

Interim Report January–June 2006

Nordea Bank Finland Plc

Nordea is the leading financial services group in the Nordic and Baltic Sea region. We are making it possible for our customers to reach their goals by providing a wide range of products, services and solutions within banking, asset management and insurance. Nordea has almost 11 million customers, more than 1,100 branch offices and a leading netbanking position with 4.4 million e-customers. The Nordea share is listed on the stock exchanges in Stockholm, Helsinki and Copenhagen

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Nordea Bank Finland Group

Result summary January-June 2006

NBF's operating profit increased by 56% compared to the same period in 2005 and reached EUR 759m (EUR 488m) resulting in a return of equity of 9.3% (6.1%) and a cost/income ratio of 37%. (The comparison figures in brackets refer to the first six months of 2005.) Net profit increased by 12% to EUR 579m (EUR 517m).

The first six months of 2006 were characterised by continued strong volume growth compensating for the pressure on margins but also by increased turbulence in financial markets. Total income increased by 24% to EUR 1,158m (EUR 937m) reflecting higher net interest income and positive development in net gains and losses on items at fair value. Expenses decreased by 1% to EUR 428m (EUR 434m) and loan losses were positive amounting to EUR 26m (EUR 18m losses).

Market development first half 2006

Finnish economic growth strengthened in early 2006. Exports, domestic consumption and investments developed favourably. The high oil price accelerated inflation slightly, but it remained moderate and clearly lower than in the rest of the euro area. The positive economic development was also reflected in the labour market, and unemployment continued to decrease. So far, rising interest rates have not had an essential effect on economic development. Construction markets remained active in early 2006.

Income

Total income increased by 24% to EUR 1,158m mainly as a result of the favourable development in net interest income and higher net gains and losses on items at fair value. Total lending to the public increased by 13% year-on-year to EUR 48.3bn and thereby compensated for margin pressure. Deposits from the public increased by 15% year-on-year to EUR 33.5bn and deposit margins increased following increased market interest rates.

Net commission income increased by 12% to EUR 155m. Savings commissions in general developed strongly and increased by 17%. Asset management commissions increased somewhat following growth in assets under management and several successful product launches. Commissions from brokerage

developed favourably as a result of the high activity on the stock market. There was a strong pick-up in lending commissions reflecting lending growth particularly within Retail Banking and revenues from acquisition finance. Commissions from payments were fairly stable and commission from cards increased somewhat reflecting the increase in card issuing.

Net gains/losses on items at fair value increased by 64% to EUR 270m (EUR 165m) mainly driven by strong client demand for structured products in Markets. Markets' core business, client-driven FX and fixed-income trading, developed strongly and NBF is increasingly successful in selling these products to the SME segment.

Profit from companies accounted for under the equity method amounted to EUR 24m (EUR 10m). The main part of the income derived from International Moscow Bank.

Other operating income totalled EUR 60m (EUR 27m) comprising mainly of capital gains and other miscellaneous operating income. The sale of Suomen Asiakastieto Oy, a credit information company in which NBF was a minority owner, resulted in a one-off gain of approximately EUR 25m.

The gap between income and cost growth was 25 percentage points in the first half of the year.

Increased focus on advisory services increased non-net interest income from 36% of total income in the first half of 2005 to 44% in the first half of this year.

Expenses

Total operating expenses decreased by 1% and amounted to EUR 428m (EUR 434m).

Staff costs increased by 4% to EUR 244m. The number of FTEs increased by approximately 115 year-on-year, largely in the Baltic area. Within the Group, there is a shift in the structure of FTEs, with an increasing number of advisory and sales related employees in Business Areas and a falling number of FTEs in processing and staff units. The increase in FTEs, coupled with general salary increases and higher variable salaries, explains the rise in staff costs.

Throughout this report, "Nordea Bank Finland" and "NBF" refer to the parent company Nordea Bank Finland Plc, business identity code 1680235-8, with its subsidiaries. The registered office of the company is in Helsinki. Nordea Bank Finland Plc is a wholly owned subsidiary of Nordea Bank AB (publ), the listed parent company of the whole Nordea Group. The business operations of the Nordea Group have been organised in three business areas, all of which operate across national boundaries: Retail Banking, Corporate and Institutional Banking and Asset Management & Life. The consolidated interim report of Nordea Bank AB (publ) embraces all the activities of the Nordea Group and provides the most complete and fair view. This statutory interim report covers the operations of the legal entity Nordea Bank Finland Plc with its subsidiaries.

