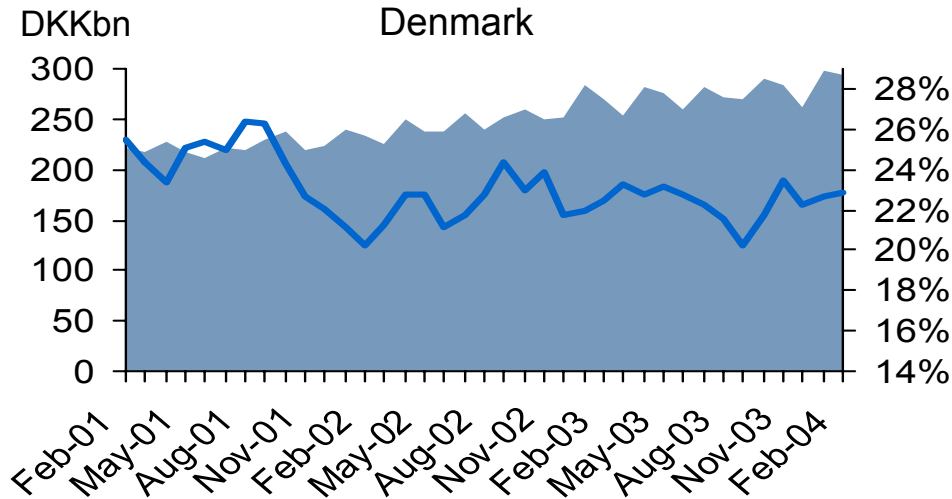
Market volume

Market share

## Market shares, corporate deposits



# Corporate deposits - market volume & share

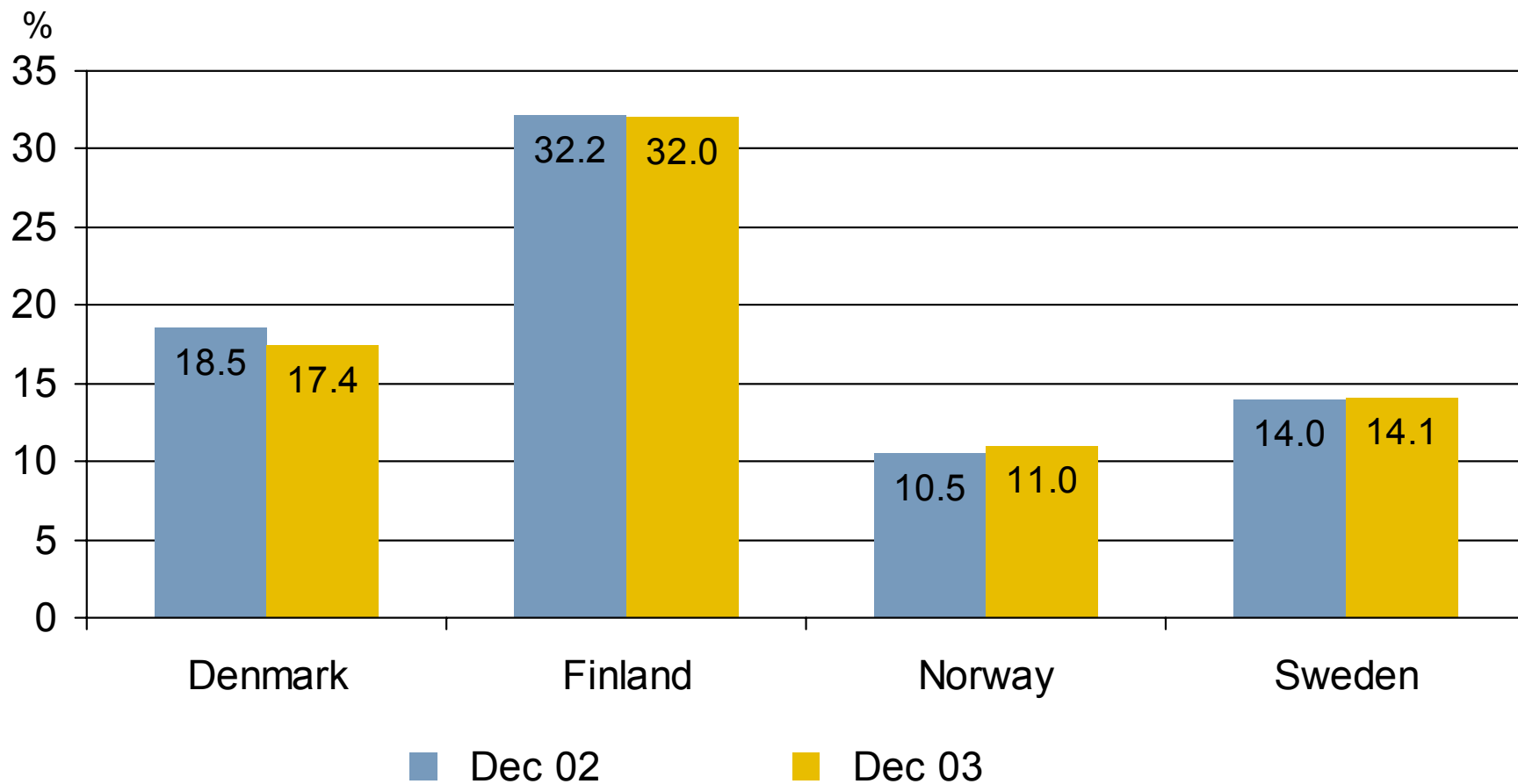


Market volume

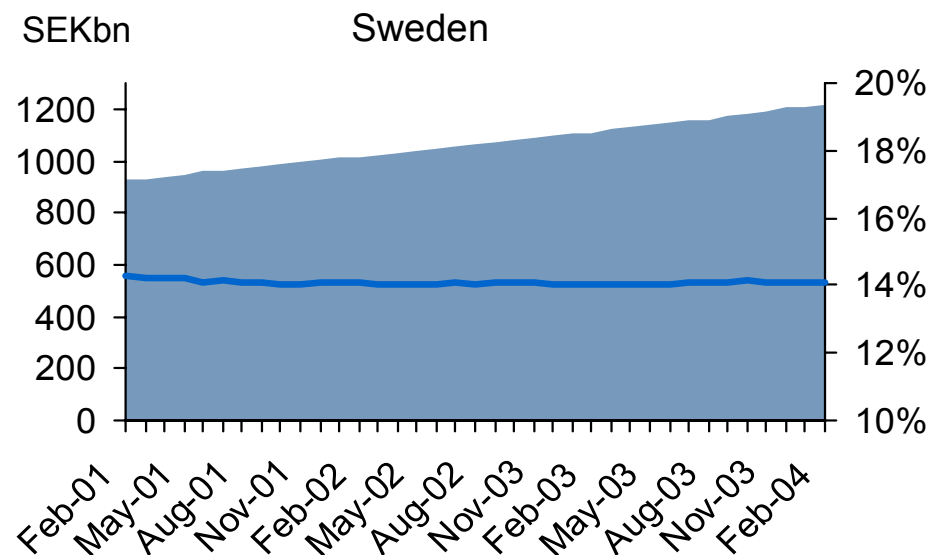
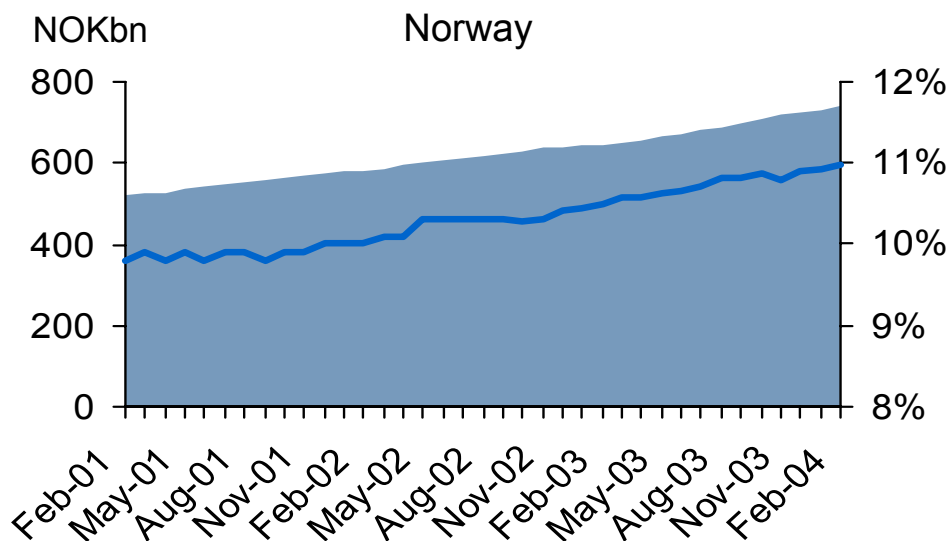
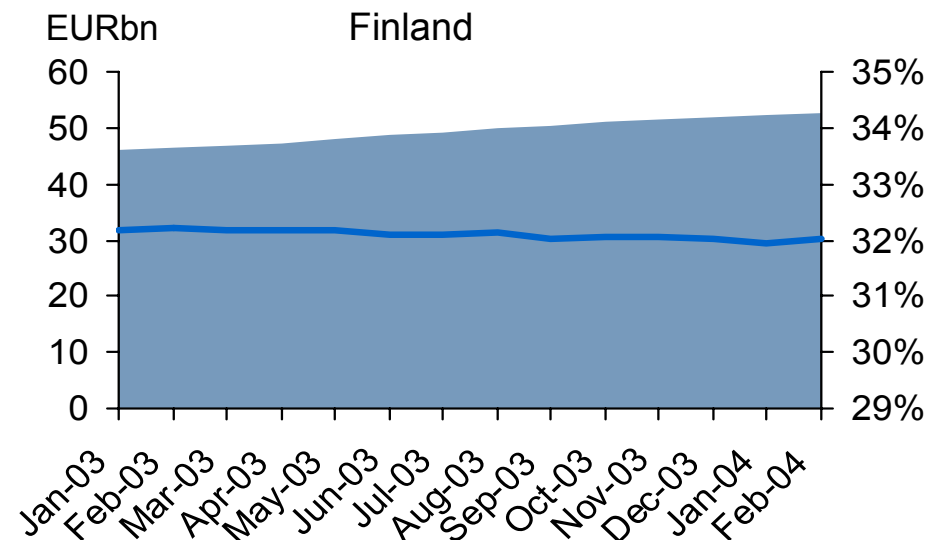
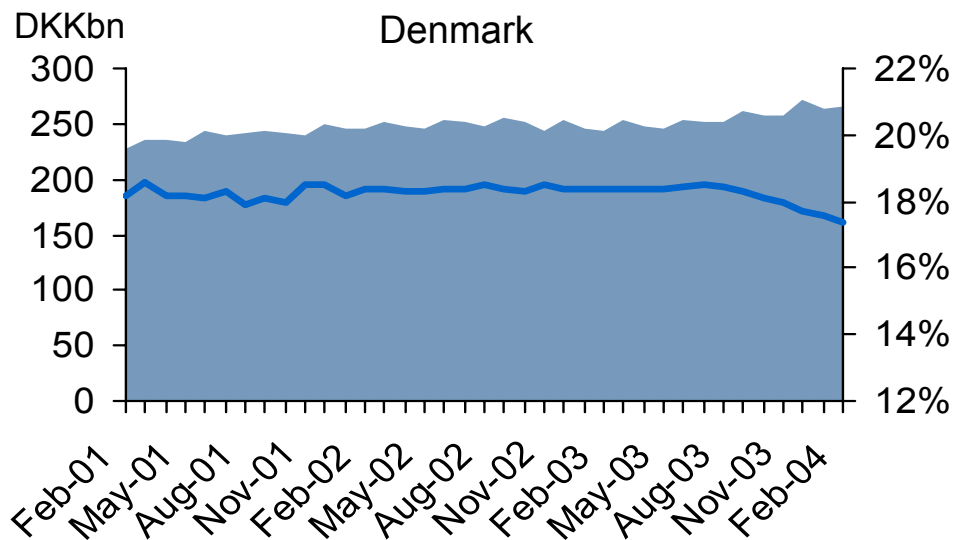
Market share



## Market shares, personal customer lending



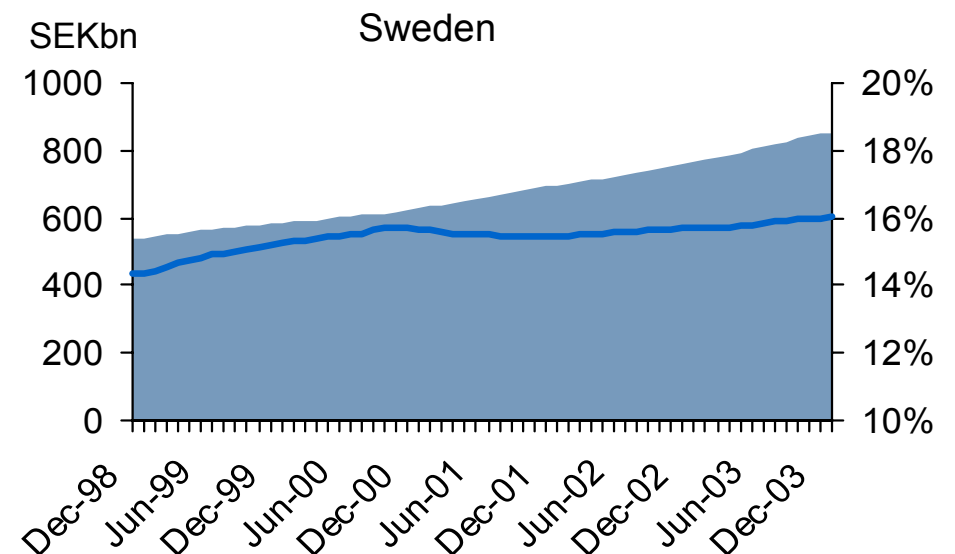
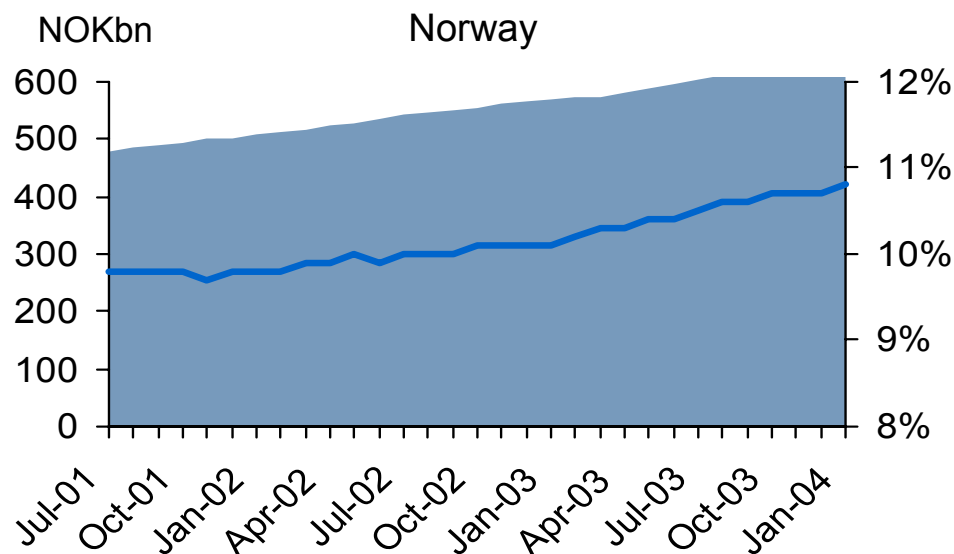
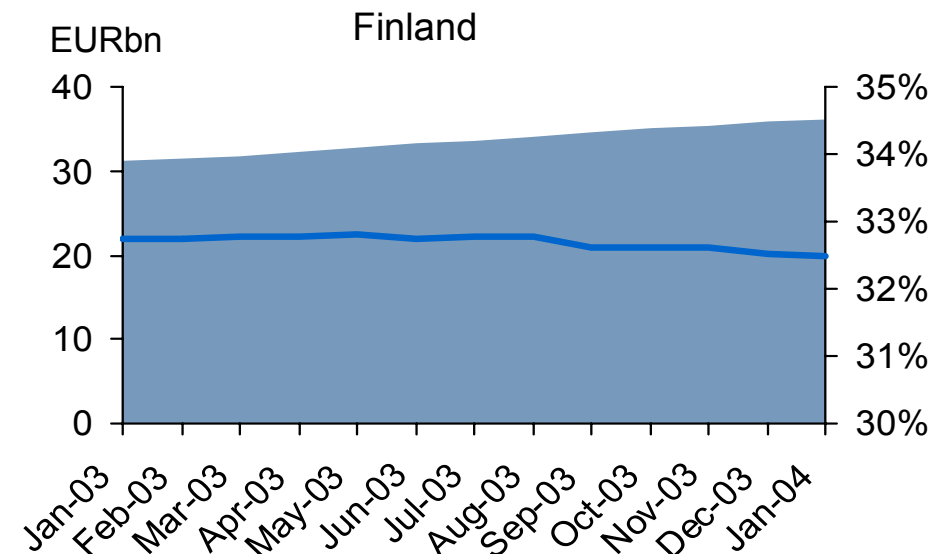
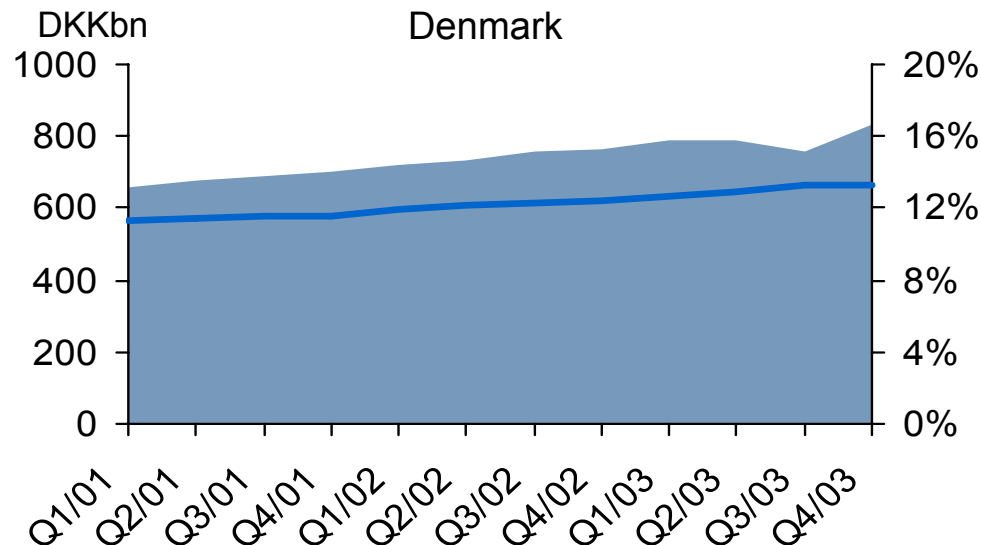
# Personal customer lending - market volume & share



