

## **Interim Report 1<sup>st</sup> quarter 2007**

### **Nordea Bank Norge Group**

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*Nordea Bank Norge is part of the Nordea Group. 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 10 million customers, more than 1,100 branch offices and a leading netbanking position with 4.6 million e-customers. The Nordea share is listed on the stock exchanges in Stockholm, Helsinki and Copenhagen*

*[www.nordea.com](http://www.nordea.com)*

## Key financial figures

### Income statement

NOKm	Q1 2007	Q1 2006	Change %	Q4 2006	Change %
Net interest income	1,284	1,268	1	1,248	3
Net fee and commission income	380	390	-3	433	-12
Net gains/losses on items at fair value	216	237	-9	360	-40
Equity method	17	11	55	14	21
Other income	17	23	-26	25	-32
<b>Total operating income</b>	<b>1,914</b>	<b>1,929</b>	<b>-1</b>	<b>2,080</b>	<b>-8</b>
Staff costs	-648	-617	5	-676	-4
Other expenses	-445	-375	19	-480	-7
Depreciation of tangible and intangible assets	-25	-34	-26	-35	-29
<b>Operating expenses</b>	<b>-1,118</b>	<b>-1,026</b>	<b>9</b>	<b>-1,191</b>	<b>-6</b>
Loan losses	21	206	-90	293	-93
Disposals of tangible and intangible assets	6	5	20	4	50
<b>Operating profit</b>	<b>823</b>	<b>1,114</b>	<b>-26</b>	<b>1,186</b>	<b>-31</b>
Tax expense	-222	-305	-27	-289	-23
<b>Net profit for the period</b>	<b>601</b>	<b>809</b>	<b>-26</b>	<b>897</b>	<b>-33</b>

### Business volumes, key items

NOKbn	31 Mar 2007	31 Mar 2006	Change %	31 Dec 2006	Change %
Loans and receivables to the public	324.7	268.5	21	307.0	6
Deposits and borrowings from the public	191.0	155.7	23	178.9	7
Equity	20.6	18.7	10	21.0	-2
Total assets	409.2	343.0	19	370.7	10

### Ratios and key figures

	Q1 2007	Q1 2006	Q4 2006
Earnings per share (EPS), NOK	1.09	1.47	1.63
Equity per share <sup>3</sup> , NOK	37.27	33.88	38.00
Shares outstanding <sup>1,3</sup> , million	551	551	551
Return on equity, %	11.6	16.9	17.5
Cost/income ratio, %	58	53	57
Tier 1 capital ratio <sup>1,2</sup> , %	6.8	7.3	6.8
Total capital ratio <sup>1,2</sup> , %	9.3	9.5	9.4
Tier 1 capital <sup>1,2</sup> , NOKm	20	19	20
Risk-weighted assets <sup>1</sup> , NOKbn	296	255	289
Number of employees (full-time equivalents) <sup>1</sup>	3,121	3,124	3,055

<sup>1</sup> End of period.

<sup>2</sup> Including net profit for the period. For CAD figures according to FSA rules, see Note 7.

<sup>3</sup> See note 8.

Throughout this report, “Nordea Bank Norge” and “NBN” refer to the parent company Nordea Bank Norge ASA, business identity code 911 044 110, with its subsidiaries. The registered office of the company is in Oslo. Nordea Bank Norge ASA 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 Norge ASA with its subsidiaries.

# Nordea Bank Norge Group

## Result summary first quarter 2007

Operating profit was NOK 823m, a decrease of 26% compared to the same period in 2006 mainly due to increased operating expenses and reduced positive net loan losses. Total income decreased by 1%, while total expenses increased by 9%. Net profit amounted to NOK 601m, corresponding to a return on equity of 11.6%. The cost/income ratio was 58%. Loan losses were positive for the ninth consecutive quarter.

### Income

The first quarter of 2007 was characterized by continued strong growth and decreasing interest margin on lending. Total income decreased by 1% to NOK 1,914m.

There has been high activity and high growth in underlying business in first quarter 2007. Total lending to the public increased by 21% to NOK 325bn. Mortgage lending to private customers increased by 18% to NOK 112bn. Deposits increased by 23% to NOK 191bn, and deposit margins improved following increased market interest rates. The income side is strongly influenced by temporary effects from the frequent interest raises from the Central Bank, which gives temporary low margins on lending to Household customers due to the mandatory minimum 6 weeks notice on interest raises. Due to this, net interest income increased only by NOK 16m, or 1%, to NOK 1,284m even though the volume growth was strong in all segments.

Net commission income decreased by NOK 10m, or 3%, to NOK 380m mainly due to reduced income from brokerage and arrangement provisions. Net fees from payments increased by 8% or NOK 11m. The number of payments increased by 14%.

Net gains/losses on items at fair value decreased by 9% to NOK 216m following lower net income from interest and FX related products in Markets and Treasury. Net gains on other financial instruments were reduced by NOK 18m.

The income from equity method was NOK 17m.

### Expenses

Total expenses increased by 9% to NOK 1,118m compared to the same period in 2006.

