



Interim Report Second Quarter 2006

Press Conference



Lars G Nordström
President and Group CEO

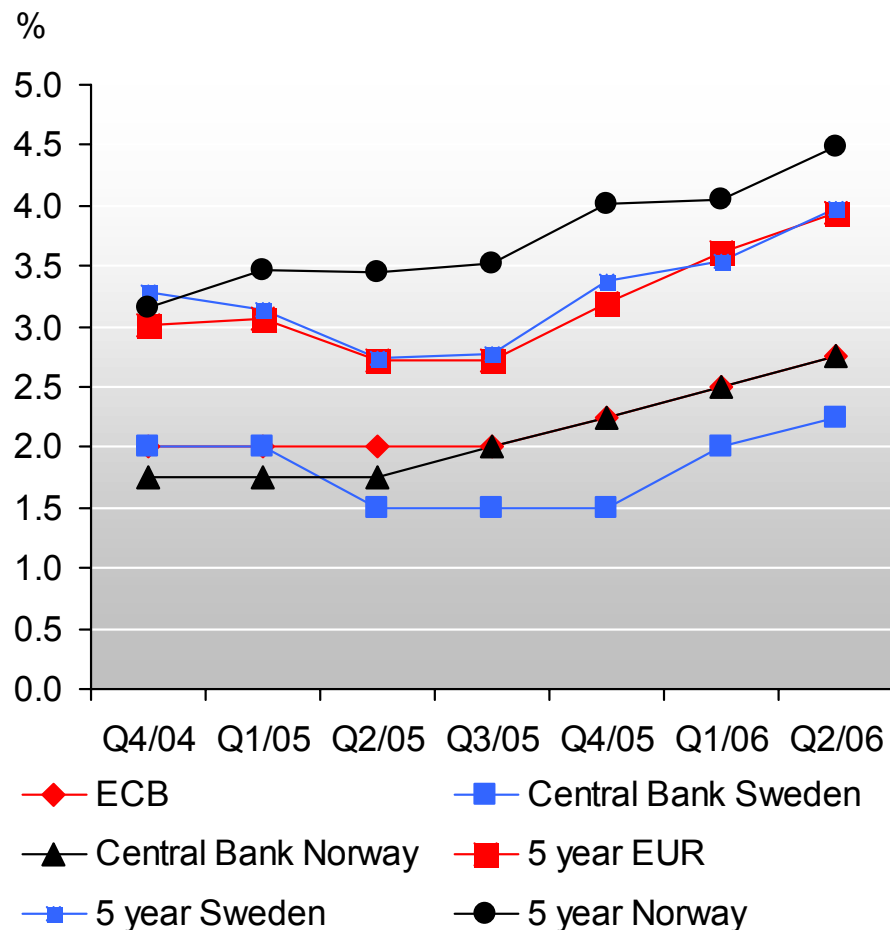
Strong results reflecting robust and diversified business mix – RoE up to 21.2%

- Net profit up 17% to EUR 1,405m (EUR 1,200m in H1 2005)
- Operating profit up 14% to EUR 1,790m (EUR 1,572m)
 - Operating profit in Q2 up 5% to EUR 932m (EUR 884m Q2/05)
- Income up 8% to EUR 3,544m (EUR 3,276m) – Net interest income up 4%
- Costs up 3%, excluding Life up 2%
- Cost/income ratio continued down to 53% from 55%
- Positive net loan losses of EUR 120m (EUR 107m) – 9th consecutive quarter with net recoveries
- Earnings per share EUR 0.54 (EUR 0.45), up 20%
- Return on equity 21.2% (19.4%)

Profitable growth in all Business Areas – continued strong performance in key growth areas

- No. of core customers increased by 6%
- Consumer lending up 10%; No. of credit cards up 30%
- Strong growth in business volumes with small and medium sized enterprises (SMEs)
- Assets under Management up 11%; Nordic Private Banking customer base increased by 10%
- Net written premiums in Life up 35%
- Continued customer driven growth in capital market activities
- Execution of growth plans in Sweden and in Poland & Baltics is progressing

Changing market environment – interest rates

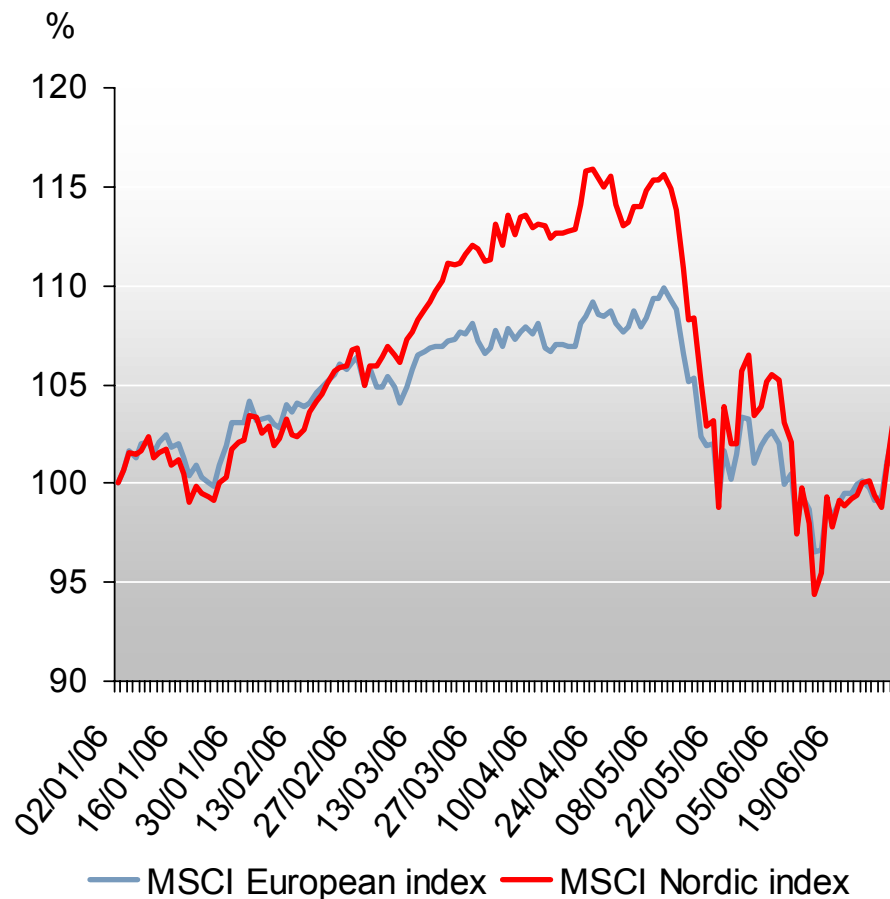


- ECB as well as Central banks in Sweden and Norway increased interest rates in H1 2006
- Trend with increasing long term interest rates continued
- Interest rates still at historical low level

Effects on Nordea

- Improved deposit margins
- Increased demand for hedging products
- Slightly lower financial buffers in Life
- Insignificant effects on loan demand and credit quality

