

Interim Report 2nd quarter 2010

Nordea Bank Norge Group

Nordea Bank Norge is part of the Nordea Group. Nordea's vision is to be a Great European bank, acknowledged for its people, creating superior value for customers and shareholders. 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 around 10 million customers, approx. 1,400 branch offices and a leading netbanking position with 6.1 million e-customers. The Nordea share is listed on the NASDAQ OMX Nordic Exchange in Stockholm, Helsinki and Copenhagen.

Key financial figures

Income statement

	Q2	Q1	Change	Q2	Change	Jan-Jun	Jan-Jun	Change
NOKm	2010	2010	%	2009	%	2010	2009	%
Net interest income ¹	2,173	2,027	7	2,286	-5	4,200	4,766	-12
Net fee and commission income ¹	504	458	10	484	4	962	895	7
Net result from items at fair value	445	121	268	171	160	566	243	133
Equity method	93	-45		-436		48	-24	
Other operating income	45	49		23		94	37	
Total operating income	3,260	2,610	25	2,528	29	5,870	5,917	-1
Staff costs	-772	-727	6	-787	-2	-1,499	-1,550	-3
Other expenses	-489	-499	-2	-462	6	-988	-947	4
Depreciation of tangible and intangible assets	-36	-36	0	-34	6	-72	-56	29
Total operating expenses	-1,297	-1,262	3	-1,283	1	-2,559	-2,553	0
Profit before loan losses	1,963	1,348	46	1,245	58	3,311	3,364	-2
Net loan losses	-158	-323	-51	-571	-72	-481	-1,112	-57
Operating profit	1,805	1,025	76	674	168	2,830	2,252	26
Income tax expense	-410	-264	55	-311	32	-674	-701	-4
Net profit for the period	1,395	761	83	363	284	2,156	1,551	39

¹Restated, see note 1 for further details.

Business volumes, key items

	30 Jun	31 Mar	Change	30 Jun	Change
NOKbn	2010	2010	%	2009	%
Loans to the public	448.2	427.7	5	439.1	2
Deposits and borrowings from the public	220.2	216.6	2	229.3	-4
of which savings deposits	72.3	73.1	-1	69.3	4
Equity	27.4	26.0	5	25.7	7
Total assets	531.7	505.9	5	536.2	-1

Ratios and key figures

	Q2	Q1	Q2	Jan-Jun	Jan-Jun
	2010	2010	2009	2010	2009
Earnings per share (EPS), NOK	2.53	1.38	0.66	3.91	2.81
EPS, rolling 12 months up to period end, NOK	5.87	4.00	7.29	5.87	7.29
Equity per share ¹ , NOK	49.72	47.18	46.50	49.72	46.50
Shares outstanding ¹ , million	551	551	551	551	551
Return on equity, %	20.9	11.5	5.7	16.2	12.0
Cost/income ratio, %	40	48	51	44	43
Tier 1 capital ratio, excl transition rules ^{1,2} , %	9.7	9.5	9.3	9.7	9.3
Total capital ratio, excl transition rules ^{1,2} , %	12.5	12.3	12.5	12.5	12.5
Tier 1 capital ratio ^{1,2} , %	8.3	8.4	8.1	8.3	8.1
Total capital ratio ^{1,2} , %	10.7	10.9	10.8	10.7	10.8
Tier 1 capital ^{1,2} , NOKm	27,739	26,255	26,897	27,739	26,897
Risk-weighted assets incl transition rules ¹ , NOKbn	333	311	331	333	331
Loan loss ratio, basis points	15	31	51	23	46
Number of employees (full-time equivalents) ^{1,3}	3,257	3,276	3,289	3,257	3,289

¹ End of period.

² Including the result for the six first months. According to Norwegian FSA rules (excluding the unaudited result for the period):

Tier 1 capital NOK 25,583m (30 Jun 2009: NOK 25,346m), capital base NOK 33,579m (30 Jun 2009: NOK 34,291m),

Tier 1 capital ratio 7.7% (30 Jun 2009: 7.7%), total capital ratio 10.1% (30 Jun 2009: 10.4%).

³ The figures have been restated to not include employees on leave of absence.

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 the following business areas, all of which operate across national boundaries: Nordic Banking, Institutional & International Banking and Capital Markets & Savings. In addition the Nordea Group has the following group functions: People & Identity, Banking Products & Group Operations, Group Corporate Center and Group Credit & Risk Control.

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.