Other operating expenses totalled EUR 172m, down by 2% compared to last year. IT costs and rents decreased slightly compared to the same period last year.

Depreciation of tangible and intangible assets decreased by 52% to EUR 12m. Nordea's sourcing strategy as well as reduced leasing activity has resulted in lower depreciation.

The cost/income ratio continued down to 37% compared to 46% in the first half of 2005. For the full-year 2005, the cost/income ratio was 48%.

Loan losses

Loan losses were positive at EUR 26m following a continued flow of recoveries and low new provisions. Overall credit quality remains strong in all markets.

Taxes

The effective tax rate for the first half 2006 was approximately 24%. In the first half 2005, the effective tax rate was 6% positive.

Net profit

Net profit increased by 6% to EUR 579m corresponding to a return on equity of 9.3% compared to 6.1% in the first half of last year.

Balance sheet

(Comparison figures in brackets refer to December 2005 figures)

The total assets of NBF amounted to EUR 126bn (EUR 124bn). The change mainly reflects growth in lending, lower balance sheet values of derivatives as well as increased intra-group transactions.

The demand for housing loans has still grown, albeit at a somewhat lower speed. Loans to the public grew by 4% compared with the year-end. Positive and negative valuation items of derivatives have decreased partly as a consequence of rising interest rates.

Deposits from the public decreased slightly from the high level at year-end and amounted to EUR 33.5bn (EUR 33.6bn).

Credit portfolio

At the end of June 2006, net impaired loans amounted to EUR 114m representing 0.2% of total lending to the public, compared to 0.3% one year earlier.

The share of household customer lending was 46% of total lending to the public. Within household customer lending, mortgage lending accounted for 75%.

The composition of the corporate loan portfolio remained at large the same during the first half of the year. Real estate management remains the largest

industry exposure in the credit portfolio and amounts to EUR 6.9bn, representing 28% of the total portfolio.

Capital adequacy

Risk weighted assets (RWA) increased by 6% to EUR 68bn during the first half reflecting the continued growth in business volumes. The Tier 1 capital ratio was 17.0%. The result for the first half of 2006 has not been included in Tier 1. The total capital ratio was 19.1%.

Off-balance sheet commitments

The total amount of off-balance sheet commitments increased to EUR 22.7bn (EUR 20.2bn). The increase mainly related to guarantees and unutilised credit commitments. The volumes of derivatives have continued to grow and they amounted to EUR 2,259bn (EUR 1,959bn).

Sale of International Moscow Bank

NBF has signed an agreement with UniCredit to sell its 23.42% holding in International Moscow Bank (IMB). The shares correspond to a 26.44% voting interest in IMB. The consideration to be received in connection with the sale is USD 395m. This will result in a tax-free capital gain of approx. EUR 200m that will be recognised when completion takes place. NBF's consolidated profit after tax from IMB for the first six months of 2006 was approx. EUR 22m. The transaction is subject, inter alia, to regulatory approvals from relevant authorities and is expected to be completed in the third quarter of 2006.

Changes in the group structure

NBF decreased its shareholding in Fidenta Oy from 40% to 20% in January 2006. The voting-power remained at 60%.

NBF sold the business operations of Unitas Congress Center Ltd in May 2006. The sale had no significant effect on the result of the Group.

In addition, some small subsidiaries were disposed of during the first half of the year. These disposals had no material impact on the Group's result.

NBF sold its shareholding in its associated company Eurocard Oy to Luottokunta in January 2006. The sales profit amounted to EUR 5m. The sale of the shareholding in the associated company Suomen Asiakastieto Oy resulted in a gain of approximately EUR 25m.

Nordea Bank Finland Plc bought 31% of the shares of Power Partners Oy in May 2006. After the acquisition NBF Group holds 80% of the shares in Power Partners.

Outlook

Nordea's growth strategy is paying off and progress is increasingly visible in key growth areas. The number of core customers has increased and Nordea will continue the successful execution of its organic growth strategy.

Despite rising interest rates and a somewhat uncertain outlook for equity markets, Nordea Bank Finland expects to contribute in reaching the Nordea Group's ambition of at least 5 percentage points gap between

revenue and cost growth for the full year 2006. This is based on the still stable macroeconomic forecasts, current business activity among Nordea's clients as well as Nordea's ability to execute on its growth strategy. A moderate cost increase is expected for the full year 2006.