Market volume

Market share

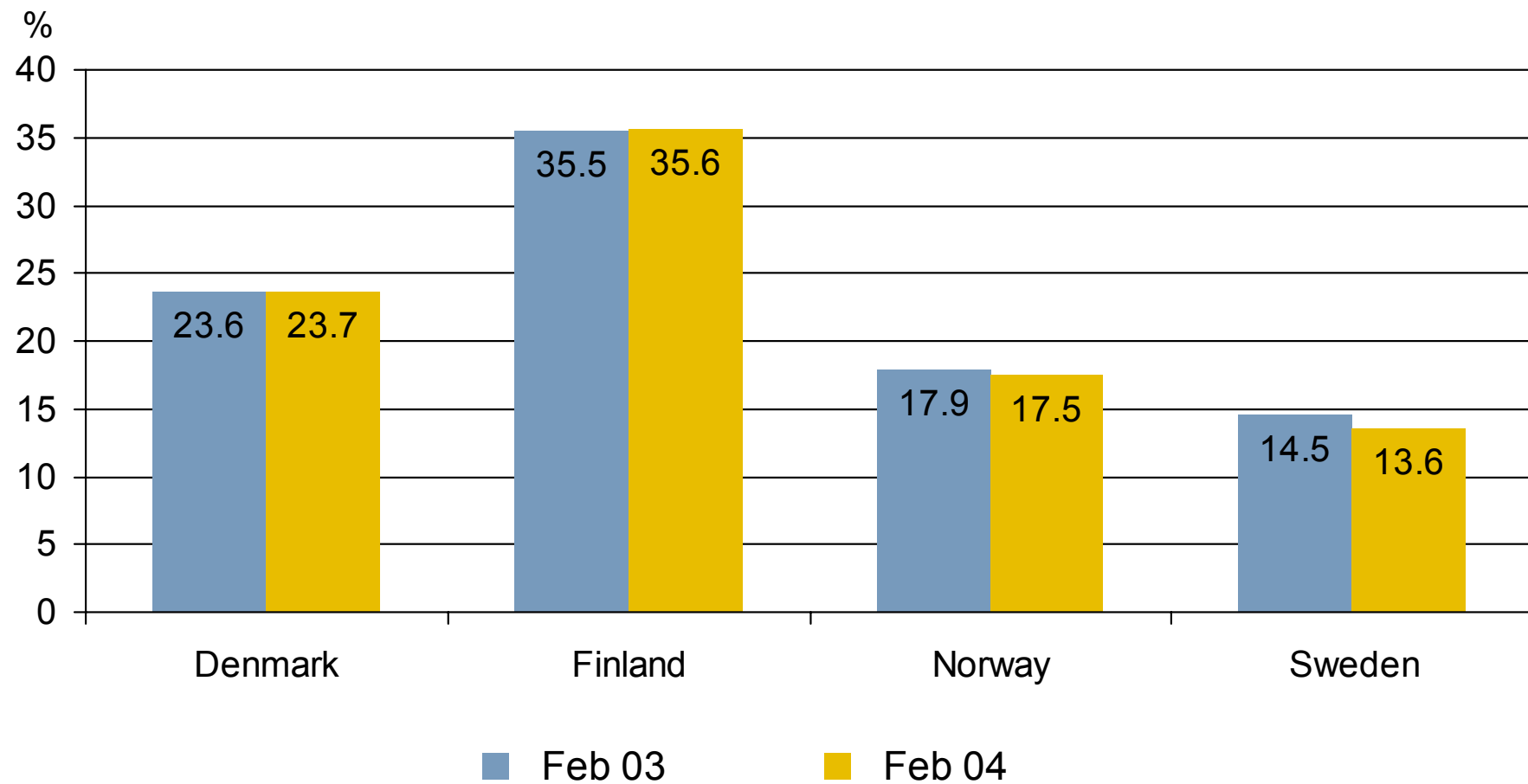
# Mortgage lending households - market volume & share



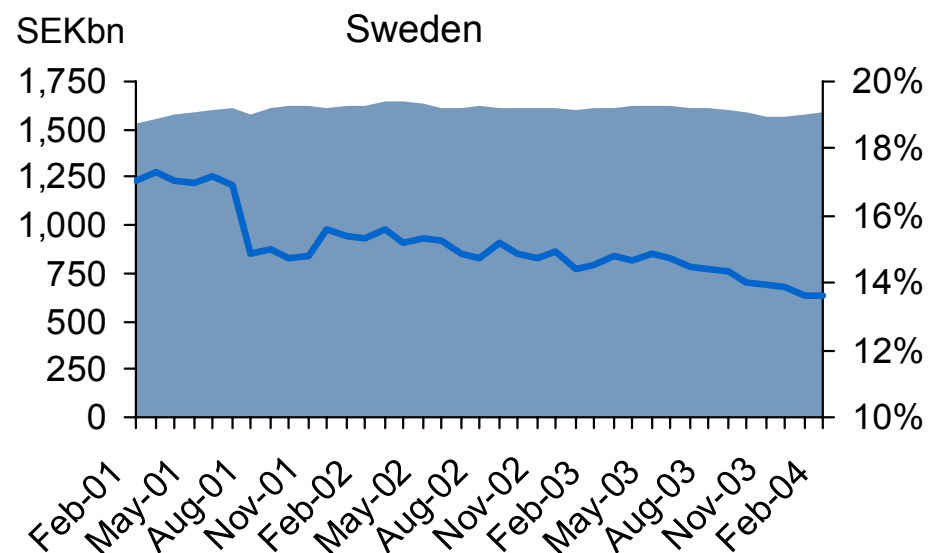
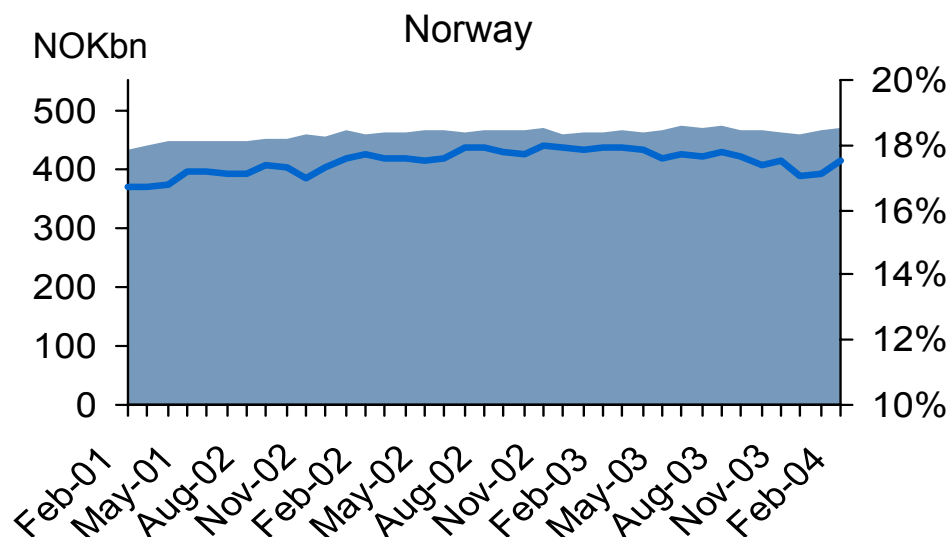
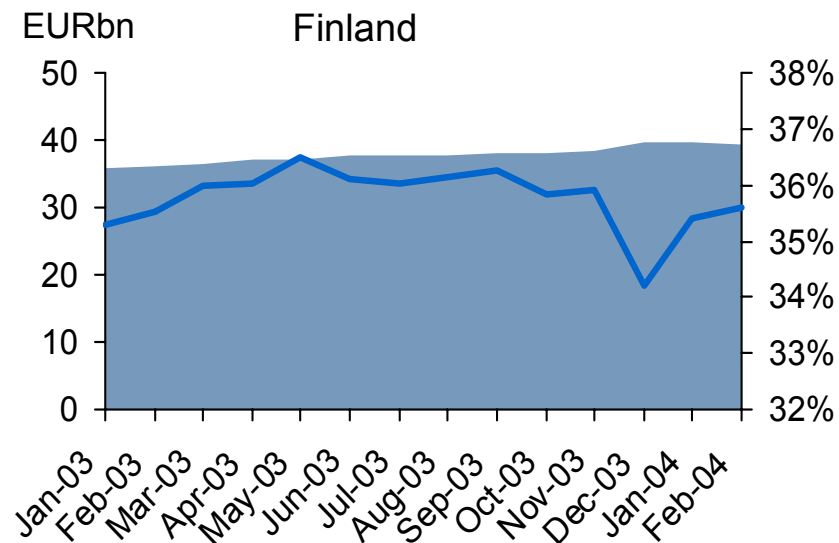
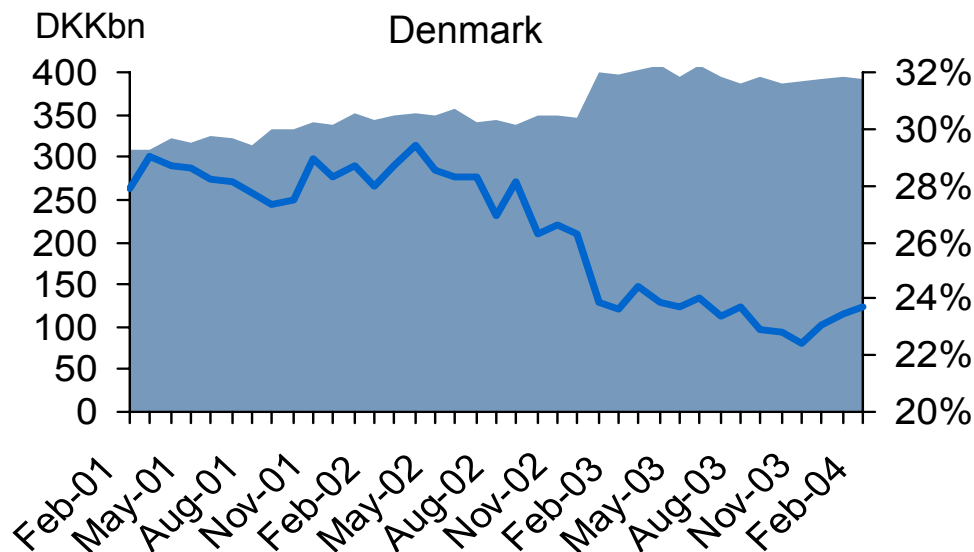
Market volume

Market share

## Market shares, corporate lending



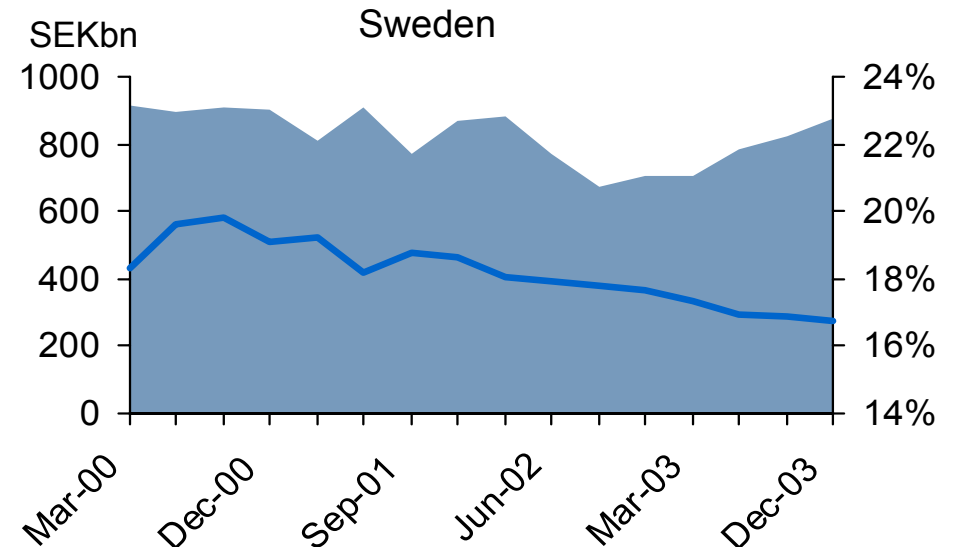
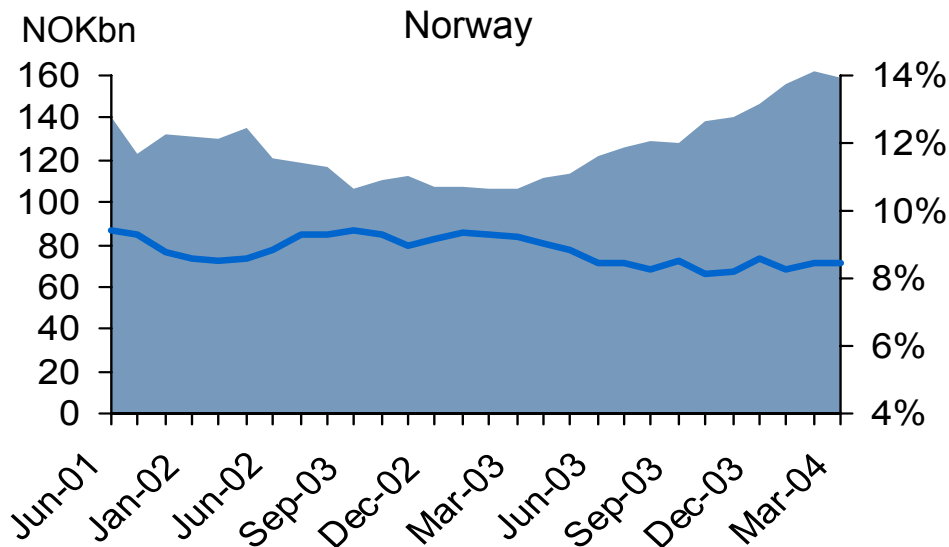
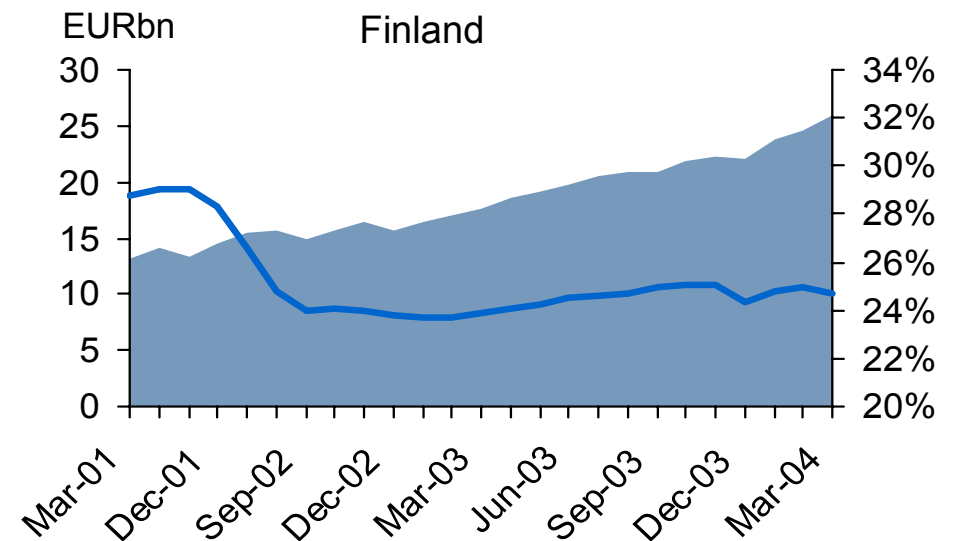
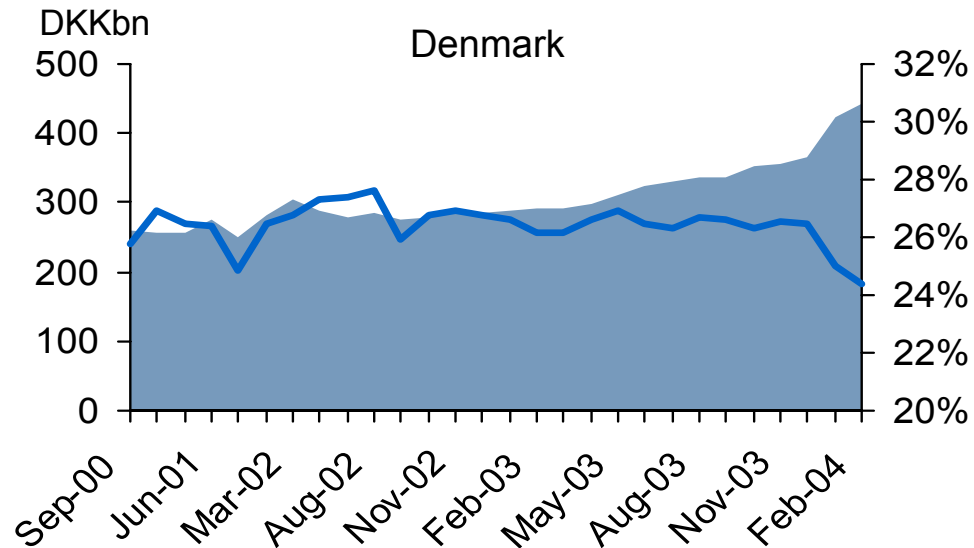
# Corporate lending - market volume & share