Result summary, second quarter 2010

Total income increased 25% from the previous quarter and 29% compared to the second quarter last year.

The development in the customer business continued to be strong, despite challenging conditions. Lending volumes increased by 5% and deposit volumes by 2% from the previous quarter. Lending margins were somewhat reduced the last three months, while deposit margins increased slightly. The market share increased in household mortgage lending during the quarter.

Total expenses increased 3% compared to the previous quarter, and staff costs increased by 6%.

Net loan loss provisions in the second quarter amounted to NOK 158m. The loan loss ratio was 15 basis points compared to 31 basis points in the first quarter.

Operating profit was up 76% from the previous quarter, mainly due to a non-recurring gain of NOK 384m related to the merger of the two payment companies PBS A/S in Denmark and Nordito AS in Norway. In addition, the transaction leads to revaluation of shares in Nordito Property AS of NOK 37m and dividend pay out of NOK 45m in the second quarter this year.

The inflow of new Gold- and Private Banking customers continued to be strong in the second quarter, with an increase of 6,800, or 12% annualised, compared to the first quarter 2010. Acquisitions of new customers made a significant contribution.

Income

Total income increased 25% from the previous quarter, to NOK 3,260m.

Net interest income

Compared to previous quarter, net interest income increased 7% to NOK 2,173m. This was mainly due to volume growth and improved deposit margins, combined with one additional day in the second quarter against the first quarter. This was partially offset due to the temporary lag-effect on household customer loans related to the interest hike of 25 basis points in May. The decrease in net interest income of 5% compared to the same quarter last year must be seen in connection with the decrease of the official Norwegian interest rate at the end 2008 and start 2009, giving a high temporary positive effect in the two first quarters of 2009 due to the six week notice before changing the interest rate to household customers.

Lending to the public increased to NOK 448bn, up 2% in

the second quarter, compared to one year ago and up 5% compared to previous quarter.

Corporate lending

Corporate lending volumes were up 7% the last three months. The growth is mainly related to new customers, and increases in existing customers in Nordic Banking and Shipping. Part of the increase relates to a strong USD versus NOK. Corporate lending margins decreased on average 5 basis points during the quarter in Nordic Banking, but increased slightly in Shipping, reflecting continued re-pricing of credit risk.

Household mortgage lending

Household mortgage volumes increased 3% compared to the previous quarter and 10% compared to one year ago. The household mortgage market share continued to grow in the second quarter. Margins decreased during the second quarter compared to the first quarter this year and the same quarter last year. The decrease is due to the temporary lag effect that was particularly large in the first two quarters last year, which contributed to a high net interest income that period.

Corporate and household deposits

Total deposits from the public went up by 2% to NOK 220bn compared to the previous quarter and down 4% compared to one year ago. The reduction in corporate deposits relates to an increase in investor risk appetite leading to investment in shares and funds and therefore fierce competition for deposits. Deposit margins for household were improved 20 basis points the last quarter, while average corporate deposit margins showed a slight decrease, both compared to previous quarter and the same quarter last year.

Net fee and commission income

Net fee and commission income increased 10% to NOK 504m compared to the first quarter and 4% compared to the same quarter last year. This is mainly due to higher commission income from corporate finance and improved income on custody services.

Savings related commissions

Savings related commissions decreased by 6% in the second quarter to NOK 180m, mainly due to lower brokerage and deposit related commissions.

Lending and payment related commissions

Compared to the previous quarter, lending related commissions decreased 1%. Payment commissions net increased 3% compared to the previous quarter mainly due to increase in fees from cards.

Commission expenses

Commission expenses went up 10% to NOK 206m, mainly related to increased number of payment transactions.

Net result from items at fair value

Net result from items at fair value amounted to NOK 445m. The result includes a non-recurring gain due to the merger between PBS and Nordito.

Income from interest related instruments went down to NOK -74m. This is due to trading loss and lower fair value of the fixed income portfolio in Treasury and Markets caused by slightly higher interest rate levels.

Results from foreign exchange instruments went up to NOK 49m, mainly related to activities in Markets, Nordic Banking and improved result in Treasury from FX derivatives.

The customer-driven capital market activities continued to perform well and market volumes, in particular the fixed income and foreign exchange products, increased compared to the previous quarter as corporate hedging activity picked up due to the financial turmoil.

Equity method

Net result under the equity method was NOK 93m, which is from the 23.21% holding in Eksportfinans ASA and relates to the movement in credit spreads, which in second quarter increased due to the challenging market conditions.