Stockholm, 21 August 2006
Board of Directors

Key financial figures

Income statement

EURm	Jan-Jun 2006	Jan-Jun 2005	Change %	Full year 2005
Net interest income	649	596	9	1,210
Net fee and commission income	155	139	12	271
Net gains/losses on items at fair value	270	165	64	301
Equity method	24	10	140	20
Other income	60	27	122	60
Total operating income	1,158	937	24	1,862
General administrative expenses:				
Staff costs	-244	-234	4	-483
Other expenses	-172	-175	-2	-371
Depreciation of tangible and intangible assets	-12	-25	-52	-48
Total operating expenses	-428	-434	-1	-902
Loan losses	26	-18		-46
Write-downs on securities held as financial fixed assets	0	1	-100	1
Disposals of tangible and intangible assets	3	2	50	0
Operating profit	759	488	56	915
Income tax expense	-180	29	-721	191
Net profit	579	517	12	1,106

Balance sheet

EURm	30 Jun 2006	30 Jun 2005	31 Dec 2005
Treasury bills and other interest-bearing securities	4,004	4,137	4,053
Loans and receivables to credit institutions	44,130	36,909	39,758
Loans and receivables to the public	48,336	42,894	46,264
Derivatives	24,371	34,379	28,165
Other assets	4,969	6,160	5,471
Total assets	125,810	124,479	123,711
Deposits by credit institutions	23,099	23,349	21,219
Deposits and borrowings from the public	34,370	30,791	35,092
Debt securities in issue	25,362	18,469	21,430
Derivatives	24,129	34,079	28,069
Subordinated liabilities	1,706	1,899	1,904
Other liabilities	4,365	4,281	3,793
Equity ¹	12,779	11,611	12,204
Total liabilities and equity	125,810	124,479	123,711

Ratios and key figures

	Jan-Jun 2006	Jan-Jun 2005	Full year 2005
Return on equity, %	9.3	6.1	5.6
Cost/income ratio, %	37	46	48
Tier 1 capital ratio ² , %	17.0	17.6 ³	17.8 ³
Total capital ratio ² , %	19.1	20.1 ³	20.2 ³
Risk-weighted assets ² , EURm	68,022	60,573	64,058
Number of employees (full-time equivalents) ²	9,076	8,961	8,910
Average number of employees (full-time equivalents) ²	8,989	8,926	8,909

¹ See Movements in equity on page 9.

² End of period

³ Including the result for the period. See also Note 9.

Formulas used

Return on equity, %:

100 x (Operating profit after taxes) / (Shareholders' equity (average for beginning and end of year))

Cost/income ratio, %:

100 x (Total operating expenses/Total operating income)

Half-year development

	Jan-Jun 2006	Jan-Jun 2005
Net fee and commission income, EURm		
Asset Management commissions	23	21
Life insurance	7	6
Brokerage	25	20
Custody	11	8
Deposits	2	3
Total savings related commissions	68	58
Payments	71	70
Cards	20	18
Total payment commissions	91	88
Lending	43	36
Guarantees and document payments	24	21
Total lending related commissions	67	57
Other commission income	21	20
Fee and commission income	247	223
Payment expenses	-21	-17
Other commission expenses	-71	-67
Fee and commission expenses	-92	-84
Net fee and commission income	155	139

	Jan-Jun 2006	Jan-Jun 2005
General administrative expenses, EURm		
Staff ¹	-235	-228
Profit sharing	-9	-6
Information technology ²	-53	-59
Marketing	-13	-12
Postage, telephone and office expenses	-18	-19
Rents, premises and real estate expenses	-39	-43
Other	-49	-42
Total	-416	-409

¹ Variable salaries were EUR 11m in the first half of 2006 (EUR 7m in the first half of 2005).

² Refers to IT operations, service expenses and consultant fees. Total IT-related costs in the first half of 2006, including staff etc, were EUR 73m (EUR 72m in the first half of 2005).