Changing market environment – equity markets

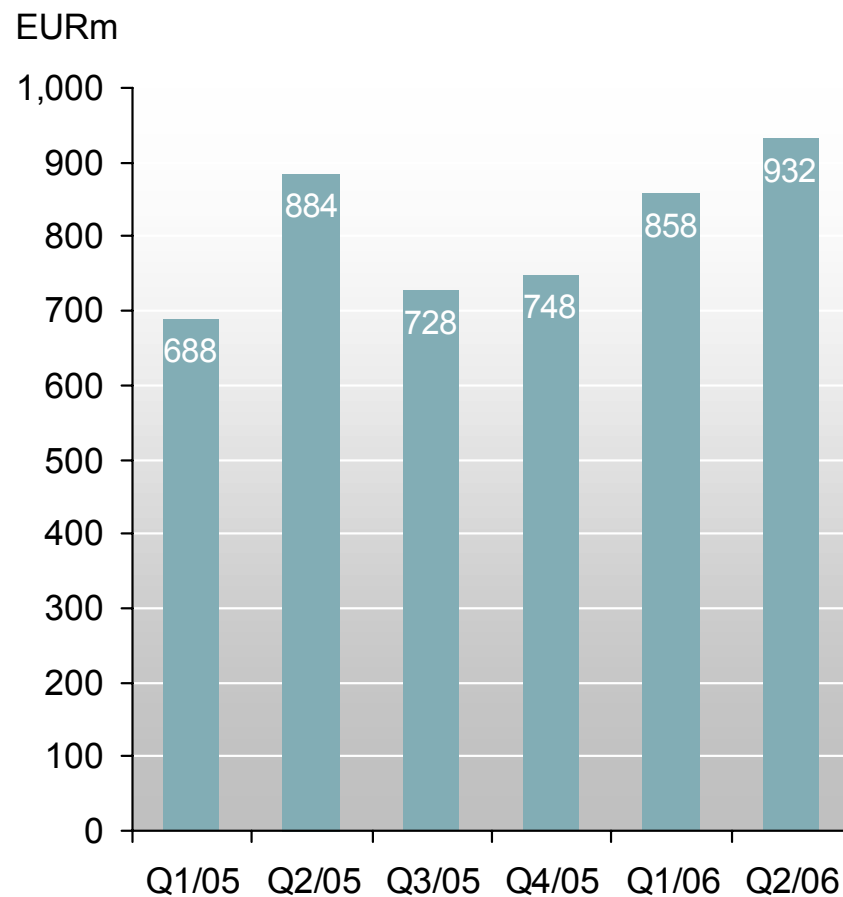


- International equity market turmoil in Q2/06
- Equity indexes down approx. 10% since mid May
- Increased uncertainty and risk premium

Effects on Nordea

- Impact on savings related commissions – limited in Q2
- Switch from equity to interest funds (59% fixed income funds end Q2)
- Increased demand for structured products
- Lower investment return for Life

Operating profit



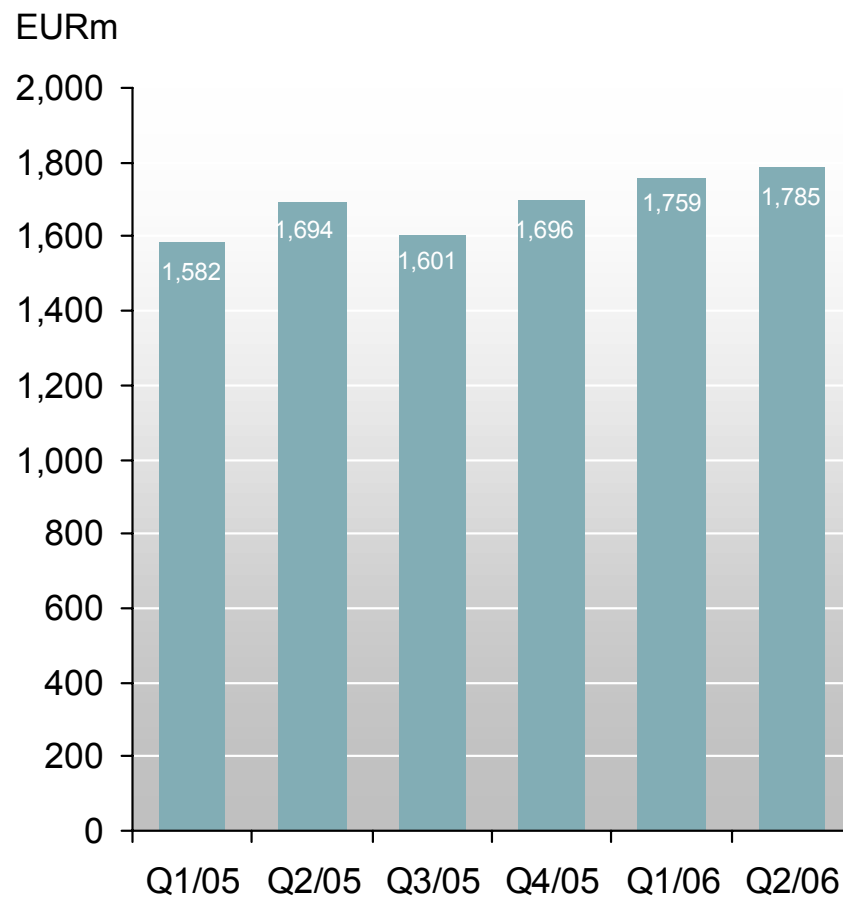
YoY

- Up 14%
- Profitable growth in all BAs – in total operating profit up 20%
- Business model and growth strategy continues to pay off
- Robust and diversified business mix
 - limited impact from volatile markets
- Decision to increase costs in profitable growth areas, eg long term savings, Growth Plan Sweden and Poland & Baltics

Q2oQ1

- Up 9% - despite challenging market conditions for Markets and Treasury
- Large loan loss recoveries