Market volume

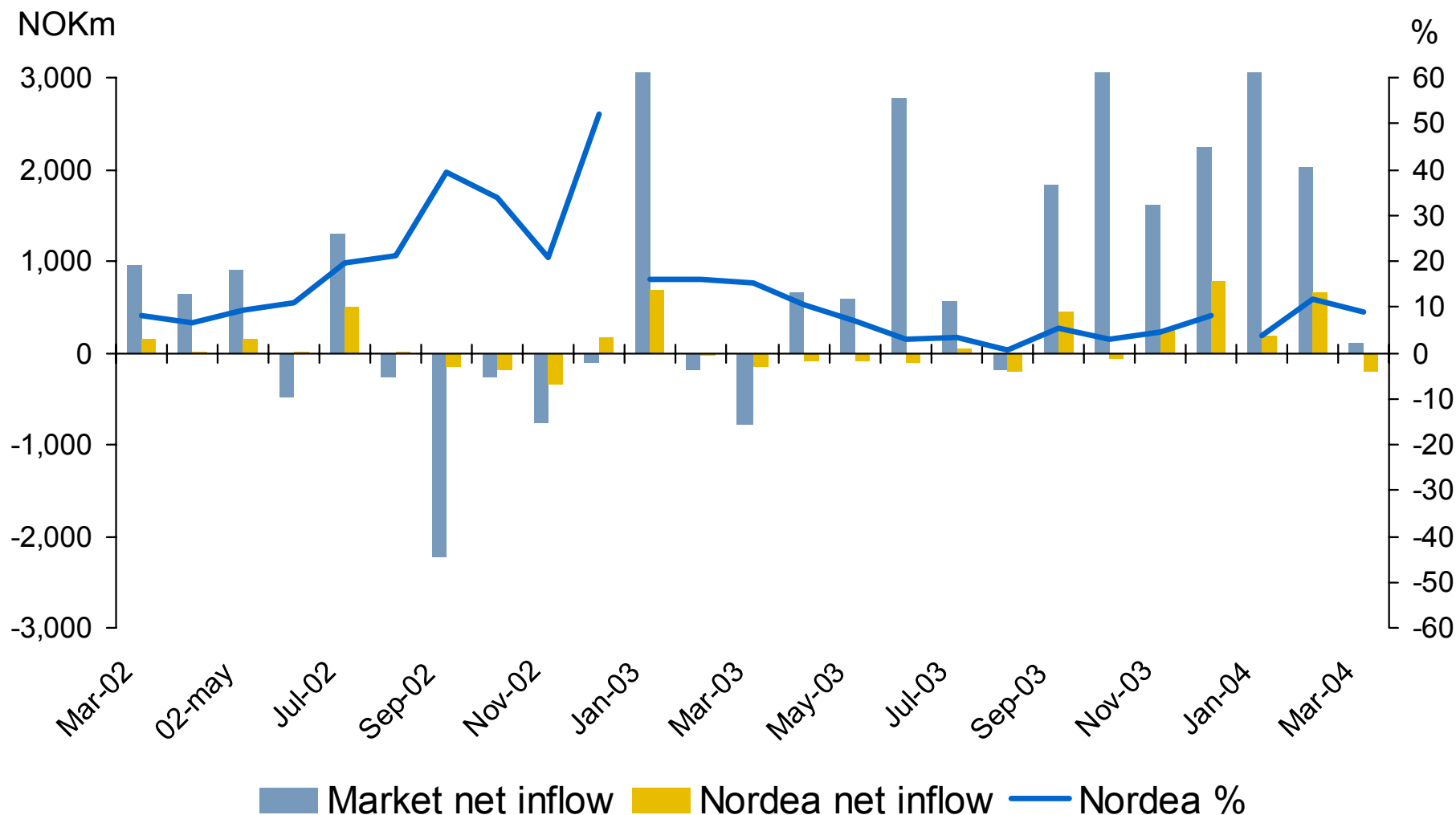
Market share

# Investment funds - market volume & share



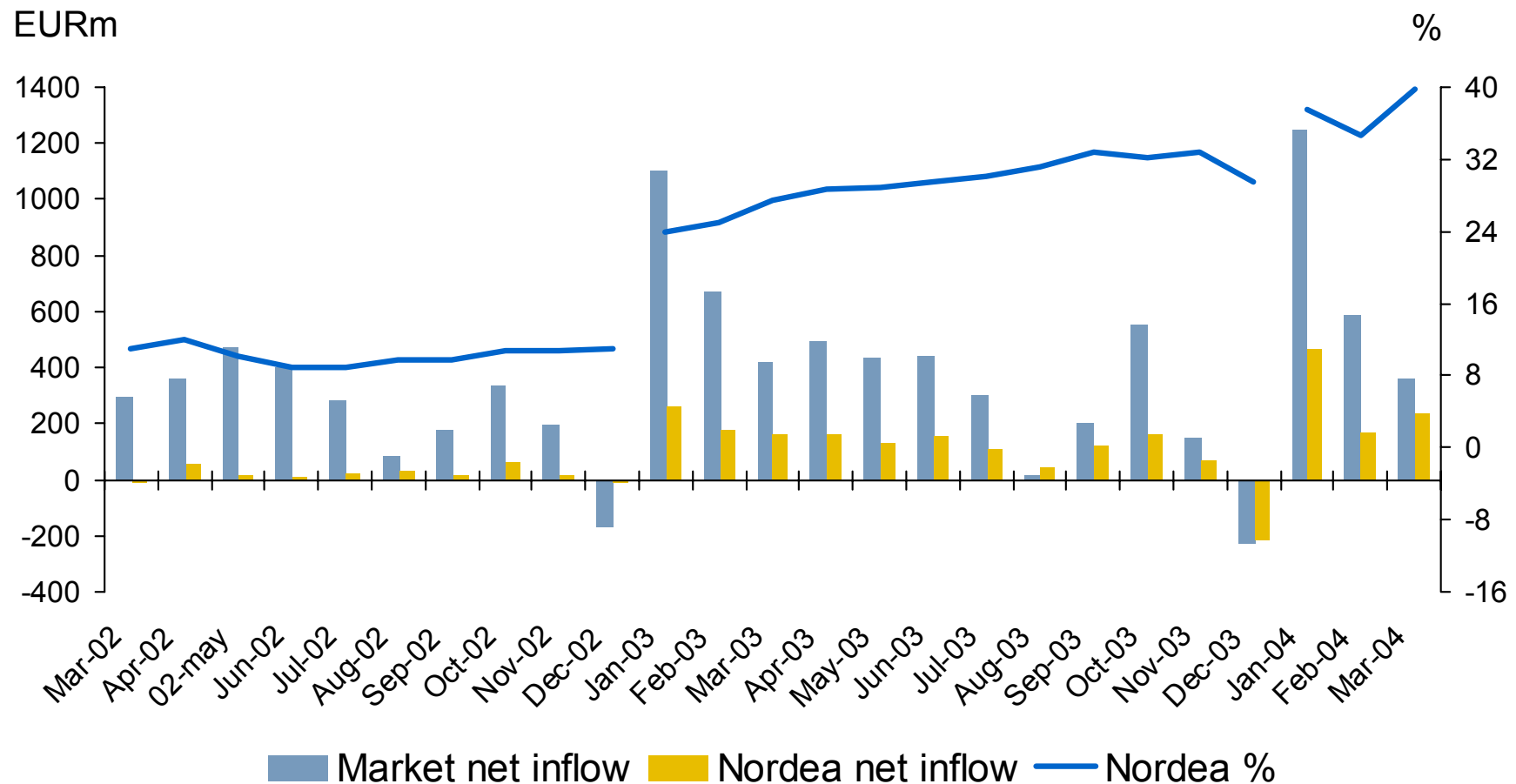
# Investment funds, net inflow, Norway

Market volume, Nordea volume, and accumulated market share ytd



# Investment funds, net inflow, Finland

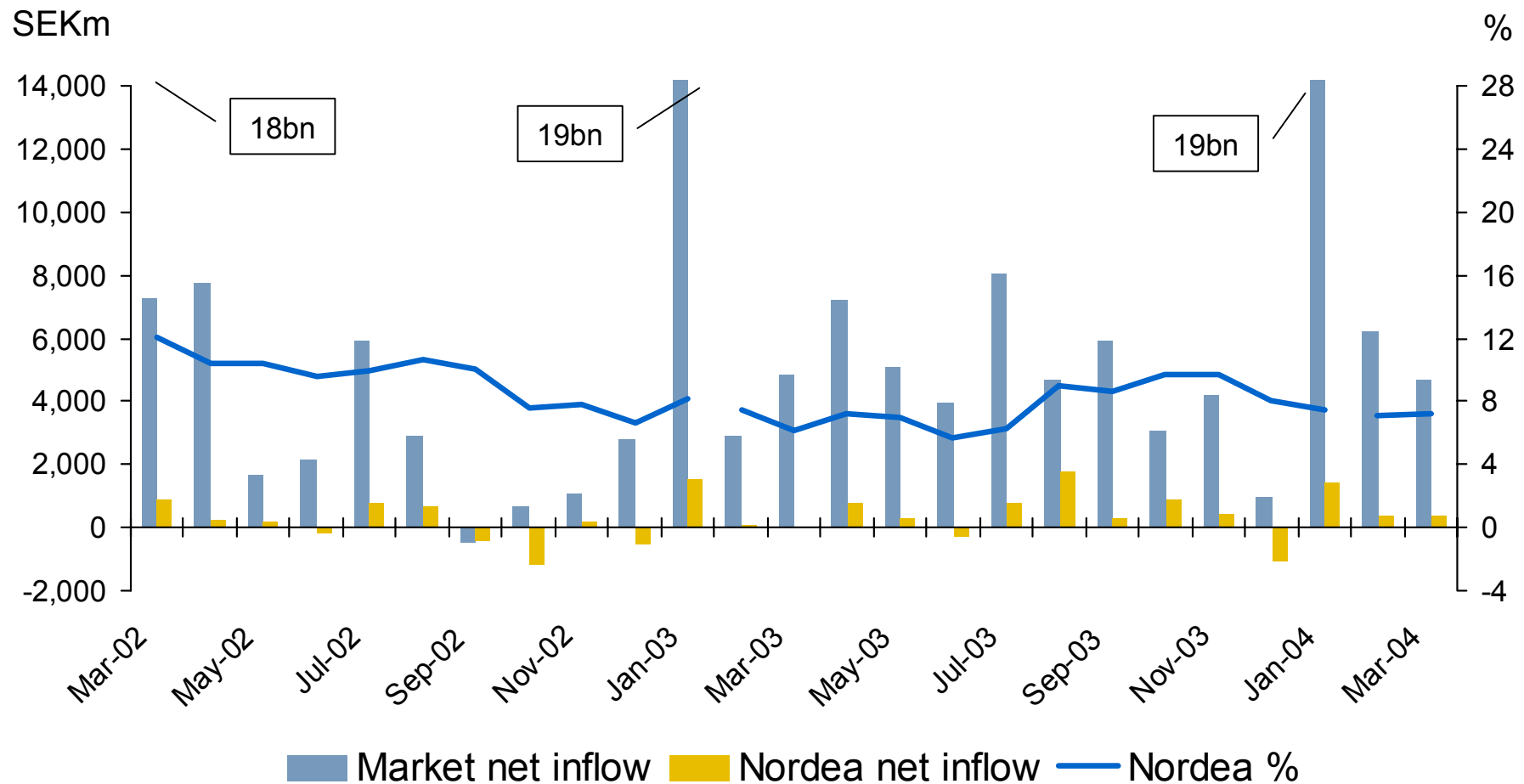
Market volume, Nordea volume, and accumulated market share ytd



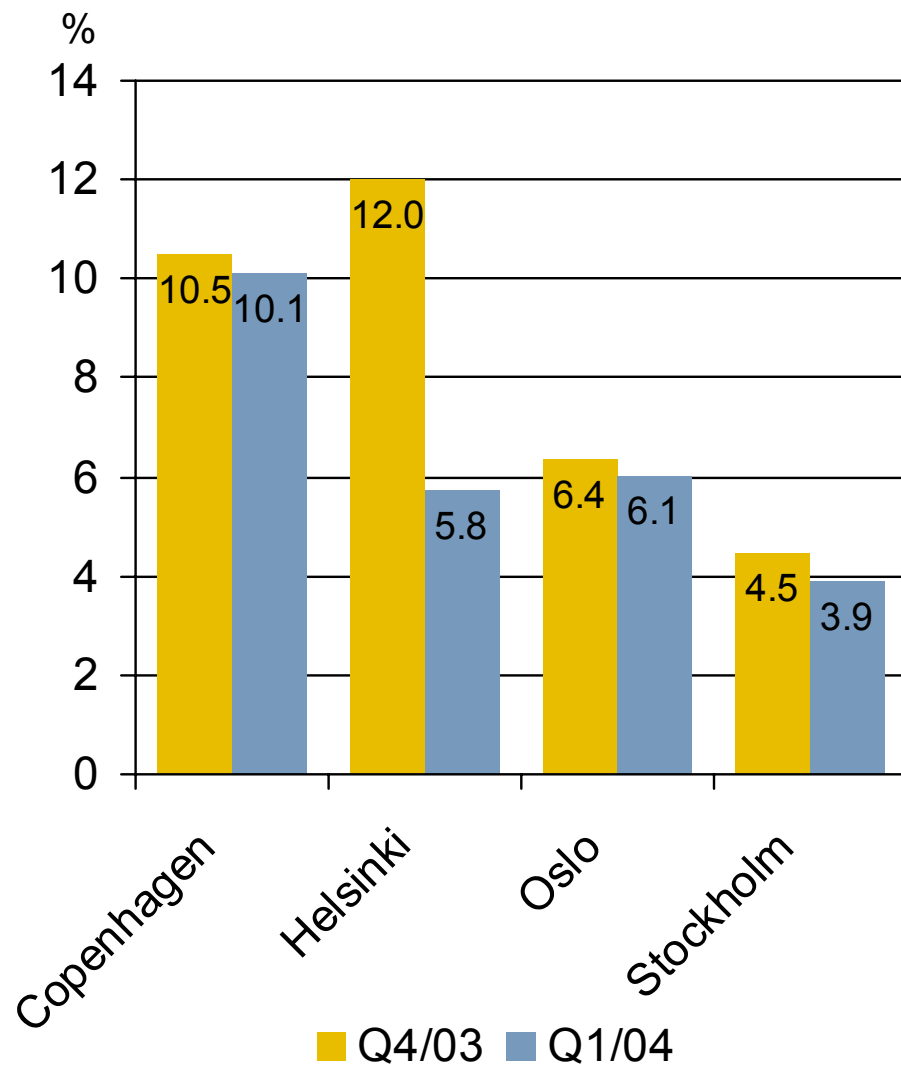


# Investment funds, net inflow, Sweden

Market volume, Nordea volume, and accumulated market share ytd



# Market share, equity dealing - Nordea Securities



## Equity market turnover EURbn

	Q1/04	Q4/03
Denmark	23.4	17.1
Finland	56.5	37.6
Norway	27.1	19.6
Sweden	115.6	77.0

## Appendix

- Financials Page 148
- Nordea share Page 158
- Other Page 165
- Macro statistics Page 170



# Appendix

- Financials



# Pension obligations

- RR29/IAS19 implemented 1 January 2004
  - defined benefit plans reflected on balance sheet

<b>Pension Obligation, national GAAP, net liability</b>	<b>EUR 298m</b>
<b>Effect of implementation of RR29/IAS19</b>	<b>EUR 256m*</b>
<b>Net liability 1 January 2004</b>	<b>EUR 554m</b>

\*EUR 183m adjustment of equity (after tax)

- No material pension obligations off balance sheet
- Pension costs going forward largely unchanged

# Operational income statement

EURm	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03
Net interest income	846	850	838	843	835
Net commission income	397	388	379	366	353
Trading income	156	125	130	155	157
Other income	22	36	56	99	29
Total income	1,421	1,399	1,403	1,463	1,374
Personnel expenses	-488	-511	-531	-539	-520
Profit sharing	-15	-46	-	-	-
Other expenses	-370	-416	-350	-363	-397
Total expenses	-873	-973	-881	-902	-917
Profit before loan losses	548	426	522	561	457
Loan losses, net	-42	-84	-89	-92	-98
Equity method	9	14	10	19	14
Profit before inv. earnings and insurance	515	356	443	488	373
Investment earnings, banking	62	33	27	81	29
Operating profit, life Insurance	47	40	40	50	19
Goodwill depreciation	-40	-46	-40	-40	-41
Operating profit	584	383	470	579	380