Income statement

EURm	Note	Jan-Jun 2006	Jan-Jun 2005	Change %	Full year 2005
Operating income					
<i>Interest income</i>		1,828	1,457	25	3,036
<i>Interest expense</i>		-1,179	-861	37	-1,826
Net interest income		649	596	9	1,210
<i>Fee and commission income</i>		247	223	11	449
<i>Fee and commission expense</i>		-92	-84	10	-178
Net fee and commission income		155	139	12	271
Net gains/losses on items at fair value	2	270	165	64	301
Profit from companies accounted for under the equity method		24	10	140	20
Dividends		2	0		2
Other operating income		58	27	115	58
Total operating income		1,158	937	24	1,862
Operating expenses					
General administrative expenses:					
Staff costs		-244	-234	4	-483
Other expenses		-172	-175	-2	-371
Depreciation, amortisation and impairment charges of tangible and intangible assets		-12	-25	-52	-48
Total operating expenses		-428	-434	-1	-902
Loan losses	3	26	-18	-244	-46
Write-downs on securities held as financial fixed assets		0	1	-100	1
Disposals of tangible and intangible assets		3	2	50	0
Operating profit		759	488	56	915
Income tax expense		-180	29	-721	191
Net profit		579	517	12	1,106
Attributable to:					
Shareholders of Nordea Bank Finland Plc		577	515	12	1,104
Minority interest		2	2	0	2
		579	517	12	1,106

Balance sheet

EURm	Note	30 Jun 2006	31 Dec 2005	30 Jun 2005
Assets				
Cash and balances with central banks		1,456	1,756	2,083
Treasury bills and other eligible bills		2,965	3,072	3,209
Loans and receivables to credit institutions	4	44,130	39,758	36,909
Loans and receivables to the public	4	48,336	46,264	42,894
Interest-bearing securities		1,039	981	928
Shares		409	316	215
Derivatives	6	24,371	28,165	34,379
Fair value changes of the hedged items in portfolio hedge of interest rate risk		-15	70	99
Investments in associated undertakings		223	214	205
Intangible assets		15	17	15
Property and equipment		76	78	150
Investment property		34	39	39
Retirement benefit assets		53	53	52
Deferred tax assets		630	766	502
Current tax assets		6	6	6
Prepaid expenses and accrued income		439	413	415
Other assets		1,643	1,743	2,379
Total assets		125,810	123,711	124,479
Liabilities				
Deposits by credit institutions		23,099	21,219	23,349
Deposits and borrowings from the public		34,370	35,092	30,791
Debt securities in issue		25,362	21,430	18,469
Derivatives	6	24,129	28,069	34,079
Fair value changes of the hedged items in portfolio hedge of interest rate risk		-153	43	175
Current tax liabilities		42	20	21
Other liabilities		3,734	2,970	3,398
Accrued expenses and prepaid income		630	630	559
Deferred tax liabilities		14	14	16
Provisions		38	55	48
Retirement benefit obligations		60	61	64
Subordinated liabilities		1,706	1,904	1,899
Total liabilities		113,031	111,507	112,868
Equity				
Minority interests		6	6	5
Share capital		2,319	2,319	2,319
Share premium account		599	599	599
Other reserves		2,882	2,884	2,887
Retained earnings		6,973	6,396	5,801
Total equity		12,779	12,204	11,611
Total liabilities and equity		125,810	123,711	124,479
Assets pledged for own liabilities and commitments		6,338	8,164	7,414
Other assets pledged		101	100	101
Contingent liabilities		7,554	6,683	5,941
Commitments		2,274,509	1,973,545	1,695,541

Movements in equity

	Attributable to shareholders of Nordea Bank Finland Plc					Minority Total interests	Total equity	
EURm	Share capital	Share premium account	Other reserves	Retained earnings	Revaluation reserve			
Balance at end of year, at 31 Dec 2005	2,319	599	2,884	6,396	-	12,198	6	12,204
Currency translation differences				-1		-1		-1
Other changes					-2	-2		-2
Net profit for the period				578		578	0	578
Balance as at 30 Jun 2006	2,319	599	2,884	6,973	-2	12,773	6	12,779

	Attributable to shareholders of Nordea Bank Finland Plc					Minority Total interests	Total equity	
EURm	Share capital	Share premium account	Other reserves	Retained earnings	Revaluation reserve			
Balance at end of year, at 31 Dec 2004	2,319	599	2,887	5,344	-	11,149	6	11,155
Change in accounting policies:								
IAS 39 Financial instruments				-59		-59		-59
Balance at beginning of year, at 1 Jan 2005	2,319	599	2,887	5,285	-	11,090	6	11,096
Currency translation differences				1		1		1
Net profit for the period				515		515	-1	514
Balance as at 30 Jun 2005	2,319	599	2,887	5,801	-	11,606	5	11,611