Other income

Other income was NOK 45m compared to NOK 49m in the previous quarter.

Expenses

Total expenses increased 3% compared to the previous quarter to NOK 1,297m. Staff costs increased 6% to NOK 772m and other expenses went down 2% to NOK 489m. Compared to the same quarter last year, total expenses increased by 1% due to reduction in staff costs by 2% compensating partly for a 6% increase in other expenses.

Provisions for performance related salaries in the second quarter were NOK 69m, up 37% compared to the previous quarter and down 29% compared to the second quarter last year.

Pension expenses ended at NOK 127m, up 24% from the same quarter last year, and an increase from the first quarter of 22%. This relates to updated actuarial calculations at end of 2009 affecting 2010 figures.

The current AFP (AvtaleFestet Pensjon) plan (old plan) changed during the first quarter 2010. The recommendation by Norsk Regnskapsstiftelse (NRS) was not to account

for the changed plan (new plan) as a new plan in the first quarter 2010. The reason was that it was not possible to accurately calculate the obligation under the new plan to date in the first quarter. This is also the status at the end of second quarter 2010. On the other hand, the recommendation was to account for the old plan as settled already in the first quarter 2010. NBN still has an obligation to the employees and while awaiting final calculations for the new plan, the old plan is assessed as the best estimate of the new plan. To provide a true and fair view, the old plan is not accounted for as settled in the second quarter 2010.

The number of employees (FTEs) at the end of the second quarter was 3,257, a decrease of 19 or 0.6% compared to the first quarter.

The cost/income ratio was 40%, compared to 48% in the previous quarter and 51% one year ago, including the results from the PBS-Nordito merger. Excluding the gain from the merger, cost/income ratio for the second quarter was 46%.

Net loan losses

Net loan losses were NOK 158m in the second quarter this year. The loan loss ratio was 15 basis points in the second quarter, compared to 51 basis points in the same quarter last year and 31 basis points in the previous quarter.

Taxes

The effective tax rate for the second quarter was 22.7%. The low rate is mainly related to the tax exempt method on the gains from the PBS-Nordito merger.

Net profit

Net profit increased 83% compared to the previous quarter to NOK 1,395m, corresponding to a return on equity of 20.9%. Net profit increased 22% the last three months when excluding the gain from the PBS-Nordito transaction.

Result summary, January - June 2010

The first half year of 2010 showed decreased total income of 1% due to a very strong first half year of 2009, mainly affecting net interest income. Operating profit increased 26%, due to higher result from items at fair value and higher net fee and commission income, combined with lower net loan losses.

Income

Net interest income decreased by 12% to NOK 4,200m compared to the first half year last year, mainly due to high contribution last year on household margins due to declining interest rates, combined with lower deposits which fell 4% compared to the last year.

Net fee and commission income has recovered from the weak first half year 2009 and increased by 7%.

Net results from items at fair value increased by NOK 323m compared to the same period last year. This growth is due to the results from the PBS–Nordito merger.

Income under equity method was NOK 48m and other income was NOK 94m.

Expenses

Total expenses was stable at NOK 2,559m, with a decrease in staff costs of 3% compensating for the increase in other expenses and depreciation compared to the first six months last year.

Net loan losses

Net loan losses decreased 57% to NOK 481m, compared to the same period last year, corresponding to a loan loss ratio of 23 basis points against 46 basis points for the same period last year.

Taxes

The effective tax rate in the first half year was 24% compared to 31% last year. The low rate is due to the PBS–Nordito transaction which is recognised according to the tax-exempt method.

Other information

Group initiatives 2010

In connection with the year-end report, Nordea in February 2010 launched nine Group initiatives to support the prudent growth strategy. Activities related to the initiatives are well on track in all areas. More information is disclosed in the Nordea Bank AB (publ) interim report.

Credit portfolio

Total lending to the public increased 5% to NOK 448bn, compared to the previous quarter and increased 2% compared to one year ago.

Impaired loans gross have increased 13% in the second quarter compared to the first quarter 2010 and ended at NOK 5,838m, corresponding to 124 basis points of total gross lending. 31% of impaired loans gross are performing loans and 69% are non-performing loans. Impaired loans net, after allowances, amounted to NOK 2,942m. This corresponds to 62 basis points of total net lending at the end of the quarter.

The industries with the largest provision were shipping and offshore and real estate management and investments.

Balance Sheet

Total assets in the balance sheet went up 5% compared to the first quarter and down 1% compared to one year ago, and ended at NOK 532bn.