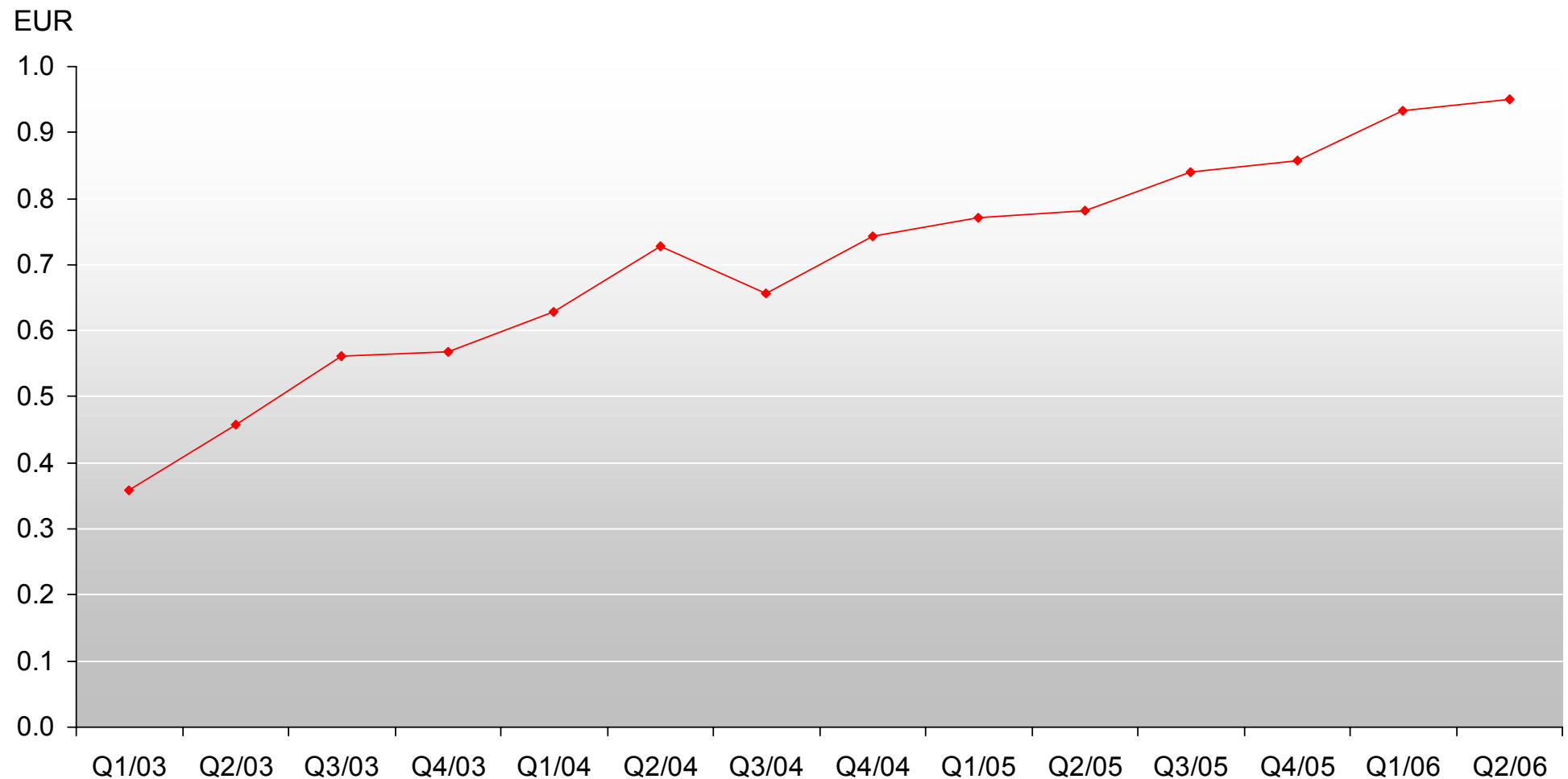
Continued growth in operating income



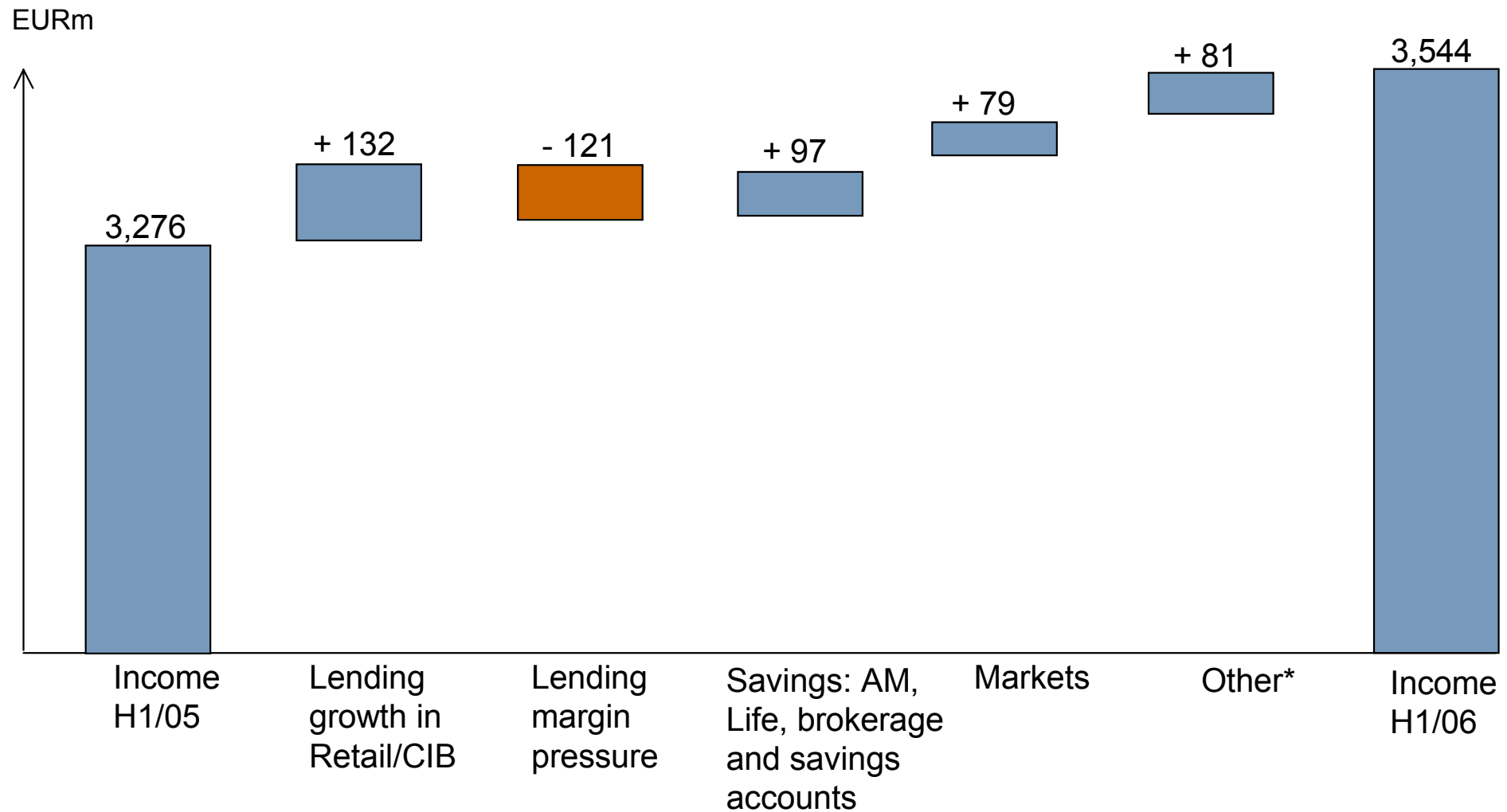
YoY

- Up 8%
- Increased focus on top line growth
- Steady increase in net interest income
- Volume growth more than compensates for margin pressure
- Commission income up 10%
 - Savings related commissions up 12%
 - Card commissions up 10%
- Net/gains losses up 28%
 - strong increase in customer driven financial transactions