# Statutory income statement

EURm	Q1/04	Q1/03
Interest income	1,980	2,539
Interest expenses	-1,116	-1,620
Net interest income	864	919
Dividends received	4	10
Net commission income	407	363
Net result from financial operations	195	85
Other income	17	29
<b>Total income</b>	<b>1,487</b>	<b>1,406</b>
General administrative expenses		
Personnel expenses	-497	-518
Other administrative expenses	-329	-359
Depreciation, amortisation and write-down of tangible and intangible fixed assets	-78	-75
Real estate sales and write downs, net	-	0
<b>Total operating expenses</b>	<b>-904</b>	<b>-952</b>
Profit before loan losses	583	454
Loan losses, net	-43	-102
Change in value of property taken over for protection of claims	1	4
Write-downs on securities held as financial fixed assets	0	0
Profit from companies accounted for under the equity method	9	14
Operating profit, banking	550	370
Operating profit, insurance	41	13
<b>Total operating profit</b>	<b>591</b>	<b>383</b>
Pension adjustments	-7	-3
Taxes	-165	-124
Minority interest	-1	-1
<b>Net profit</b>	<b>418</b>	<b>255</b>

# Reconciliation of operational and statutory accounts

EURm	Operational Q1/04	Trading income	Investment activities	Insurance	Other adjustment	Statutory Q1/03	
Net interest income	846	27 1)	-9 6)			864	
Dividends received		2 4)	2 9)			4	
Commission income	397	10 2)				407	
Trading	156	-156 5)					
Net result from financial operations		122 3)	73 7)			195	
Other income	22	-5 4)				17	
Total income	1,421	0	66	0	0	1,487	
Personnel expenses	-488		-1 9)		-8 11,16)	-497	
Profit sharing	-15				15 16)		
Other expenses	-370		-3 9)		44	-329	
Depreciation according to plan					-78 12,13)	-78	
Total expenses	-873	0	-4	0	-27	-904	
Profit before Loan losses	548	0	62		-27	583	
Loan losses, net	-42				-1 14)	-43	
Change in value of property taken over					1 14)	1	
Profit from companies – equity method	9					9	
Profit excluding investment earnings	515	0	62	0	-27	550	
Investment earnings, banking	62		-62			0	
Operating profit, life insurance	47			-6 10)		41	
Goodwill depreciation	-40			6 10)	34 15)	0	
Operating profit	584	0	0	0	7	591	15)
Allocation to Pension foundation	0				-7 11)	-7	
Taxes	-165					-165	
Minority interests	-1					-1	
Net profit	418	0	0	0	0	418	15)



# Reconciliation of operational and statutory accounts

1. Net interest income from trading transactions in Nordea Markets (for example interest related to swaps etc.), reclassified as trading income in the operational accounts. Mainly customer trading.
2. Commission income in Nordea Markets, reclassified as Trading income in the operational accounts.
3. Net result from financial operations from trading transactions in Nordea Markets (foreign exchange and derivatives trading) reclassified to trading income in the operational accounts. Mainly customer trading.
4. Other income and Dividend income in Nordea Markets, reclassified to trading income in the operational accounts.
5. Trading income in the operational accounts, equals income in Nordea Markets (incl. income allocated to Business Areas), reclassified from the statutory accounts as described in 1) through 4) above.
6. Net interest income from Treasury's portfolio of certificates and bonds, reclassified as investment earnings, banking in the operational accounts.
7. Securities gains/losses on Treasury's investment portfolios (certificates, bonds and equities), reclassified from Net result from financial operations in the statutory accounts, to investment earnings, banking in the operational accounts.
8. Dividend income on equities (non-insurance portfolio), reclassified as Investment earnings in the operational accounts.
9. Costs related to investment activities, reclassified from relevant category of cost in the statutory accounts, to being reported on a net basis as part of investment earnings, banking in the operational accounts.
10. Amortisation of goodwill related to insurance included in one-line consolidation of insurance activities (Operating profit, life insurance) in the statutory accounts, reclassified to Amortisation of goodwill in the operational accounts.
11. Pension adjustments accounted for according to Swedish regulations in the statutory accounts. Reclassified to Staff costs in the Operational accounts.
12. Depreciation according to plan, including goodwill within banking is separate line in the statutory accounts. Depreciation excluding goodwill is reclassified as Other expenses in the operational accounts.
13. Depreciation of goodwill, see footnote 12) (Banking) and 10) (Insurance), shown as part of Depreciation according to plan in the statutory accounts, as opposed to separate line item in the operational accounts.
14. Change in value of property taken over in the statutory accounts, reclassified as Loan losses, net, in the operational accounts.
15. The difference between statutory accounts and operational accounts at the Total operating profit level is related to Pension adjustments (Sweden), only. There is no difference between the two at the Net profit level.
16. Profit sharing included in Staff costs in the statutory income statement

## Expenses - breakdown

EURm	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03
Staff <sup>1)</sup>	489	512	532	541	521
Profit sharing	15	46	-	-	-
Information technology <sup>2)</sup>	112	136	88	85	99
Marketing	14	27	14	23	18
Postage, telephone and office expenses	52	56	53	49	58
Rents, premises and real estate expenses	75	87	74	81	82
Other	120	112	123	128	142
Expenses	877	976	884	907	920
<i>of which investment activities <sup>3)</sup></i>	-4	-3	-3	-5	-3
Expenses	873	973	881	902	917

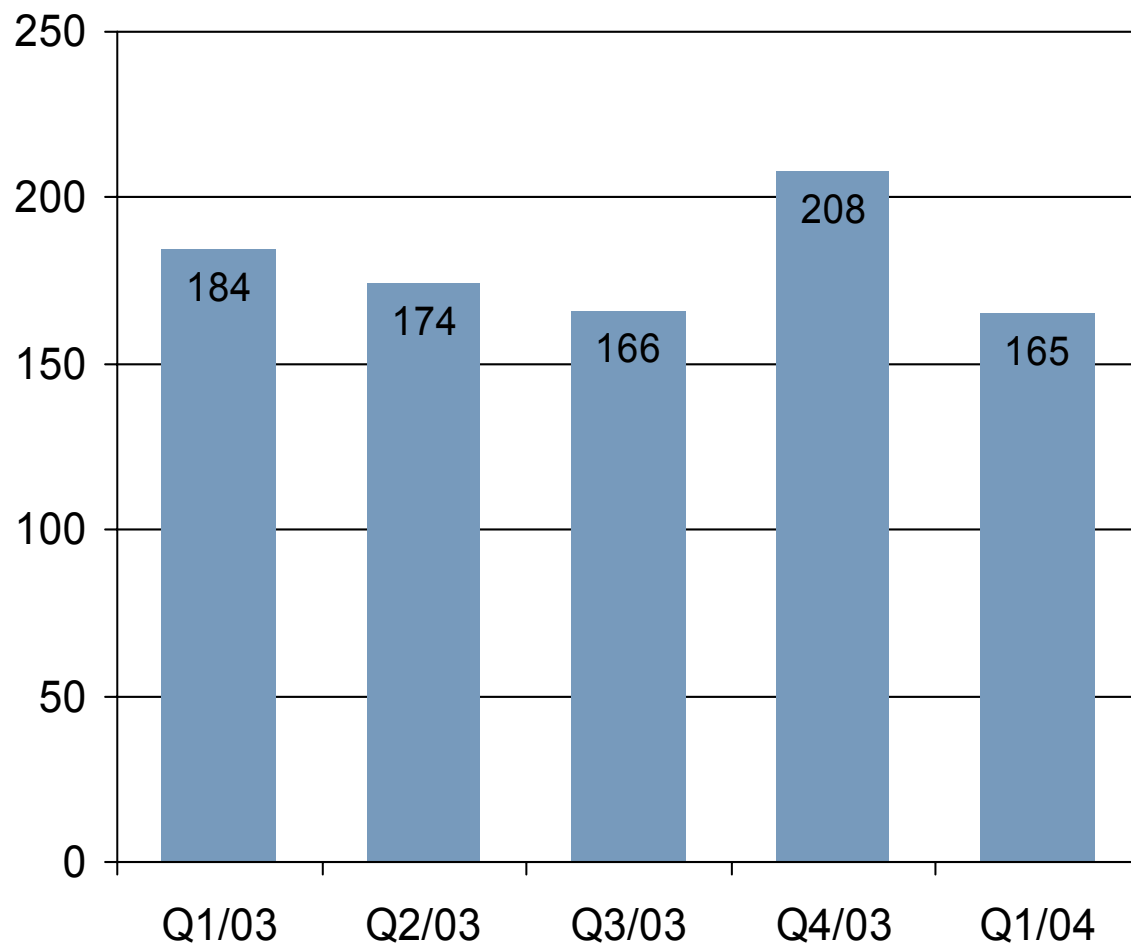
1) Variable salaries were EUR 37m in Q1 2004 (Q4 2003: EUR 28m)

2) Refers to IT operations, service expenses and consulting fees. Total IT-related costs in Q1 2004, including personnel etc were EUR 165m (Q4 2003: EUR 208m).

3) Including personnel expenses (Q1 2004 EUR 1m)

# Total IT-related expenses\*

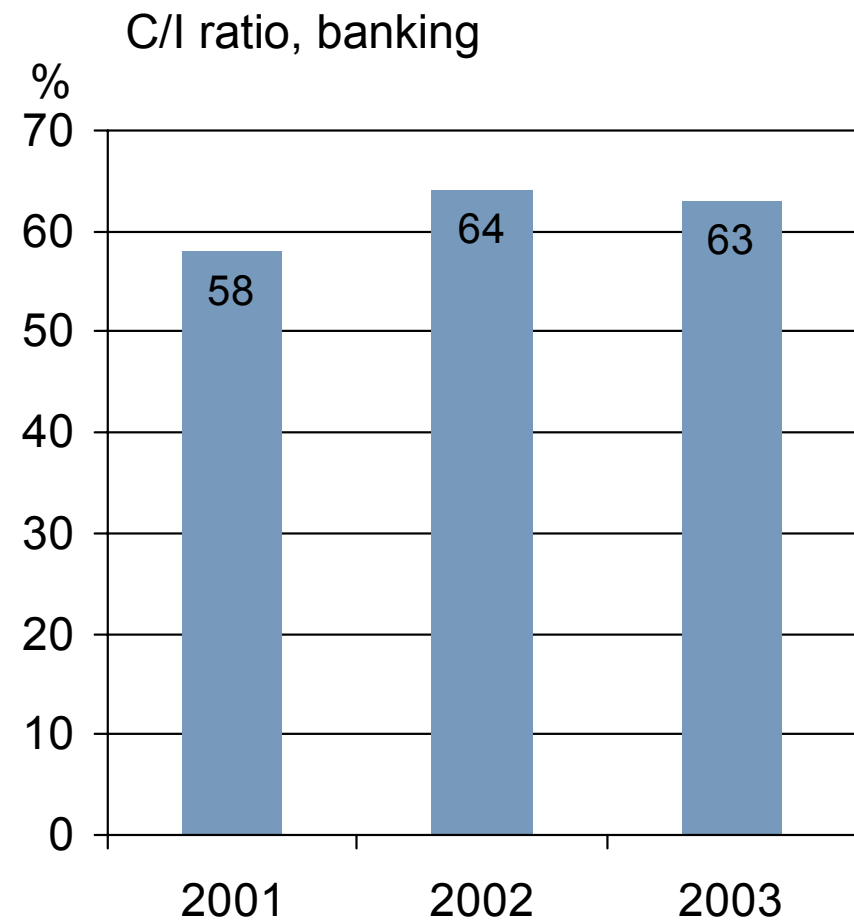
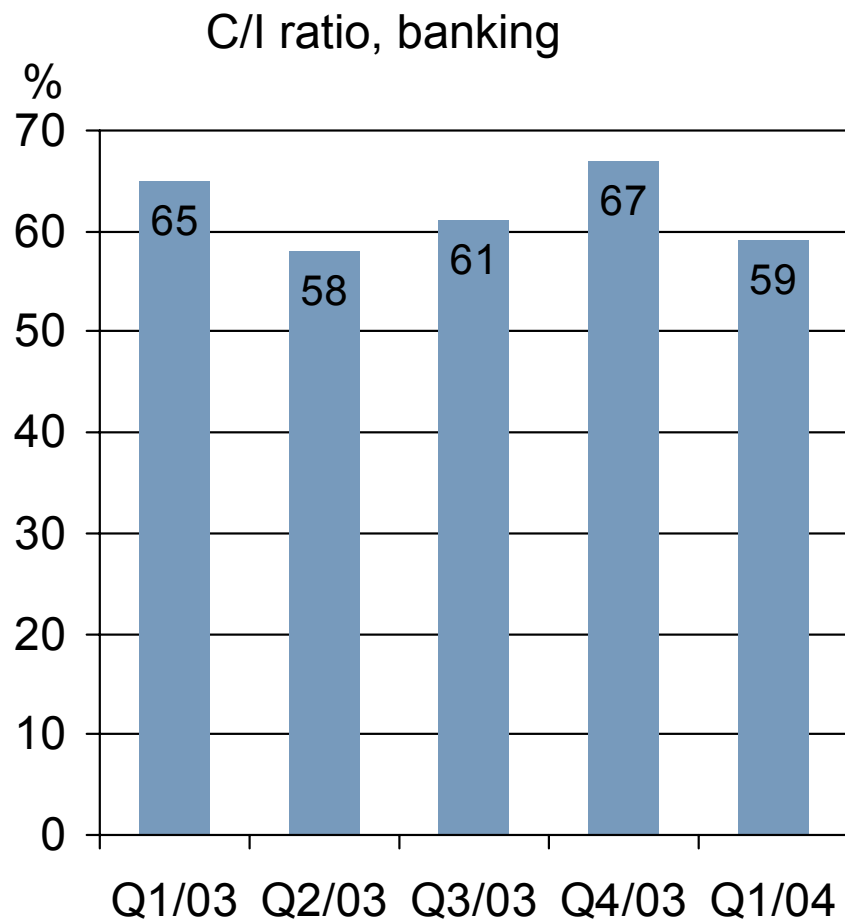
EURm



- Approx. 20% of total costs

\*Refers to IT operations, service expenses and consultant fees including personnel etc, but excluding IT expenses in insurance operations

# C/I ratio



## Gains and losses on various disposals etc

EURm	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	P&L	BA
Write-down real estate		-115				Own line	Other
Retail Finland		10				Other	Retail
OM/HEX shares			27			Other	Other
Inkassosentralen			8			Other	Retail
Huoneistokeskus				43		Other	Retail
Nordisk Renting				32		Other	Other
Total	0	-105	35	75	0		

# Appendix

- Nordea share

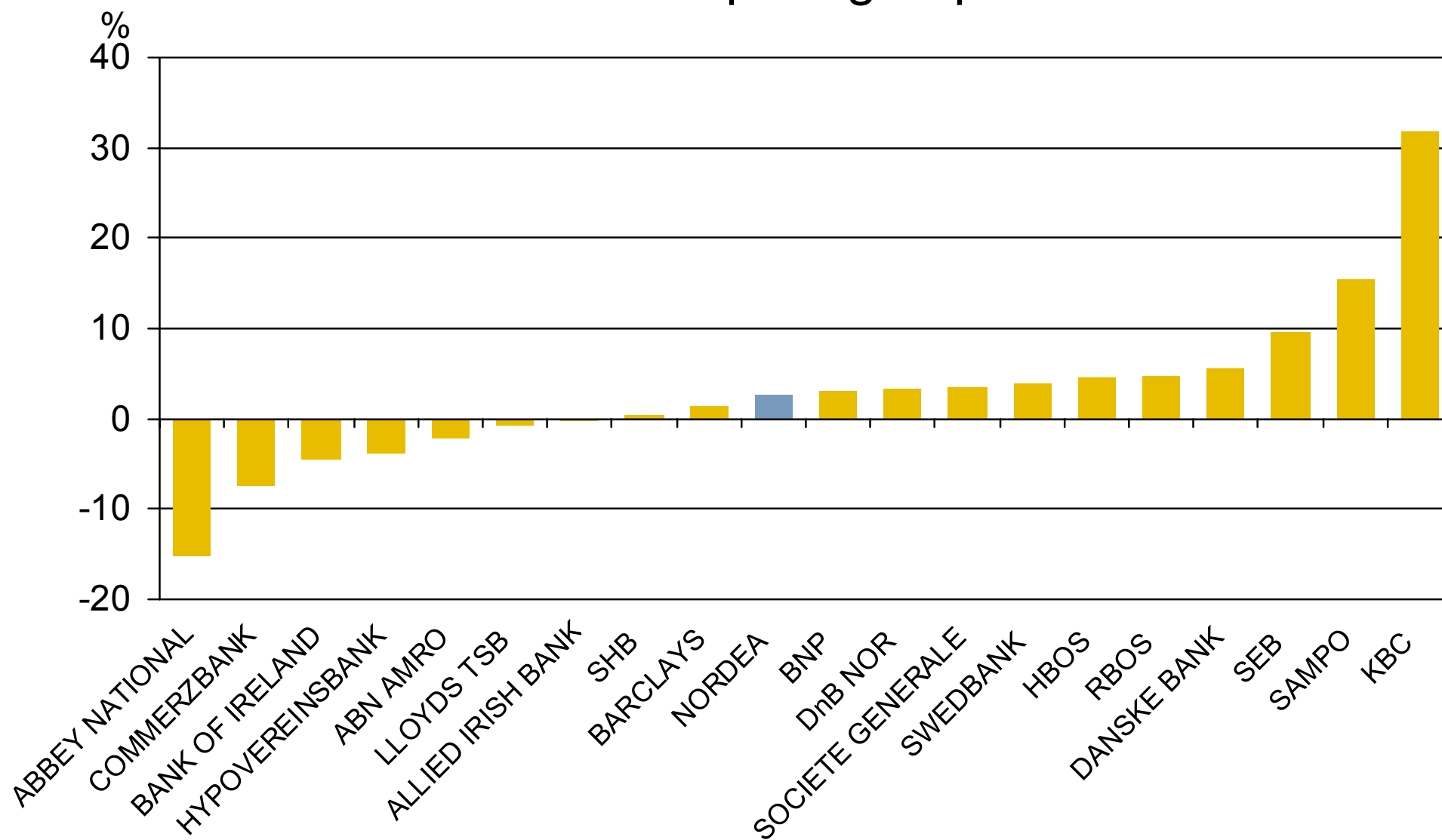


## Increased dividend

● Per share, EUR	0.25
● Total, EURm	712
● Pay-out ratio (of the net profit, target >40%)	48%
● Dividend yield (calculated on share price Dec 30, 2003)	4.2%
● Dividend yield on payment date (14 April, 2004)	4.4%