Capital position and risk weighted assets

At the end of the second quarter, NBN's risk-weighted assets (RWA) were NOK 285 bn excluding transition rules, up 6,2% compared to the previous quarter and down 1,0% compared to one year ago, when RWA were NOK 288 bn. During the second quarter, the changes in RWA were mainly due to increased lending to the corporate segment. RWA including transition rules amounted to NOK 333 bn at the end of the second quarter.

The core tier 1 ratio, ie excluding transition rules under Basel II, was 8,3%. The tier 1 capital ratio and the total capital ratio are above the targets in Nordea's capital policy. The capital base of NOK 34 bn exceeds the Pillar 1 capital requirements of NOK 23 bn excluding transition rules by NOK 11 bn. The tier 1 capital of NOK 26 bn exceeds the Pillar 1 capital requirements (excluding transitions rules) by NOK 3 bn.

The hybrid capital constituted 7,4% of the tier 1 capital, an increase from 6,8% in the first quarter due to changes in the FX exchange rate; the underlying hybrid capital has not changed. The portion of hybrid capital is low. The statutory limit is 15%.

Outlook 2010

Nordea Group expects the macroeconomic recovery to continue in 2010. Although the global development is still fragile and hence uncertainty remains, the outlook for the Nordic markets has improved during the year.

Excluding currency effects in 2010, Nordea expects cost growth to be broadly in line with 2009, including the effects from growth and efficiency initiatives.

Nordea expects risk-adjusted profit to be lower in 2010 compared to 2009, due to lower income in Treasury and Markets.

Net loan losses in 2010 are expected to be lower than in 2009. Credit quality continues to stabilise, in line with the macroeconomic recovery. Nordea Bank Norge is expected to contribute to the above mentioned development.

Quarterly development

NOKm	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Jan-Jun 2010	Jan-Jun 2009
Net interest income	2,173	2,027	2,144	2,160	2,286	4,200	4,766
Net fee and commission income	504	458	530	584	484	962	895
Net result from items at fair value	445	121	59	211	171	566	243
Equity method	93	-45	-100	-354	-436	48	-24
Other operating income	45	49	62	30	23	94	37
Total operating income	3,260	2,610	2,695	2,631	2,528	5,870	5,917
General administrative expenses:							
Staff costs	-772	-727	-953	-754	-787	-1,499	-1,550
Other expenses	-489	-499	-531	-461	-462	-988	-947
Depreciation of tangible and intangible assets	-36	-36	-39	-33	-34	-72	-56
Total operating expenses	-1,297	-1,262	-1,523	-1,248	-1,283	-2,559	-2,553
Profit before loan losses	1,963	1,348	1,172	1,383	1,245	3,311	3,364
Net loan losses	-158	-323	-463	-429	-571	-481	-1,112
Operating profit	1,805	1,025	709	954	674	2,830	2,252
Income tax expense	-410	-264	-227	-353	-311	-674	-701
Net profit for the period	1,395	761	482	601	363	2,156	1,551
Earnings per share (EPS), NOK	2.53	1.38	0.87	1.09	0.66	3.91	2.81
EPS, rolling 12 months up to period end, NOK	5.87	4.00	4.78	6.80	7.29	5.87	7.29

Income statement

NOKm	Note	Q2 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Operating income						
<i>Interest income</i> ¹		4,161	4,700	7,983	10,620	18,516
<i>Interest expense</i>		-1,988	-2,414	-3,783	-5,854	-9,446
Net interest income		2,173	2,286	4,200	4,766	9,070
<i>Fee and commission income</i> ¹		710	683	1,355	1,262	2,746
<i>Fee and commission expense</i>		-206	-199	-393	-367	-737
Net fee and commission income	3	504	484	962	895	2,009
Net result from items at fair value	4	445	171	566	243	513
Equity method		93	-436	48	-24	-478
Other operating income		45	23	94	37	129
Total operating income		3,260	2,528	5,870	5,917	11,243
Operating expenses						
General administrative expenses:	5					
Staff costs		-772	-787	-1,499	-1,550	-3,257
Other expenses		-489	-462	-988	-947	-1,939
Depreciation of tangible and intangible assets		-36	-34	-72	-56	-128
Total operating expenses		-1,297	-1,283	-2,559	-2,553	-5,324
Profit before loan losses		1,963	1,245	3,311	3,364	5,919
Net loan losses	6	-158	-571	-481	-1,112	-2,004
Operating profit		1,805	674	2,830	2,252	3,915
Income tax expense		-410	-311	-674	-701	-1,281
Net profit for the period		1,395	363	2,156	1,551	2,634
¹ Restated, see note 1 for further details.						
Attributable to:						
Shareholder of Nordea Bank Norge ASA		1,395	363	2,156	1,551	2,634
Total		1,395	363	2,156	1,551	2,634
Earnings per share, NOK		2.53	0.66	3.91	2.81	4.78