Staff costs increased by 5% and amounted to NOK 648m. Wages and bonuses increased by 4%, while pension costs were somewhat reduced. The number of FTEs was 3,121, a reduction of 3 compared to the end of the first quarter 2006.

Other expenses increased by 19% to NOK 445m.

Higher business volumes have resulted in an increase in transaction and sales-related expenses, including IT- and marketing expenses. Fees related to the outsourced Cash Services and Pay Roll Services are included in this item from 1 January 2007.

Depreciation decreased by 26% to NOK 25m.

### Loan losses

Loan losses were positive at NOK 21m, 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 quarter 2007 was 27.0% compared to 27.4% in the same period last year.

### Net profit

Net profit decreased by 26% to NOK 601m corresponding to a return on equity of 11.6% compared to 16.9% in the first quarter last year.

### Credit portfolio

Net impaired loans, individually assessed, amounted to NOK 406m (1,132) representing 0.1% of total lending at the end of the first quarter.

The share of private customer lending was 42%. Within private customer lending, mortgage loans accounted for 82%. There was no major change in the composition of the corporate loan portfolio during the quarter. Real estate management remains the largest industry exposure in the credit portfolio and amounts to NOK 56.3m, representing 17% of the total lending portfolio.

### Capital position

Risk-weighted assets (RWA) increased by 16% to NOK 295,7bn reflecting the continued growth in business volumes. The Tier 1 capital ratio was 6.8% including the result for the first quarter. The total capital ratio was 9.3%.

When applying the Norwegian FSA definition, excluding the net profit for the first quarter, Tier 1 capital ratio was 6.6% and the total capital ratio 9.1%.

Nordea is in the final implementation phase of Basel II and is, as earlier communicated, expecting to report RWA under the Basel II framework from the second quarter 2007.

**Nordea's new CEO**

Christian Clausen succeeded Lars G Nordström as President and Group CEO of Nordea on 13 April 2007. Christian Clausen is 51 years old and he was previously Head of Asset Management & Life and since 2001 member of Group Executive Management in Nordea.

**Gunn Wærsted to join Nordea Group Executive Management.**

Gunn Wærsted, former CEO of Sparebank 1 gruppen in Norway, will 1 August 2007 join the Nordea Group Executive Management as Head of Savings & Life Products and Private Banking as well as Head of People & Identity. Gunn Wærsted will in addition become Nordea's Country Senior Executive in Nordea Bank Norge ASA.

**Rating**

Nordea Bank Norge ASA's long-term rating by Moody's was in the period improved by two notches to Aaa following the implementation and subsequent refinement of Moody's Joint Default Analysis.

**Outlook 2007**

Nordea's growth strategy is paying off and Nordea is confident to be able to continue to deliver on its financial targets. Nordea believes that the strong revenue growth will continue in 2007. The cost increase for Nordea Group in 2007 is expected to be of the same magnitude as in 2006.

Nordea Bank Norge is expected to contribute in reaching the Nordea Group's ambition of a gap between revenue and cost growth for the full year 2007 of 3-4 % points.

## Quarterly development

NOKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	1,284	1,248	1,239	1,239	1,268
Net fee and commission income (note 1)	380	433	386	374	390
Net gains/losses on items at fair value	216	360	228	98	237
Equity method	17	14	15	14	11
Other income	17	25	9	32	23
<b>Total operating income</b>	<b>1,914</b>	<b>2,080</b>	<b>1,877</b>	<b>1,757</b>	<b>1,929</b>
General administrative expenses (note 2):					
Staff costs	-648	-676	-606	-605	-617
Other expenses	-445	-480	-403	-366	-375
Depreciation of tangible and intangible assets	-25	-35	-32	-35	-34
<b>Total operating expenses</b>	<b>-1,118</b>	<b>-1,191</b>	<b>-1,041</b>	<b>-1,006</b>	<b>-1,026</b>
Loan losses	21	293	107	154	206
Disposals of tangible and intangible assets	6	4	3	6	5
<b>Operating profit</b>	<b>823</b>	<b>1,186</b>	<b>946</b>	<b>911</b>	<b>1,114</b>
Tax expense	-222	-289	-255	-226	-305
<b>Net profit for the period</b>	<b>601</b>	<b>897</b>	<b>691</b>	<b>685</b>	<b>809</b>
Earnings per share (EPS)	1.09	1.63	1.25	1.24	1.47
EPS, rolling 12 months up to period end	5.21	5.59	5.48	5.58	6.49
	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>Note 1 Net fee and commission income, NOKm</b>					
Asset Management commissions	10	9	7	8	7
Life insurance	22	22	15	17	17
Brokerage	17	15	10	20	27
Custody	28	30	27	29	27
Deposits	7	9	13	9	6
Total savings related commissions	84	85	72	83	84
Payments	114	122	113	113	115
Cards	142	144	147	138	121
Total payment commissions	256	266	260	251	236
Lending	18	37	18	13	17
Guarantees and document payments	49	49	56	41	46
Total lending related commissions	67	86	74	54	63
Other commission income	97	154	125	111	119
<b>Fee and commission income</b>	<b>504</b>	<b>591</b>	<b>531</b>	<b>499</b>	<b>502</b>
Payment expenses	-100	-136	-124	-103	-91
Other commission expenses	-24	-22	-21	-22	-21
<b>Fee and commission expenses</b>	<b>-124</b>	<b>-158</b>	<b>-145</b>	<b>-125</b>	<b>-112</b>
<b>Net fee and commission income</b>	<b>380</b>	<b>433</b>	<b>386</b>	<b>374</b>	<b>390</b>
	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
<b>Note 2 General administrative expenses, NOKm</b>					
Staff <sup>1</sup>	632	640	592	591	602
Profit sharing	16	36	14	14	15
Information technology <sup>2</sup>	145	171	140	108	118
Marketing	32	39	23	26	26
Postage, telephone and office expenses	38	40	29	35	33
Rents, premises and real estate expenses	94	101	105	96	91
Other	136	129	106	101	107
<b>Total</b>	<b>1,093</b>	<b>1,156</b>	<b>1,009</b>	<b>971</b>	<b>992</b>