Continuous increase in earnings per share - rolling 12 months

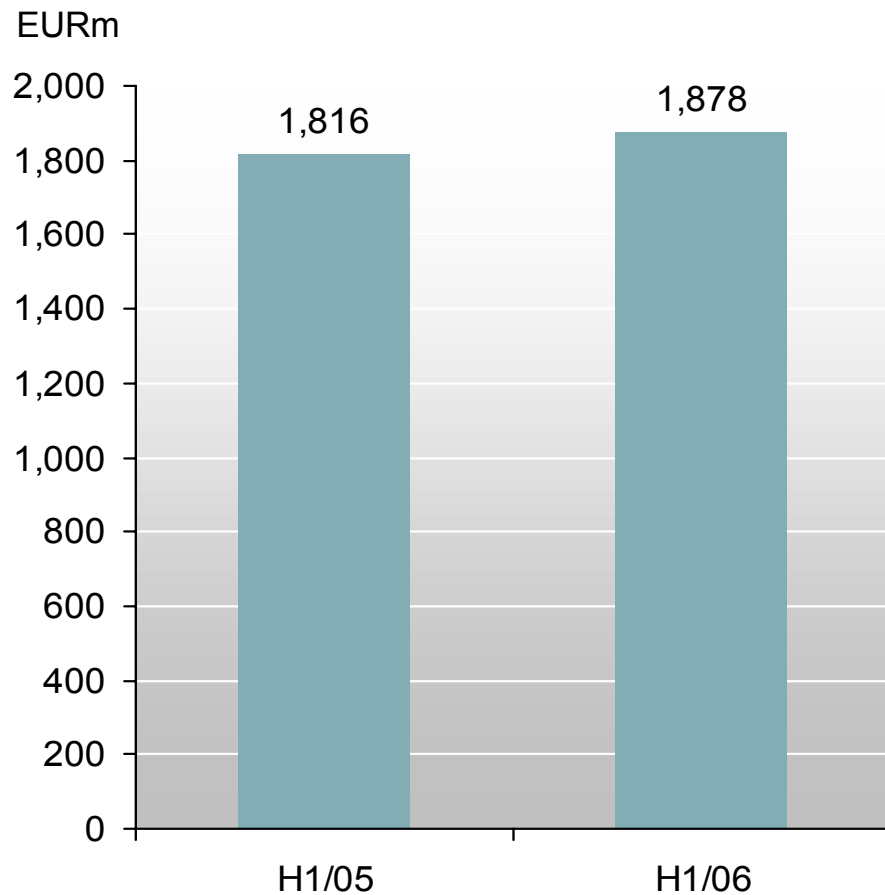


Revenue growth in Nordea



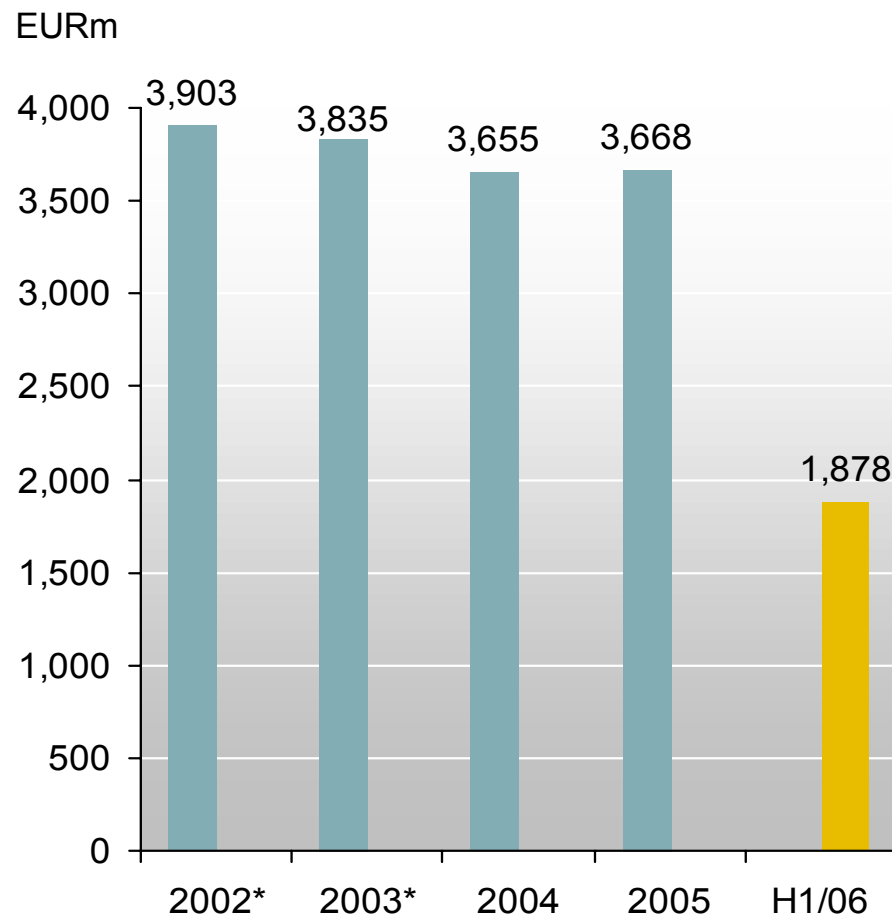
* Including current accounts

Unchanged cost focus



- Reported costs up 3%
- Costs excl. Life up 2%
- In line with increased growth focus
- EUR 30m of cost increase related to investments in growth areas