# Total shareholder return (TSR) Ytd 2004

## Nordea peer group\*

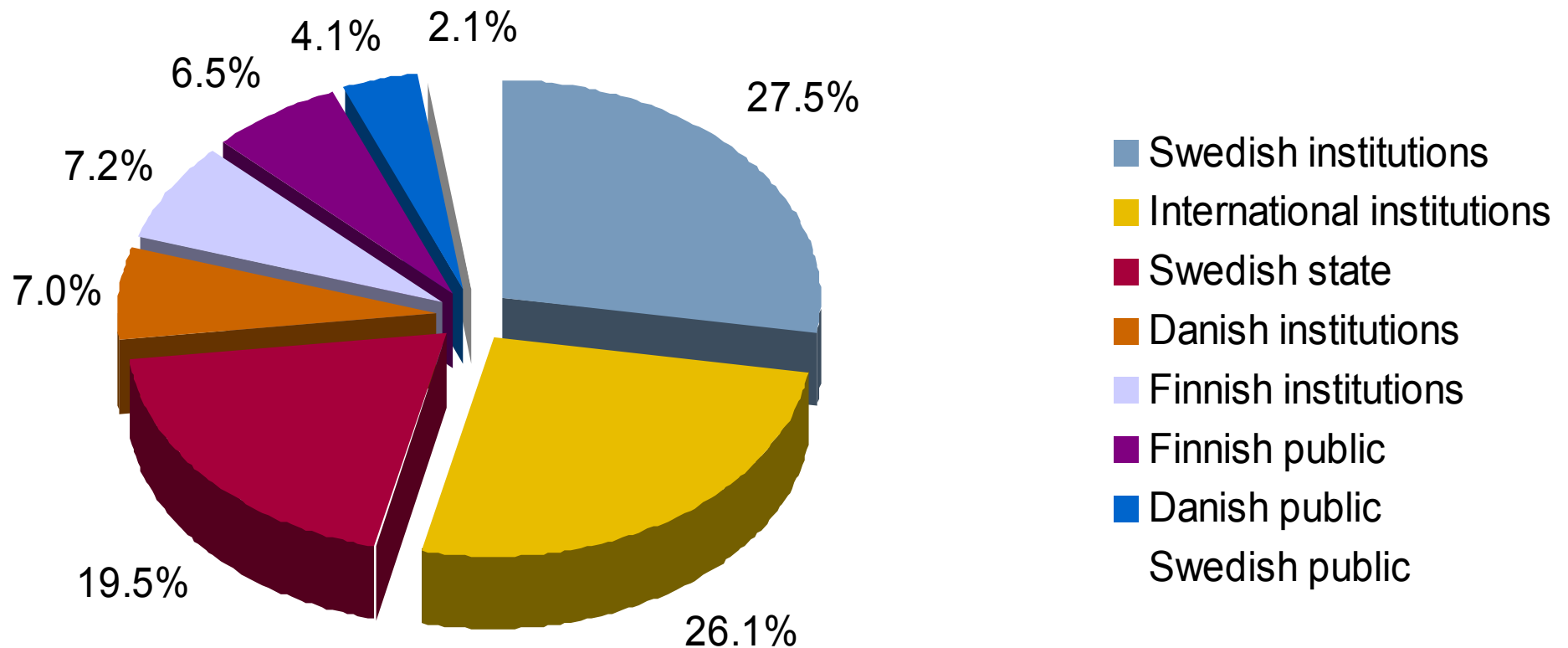


\*As defined by Nordea

Source: Bloomberg 19/4-2004



## Shareholder structure, end of Q1/04



Number of shareholders approx. 504,000

# Largest registered shareholders, end of Q1/04

Shareholder	Number of shares	%
Swedish state	542.0	19.5
Alecta	117.1	4.2
Nordea Danmark fonden	102.5	3.7
Robur fonder	74.9	2.7
Nordea fonder	62.8	2.3
Tryg i Danmark smba	52.2	1.9
SEB fonder	49.0	1.8
Fjärde AP-fonden	44.3	1.6
Skandia	36.3	1.3
SHB/SPP fonder	33.1	1.2
Tredje AP-fonden	31.2	1.1
Andra AP-fonden	30.3	1.1
Första AP-fonden	29.4	1.1
AMF Pension	20.8	0.8
Nordea Bank Sverige vinstandelsstiftelse	14.5	0.5
Solidium Oy (Finnish state)	12.3	0.4
Xact fonder	10.3	0.4
Pensionsförsäkringsbolaget Varma-Sampo	8.7	0.3
Sjunde AP-fonder	8.4	0.3
Länsförsäkringar fonder	7.9	0.3
<b>Total for the 20 largest shareholders</b>	<b>1,288.2</b>	<b>46.3</b>

## Number of shares

Date	Type of transaction	Subject	Number of shares issued	Outstanding shares
Jan, 2000	New issue	Merita	815,800,287	2,091,067,728
April, 2000	New issue	Unidanmark	869,776,488	2,960,844,216
June, 2000	New issue	Unidanmark	18,348,501	2,979,192,717
2000-2001	New issue	Conversions*	3,473,373	2,982,666,090
April, 2001	Market	Buyback	17,000,000**	2,965,666,090
May, 2002	New issue	Conversions*	2,405,087	2,968,071,177
Aug-Sep 2002	Market	Buyback	40,008,000**	2,928,063,177
Sep, 2002	New issue	Conversions*	45,050	2,928,108,227
Oct, 2003	Cancellation	Buyback	-57,008,000**	2,928,108,227
Nov 03-Mar 04	Market	Buyback	145,000,000	2,783,108,227

\*Convertible bond conversions

\*\* Shares bought back in April 2001 and Aug-Sep 2002 cancelled in Oct 2003

Average number of outstanding shares Jan-Mar 2004 was 2.829 million (Jan-Dec 2003 2.921m, Jan-Mar 2003 2.928m). Dilution not applicable.

## Data per share

	Q1/04	2003	2002	2001	2000
Dividend	n.a	EUR 0.25	EUR 0.23	EUR 0.23	SEK 2.00
Shareholders' equity per share, EUR	4.30	4.28	4.06	4.00	3.74
Earnings per share, EUR	0.15	0.51	0.30	0.53	0.58
Share price, end of period, SEK	51.5	54.0	38.4	55.5	71.5
P/E ratio <sup>2)</sup>	9.8	11.7	14.0	11.3	14.0

<sup>1)</sup> Pro forma incl. Unidanmark

<sup>2)</sup> Share price converted to euro divided by 12 months rolling EPS

# Appendix

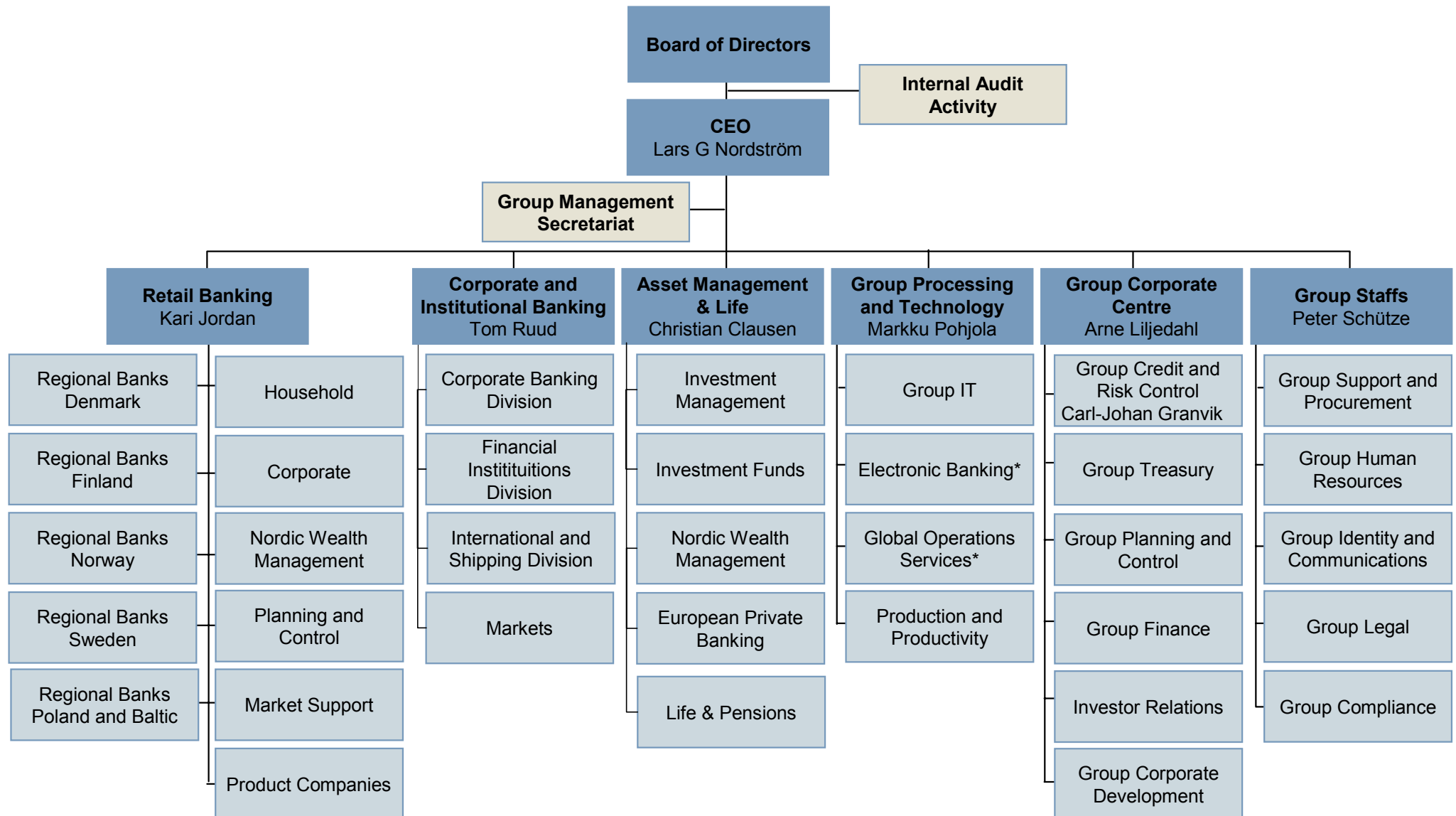
- Other



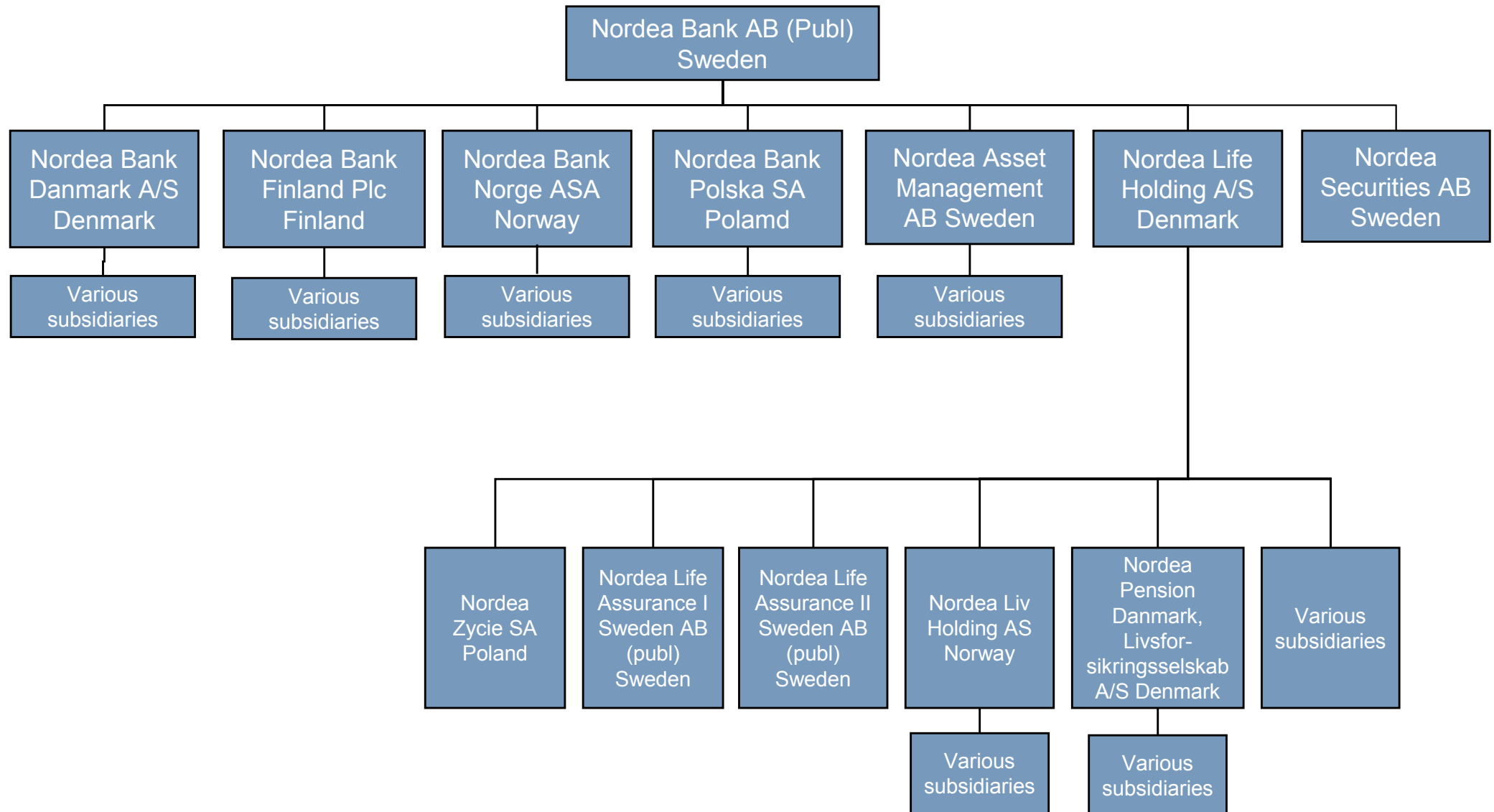
# Ratings

	Moody's			S&P		Fitch		
	BFSR	Short	Long	Short	Long	Short	Long	Individ.
Nordea Bank D	B	P-1	Aa3	A-1	A+	F1+	AA-	B
Nordea Bank F	B	P-1	Aa3	A-1	A+	F1+	AA-	B
Nordea Bank N	B-	P-1	Aa3	A-1	A+	F1+	AA-	B
Nordea Bank S	B	P-1	Aa3	A-1	A+	F1+	AA-	B
Nordea Hypotek		P-1	Aa3	A-1				
Nordea Kredit			Aaa					
Norgeskreditt		P-1	A1					

# Business structure



# Legal structure





# Group Executive Management

Lars G Nordström	President and Group CEO
Christian Clausen	Head of Asset Management & Life
Carl-Johan Granvik	Head of Group Credit and Risk Control, Group CRO
Kari Jordan	Head of Retail Banking
Arne Liljedahl	Head of Group Corporate Centre, Group CFO
Markku Pohjola	Head of Group Processing and Technology, Deputy Group CEO
Tom Ruud	Head of Corporate and Institutional Banking
Peter Schütze	Head of Group Staffs

# Appendix

















- Macro statistics and estimates

*Source: Nordea Markets Economic Research*

*Estimates mainly from January 2004*



# Macro data

%		2003e	2004e	2005e
Gross domestic product	DK 	0.4	2.3	2.4
	FI 	1.7	3.2	3.5
	NO 	0.7	3.4	2.9
	SE 	1.6	2.5	2.9
Inflation	DK 	2.1	1.5	2.0
	FI 	1.3	0.6	1.8
	NO 	2.5	1.0	2.1
	SE 	2.1	0.4	1.5
Private consumption	DK 	1.3	2.8	2.0
	FI 	3.8	3.3	2.6
	NO 	3.7	4.7	3.5
	SE 	2.0	2.3	2.5
Unemployment	DK 	6.1	6.2	5.6
	FI 	9.0	9.1	8.7
	NO 	4.5	4.3	3.8
	SE 	4.9	5.1	4.9