<sup>1</sup> Variable salaries were NOK 63m in Q1 2007 (Q4 2006: NOK 76m).

<sup>2</sup> Refers to IT operations, service expenses and consultant fees. Total IT-related costs including staff etc were NOK 174m in Q1 2007 (Q4 2006: NOK 201m).

## Income statement

NOKm	Note	Q1 2007	Q1 2006	Full year 2006
<b>Operating income</b>				
<i>Interest income</i>		4,459	3,209	14,353
<i>Interest expense</i>		-3,175	-1,941	-9,359
Net interest income		1,284	1,268	4,994
<i>Fee and commission income</i>		504	502	2,123
<i>Fee and commission expense</i>		-124	-112	-540
Net fee and commission income		380	390	1,583
Net gains/losses on items at fair value	2	216	237	923
Profit from companies accounted for under the equity method		17	11	54
Dividends		0	0	16
Other operating income		17	23	73
<b>Total operating income</b>		<b>1,914</b>	<b>1,929</b>	<b>7,643</b>
<b>Operating expenses</b>				
General administrative expenses:				
Staff costs		-648	-617	-2,504
Other expenses		-445	-375	-1,624
Depreciation, amortisation and impairment charges of tangible and intangible assets		-25	-34	-136
<b>Total operating expenses</b>		<b>-1,118</b>	<b>-1,026</b>	<b>-4,264</b>
Loan losses	3	21	206	760
Disposals of tangible and intangible assets		6	5	18
<b>Operating profit</b>		<b>823</b>	<b>1,114</b>	<b>4,157</b>
Tax expense		-222	-305	-1,075
<b>Net profit</b>		<b>601</b>	<b>809</b>	<b>3,082</b>
<b>Attributable to:</b>				
Shareholders of Nordea Bank Norge ASA		601	809	3,082
Minority interests		-	-	-
<b>Total</b>		<b>601</b>	<b>809</b>	<b>3,082</b>
Earnings per share, NOK		1.09	1.47	5.59

## Balance sheet

NOKm	Note	31 Mar 2007	31 Dec 2006	30 Sep 2006	30 Jun 2006	31 Mar 2006
<b>Assets</b>						
Cash and balances with central banks		799	1,794	1,039	868	4,511
Loans and receivables to credit institutions	4	43,836	20,497	21,235	22,972	37,330
Loans and receivables to the public	4	324,690	307,023	297,764	282,974	268,464
Interest-bearing securities		25,682	26,316	24,899	26,593	22,723
Shares		1,233	898	548	1,489	621
Derivatives	6	1,265	1,730	3,326	2,379	2,014
Fair value changes of the hedged items in portfolio hedge of interest rate risk		178	352	402	225	366
Investments in associated undertakings		619	653	639	624	610
Property and equipment		403	402	393	411	420
Deferred tax assets		913	911	821	814	817
Other assets		7,938	8,517	7,936	2,777	3,879
Prepaid expenses and accrued income		1,678	1,564	1,624	1,446	1,280
<b>Total assets</b>		<b>409,234</b>	<b>370,657</b>	<b>360,626</b>	<b>343,572</b>	<b>343,035</b>
<b>Liabilities</b>						
Deposits by credit institutions		160,677	132,572	131,436	125,074	121,430
Deposits and borrowings from the public		191,001	178,876	163,945	160,919	155,725
Debt securities in issue		10,680	11,179	19,221	20,338	28,078
Derivatives	6	2,468	2,695	1,787	2,489	2,778
Fair value changes of the hedged items in portfolio hedge of interest rate risk		32	129	169	-23	101
Current tax liabilities		1,361	1,358	1,502	1,269	1,241
Other liabilities		10,879	11,861	10,142	4,749	5,347
Accrued expenses and prepaid income		2,495	1,573	2,669	1,941	2,023
Provisions		5	5	25	23	25
Retirement benefit obligations		2,111	2,318	2,257	2,321	2,243
Subordinated liabilities		6,975	7,140	7,414	5,106	5,362
<b>Total liabilities</b>		<b>388,684</b>	<b>349,706</b>	<b>340,567</b>	<b>324,206</b>	<b>324,353</b>
<b>Equity</b>	8					
Share capital		3,860	3,860	3,860	3,860	3,860
Share premium account		953	953	953	953	953
Retained earnings		15,737	16,138	15,246	14,553	13,869
<b>Total equity</b>		<b>20,550</b>	<b>20,951</b>	<b>20,059</b>	<b>19,366</b>	<b>18,682</b>
<b>Total liabilities and equity</b>		<b>409,234</b>	<b>370,657</b>	<b>360,626</b>	<b>343,572</b>	<b>343,035</b>
Assets pledged as security for own liabilities		21,653	18,854	21,653	18,889	19,888
Contingent liabilities		42,533	38,108	42,533	38,976	38,383
Commitments		323,529	381,529	323,529	424,720	292,847