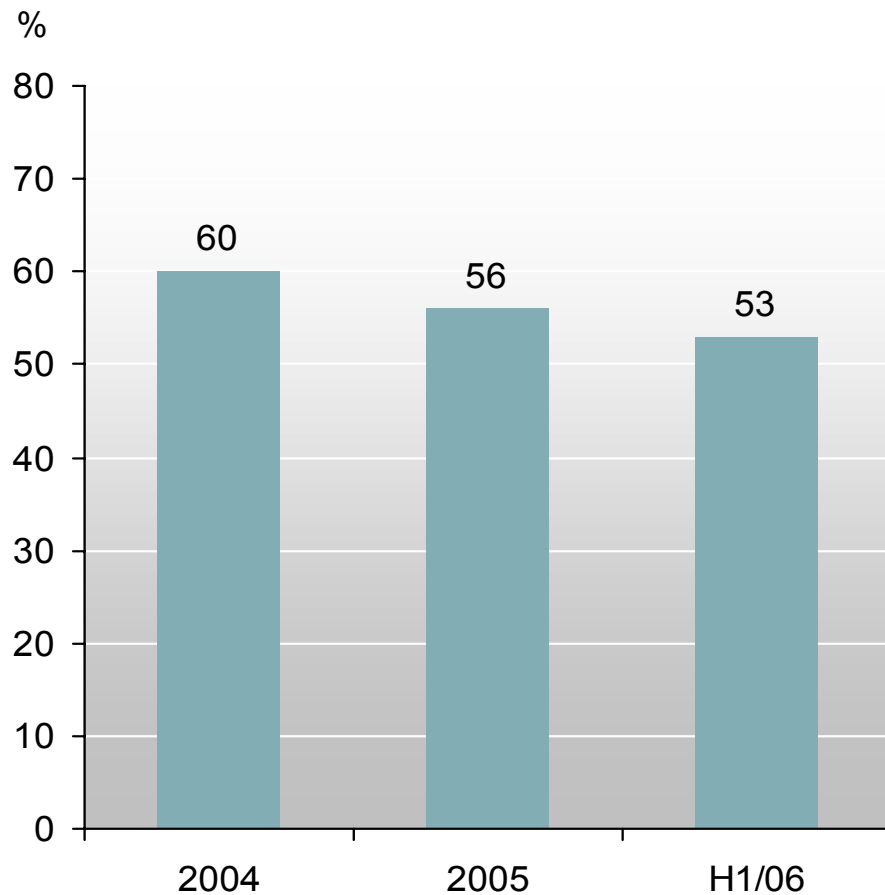
Cost management culture firmly established



- Since 2002 total costs in nominal terms have decreased by 6% and in real terms around 15%
- Nordea accepts a moderate increase in costs in the present strong market environment
 - to capture profitable growth opportunities
 - Nordea has flexibility and ability to adjust accordingly if macro environment changes

*Adjusted for Life, leasing, group investments and net of acquisitions/divestments. 2002 includes Postgirot

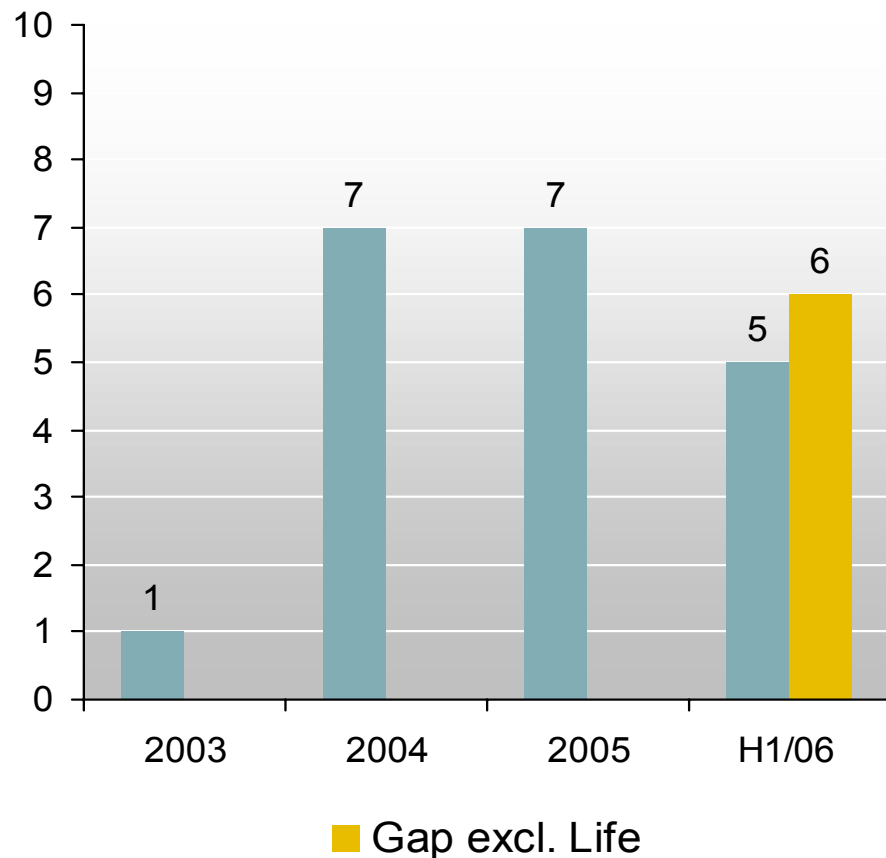
Cost/income ratio continues downwards



- Down to 53% in H1
 - income up 8%
 - costs up 3%
- Continuous efficiency improvements
- Delivery in line with financial targets

Gap between income and cost development

Percentage points



- Gap of 5%
- Capture profitable revenue opportunities
- Top line increasingly contributing
- Maintaining a gap secures delivery of net profit and RoE
 - high value creation
- Business model in Life focusing on long term value creation and profitability

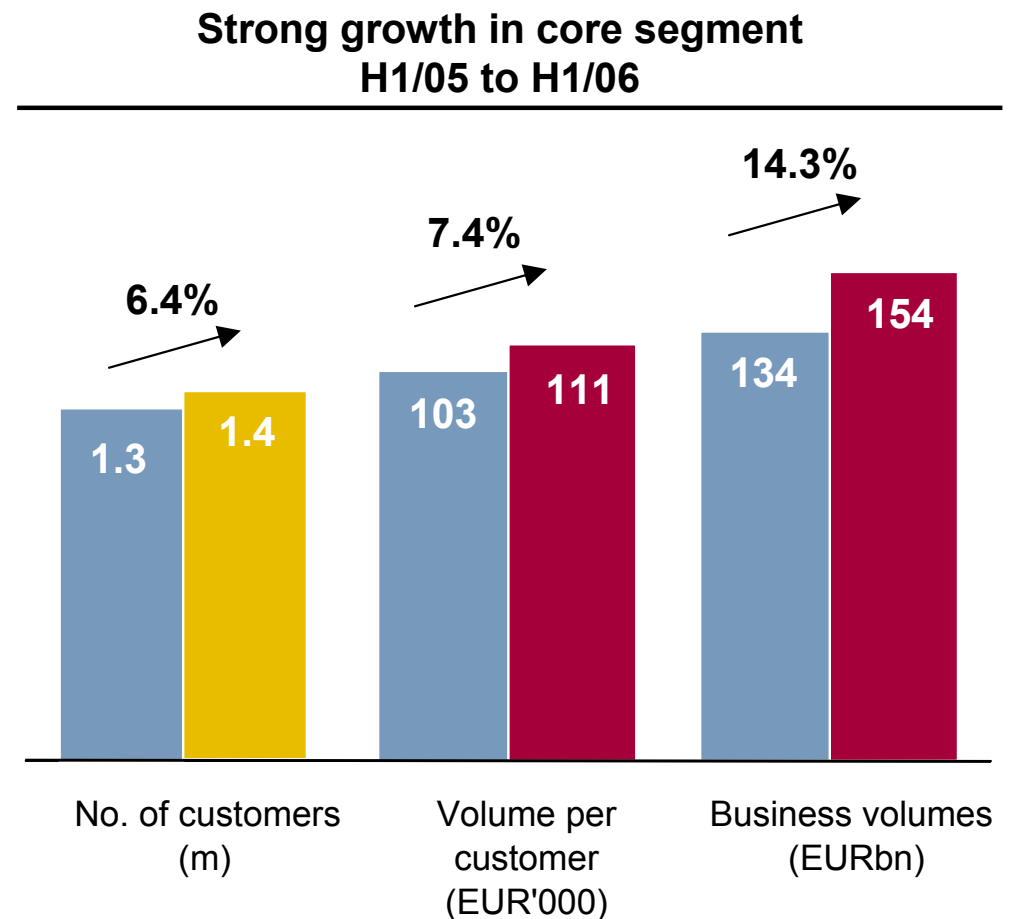
Key growth areas – progress already visible