Cash flow statement

EURm	Jan-Jun 2006	Jan-Jun 2005
<i>Operating activities</i>		
Operating profit	759	488
Adjustments for items not included in cash flow	-169	359
Income taxes paid	-42	-30
Cash flow from operating activities before changes in operating assets and liabilities	548	817
Changes in operating assets and liabilities	-2,477	-3,560
Cash flow from operating activities	-1,929	-2,743
<i>Investing activities</i>		
Sale/acquisition of group undertakings	22	-13
Property and equipment	-5	0
Intangible assets	-	-17
Other financial fixed assets	-	2
Cash flow from investing activities	17	-28
<i>Financing activities</i>		
Issued/amortised subordinated liabilities	-199	78
Repurchase of own shares incl. change in trading portfolio	-	-
Dividend paid	-	-
Cash flow from financing activities	-199	78
Cash flow for the period	-2,111	-2,693
Cash and cash equivalents at beginning of period	12,098	13,038
Exchange rate difference	-2	-
Cash and cash equivalents at end of period	9,985	10,345
Change	-2,111	-2,693
	30 Jun 2006	30 Jun 2005
Cash and cash equivalents		
The following items are included in cash and cash equivalents (EURm):		
Cash and balances with central banks	1,456	2,083
Loans and receivables to credit institutions, payable on demand	8,529	8,262

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled:

- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available at any time.

Loans and receivables to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Notes

Note 1 Accounting policies

NBF's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) endorsed by the EU.

Basis for presentation

The accounting policies and the basis for calculations are, in all material aspects, unchanged in comparison with the 2005 Annual Report.

Increased transparency for Commissions

The presentation of "Net fee and commission income" has been changed to better illustrate the nature of NBF's commission income and expense. The changes have been illustrated in the table below for the twelve months ending December 2005. New reporting lines have been added to increase transparency and several other reclassifications have been made to further improve the presentation.

These amendments have been made to the presentation for the first half of 2006 and in the comparative information.

Other presentation changes

Capital gains from non-real estate companies are presented in 2006 in "Other operating income" instead of "Disposals of tangible and intangible assets" (EUR 10m in June 2005). Respective losses are presented in "Other operating expenses" (EUR 0m in June 2005).

Write-downs on securities held as financial fixed assets are presented in 2006 on a separate row instead of including them under "Depreciation of tangible and intangible assets" (EUR 1m write-ups in June 2005).

These amendments have been made to the presentation for the first half of 2006 and in the comparative information.

Amendments to the balance sheet

At year-end 2005, adjustments were made to the opening balance 2005. The corresponding adjustments have been made to the comparative figures as of 30 June 2005, where the total effect on equity is EUR -49m.

EURm	Reported 2005	Reclassi- fications	Restated 2005	
Presentation before restatement				Presentation after restatement
Investment products/services	65	-21	44	Asset management commissions
Life insurance	12	-	12	Life insurance
Brokerage	42	-1	41	Brokerage
	-	18	18	Custody
	-	4	4	Deposits
Deposits, payments and e-services	181	-41	140	Payments
	-	37	37	Cards
Loans and receivables	88	-20	68	Lending
Guarantees and documentary payments	25	20	45	Guarantees and document payments
Other commission income	36	4	40	Other commission income
Fee and commission income	449	0	449	Fee and commission income
Payments and e-services	-11	-23	-34	Payment expenses
Other commission expenses	-167	23	-144	Other commission expenses
Fee and commission expenses	-178	0	-178	Fee and commission expenses
Total net fee and commission income	271	0	271	Total net fee and commission income

Exchange rates

	Jan-Jun 2006	Jan-Dec 2005	Jan-Jun 2005
EUR 1 = SEK			
Income statement (average)	9.3247	9.2874	9.1487
Balance sheet (at end of period)	9.2110	9.3884	9.4640
EUR 1 = DKK			
Income statement (average)	7.4605	7.4518	7.4445
Balance sheet (at end of period)	7.4593	7.4599	7.4495
EUR 1 = NOK			
Income statement (average)	7.9258	8.0106	8.1391
Balance sheet (at end of period)	7.9432	7.9801	7.9145
EUR 1 = PLN			
Income statement (average)	3.8859	4.0248	4.0813
Balance sheet (at end of period)	4.0633	3.8524	4.0363