## Statement of recognised income and expense

	31 Mar 2007	31 Mar 2006
NOKm		
Currency translation differences during the period	-2	0
Net income recognised directly in equity	-2	0
Net profit for the period	601	809
<b>Total recognised income and expense for the period</b>	<b>599</b>	<b>809</b>
<b>Attributable to:</b>		
Shareholders of Nordea Bank Norge ASA	599	809
Minority interests	-	-
<b>Total</b>	<b>599</b>	<b>809</b>

## Cash flow statement

	Jan-Mar 2007	Jan-Mar 2006
NOKm		
<i>Operating activities</i>		
Operating profit	823	1,114
Adjustments for items not included in cash flow	769	587
Income taxes paid	-219	-195
Cash flow from operating activities before changes in operating assets and liabilities	1,373	1,506
Changes in operating assets and liabilities	13,956	21,639
Cash flow from operating activities	15,329	23,145
<i>Investing activities</i>		
Property and equipment	-14	-9
Cash flow from investing activities	-14	-9
<i>Financing activities</i>		
Issued/amortised subordinated liabilities	-165	63
Dividend paid	-1,000	-1,775
Cash flow from financing activities	-1,165	-1,712
<b>Cash flow for the period</b>	<b>14,150</b>	<b>21,424</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5,501</b>	<b>15,891</b>
<b>Cash and cash equivalents at end of period</b>	<b>19,651</b>	<b>37,315</b>
<b>Change</b>	<b>14,150</b>	<b>21,424</b>
<b>Cash and cash equivalents</b>	31 Mar	31 Mar
The following items are included in cash and cash equivalents (NOKm):	<u>2007</u>	<u>2006</u>
Cash and balances with central banks	799	4,511
Loans and receivables to credit institutions, payable on demand	18,852	32,804

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

Nordea's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) endorsed by the EU. These statements are presented in accordance with IAS 34 "Interim Financial Reporting".

In Norway it has not been allowed to prepare company financial statements in accordance with IFRS for banks and financial institutions. The Ministry of Finance endorsed amendments to these regulations 30 March 2007 allowing such companies to use IFRS or simplified IFRS when preparing the company financial statements, with effect from 1 January 2007. The institutions can alternatively choose to follow Norwegian regulatory requirements (NGAAP) for the

first quarter, while IFRS or simplified IFRS is obligatory from second quarter 2007 for institutions that is part of a consolidated listed company. NBN has chosen to follow NGAAP for the first quarter 2007. The separate financial statement of the parent company, Nordea Bank Norge ASA, is prepared in accordance with Norwegian regulatory requirements, as presented on page 15-17.

## Basis for presentation

The accounting policies and the basis for calculations are, in all material aspects, unchanged in comparison with the 2006 Annual Report.

## Exchange rates

	Jan-Mar 2007	Jan-Dec 2006	Jan-Mar 2006
<b>EUR 1 = NOK</b>			
Income statement (average)	8,1679	8,0451	8,0235
Balance sheet (at end of period)	8,1300	8,2300	7,9640
<b>USD 1 = NOK</b>			
Income statement (average)	6,2330	6,4113	6,6718
Balance sheet (at end of period)	6,1000	6,2500	6,5800
<b>SEK 1 = NOK</b>			
Income statement (average)	0,8890	0,8697	0,8584
Balance sheet (at end of period)	0,8702	0,9108	0,8447
<b>DKK 1 = NOK</b>			
Income statement (average)	1,0960	1,0785	1,0752
Balance sheet (at end of period)	1,0906	1,1041	1,0672

	Jan-Mar 2007	Jan-Mar 2006
<b>Note 2 Net gains/losses on items at fair value, NOKm</b>		
Shares/participations and other share-related instruments	46	39
Interest-bearing securities and other interest-related instruments	104	88
Other financial instruments	0	18
Foreign exchange gains/losses	66	92
<b>Total</b>	<b>216</b>	<b>237</b>

	Jan-Mar 2007	Jan-Mar 2006
<b>Note 3 Loan losses, NOKm</b>		
<b>Loan losses divided by class, net</b>		
Loans and receivables to credit institutions	-	-
- of which write-offs and provisions	-	-
- of which reversals and recoveries	-	-
Loans and receivables to the public	45	209
- of which write-offs and provisions	-77	-30
- of which reversals and recoveries	122	239
Off-balance sheet items <sup>1</sup>	-24	-3
- of which write-offs and provisions	-24	-3
- of which reversals and recoveries	-	-
<b>Total</b>	<b>21</b>	<b>206</b>

#### Specification of Loan losses

Changes of allowance accounts in the balance sheet	18	202
- of which Loans and receivables	43	205
- of which Off-balance sheet items <sup>1</sup>	-25	-3
Changes directly recognised in the income statement	3	4
- of which realised loan losses	-4	-2
- of which realised recoveries	7	6
<b>Total</b>	<b>21</b>	<b>206</b>

<sup>1</sup> Included in Provisions in the balance sheet.