- Accelerate market position within consumer credits incl. cards
- Continue to leverage on strong position within long-term savings, eg Private Banking and Life
- Strengthen the position in Sweden – focus on advisory services
- Harness Nordea's leading position in capital markets – leveraging Nordea's customer base. Untapped potential among SMEs
- Use the mortgage product as a potential customer acquisition vehicle – case Norway
- Further position Nordea successfully in the Baltics, Poland and Russia

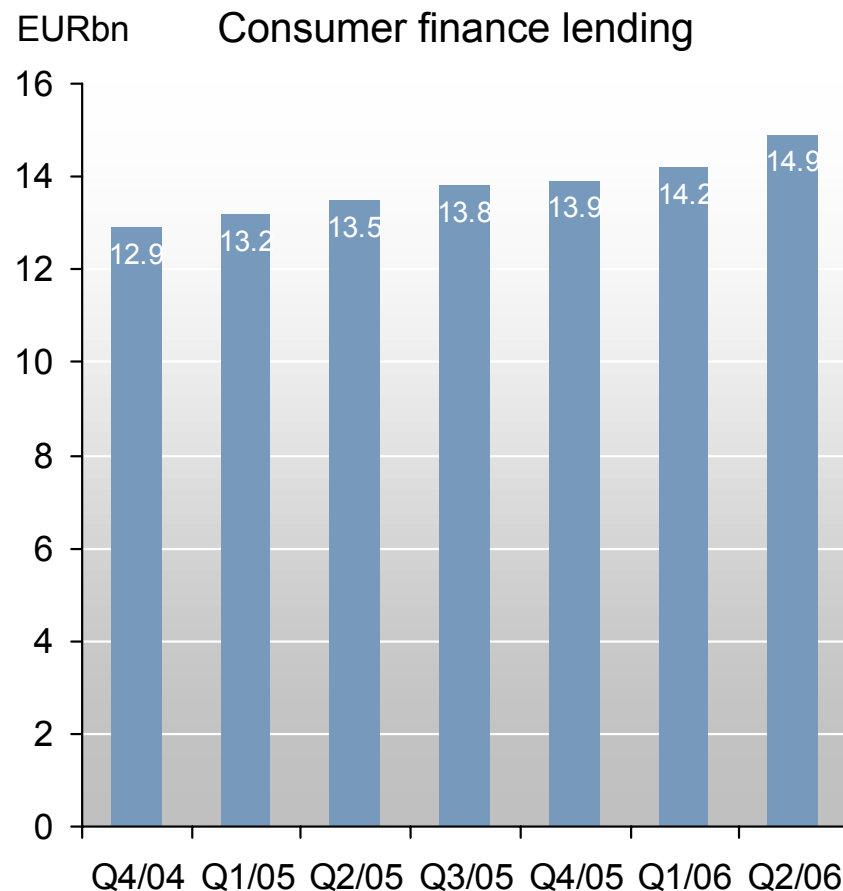
➤ Increasing the number of core clients

Increased number of core customers and volumes

- Key elements in the programmes offered to the customers:
 - more favourable prices the more business customers do - for core customers a named personal banking adviser at their service
 - transparent pricing
 - three levels: Basic, Intermediate and Core
- Key focus on increasing:
 - customer satisfaction and loyalty
 - business volume per customer
- Strong success to date
 - no. of customers and business volume per customer increased in core segment drive the improved earnings



Accelerate market position within consumer credits and cards



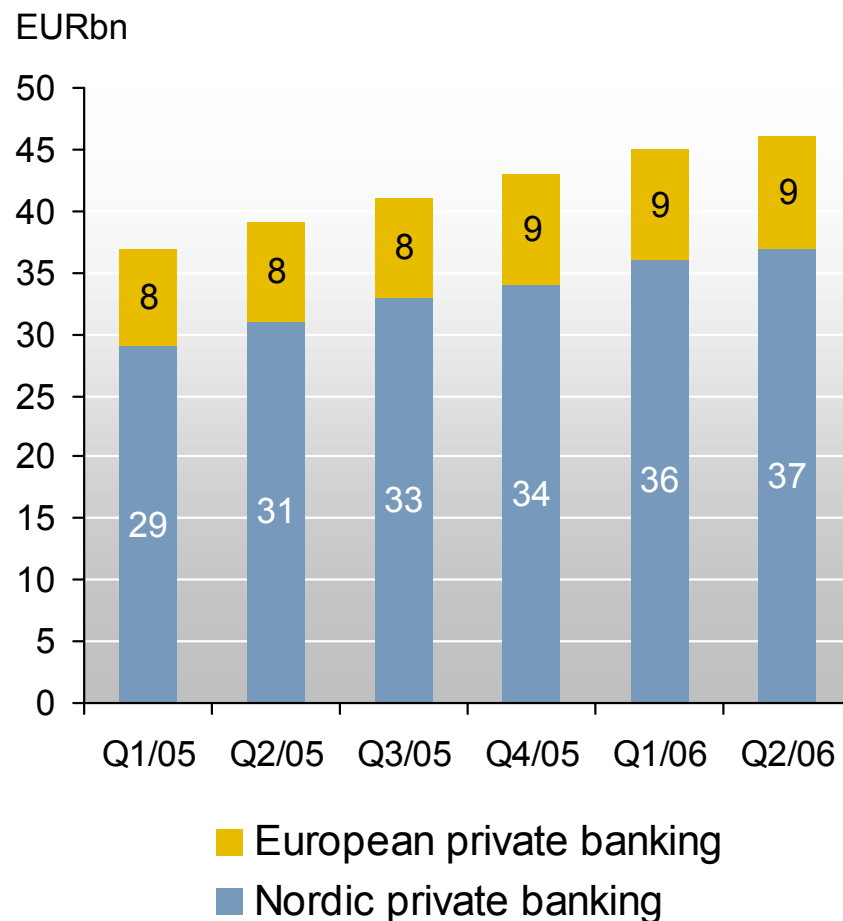
YoY

- Consumer lending up 10%
- 645,000 new cards issued
- In total 5.3 million cards issued
 - of which approx. 25% credit cards
 - no. of credit cards up 30%