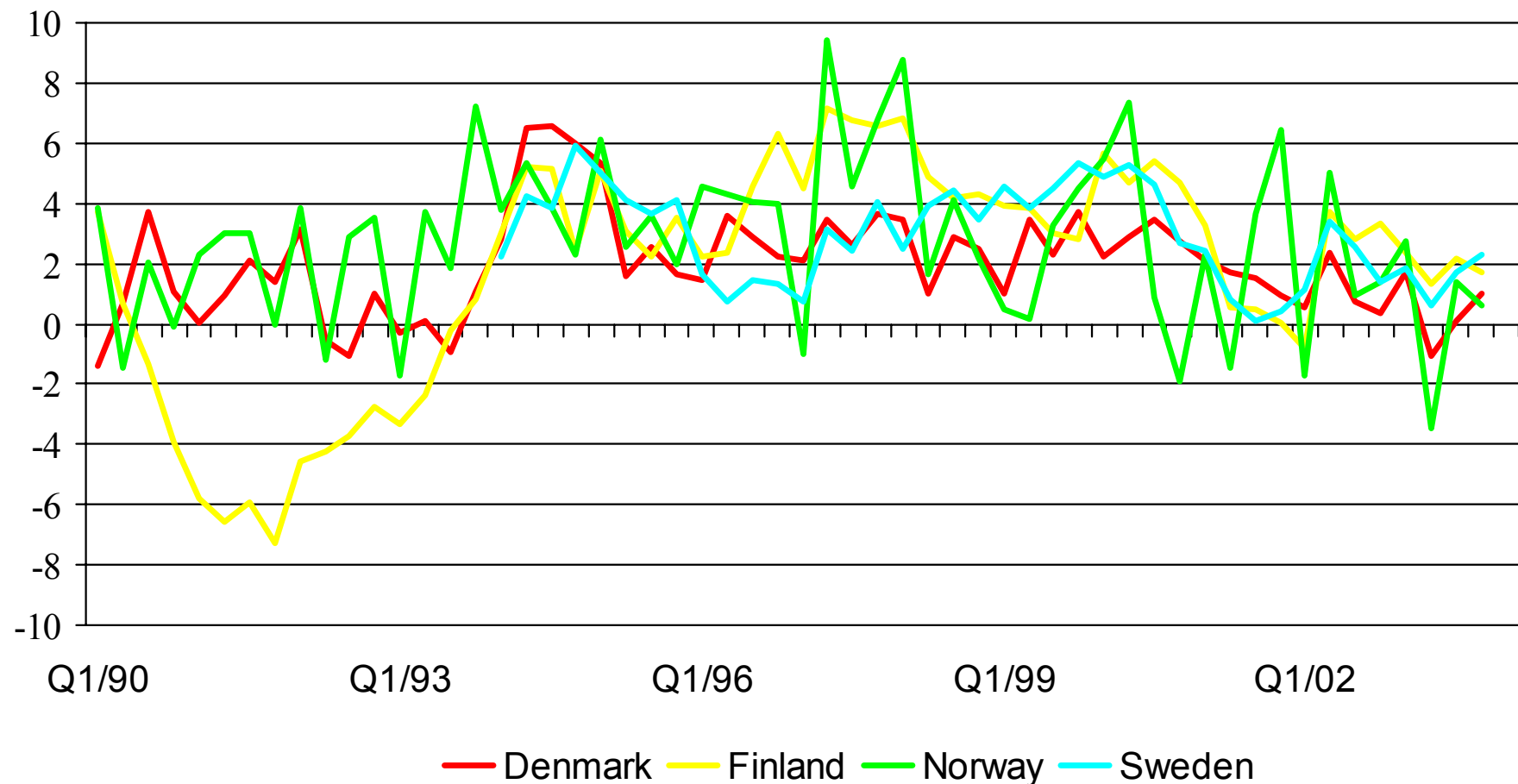
## Market development - GDP

%	2002	2003e	2004e	2005e
Denmark	1.0	0.4	2.3	2.4
Finland	2.2	1.7	3.2	3.5
Norway	1.7	0.7	3.4	2.9
Sweden	2.1	1.6	2.5	2.9

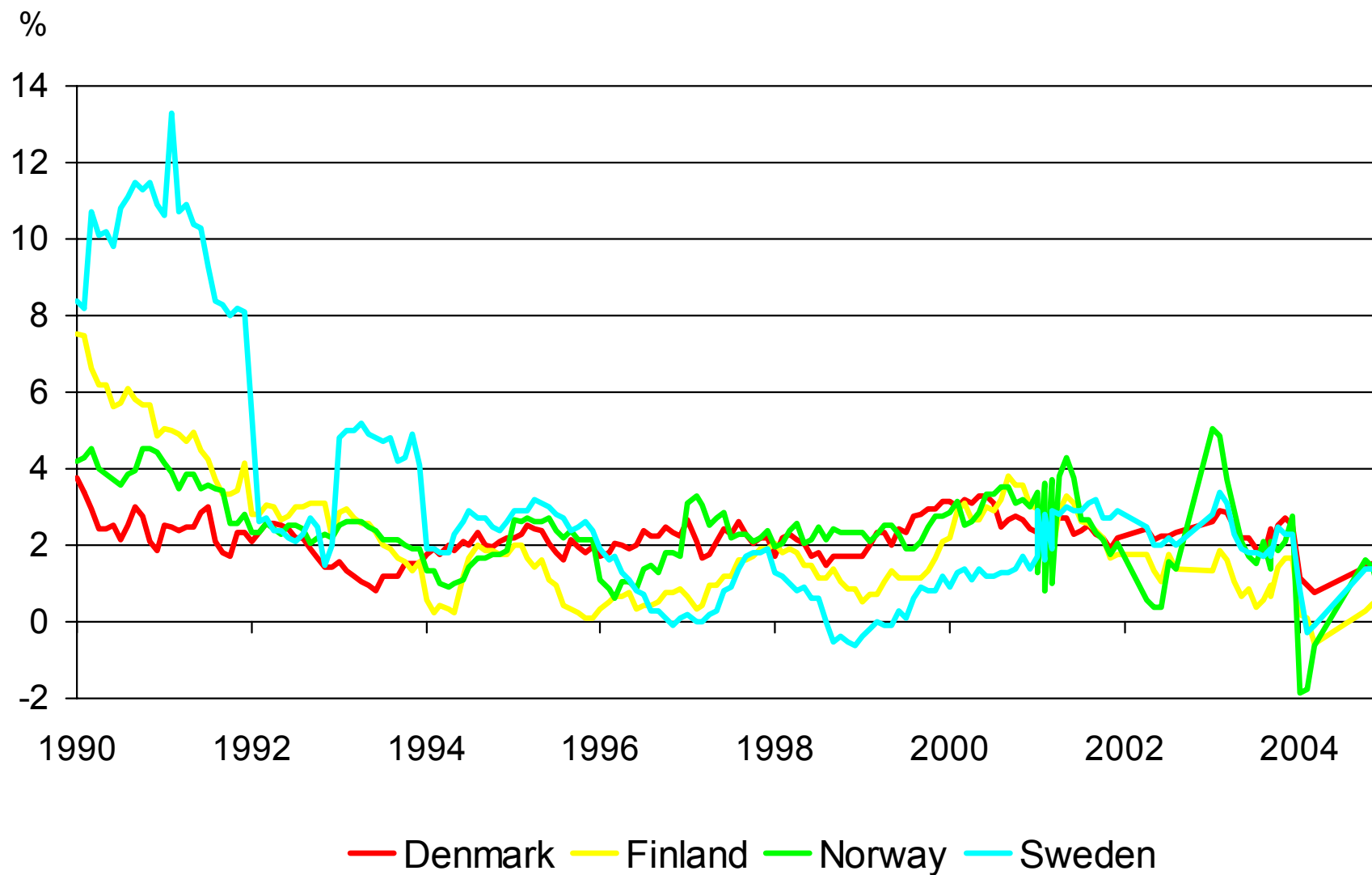
In Norway, forecasts are for mainland GDP