#### Note 4 Loans and receivables and their impairment

	Total		
	31 Mar 2007	31 Dec 2006	31 Mar 2006
<b>NOKm</b>			
Loans and receivables, not impaired	368,608	327,340	305,496
Impaired loans and receivables:	906	1,243	1,965
- Performing	358	478	1,240
- Non-performing	548	765	725
<b>Loans and receivables before allowances</b>	<b>369,514</b>	<b>328,583</b>	<b>307,461</b>
Allowances for individually assessed impaired loans	-500	-550	-833
- Performing	-149	-197	-403
- Non-performing	-351	-353	-430
Allowances for collectively assessed impaired loans	-488	-513	-834
<b>Allowances</b>	<b>-988</b>	<b>-1,063</b>	<b>-1,667</b>
<b>Loans and receivables, book value</b>	<b>368,526</b>	<b>327,520</b>	<b>305,794</b>

Note 4, continued

	Credit institutions			The public		
	31 Mar 2007	31 Dec 2006	31 Mar 2006	31 Mar 2007	31 Dec 2006	31 Mar 2006
NOKm						
Loans and receivables, not impaired	43,836	20,497	37,330	324,772	306,843	268,166
Impaired loans and receivables:	-	-	-	906	1,243	1,965
- Performing	-	-	-	358	478	1,240
- Non-performing	-	-	-	548	765	725
<b>Loans and receivables before allowances</b>	<b>43,836</b>	<b>20,497</b>	<b>37,330</b>	<b>325,678</b>	<b>308,086</b>	<b>270,131</b>
Allowances for individually assessed impaired loans	-	-	-	-500	-550	-833
- Performing	-	-	-	-149	-197	-403
- Non-performing	-	-	-	-351	-353	-430
Allowances for collectively assessed impaired loans	-	-	-	-488	-513	-834
<b>Allowances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-988</b>	<b>-1,063</b>	<b>-1,667</b>
<b>Loans and receivables, book value</b>	<b>43,836</b>	<b>20,497</b>	<b>37,330</b>	<b>324,690</b>	<b>307,023</b>	<b>268,464</b>

Reconciliation of allowance accounts for impaired loans

	Credit institutions		The public		Total		Total
	Individually assessed	Collectively assessed	Individually assessed	Collectively assessed	Individually assessed	Collectively assessed	
<b>Loans and receivables, NOKm</b>							
<b>Opening balance at 1 Jan 2007</b>	-	-	-550	-513	-550	-513	-1,063
Provisions	-	-	-39	-32	-39	-32	-71
Reversals	-	-	58	57	58	57	115
<b>Changes through the income statement</b>	-	-	19	25	19	25	44
Allowances used to cover write-offs	-	-	31	-	31	-	31
Currency translation differences	-	-	-	-	-	-	-
<b>Closing balance at 31 Mar 2007</b>	-	-	-500	-488	-500	-488	-988
<b>Opening balance at 1 Jan 2006</b>	-	-	-869	-1,025	-869	-1,025	-1,894
Provisions	-	-	-27	-	-27	-	-27
Reversals	-	-	44	191	44	191	235
<b>Changes through the income statement</b>	-	-	17	191	17	191	208
Allowances used to cover write-offs	-	-	19	-	19	-	19
Currency translation differences	-	-	-	-	-	-	-
<b>Closing balance at 31 Mar 2006</b>	-	-	-833	-834	-833	-834	-1,667

Allowances and provisions

	31 Mar 2007	31 Dec 2006	31 Mar 2006
NOKm			
Allowances for items in the balance sheet	-988	-1,063	-1,667
Provisions for off balance sheet items	-30	-5	-25
<b>Total allowances and provisions</b>	<b>-1,018</b>	<b>-1,068</b>	<b>-1,692</b>

Key ratios

	31 Mar 2007	31 Dec 2006	31 Mar 2006
Impairment rate, gross <sup>1</sup> , %	0.2	0.4	0.6
Impairment rate, net <sup>2</sup> , %	0.1	0.2	0.4
Total allowance rate <sup>3</sup> , %	0.3	0.3	0.5
Allowance rate, impaired loans <sup>4</sup> , %	55.2	44.2	42.4
Non-performing loans and receivables, not impaired <sup>5</sup> , NOKm	285	272	297

<sup>1</sup> Individually assessed impaired loans and receivables before allowances divided by total loans and receivables before allowances, %