Q2oQ1

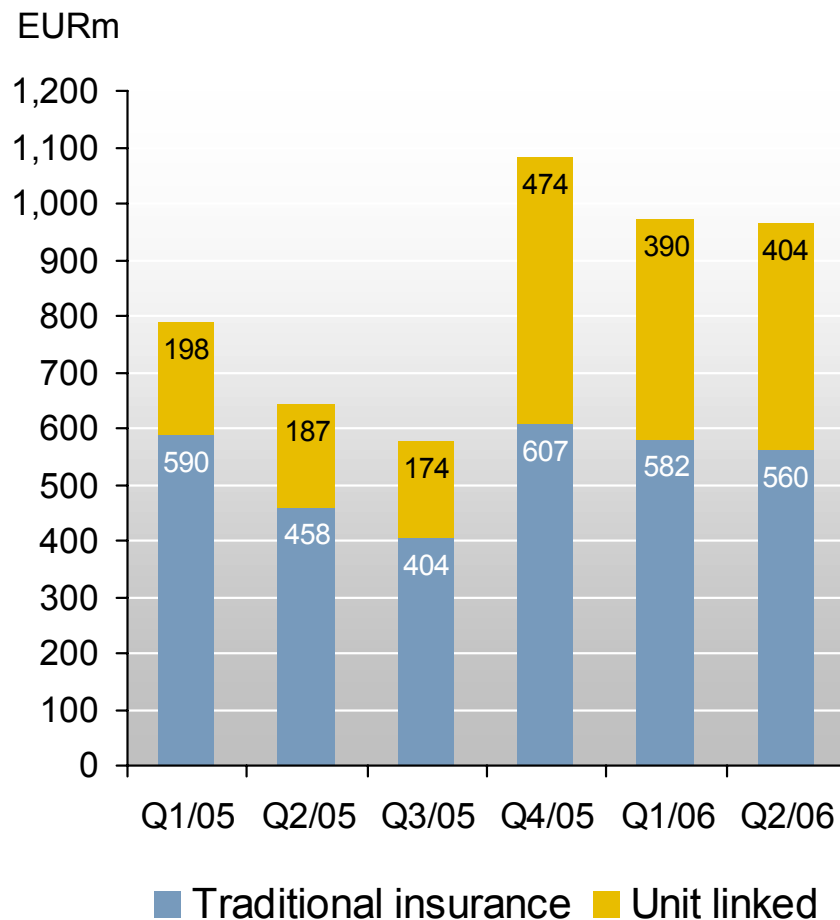
- Consumer lending up 5%
 - annualised 20%
- Growth strategy and penetration of customer base is paying off
- Margins basically unchanged adjusting for business mix
- Card commissions up 9%

Continue to leverage on strong position within long-term savings – Private Banking



- Strong asset growth in Nordic Private Banking
 - driven by 10% increase in customer base
 - strong performance despite turbulent market conditions in Q2
 - net inflow in Q2 18% annualised
 - result of roll out of new common advisory concepts, particularly in Norway and Sweden
- AuM up 15% YoY

Continue to leverage on strong position within long term savings – stepwise increase in premiums in Life

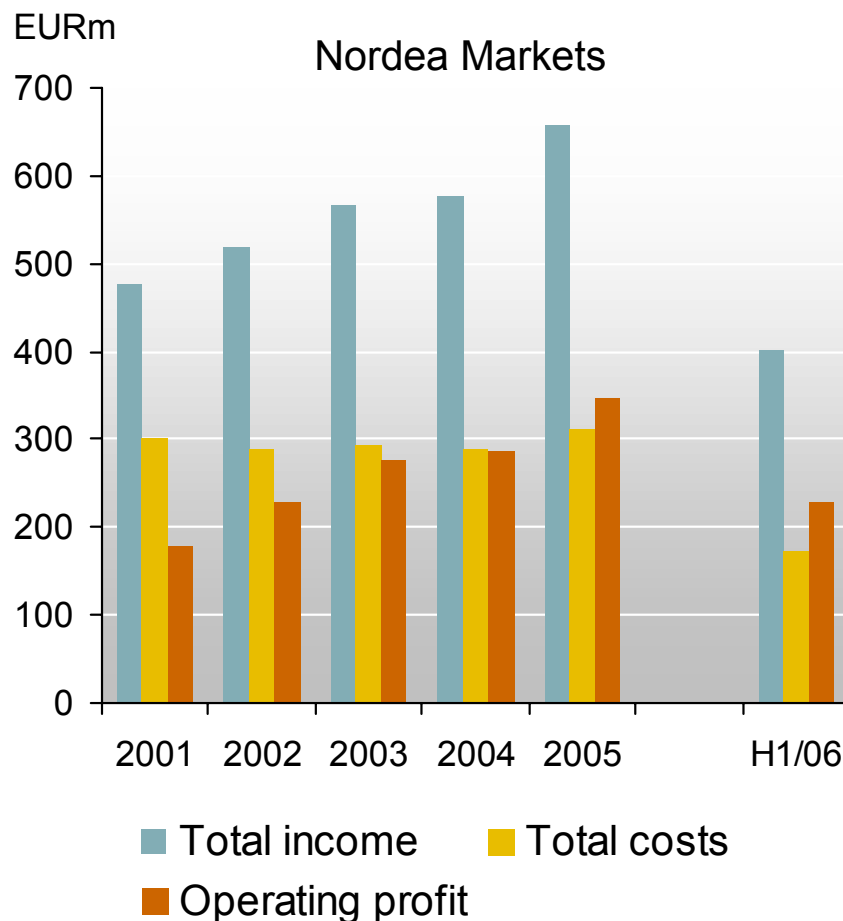


- Net written premiums up 35% H1oH1
 - up 49% Q2oQ2
- Unit linked share of premiums 41% H1
- Increased penetration in the customer base – successful cooperation between Life and Retail
- Nordea's share of signed agreements in Mandatory Company Pension (MCP) Norway well above 25%
- Market share of new written premiums on private market 7.5% in Sweden end March