Statement of comprehensive income

NOKm	Q2 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Net profit for the period	1,395	363	2,156	1,551	2,634
Currency translation differences during the period	-3	4	4	2	-45
Other comprehensive income, net of tax	-3	4	4	2	-45
Total comprehensive income	1,392	367	2,160	1,553	2,589
Attributable to:					
Shareholder of Nordea Bank Norge ASA	1,392	367	2,160	1,553	2,589
Total	1,392	367	2,160	1,553	2,589

Balance sheet

NOKm	Note	30 Jun 2010	31 Dec 2009	30 Jun 2009
Assets				
Cash and balances with central banks		8,860	20,160	7,982
Loans to credit institutions	7	19,388	10,398	16,464
Loans to the public	7	448,185	422,300	439,124
Interest-bearing securities		36,653	58,686	46,149
Financial instruments pledged as collateral		100	2,612	120
Shares		2,596	2,952	2,284
Derivatives	10	3,606	1,738	1,130
Fair value changes of the hedged items in portfolio hedge of interest rate risk		298	119	298
Investments in associated undertakings		1,144	1,257	1,712
Intangible assets		404	377	362
Property and equipment		304	325	259
Deferred tax assets		98	118	0
Other assets		8,099	11,207	18,268
Prepaid expenses and accrued income		2,002	1,779	2,020
Total assets		531,737	534,028	536,172
Liabilities				
Deposits by credit institutions		254,717	255,944	248,647
Deposits and borrowings from the public		220,191	217,165	229,317
Debt securities in issue		3,100	3,740	2,917
Derivatives	10	1,130	1,512	2,094
Fair value changes of the hedged items in portfolio hedge of interest rate risk		35	49	88
Current tax liabilities		843	2,199	771
Other liabilities		9,189	13,443	10,252
Accrued expenses and prepaid income		2,803	1,797	3,414
Deferred tax liabilities		0	0	722
Provisions		23	24	42
Retirement benefit obligations		1,826	1,850	1,684
Subordinated liabilities		10,464	9,560	10,563
Total liabilities		504,321	507,283	510,511
Equity				
Non-controlling interests		4	5	4
Share capital		3,860	3,860	3,860
Share premium reserve		953	953	953
Retained earnings		22,599	21,927	20,844
Total equity		27,416	26,745	25,661
Total liabilities and equity		531,737	534,028	536,172
Assets pledged as security for own liabilities		133,528	145,988	69,097
Contingent liabilities		470	703	1,190
Commitments		273,872	336,467	346,976

Statement of changes in equity

NOKm	Share capital ¹	Share premium reserve	Retained earnings	Minority interests	Total equity
Opening balance at 1 Jan 2010	3,860	953	21,927	5	26,745
Total comprehensive income			2,160		2,160
Non-controlling interests (Privatmegleren AS)				-1	-1
Dividend for 2009			-1,500		-1,500
Share-based payments ²			11		11
Other changes			1		1
Closing balance at 30 Jun 2010	3,860	953	22,599	4	27,416

NOKm	Share capital ¹	Share premium reserve	Retained earnings	Minority interests	Total equity
Opening balance at 1 Jan 2009	3,860	953	22,329	4	27,146
Total comprehensive income			2,589		2,589
Non-controlling interests (Privatmegleren AS)				1	1
Dividend for 2008			-3,000		-3,000
Share-based payments ²			9		9
Closing balance at 31 Dec 2009	3,860	953	21,927	5	26,745

NOKm	Share capital ¹	Share premium reserve	Retained earnings	Minority interests	Total equity
Opening balance at 1 Jan 2009	3,860	953	22,329	4	27,146
Total comprehensive income			1,553		1,553
Dividend for 2008			-3,000		-3,000
Share-based payments ²			5		5
Other changes			-43		-43
Closing balance at 30 Jun 2009	3,860	953	20,844	4	25,661

¹ Total shares registered were 551m (31 Dec 2009: 551m, 30 Jun 2009: 551m).

² Refers to the Long Term Incentive Programme (LTIP).