<sup>2</sup> Individually assessed impaired loans and receivables after allowances divided by total loans and receivables before allowances, %

<sup>3</sup> Total allowances divided by total loans and receivables before allowances, %

<sup>4</sup> Allowances for individually assessed impaired loans and receivables divided by individually assessed loans and receivables before allowances, %

<sup>5</sup> Past due loans and receivables, not impaired due to future cash flows (included in Loans and receivables, not impaired)

**Note 5 Classification of financial instruments, NOKm**

31 Mar 2007	Loans and receiv-ables	Held to maturity	Held for trading	Assets at fair value	Derivatives used for hedging	Available for sale	Total
<b>Financial assets</b>							
Cash and balances with central banks	799						799
Loans and receivables to credit institutions	43,836						43,836
Loans and receivables to the public	324,690						324,690
Interest-bearing securities			25,682				25,682
Shares			1,175			58	1,233
Derivatives			877		388		1,265
Fair value changes of the hedged items in portfolio							
hedge of interest rate risk	178						178
Other assets	7,934						7,934
Prepaid expenses and accrued income	1,678						1,678
<b>Total</b>	<b>379,115</b>	<b>0</b>	<b>27,734</b>	<b>0</b>	<b>388</b>	<b>58</b>	<b>407,295</b>

31 Mar 2007		Held for trading	Liabilities at fair value	Derivatives used for hedging	Other financial liabilities	Total
<b>Financial liabilities</b>						
Deposits by credit institutions					160,677	160,677
Deposits and borrowings from the public					191,001	191,001
Debt securities in issue					10,680	10,680
Derivatives		2,064		404		2,468
Fair value changes of the hedged items in portfolio						
hedge of interest rate risk					32	32
Other liabilities		2,851			8,002	10,853
Accrued expenses and prepaid income					2,495	2,495
Subordinated liabilities					6,975	6,975
<b>Total</b>		<b>4,915</b>	<b>0</b>	<b>404</b>	<b>379,862</b>	<b>385,181</b>

**Note 6 Derivatives, NOKm**

31 Mar 2007	Assets Fair value	Liabilities Fair value	Total nom amount
<b>Derivatives held for trading</b>			
Interest rate derivatives	166	470	135,180
Equity derivatives	54	20	-890
Foreign exchange derivatives	147	1,064	62,177
Other derivatives	510	510	6,184
<b>Total</b>	<b>877</b>	<b>2,064</b>	<b>202,651</b>
<b>Derivatives used for hedging</b>			
Interest rate derivatives	387	287	18,436
Foreign exchange derivatives	1	117	378
<b>Total</b>	<b>388</b>	<b>404</b>	<b>18,814</b>
<b>Derivatives, total</b>			
Interest rate derivatives	553	757	153,616
Equity derivatives	54	20	-890
Foreign exchange derivatives	148	1,181	62,555
Other derivatives	510	510	6,184
<b>Total</b>	<b>1,265</b>	<b>2,468</b>	<b>221,465</b>

	31 Mar 2007	31 Dec 2006	31 Mar 2006
<b>Note 7 Capital adequacy</b>			
Tier 1 capital <sup>1</sup> , NOKm	20,044	19,724	18,524
Capital base <sup>1</sup> , NOKm	27,438	27,261	24,198
Risk-weighted assets, NOKbn	295.7	289,3	255,3
Tier 1 capital ratio <sup>1</sup> , %	6.8	6,8	7,3
Total capital ratio <sup>1</sup> , %	9.3	9,4	9,5

<sup>1</sup> Including the result for the first three months. According to FSA rules (excluding the unaudited result for Q1): Tier 1 capital NOK 19,443m (31 Mar 2006: NOK 17,715m), capital base NOK 26,837m (31 Mar 2006: NOK 23,389m), Tier 1 capital ratio 6.6% (31 Mar 2006: 6.9%), total capital ratio 9.1% (31 Mar 2006: 9.2%).

#### Note 8 Equity, NOKm

	Share capital <sup>1</sup>	Share premium account	Other reserves	Retained earnings	Total equity
<b>Opening balance at 1 Jan 2007</b>	<b>3,860</b>	<b>953</b>	<b>-</b>	<b>16,138</b>	<b>20,951</b>
Paid out dividend for 2006				-1,000	-1,000
Currency translation differences				-2	-2
<i>Net income recognised directly in equity</i>	-	-	-	-1,002	-1,002
Net profit for the period				601	601
<i>Total recognised income and expense in equity</i>	-	-	-	-401	-401
<b>Closing balance at 31 Mar 2007</b>	<b>3,860</b>	<b>953</b>	<b>-</b>	<b>15,737</b>	<b>20,550</b>

	Share capital <sup>1</sup>	Share premium account	Other reserves	Retained earnings	Total equity
<b>Opening balance at 1 Jan 2006</b>	<b>3,860</b>	<b>953</b>	<b>-</b>	<b>14,835</b>	<b>19,648</b>
Paid out dividend for 2005				-1,775	-1,775
Currency translation differences				0	0
<i>Net income recognised directly in equity</i>	-	-	-	-1,775	-1,775
Net profit for the period				809	809
<i>Total recognised income and expense in equity</i>	-	-	-	-966	-966
<b>Closing balance at 31 Mar 2006</b>	<b>3,860</b>	<b>953</b>	<b>-</b>	<b>13,869</b>	<b>18,682</b>

<sup>1</sup> Total shares registered was 551 million (31 Dec 2006: 551 million, 31 Mar 2006: 551 million).