Strengthen the position in Sweden – focus on advisory services

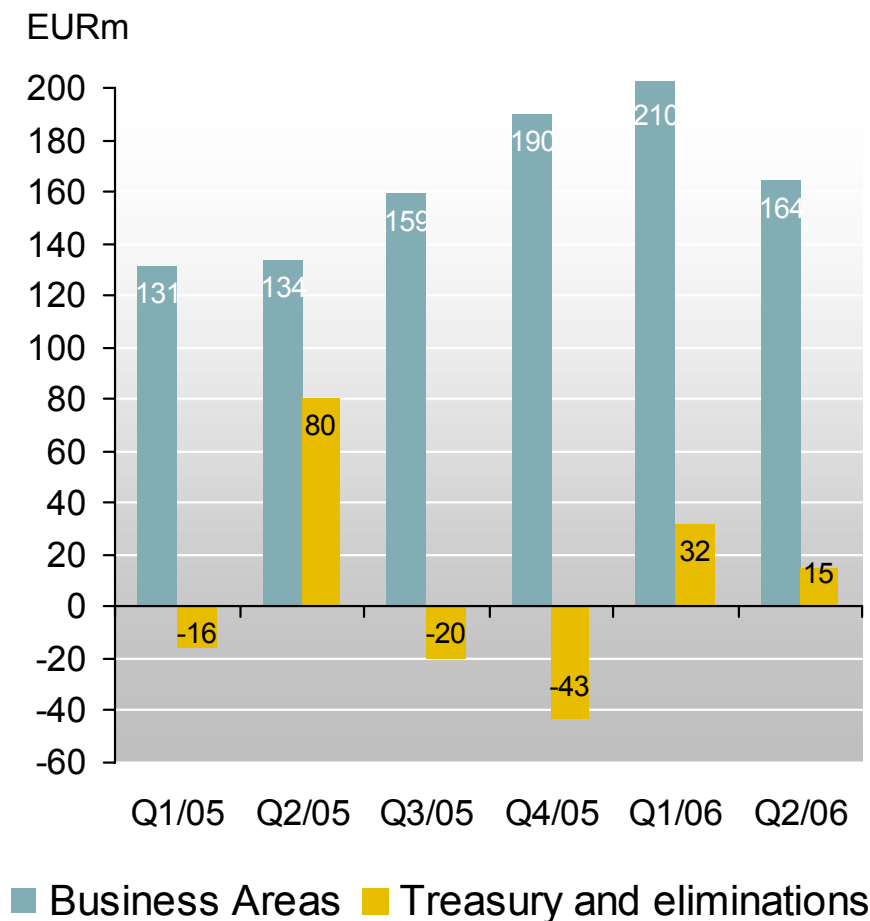
- Capturing untapped potential in Sweden proceeding according plan
- More than 150 additional Personal banking advisors and specialists within private Banking and corporate pension recruited
 - equals around 60% of the intended inflow of additional specialists to further grow business in Sweden
- Four new sales and advisory venues opened during H1
 - in total it is expected to establish around 10 new venues in 2006

Harness Nordea's leading position in capital markets – untapped potential among SMEs



- Leveraging Nordea's customer base
- Customer driven growth
- Focus on customer solutions rather than product push
 - strong concepts in risk management and asset-liability management
 - increased capabilities in derivatives
- F/X and fixed income still the strongest profit contributors
 - structured products increasing
- Risk committed to customer activities
- Costs in Markets largely unchanged since 2001
 - reduced no. of FTEs and IT consolidation

Customer business drives increase in net/gains losses



YoY

- Net gains/losses in BAs increased by 41% to EUR 374m
- Strong success in selling Markets products in Retail and CIB
- Strong growth in customer driven business
 - structured products
 - strong and stable core business in F/X and fixed income trading

Q2oQ1

- Treasury result down due to OMX shares decrease of EUR 34m - good inv. result excl. OMX
- Life down following volatile markets

Use the mortgage product as a potential customer acquisition vehicle – case Norway

- Gradual increase in market share in Norwegian household market for a number of years
 - Mortgages close to 12%
 - Consumer lending close to 11%
- Decision to offer more competitive client proposition in Norway
 - Nordea left customers' interest rates unchanged 1 June despite rate hike 25bp by Central Bank
 - mortgage margins in Norway are significantly higher than Nordic average
 - Nordic convergence is certain to happen
 - Nordea has the ambition to increase the competitive offer and market share
 - mortgages a potential customer acquisition vehicle for additional business
 - increased cross-selling potential

Further position Nordea successfully in the Baltics, Poland and Russia

Russia

- Nordea's strategy is to build its own presence in the Russian banking market to capture the growth opportunities seen in the large market in the Baltic Sea region
- Establish a fully controlled operation, either by obtaining a bank licence or through an acquisition of a small to medium sized bank
- As a result Nordea has signed an agreement to sell the holding of 23.4% in IMB to Unicredit
- Tax-free capital gain of approx. EUR 200m

Poland and the Baltic countries

- Business activity in Poland and the Baltic countries continued to be strong during Q2
 - total lending increased by approx. 50% YoY
 - mortgage lending grew by approx. 100% YoY
 - Nordea continued to gain market shares in the fast growing housing loan markets

Fundamentals in the Nordic economies remain strong

- GDP growth in Den, Fin, Nor, Swe expected to be in the 2.9-3.9% range for 2006 and 2.1-2.9% in 2007
- Rising inflation, however well in line with central bank's targets (approx. 2% in 2006-2007)
- Robust increase in private consumption
- Moderate, and gradually falling unemployment rates
- Increasing disposable income
- Customers ability to service debt remain strong – less than 5% of disposable income needed to service debts

Outlook

- Nordea's growth strategy is paying off and progress increasingly visible in key growth areas
- No. of core clients continued to increase
- Nordea will continue the successful execution of its organic growth strategy
- Despite rising interest rates and a somewhat uncertain outlook for equity markets, Nordea is confident in reaching the ambition of at least 5 percentage points gap between revenue and cost growth for 2006
- A moderate cost increase, in line with H1 expected for full year 2006

Summary

- Strong result reflecting robust and diversified business mix – RoE 21.2%
- Nordea's growth strategy is paying off
 - increasing no. of core clients
 - strong performance in long term savings – AuM up 11% supported by strong net inflow
 - increased penetration among SME clients with Markets related products
 - increased lending volumes in all segments
 - larger part of revenues event driven and advisory related
 - growth strategies in Sweden and Poland & Baltics developing well
- Improved cost efficiency
 - Cost/income ratio down to 53%
 - cost increase excl. Life 2%
 - increased alertness to change in market conditions
 - actions will be taken if needed
- Gap between revenue and cost growth 5 percentage points



Interim Report Second Quarter 2006

Press Conference



Lars G Nordström
President and Group CEO

Income statement summary

EURm	H1/06	H1/05	Chg %
Net interest income	1,884	1,810	4
Net fee and commission income	1,028	937	10
Net gains/losses on items at fair value	421	329	28
Equity method	55	35	57
Other income	156	165	-5
Total operating income	3,544	3,276	8
Staff costs	-1,095	-1,030	6
Other expenses	-739	-717	3
Depreciation	-44	-69	-36
Total operating expenses	-1,878	-1,816	3
Loan losses	120	107	
Operating profit	1,790	1,572	14
Net profit	1,405	1,200	17

Income statement summary

EURm	Q2/06	Q1/06	Chg %	Q2/05
Net interest income	957	927	3	913
Net fee and commission income	521	507	3	484
Net gains/losses on items at fair value	179	242	-26	214
Equity method	30	25	20	22
Other income	98	58	69	61
Total operating income	1,785	1,759	1	1,694
Staff costs	-552	-543	2	-515
Other expenses	-372	-367	1	-364
Depreciation	-21	-23	-9	-35
Total operating expenses	-945	-933	1	-914
Loan losses	89	31		101
Operating profit	932	858	9	884
Net profit	740	665	11	705