Cash flow statement

NOKm	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
<i>Operating activities</i>			
Operating profit	2,830	2,252	3,915
Adjustments for items not included in cash flow	2,421	2,859	2,140
Income taxes paid	-2,017	-41	-131
Cash flow from operating activities before changes in operating assets and liabilities	3,234	5,070	5,924
Changes in operating assets and liabilities	-6,923	-15,209	-16,606
Cash flow from operating activities	-3,689	-10,139	-10,682
<i>Investing activities</i>			
Dividend from associated undertakings	162	0	0
Property and equipment	-31	-28	-113
Intangible assets	-60	-28	-149
Cash flow from investing activities	71	-56	-262
<i>Financing activities</i>			
Other changes in equity	10	-1	0
Dividend paid	-1,500	-3,000	-3,000
Cash flow from financing activities	-1,490	-3,001	-3,000
Cash flow for the period	-5,108	-13,196	-13,944
Cash and cash equivalents at beginning of period	21,839	35,781	35,781
Exchange rate difference	3	0	2
Cash and cash equivalents at end of period	16,734	22,585	21,839
Change	-5,108	-13,196	-13,944
Cash and cash equivalents	30 Jun	30 Jun	31 Dec
The following items are included in cash and cash equivalents (NOKm):	2010	2009	2009
Cash and balances with central banks	8,860	7,982	20,160
Loans to credit institutions, payable on demand	7,874	14,603	1,679

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

Notes to the financial statement

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".

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2009 Annual Report, except for the classification of lending commissions further described below.

Classification of lending commissions

The accounting treatment of lending commissions, including the classification in the income statement, depends on for which purpose the commission is received.

Commissions that are considered to be an integral part of the effective interest rate of a loan are included in the calculation of effective interest and classified as "Net interest income" in the income statement, while commissions considered to be compensation for performed services are classified as "Net fee and commission income".

Judgement has to be exercised when deciding on whether or not a commission shall be included in the calculation of the effective interest of a loan, and to what extent Nordea reassessed this judgement during the first quarter 2010, which leads to a reclassification of commissions from "Net interest income" to "Net fee and commission income". The comparable figures were restated accordingly and the impact is, together with the impact on the first quarter 2010, disclosed in the below table.

NOKm	Q2 2010		Q1 2010		Q2 2009		Full year 2009	
	Restated	Pre policy change	Restated	Pre policy change	Restated	Reported	Restated	Reported
Net interest income	2,173	2,283	2,027	2,136	2,286	2,400	9,070	9,532
Net fee and commission income	504	394	458	349	484	370	2,009	1,547

Exchange rates

	Jan-Jun 2010	Full year 2009	Jan-Jun 2009
EUR 1 = NOK			
Income statement (average)	8.0098	8.7364	8.9038
Balance sheet (at end of period)	7.9725	8.3060	9.0240
USD 1 = NOK			
Income statement (average)	6.0388	6.2983	6.6977
Balance sheet (at end of period)	6.4970	5.7740	6.3960
SEK 1 = NOK			
Income statement (average)	0.8178	0.8221	0.8190
Balance sheet (at end of period)	0.8369	0.8102	0.8350
DKK 1 = NOK			
Income statement (average)	1.0762	1.1732	1.1952
Balance sheet (at end of period)	1.0703	1.1162	1.2118

Note 2 - Segment reporting

Group Operating Segments

	Nordic Banking			Financial Institutions			Shipping, Oil Services & International			Group Corporate Center			Other Operating segments			Total operating segments			Group Functions & Elimination			Total Group		
	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2009	30 Jun 2010	30 Jun 2010	30 Jun 2009	30 Jun 2009
Income statement, NOKm																								
Total operating income	4,386	4,719	292	259	935	969	273	558	514	514	514	514	514	514	514	514	514	514	514	514	514	514	514	514
Operating profit	1,992	2,164	174	113	572	377	216	514	514	514	514	514	514	514	514	514	514	514	514	514	514	514	514	514
Balance sheet, NOKbn																								
Loans to the public	374	358	5	3	69	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deposits and borrowings from the public	175	164	18	24	27	33	0	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5

Reconciliation between total operating segments and financial statements

	30 Jun 2010					30 Jun 2009				
	Total operating income, NOKm	Operating profit, NOKm	Loans to the public, NOKbn	Deposits and borrowings from the public, NOKbn		Total operating income, NOKm	Operating profit, NOKm	Loans to the public, NOKbn	Deposits and borrowings from the public, NOKbn	
Total Operating segments	5,418	2,469	448	220		5,947	2,315	437	229	
Group functions ¹	487	357	0	0		-14	-72	2	0	
Eliminations	-35	0	0	0		-16	0	0	0	
Differences in accounting policies ²	0	4	0	0		0	9	0	0	
Total	5,870	2,830	448	220		5,917	2,252	439	229	

¹ Consists of Group Management Secretariat, Group Internal Audit, Group Credit and Risk Control, People and Identity and Group Legal.