Note 2 Net gains/losses on items at fair value

	Jan-Jun 2006	Jan-Jun 2005
EURm		
Shares/participations and other share-related instruments	28	2
Interest-bearing securities and other interest-related instruments	199	50
Other financial instruments	-6	42
Foreign exchange gains/losses	49	71
Total	270	165

Note 3 Loan losses

	Jan-Jun 2006	Jan-Jun 2005
EURm		
Loan losses divided by category		
Write-offs and provisions for loans and receivables	29	80
- Of which, to credit institutions ¹	-	-
- Of which, to the public	29	80
Reversals and recoveries for loans and receivables to the public	-55	-62
Total	-26	18
¹ Refers to Transfer risks		
Specifications		
<i>Provisions for individually assessed loans</i>		
Realised loan losses during the period	28	37
Reversed amount of previous provisions made for realised losses during the period	-23	-27
This period's provisions for probable loan losses	9	51
Recoveries of previous periods' realised loan losses	-9	-18
Reversals of provisions for probable loan loss no longer required	-32	-37
This period's costs for individually assessed loans, net	-27	6
<i>Provisions for groups of significant loans</i>		
Allocation to allowance	4	10
Withdrawal from allowance	-4	-5
This period's change of provisions for groups of significant loans	0	5
<i>Provisions for groups of not significant loans</i>		
Realised loan losses during the period	-	-
Recoveries of previous periods' realised loan losses	-	-
Allocation to allowance	-	-
Withdrawal from allowance	-	-1
This period's net costs of provisions for groups of not significant loans	-	-1
<i>Transfer risks</i>		
Allocation to allowance for transfer risks	11	9
Withdrawal from allowance for transfer risks	-10	-
This period's change of provisions for transfer risks	1	9
<i>Contingent liabilities</i>		
Net cost for redemption of guarantees and other contingent liabilities	0	0
This period's net cost for redemption of guarantees and other contingent liabilities	0	0
Change in value of assets taken over for protection of claims	0	-1
Loan losses	-26	18

Note 4 Loans and receivables and their impairment

	30 Jun 2006	31 Dec 2005	30 Jun 2005
EURm			
Loans and receivables to credit institutions	44,130	39,758	36,909
Loans and receivables to the public	48,336	46,264	42,894
Total	92,466	86,022	79,803

Loans and receivables by categories of borrowers

	Credit institutions	Corporates	House- holds	Public sector	Total
30 Jun 2006, EURm					
Loans and receivables, not impaired ¹	44,130	24,852	22,157	1,213	92,352
Impaired loans and receivables	-	407	124	-	531
Loans and receivables before allowances	44,130	25,259	22,281	1,213	92,883
Allowances for individually assessed loans	-	-243	-47	-	-290
Allowances for groups of significant loans	-	-111	-	-	-111
Allowances for groups of not significant loans	-	-	-16	-	-16
Allowances	-	-354	-63	-	-417
Loans and receivables, book value	44,130	24,905	22,218	1,213	92,466
¹ Of which non-performing loans on which interest is taken as income	-	53	61	-	114

Specification of impaired loans and receivables

Impaired loans and receivables before allowances	-	407	124	-	531
Of which non-performing	-	142	77	-	219
Of which performing	-	265	47	-	312
Allowances for impaired loans and receivables	-	-354	-63	-	-417
Of which non-performing	-	-89	-16	-	-105
Of which performing	-	-265	-47	-	-312
Book value of impaired loans and receivables	-	53	61	-	114
Of which non-performing	-	53	61	-	114
Of which performing	-	0	0	-	0

	Credit institutions	Corporates	House- holds	Public sector	Total
31 Dec 2005, EURm					
Loans and receivables, not impaired ¹	39,758	23,974	21,048	1,142	85,922
Impaired loans and receivables	-	434	129	-	563
Loans and receivables before allowances	39,758	24,408	21,177	1,142	86,485
Allowances for individually assessed loans	-	-277	-56	-	-333
Allowances for groups of significant loans	-	-114	-	-	-114
Allowances for groups of not significant loans	-	-	-16	-	-16
Allowances	-	-391	-72	-	-463
Loans and receivables, book value	39,758	24,017	21,105	1,142	86,022
¹ Of which non-performing loans on which interest is taken as income	-	43	57	-	100