## Segment reporting - Customer responsible units

	Corporate and Institutional Banking				Subtotal		Change %	Group Treasury		Group functions and eliminations		Total		Change %
	Retail Banking													
	Jan-Mar 2007	Jan-Mar 2006	Jan-Mar 2007	Jan-Mar 2006	Jan-Mar 2007	Jan-Mar 2006		Jan-Mar 2007	Jan-Mar 2006	Jan-Mar 2007	Jan-Mar 2006	Jan-Mar 2007	Jan-Mar 2006	
NOKm														
Net interest income	985	1,034	274	243	1,259	1,277	-1	88	9	-63	-18	1,284	1,268	1
Net fee and commission income	295	324	114	90	409	414	-1	2	3	-31	-27	380	390	-3
Net gains/losses on items at fair value	150	132	-35	16	115	148	-22	-3	44	104	45	216	237	-9
Equity method	0	0	17	11	17	11	55	0	0	0	0	17	11	55
Other income	9	10	0	0	9	10	-10	-1	0	9	13	17	23	-26
Total operating income	1,439	1,500	370	360	1,809	1,860	-3	86	56	19	13	1,914	1,929	-1
of which allocations	309	292	-71	-67	238	225	6	0	0	-238	-225	0	0	
Staff costs	-349	-317	-116	-105	-465	-422	10	-3	-3	-180	-192	-648	-617	5
Other expenses	-481	-422	-35	-38	-516	-460	12	-7	-6	78	91	-445	-375	19
Depreciation of tangible and intangible assets	-14	-14	0	0	-14	-14	0	0	0	-11	-20	-25	-34	-26
Total operating expenses	-844	-753	-151	-143	-995	-896	11	-10	-9	-113	-121	-1,118	-1,026	9
of which allocations	-233	285	15	23	-218	308		0	-3	218	-305	0	0	
Loan losses	3	199	18	8	21	207	-90	0	-1	0	0	21	206	-90
Disposals of tangible and intangible assets	4	5	-1	0	3	5	-40	1	0	2	0	6	5	20
Operating profit	602	951	236	225	838	1,176	-29	77	46	-92	-108	823	1,114	-26
Balance sheet, NOKbn														
Loans and receivables	255.4	210.2	63.2	49.9	318.6	260.1		0.0	4.7	6.1	3.7	324.7	268.5	
Other assets	3.1	2.8	26.2	20.8	29.3	23.6		75.8	94.0	-20.6	-43.1	84.5	74.5	
Total assets	258.5	213.0	89.4	70.7	347.9	283.7		75.8	98.7	-14.5	-39.4	409.2	343.0	
Deposits	126.5	109.1	61.1	41.8	187.6	150.9		0.5	0.3	2.9	4.5	191.0	155.7	
Other liabilities	27.8	24.2	19.8	14.1	47.6	38.3		166.3	173.0	-16.3	-42.7	197.6	168.6	
Total liabilities	154.3	133.3	80.9	55.9	235.2	189.2		166.8	173.3	-13.4	-38.2	388.6	324.3	
Economic capital / equity	8.6	7.4	3.9	3.5	12.5	10.9		-13.3	1.8	21.4	6.0	20.6	18.7	
Total liabilities and allocated capital	162.9	140.7	84.8	59.4	247.7	200.1		153.5	175.1	8.0	-32.2	409.2	343.0	
Other segment items														
Capital expenditure, NOKm	12	9	1	3	13	12		0	2	6	0	19	14	

# Nordea Bank Norge ASA

## Income statement

NOKm	1st quarter		Full year
	2007	2006	2006
Interest income	4,286	2,968	13,510
Interest expenses	-3,145	-1,836	-9,060
<b>Net interest income</b>	<b>1,141</b>	<b>1,132</b>	<b>4,450</b>
Dividends and profit from group companies and associated companies	90	76	357
Commissions and fees	505	502	2,126
Commission expenses	-123	-111	-537
Net change in value and profit (loss) on securities	158	-130	624
Net change in value and profit (loss) on foreign exchange and financial derivatives	62	336	224
Other non-interest income	26	30	104
<b>Total non-interest income</b>	<b>718</b>	<b>703</b>	<b>2,898</b>
Personnel expenses	-617	-587	-2,382
Administrative expenses	-306	-248	-1,065
Ordinary depreciation and write-downs	-23	-33	-131
Other non-interest expenses	-130	-117	-536
<b>Total non-interest expenses</b>	<b>-1,076</b>	<b>-985</b>	<b>-4,114</b>
<b>Operating profit before loan losses and profit on long-term securities</b>	<b>783</b>	<b>850</b>	<b>3,234</b>
Provisions for losses on loans and guarantees	26	207	812
Profit (losses/write-downs) on long-term securities	3	33	39
<b>Operating profit</b>	<b>812</b>	<b>1,090</b>	<b>4,085</b>
Tax expense	-199	-281	-988
<b>Net profit</b>	<b>613</b>	<b>809</b>	<b>3,097</b>