# Gross domestic product

Change in % YoY

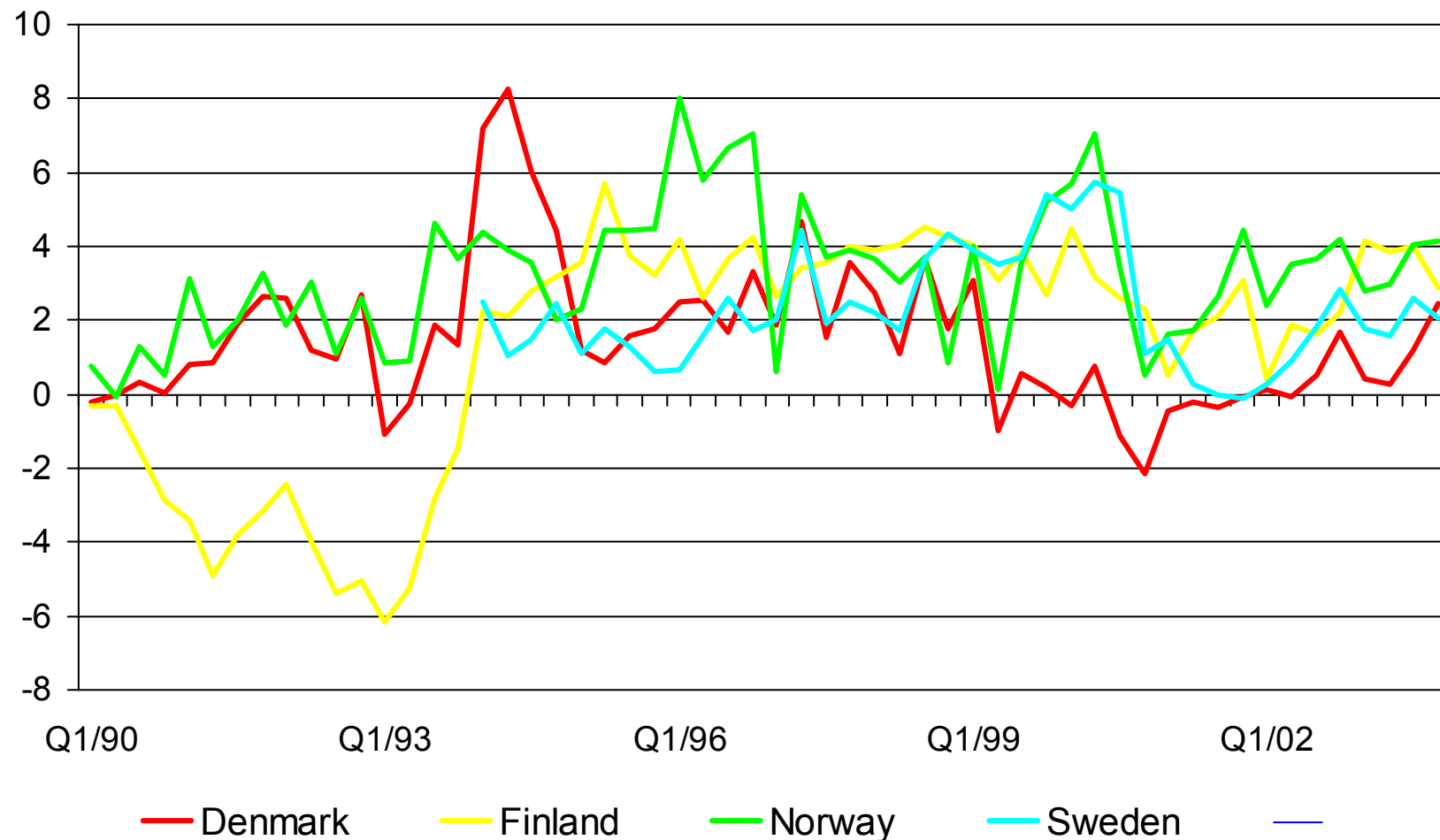


# Inflation

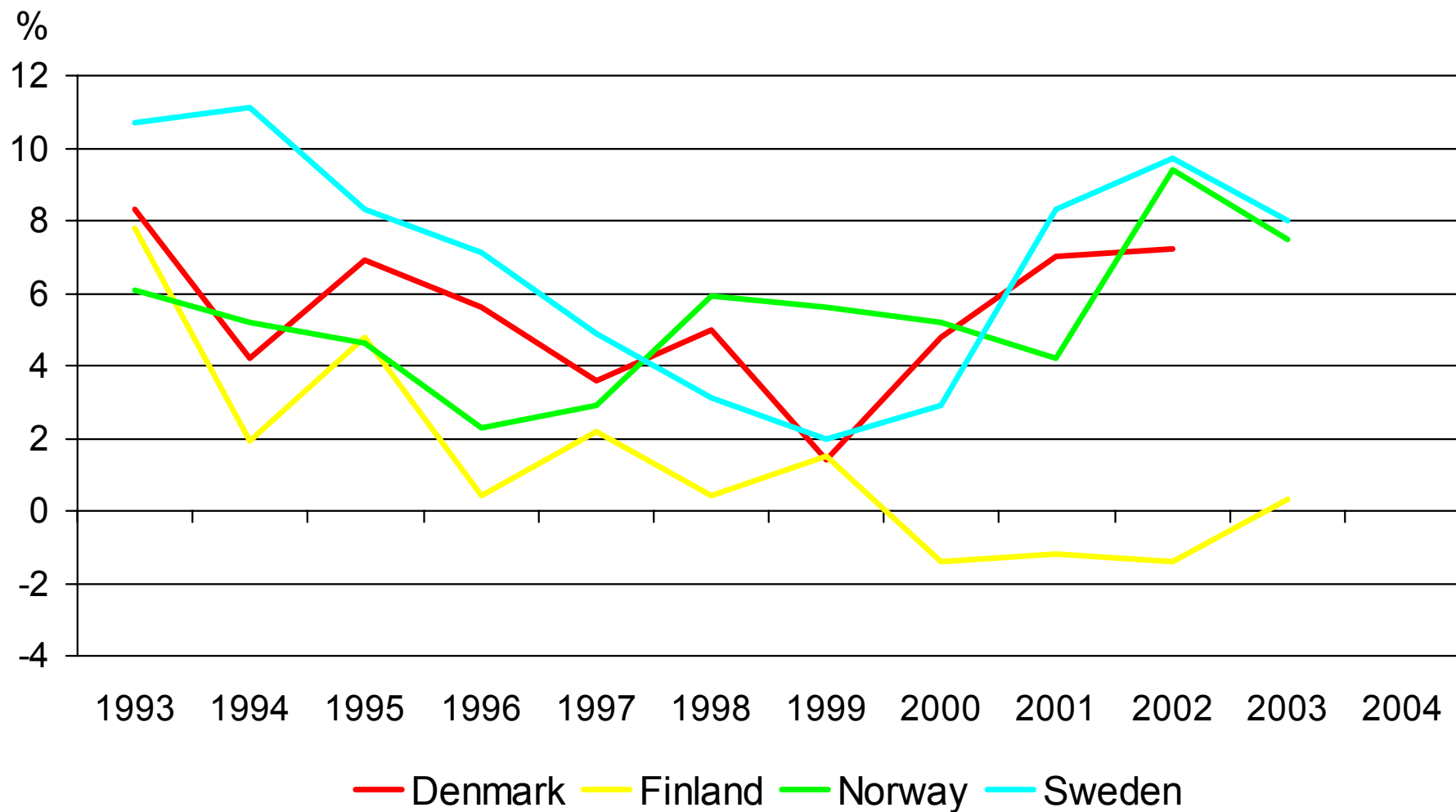


# Private consumption

Change in % YoY



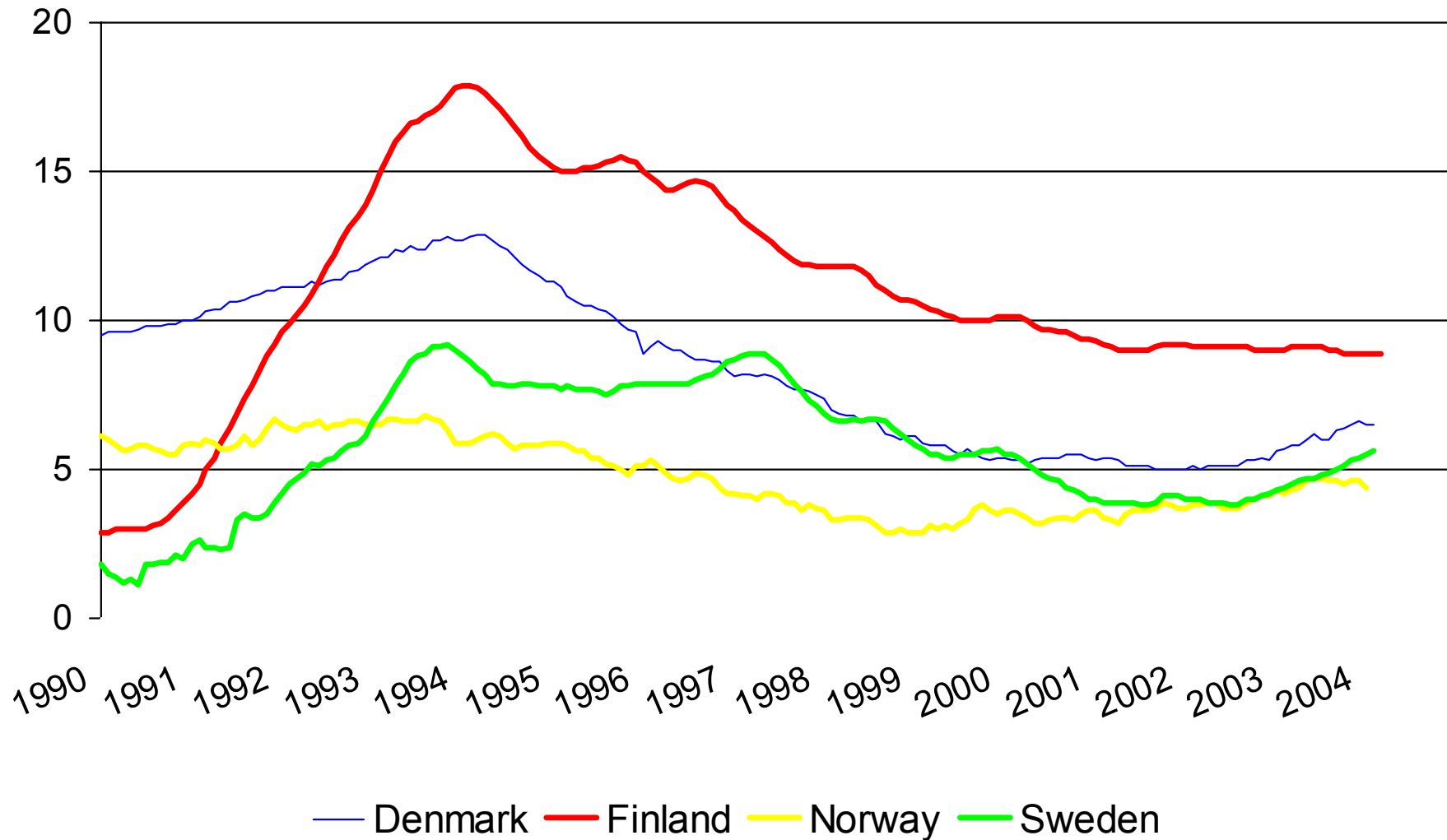
# Household saving rates



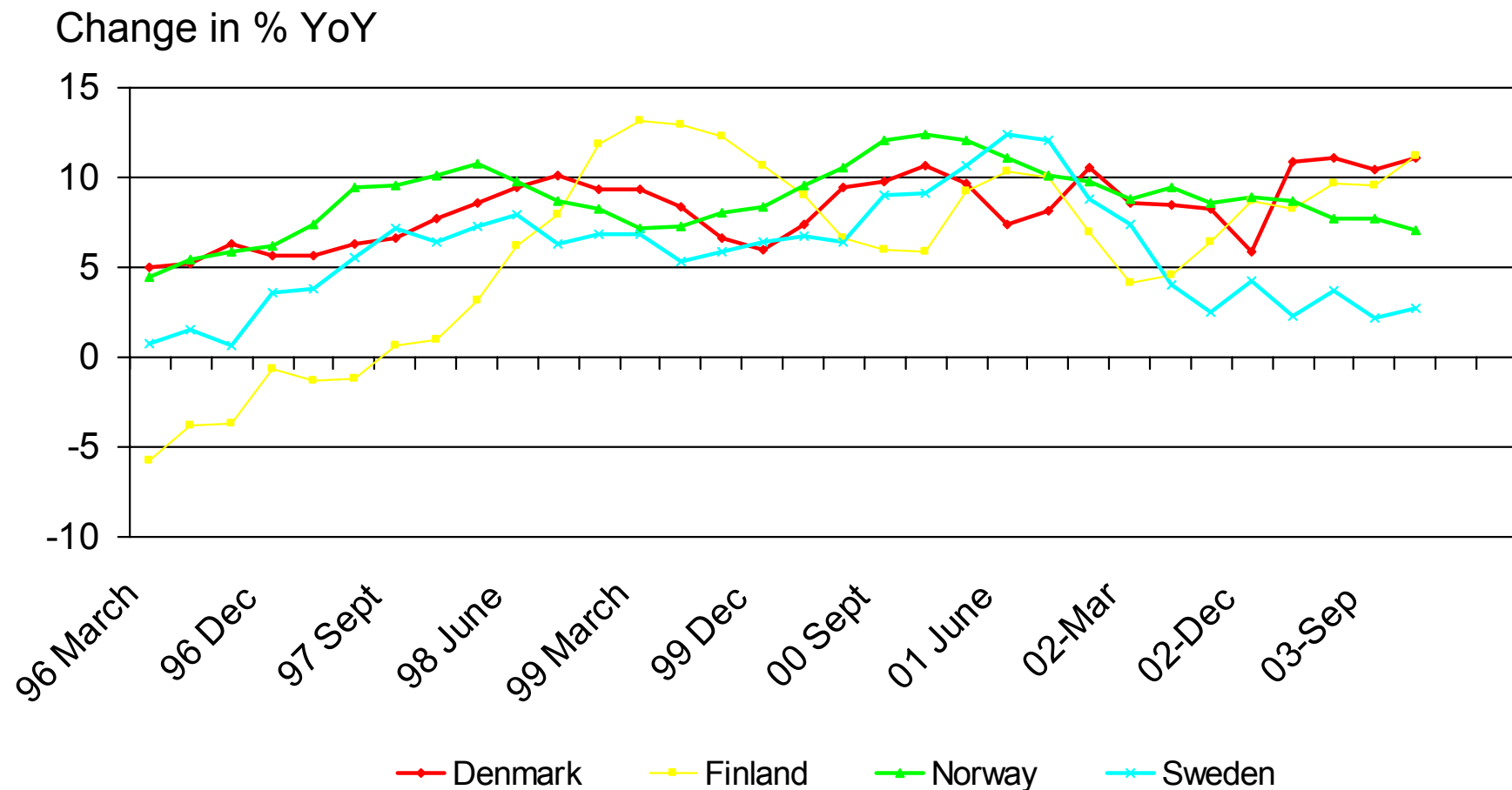


# Unemployment

% of labour force

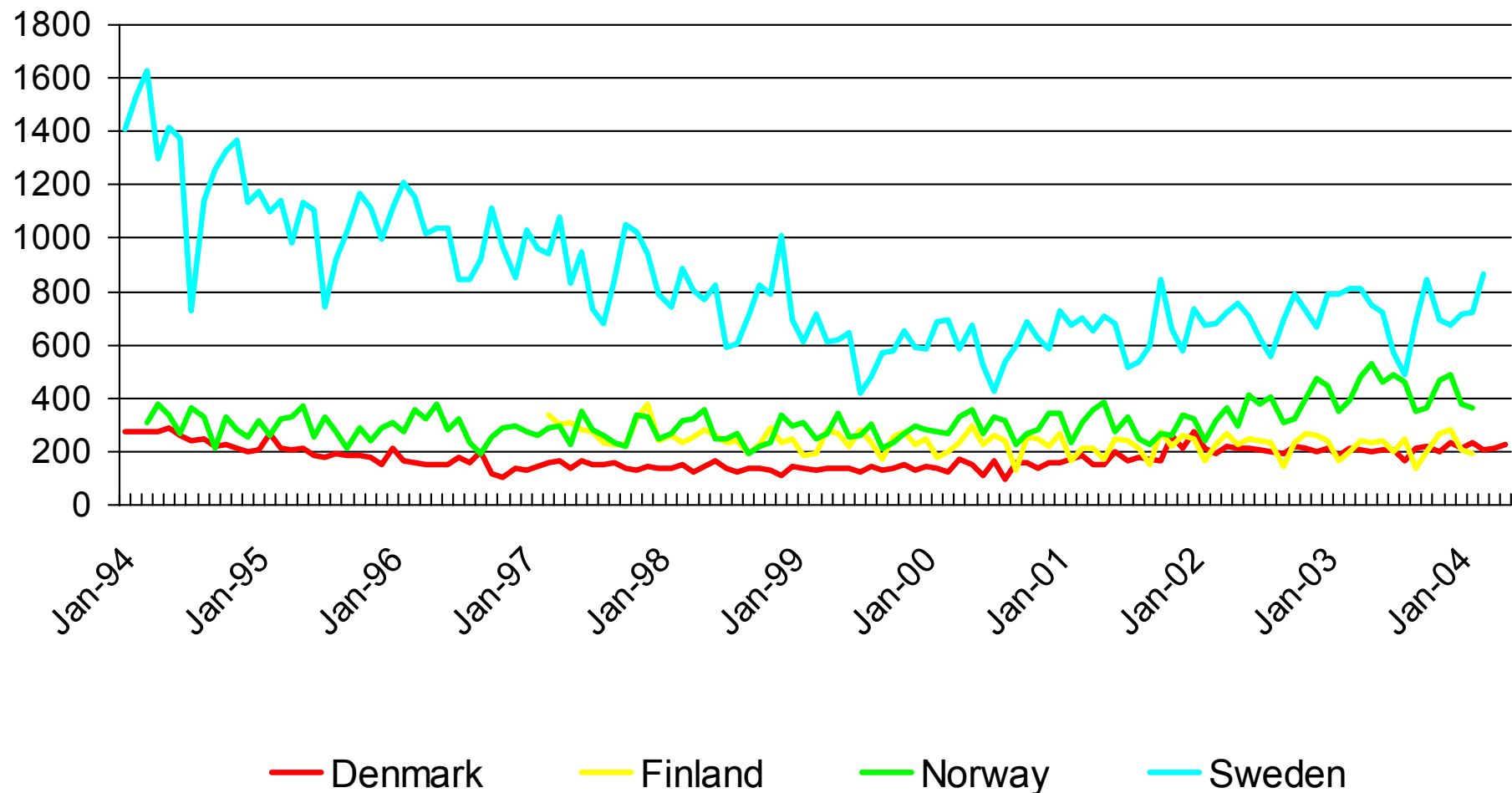


# Credit growth total lending to non-bank sector

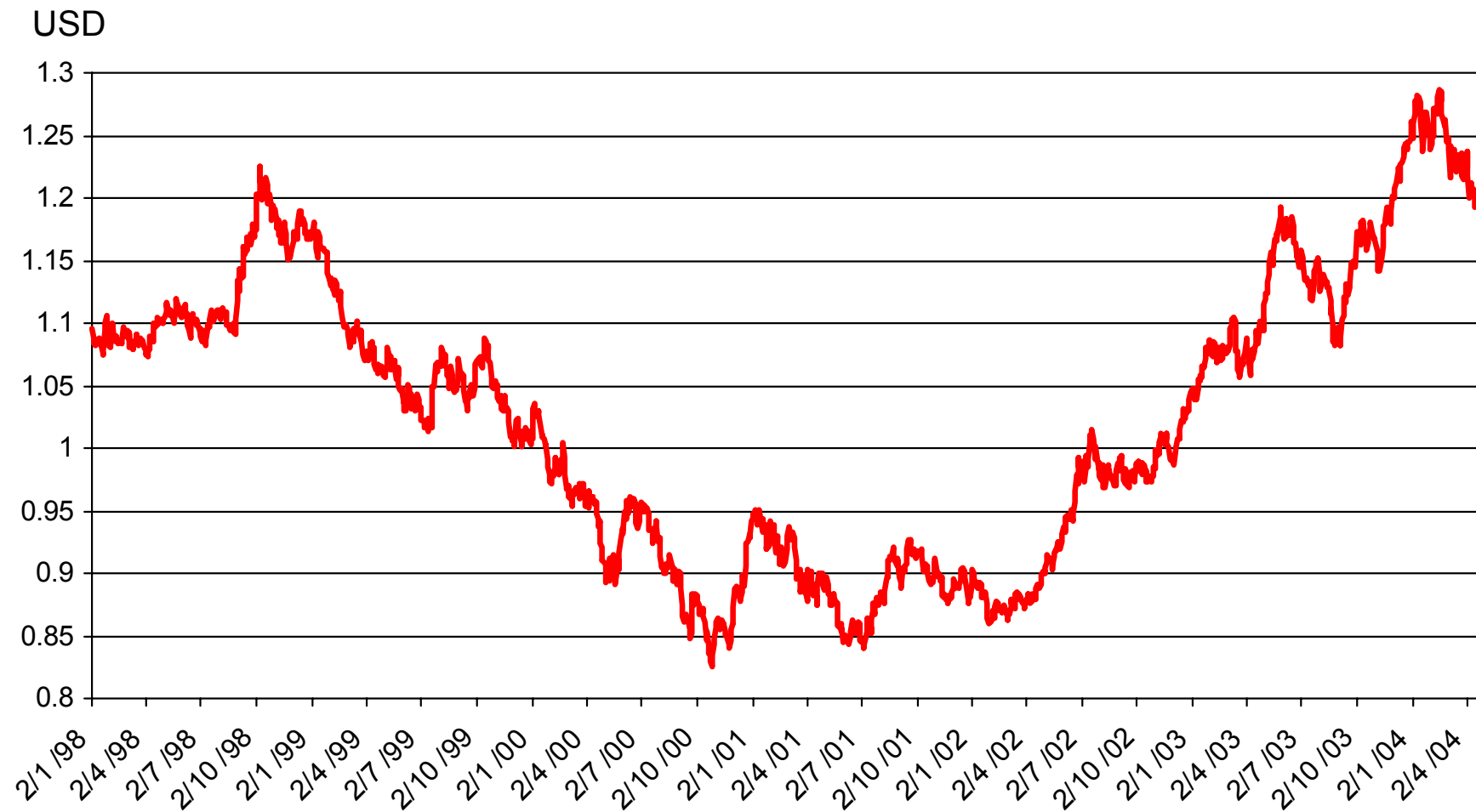


# Bankruptcies

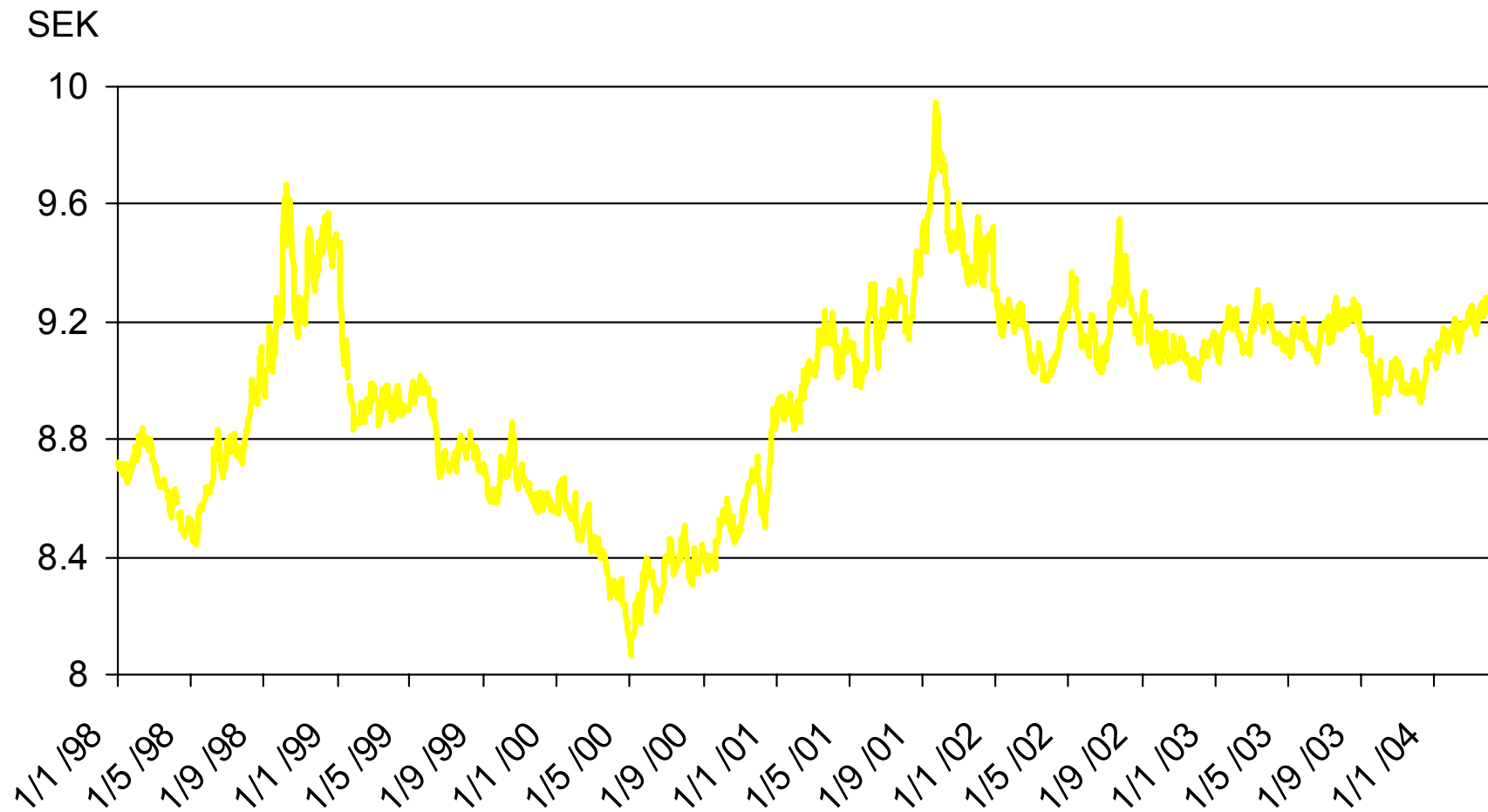
Number of bankruptcies per month



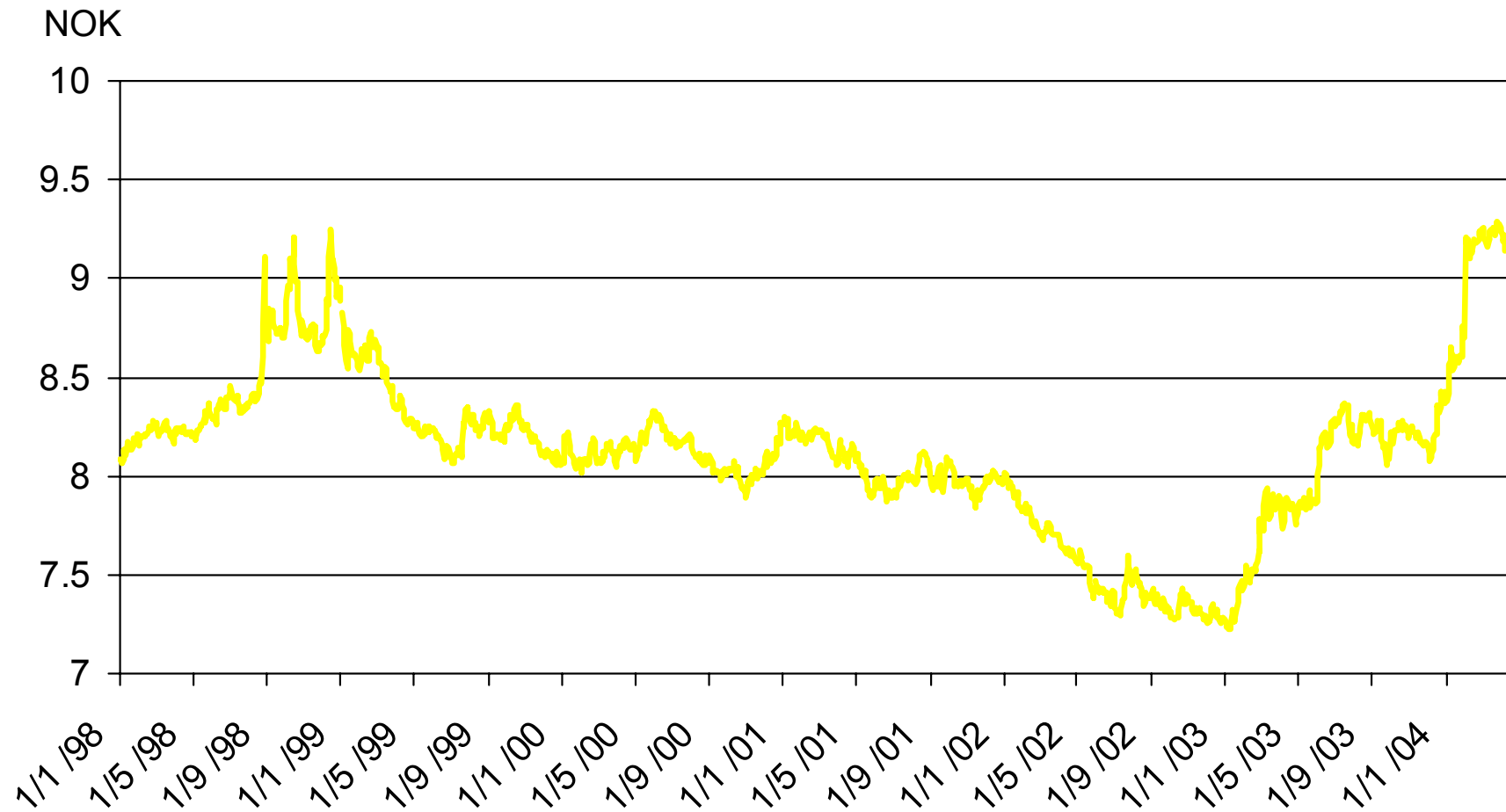