Specification of impaired loans and receivables

Impaired loans and receivables before allowances	-	434	129	-	563
Of which non-performing	-	141	72	-	213
Of which performing	-	293	57	-	350
Allowances for impaired loans and receivables	-	-391	-72	-	-463
Of which non-performing	-	-98	-15	-	-113
Of which performing	-	-293	-57	-	-350
Book value of impaired loans and receivables	-	43	57	-	100
Of which non-performing	-	43	57	-	100
Of which performing	-	-	-	-	-

Note 4, continued

30 Jun 2005, EURm	Credit institutions	Corporates	House-holds	Public sector	Total
Loans and receivables, not impaired ¹	36,909	21,961	19,751	1,059	79,680
Impaired loans and receivables	-	380	132	-	512
Loans and receivables before allowances	36,909	22,341	19,883	1,059	80,192
Allowances for individually assessed loans	-	-292	-58	-	-350
Allowances for groups of significant loans	-	-25	-	-	-25
Allowances for groups of not significant loans	-	-	-14	-	-14
Allowances	-	-317	-72	-	-389
Loans and receivables, book value	36,909	22,024	19,811	1,059	79,803
¹ Of which non-performing loans on which interest is taken as income	-	63	60	-	123

Specification of impaired loans and receivables

Impaired loans and receivables before allowances	-	380	132	-	512
Of which non-performing	-	186	85	-	271
Of which performing	-	194	47	-	241
Allowances for impaired loans and receivables	-	-317	-72	-	-389
Of which non-performing	-	-123	-25	-	-148
Of which performing	-	-194	-47	-	-241
Book value of impaired loans and receivables	-	63	60	-	123
Of which non-performing	-	63	60	-	123
Of which performing	-	-	-	-	-

	30 Jun 2006	31 Dec 2005	30 Jun 2005
Allowances/impaired loans and receivables before allowances, %	78.0	82.2	76.0
Impaired loans and receivables before allowances/loans and receivables to the public before allowances, %	1.1	1.2	1.2

	30 Jun 2006	31 Dec 2005	30 Jun 2005
Assets taken over for protection of claims, EURm			
Current assets			
Land and buildings	0	0	-
Shares and other participations	5	-	1
Other assets	2	2	-
Total	7	2	1

Note 5 Classification of financial instruments

EURm					Derivatives		
30 Jun 2006	Loans and	Held to	Held for	Assets at	used for	Available	
Financial assets	receivables	maturity	trading	fair value	hedging	for sale	Total
Cash and balances with central banks	1,456						1,456
Treasury bills and other eligible bills			2,965				2,965
Loans and receivables to credit institutions	43,602		528				44,130
Loans and receivables to the public	46,889						46,889
Interest-bearing securities			184	855			1,039
Derivatives			24,208		163		24,371
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-15						-15
Shares			400	9			409
Prepaid expenses and accrued income	311						311
Other assets	1,635						1,635
Total	93,878	-	28,285	864	163	-	123,190

30 Jun 2006		Held for	Liabilities	Derivatives	Other	
Financial liabilities		trading	at fair value	used for	financial	Total
Deposits by credit institutions		3			23,096	23,099
Deposits and borrowings from the public					34,296	34,296
Debt securities in issue					25,362	25,362
Derivatives		23,927		203		24,130
Fair value changes of the hedged items in portfolio hedge of interest rate risk					-153	-153
Other liabilities		57			3,668	3,725
Accrued expenses and prepaid income					409	409
Subordinated liabilities					1,706	1,706
Total		23,987	-	203	88,384	112,574

Note 6 Derivatives

EURm	Assets	Liabilities	Total nominal
30 Jun 2006	Fair value	Fair value	amount
Derivatives held for trading			
Interest rate derivatives	16,918	16,686	1,619,756
Equity derivatives	642	672	13,582
Foreign exchange derivatives	4,788	4,791	500,371
Other derivatives	1,785	1,778	81,032
Total	24,133	23,927	2,214,741
Derivatives used for hedging			
Interest rate derivatives	201	119	41,146
Equity derivatives	-	-	-
Foreign exchange derivatives	37	83	3,478
Other derivatives	-	-	-
Total	238	202	44,624
Derivatives, total			
Interest rate derivatives	17,119	16,805	1,660,902
Equity derivatives	642	672	13,582
Foreign exchange derivatives	4,825	4,874	503,849
Other derivatives	1,785	1,778	81,032
Total	24,371	24,129	2,259,365
Of which contracts with Nordea Group undertakings	612	595	65,914