² Internally developed and bought software is expensed as incurred in the operating segments, but capitalised as required by IAS 38 in the entity's balance sheet.

Note 2 - Segment reporting, continued

Basis of segmentation and measurement of segment profit or loss

In November 2006 the IASB issued IFRS 8 “Operating Segments”, which is mandatory for periods beginning on or after 1 January 2009. IFRS 8 has had an impact on the reportable segments in Nordea, mainly as the previously aggregated segment Institutional & International Banking has been divided into two individual reportable segments (Financial Institutions and Shipping, Oil Services & International). Other operating segments below the quantitative thresholds in IFRS 8 are included in Other operating segments. Comparative information has been restated accordingly.

The accounting policies of the operating segments complies with the Group’s significant accounting policies described in note 1, except for that software is, as from Q1 2009, expensed as incurred in the operating segments, but capitalised as required by IAS 38 in the Group’s balance sheet.

Reportable Operating segments

Nordea’s operating model defines four areas in the organisation reflecting different responsibilities; Customer areas, Product areas, Group operations and Support areas. The Operating segments have been identified based on the Customer areas in the operating model and on the internal reporting structure. The Customer areas are responsible for the overall business relation with a customer or customer group.

Nordic Banking conducts a full service banking operation. It is Nordea’s largest customer area and serves household customers and corporate customers in the Nordic markets. Customers within Nordic Banking are offered a complete range of banking products and services including account products, transaction products, market products and insurance products. The Financial Institutions segment is responsible for Nordea’s customers within the financial institution industry. Nordea’s financial institution services include single products such as funds, equity products etcetera as well as consulting services within asset allocation and fund sales. The segment Shipping, Oil Services & International is responsible for Nordea’s customers within the shipping, offshore and oil services industries.

Note 3 - Net fee and commission income

NOKm	Q2 2010	Q1 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Asset Management commissions	12	12	8	24	13	32
Life insurance	14	14	13	28	26	53
Brokerage ²	106	119	142	225	244	475
Custody	40	36	33	76	61	131
Deposits	8	11	10	19	20	50
Total savings related commissions	180	192	206	372	364	741
Payments	92	90	108	182	219	430
Cards	179	160	169	339	318	661
Total payment commissions	271	250	277	521	537	1,091
Lending ¹	135	138	133	273	242	629
Guarantees and documentary payments	24	23	24	47	47	93
Total lending related commissions	159	161	157	320	289	722
Other commission income ²	100	42	43	142	72	192
Fee and commission income	710	645	683	1,355	1,262	2,746
Payment expenses	-160	-142	-173	-302	-316	-638
Other commission expenses	-46	-45	-26	-91	-51	-99
Fee and commission expenses	-206	-187	-199	-393	-367	-737
Net fee and commission income	504	458	484	962	895	2,009

¹Restated, see note 1 for further details.

²Commission income from Trading Infrastructure Program in Markets has been reclassified from the line "Other commission income" to the line "Brokerage" in the second quarter 2009.

Note 4 - Net result from items at fair value

NOKm	Q2 2010	Q1 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Shares/participations and other share-related instruments	470	3	-5	473	6	68
Interest-bearing securities and other interest-related instruments	-74	105	153	31	256	366
Other financial instruments	0	-3	0	-3	0	3
Foreign exchange gains/losses	49	16	23	65	-19	76
Total	445	121	171	566	243	513

Note 5 - General administrative expenses

NOKm	Q2 2010	Q1 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Staff	772	727	787	1,499	1,550	3,257
Information technology ¹	176	175	173	351	342	693
Marketing	33	31	21	64	44	109
Postage, telephone and office expenses	37	46	33	83	75	146
Rents, premises and real estate expenses	97	110	97	207	195	391
Other	146	137	138	283	291	600
Total	1,261	1,226	1,249	2,487	2,497	5,196

¹ Refers to IT operations, service expenses and consultant fees. Total IT-related costs including staff etc, were NOK 213m in

Q2 2010 and NOK 424m for Jan-Jun 2010 (Q1 2010: NOK 211m, Q2 2009: NOK 204m, Jan-Jun 2009: NOK 406m, Jan-Dec 2009: NOK 880m).