# Exchange rate, EUR/USD



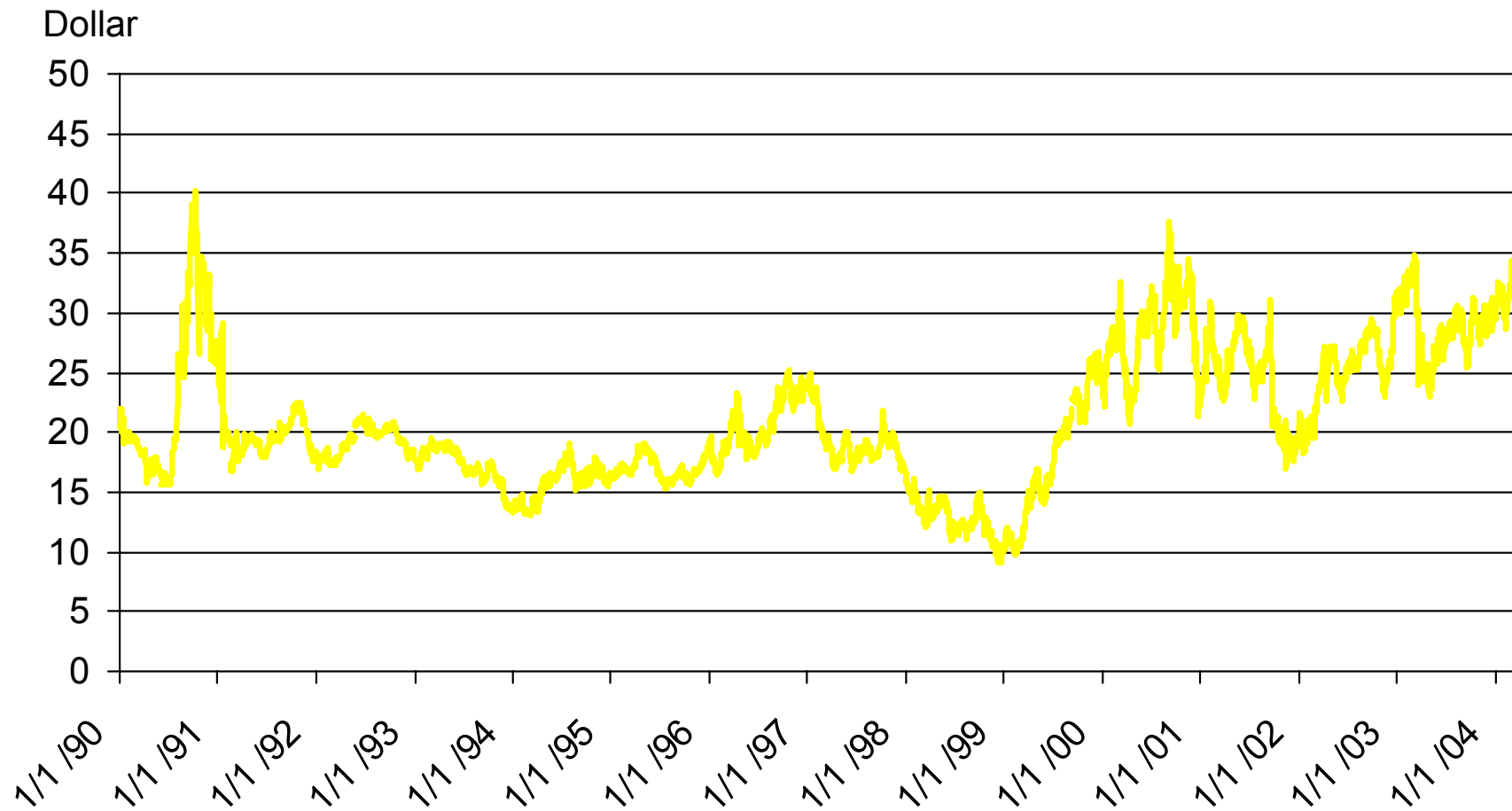
# Exchange rate, EUR/SEK



# Exchange rate, EUR/NOK

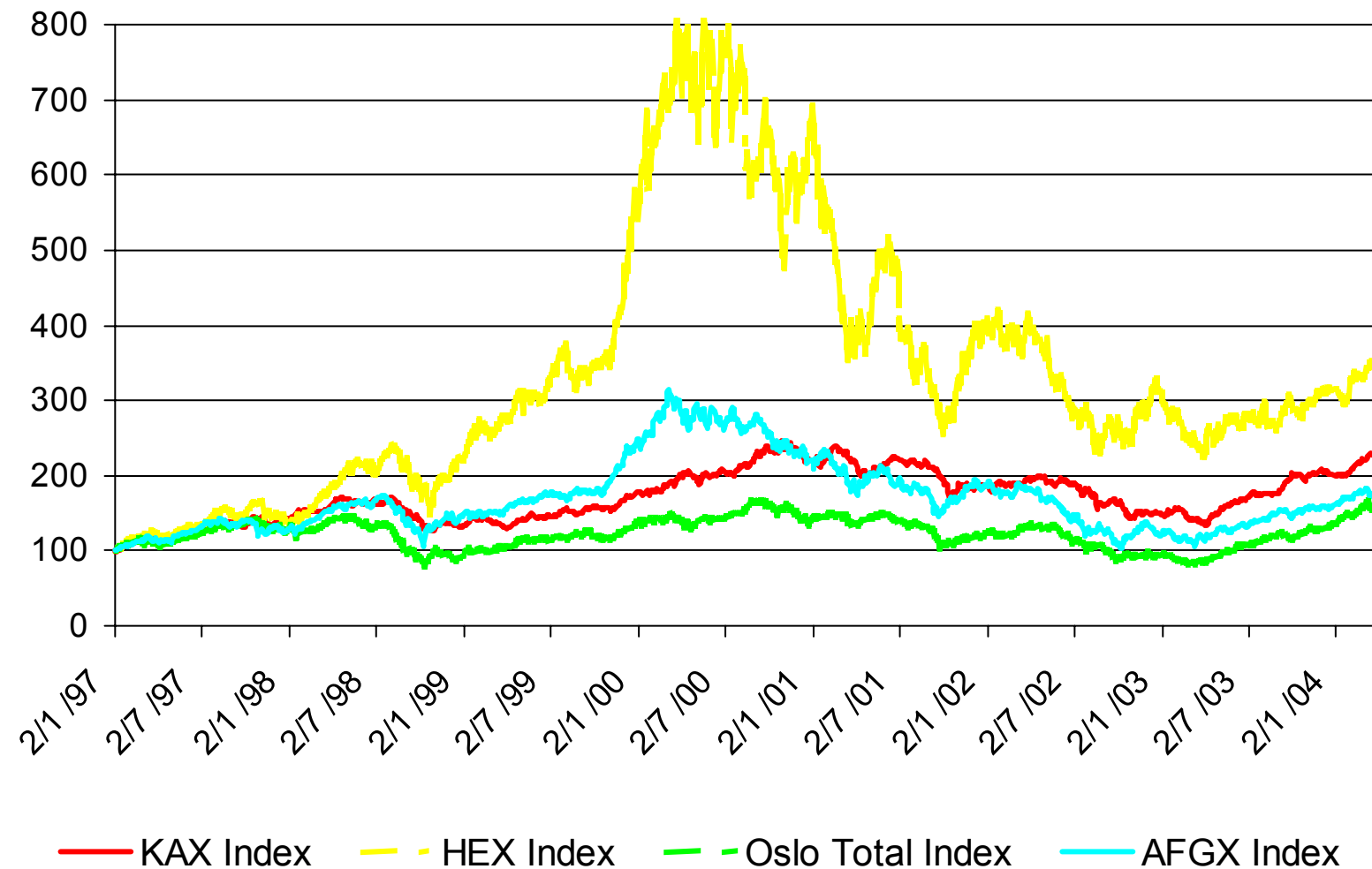


# Oil price development, Brent, USD/Barrel



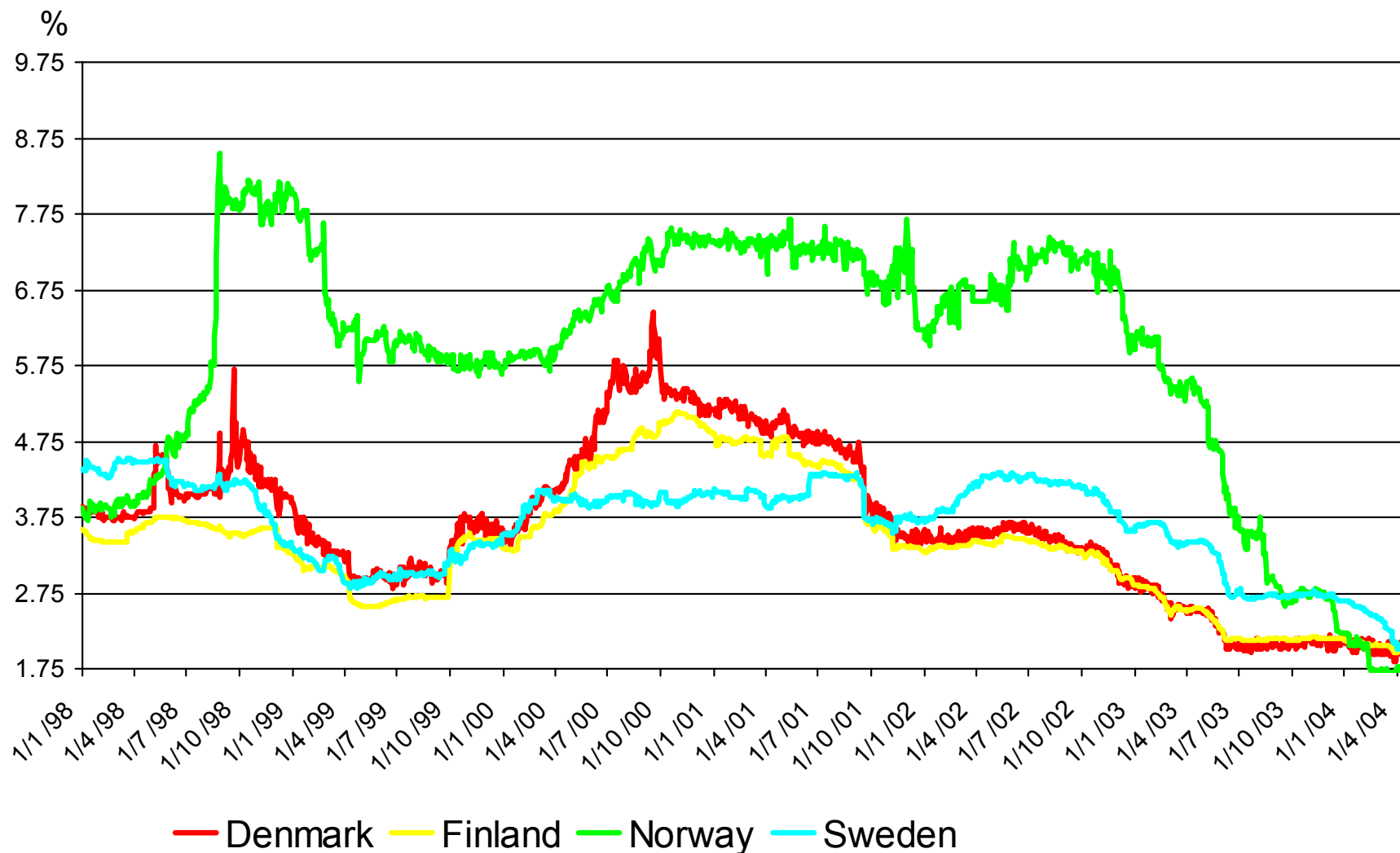
# Stock exchange indices

Index 100 = 1997

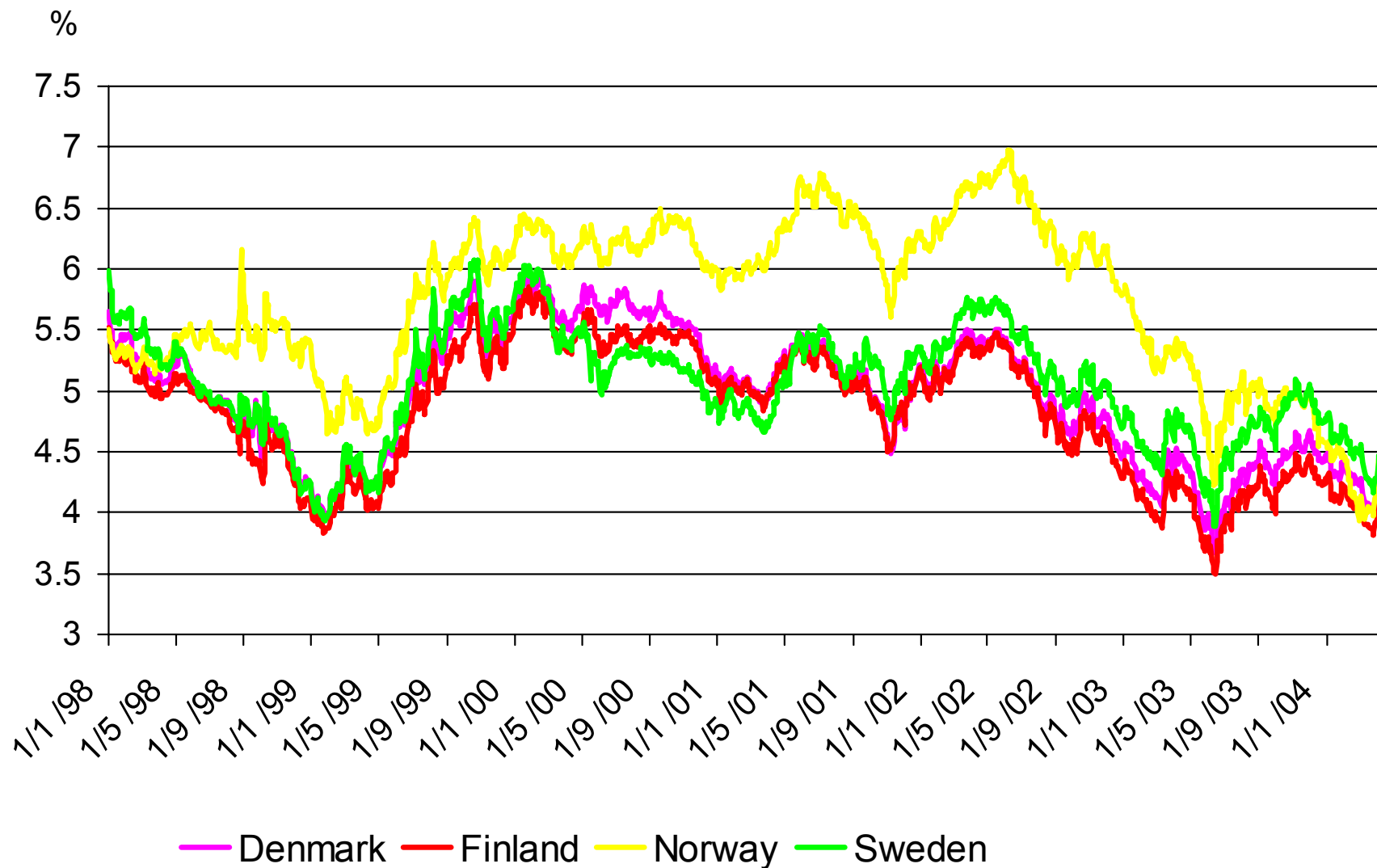




## Money market, 3 month rates



## Government bond, 10 year



## Financial calendar 2004

- Q2 report 2004 will be published on 18 August 2004
- Q3 report 2004 will be published on 27 October 2004

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