Note 6, continued

	Assets	Liabilities	Total nominal
31 Dec 2005	Fair value	Fair value	amount
Derivatives held for trading			
Interest rate derivatives	21,441	21,169	1,364,650
Equity derivatives	313	345	5,164
Foreign exchange derivatives	5,052	5,335	474,461
Other derivatives	976	935	57,839
Total	27,782	27,784	1,902,114
Derivatives used for hedging			
Interest rate derivatives	283	140	42,168
Equity derivatives	-	-	-
Foreign exchange derivatives	100	145	15,701
Other derivatives	-	-	-
Total	383	285	57,869
Derivatives, total			
Interest rate derivatives	21,724	21,309	1,406,818
Equity derivatives	313	345	5,164
Foreign exchange derivatives	5,152	5,480	490,162
Other derivatives	976	935	57,839
Total	28,165	28,069	1,959,983
Of which contracts with Nordea Group undertakings	599	574	75,885

	Assets	Liabilities	Total nominal
30 Jun 2005	Fair value	Fair value	amount
Derivatives held for trading			
Interest rate derivatives	25,956	25,495	1,182,738
Equity derivatives	182	198	4,429
Foreign exchange derivatives	6,833	7,372	396,315
Other derivatives	776	716	37,102
Total	33,747	33,781	1,620,584
Derivatives used for hedging			
Interest rate derivatives	346	126	45,355
Equity derivatives	-	-	-
Foreign exchange derivatives	166	75	16,468
Other derivatives	-	-	-
Total	512	201	61,823
Derivatives, total			
Interest rate derivatives	26,302	25,621	1,228,093
Equity derivatives	182	198	4,429
Foreign exchange derivatives	6,999	7,447	412,783
Other derivatives	776	716	37,102
Total	34,259	33,982	1,682,407
Of which contracts with Nordea Group undertakings	840	817	101,145

Note 7 Off-balance sheet commitments

	30 Jun 2006	31 Dec 2005	30 Jun 2005
EURm			
Guarantees	5,886	5,100	4,799
Other contingent liabilities	1,668	1,583	1,142
Stand-by facilities	6,389	6,905	6,023
Unused credit lines	8,152	5,868	5,865
Other commitments	603	779	1,246
Total	22,698	20,235	19,075
Of which on behalf of associated companies	13	12	16

Note 8 Assets pledged

EURm			Other	
30 Jun 2006	Pledges	Mortgages	collateral	Total
Assets pledged as security for own liabilities	-	-	-	-
Assets pledged on own behalf for other purposes	-	-	6,335	6,335
Assets pledged on behalf of Nordea group undertakings	-	-	101	101
Assets pledged on behalf of other parties	-	-	-	-
- of which to related party management	-	-	-	-
Total	-	-	6,436	6,436

In addition to the above commitments, NBF had sold EUR 3m debt securities with repurchase agreements.

31 Dec 2005	Pledges	Mortgages	Other collateral	Total
Assets pledged as security for own liabilities	-	-	-	-
Assets pledged on own behalf for other purposes	-	-	8,164	8,164
Assets pledged on behalf of Nordea group undertakings	-	-	100	100
Assets pledged on behalf of other parties	-	-	-	-
- of which related party management	-	-	-	-
Total	-	-	8,264	8,264

30 Jun 2005	Pledges	Mortgages	Other collateral	Total
Assets pledged as collateral for own liabilities	-	-	-	-
Assets pledged on own behalf for other purposes	-	-	7,387	7,387
Assets pledged on behalf of Nordea group undertakings	-	-	101	101
Assets pledged on behalf of other parties	-	-	-	-
- of which related party management	-	-	-	-
Total	-	-	7,488	7,488

In addition to the above commitments, NBF had sold EUR 27m debt securities with repurchase agreements.

Note 9 Capital adequacy

	30 Jun 2006	31 Dec 2005	30 Jun 2005
Tier 1 capital, EURm	11,558	11,426	10,631
Capital base, EURm	13,002	12,956	12,171
Risk-weighted assets, EURm	68,022	64,058	60,573
Tier 1 capital ratio, %	17.0	17.8	17.6
Total capital ratio, %	19.1	20.2	20.1