# Nordea Bank Norge ASA

## Balance Sheet

NOKm	Note	31.03.07	31.03.06	31.12.06
<b>Assets</b>				
Cash and deposits with central banks		799	4,511	1,794
Deposits with and loans to credit institutions		39,585	24,152	31,559
<b>Total cash and claims on credit institutions</b>		<b>40,384</b>	<b>28,663</b>	<b>33,353</b>
Loans to customers		289,067	238,186	274,147
Specific reserves for individually assessed loans		-408	-757	-461
Provisions for groups of loans		-462	-834	-487
<b>Net loans to customers</b>		<b>288,197</b>	<b>236,595</b>	<b>273,199</b>
Repossessed assets		1	1	1
Certificates and bonds		26,209	23,703	26,869
Equities and investments		1,233	620	897
<b>Total securities</b>		<b>27,442</b>	<b>24,323</b>	<b>27,766</b>
Associated companies		619	610	653
Equities and investments in group companies		3,453	3,466	3,380
Deferred tax assets, goodwill and other intangible assets		935	805	937
Real estate and machinery		384	401	385
Other assets		9,160	5,465	10,303
Prepaid expenses and accrued income		1,586	1,157	1,490
<b>Total assets</b>		<b>372,161</b>	<b>301,486</b>	<b>351,467</b>
<b>Liabilities and equity</b>				
Deposits from credit institutions		131,883	89,965	121,677
Deposits from customers		184,243	150,652	172,285
<b>Total deposits</b>		<b>316,126</b>	<b>240,617</b>	<b>293,962</b>
Certificates and bond loans		9,783	24,351	10,320
Other liabilities		14,346	8,519	16,445
Accrued expenses and prepaid receivables		2,290	1,759	1,394
Allowances for liabilities		2,086	2,219	2,263
<b>Total other liabilities</b>		<b>28,505</b>	<b>36,848</b>	<b>30,422</b>
<b>Subordinated loan capital</b>		<b>6,974</b>	<b>5,361</b>	<b>7,139</b>
Share capital		3,860	3,860	3,860
Reserves		16,083	13,991	16,084
Profit for the period		613	809	-
<b>Total equity</b>	<b>1</b>	<b>20,556</b>	<b>18,660</b>	<b>19,944</b>
<b>Total liabilities and equity</b>		<b>372,161</b>	<b>301,486</b>	<b>351,467</b>



# Nordea Bank Norge ASA

## Note 1 Equity

NOKm	Share capital <sup>1</sup>	Share premium account	Reserve for evaluation differences	Retained earnings	Total
<b>Balance at end of year, at 31 Dec 2006</b>	<b>3,860</b>	<b>953</b>	<b>1,711</b>	<b>13,420</b>	<b>19,944</b>
Currency translation differences				-1	-1
Other changes			-51	51	0
Net profit for the period				613	613
<b>Balance at 31 Mar 2007</b>	<b>3,860</b>	<b>953</b>	<b>1,660</b>	<b>14,083</b>	<b>20,556</b>

<sup>1</sup> Total shares registered were 551,358,576 (551,358,576) with face value NOK 7.

Nordea Bank AB (Publ), corporate registration no. 516406-0120, owns 100 per cent of the shares in Nordea Bank Norge ASA.

NOKm	Share capital <sup>1</sup>	Share premium account	Reserve for evaluation differences	Retained earnings	Total
<b>Balance at end of year, at 31 Dec 2005</b>	<b>3,860</b>	<b>953</b>	<b>1,567</b>	<b>11,470</b>	<b>17,850</b>
Currency translation differences				1	1
Net profit for the period				809	809
<b>Balance at 31 Mar 2006</b>	<b>3,860</b>	<b>953</b>	<b>1,567</b>	<b>12,280</b>	<b>18,660</b>

## Note 2 Capital ratio

	NOK billion	
<b>Risk-weighted assets as at</b>	<b>31.03.07</b>	<b>31.03.06</b>
Total assets	234.8	184.0
Total off-balance sheet items	36.1	36.8
Total market and foreign exchange risk	6.2	7.8
<b>Risk-weighted assets</b>	<b>277.1</b>	<b>228.6</b>

	NOK million		%	
<b>Capital ratio as at</b>	<b>31.03.07</b>	<b>31.03.06</b>	<b>31.03.07</b>	<b>31.03.06</b>
Tier 1 capital	17,782	16,117	6.4	7.1
Supplementary capital	6,957	5,360	2.5	2.3
Deductions	-	-14	-	-
<b>Total capital</b>	<b>24,739</b>	<b>21,463</b>	<b>8.9</b>	<b>9.4</b>

The capital ratio requirement is 8%

CAD I figures according to FSA rules