Note 6 - Net loan losses

NOKm	Q2 2010	Q1 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Loan losses divided by class						
Loans to credit institutions	0	2	-22	2	-22	-24
Loans to the public	-157	-326	-548	-483	-1,083	-1,971
- of which provisions	-380	-486	-589	-866	-1,150	-1,993
- of which write-offs	-153	-127	-33	-280	-99	-654
- of which allowances used for covering write-offs	105	123	35	228	71	430
- of which reversals	271	160	28	431	64	209
- of which recoveries	0	4	11	4	31	37
Off-balance sheet items ¹	-1	1	-1	0	-7	-9
Total	-158	-323	-571	-481	-1,112	-2,004

¹ Included in Provisions in the balance sheet

Key ratios

	Q2 2010	Q1 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Loan loss ratio, basis points ¹	15	31	51	23	46	45
- of which individual	29	26	30	27	30	30
- of which collective	-14	5	21	-4	16	15

¹ Net loan losses (annualised) divided by opening balance of loans to the public (lending).

Note 7 - Loans and their impairment

NOKm	Total			
	30 Jun 2010	31 Mar 2010	31 Dec 2009	30 Jun 2009
Loans, not impaired	464,631	437,309	430,119	453,281
Impaired loans	5,838	5,173	5,346	4,724
- Performing	1,810	1,525	2,403	2,218
- Non-performing	4,028	3,648	2,943	2,506
Loans before allowances	470,469	442,482	435,465	458,005
Allowances for individually assessed impaired loans	-1,863	-1,783	-1,549	-1,429
- Performing	-442	-482	-468	-464
- Non-performing	-1,421	-1,301	-1,081	-965
Allowances for collectively assessed impaired loans	-1,033	-1,178	-1,218	-988
Allowances	-2,896	-2,961	-2,767	-2,417
Loans, carrying amount	467,573	439,521	432,698	455,588

NOKm	Credit institutions				The public			
	30 Jun 2010	31 Mar 2010	31 Dec 2009	30 Jun 2009	30 Jun 2010	31 Mar 2010	31 Dec 2009	30 Jun 2009
Loans, not impaired	19,388	11,793	10,400	16,464	445,243	425,516	419,719	436,817
Impaired loans	22	22	22	22	5,816	5,151	5,324	4,702
- Performing	0	0	0	0	1,810	1,525	2,403	2,218
- Non-performing	22	22	22	22	4,006	3,626	2,921	2,484
Loans before allowances	19,410	11,815	10,422	16,486	451,059	430,667	425,043	441,519
Allowances for individually assessed impaired loans	-22	-22	-22	-22	-1841	-1761	-1,527	-1407
- Performing	0	0	0	0	-442	-482	-468	-464
- Non-performing	-22	-22	-22	-22	-1,399	-1,279	-1,059	-943
Allowances for collectively assessed impaired loans	0	0	-2	0	-1,033	-1,178	-1,216	-988
Allowances	-22	-22	-24	-22	-2,874	-2,939	-2,743	-2,395
Loans, carrying amount	19,388	11,793	10,398	16,464	448,185	427,728	422,300	439,124

Allowances and provisions

NOKm	30 Jun 2010	31 Mar 2010	31 Dec 2009	30 Jun 2009
Allowances for items in the balance sheet	-2,896	-2,961	-2,767	-2,417
Provisions for off balance sheet items	-23	-23	-24	-42
Total allowances and provisions	-2,919	-2,984	-2,791	-2,459

Key ratios

	30 Jun 2010	31 Mar 2010	31 Dec 2009	30 Jun 2009
Impairment rate, gross ¹ , basis points	124	117	123	103
Impairment rate, net ² , basis points	84	77	87	72
Total allowance rate ³ , basis points	62	67	64	53
Allowances in relation to impaired loans ⁴ , %	32	34	29	30
Total allowances in relation to impaired loans ⁵ , %	50	57	52	51
Non-performing, not impaired ⁶ , NOKm	575	671	638	857

¹ Individually assessed impaired loans before allowances divided by total loans before allowances.

² Individually assessed impaired loans after allowances divided by total loans before allowances.

³ Total allowances divided by total loans before allowances.

⁴ Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

⁵ Total allowances divided by total impaired loans before allowances.

⁶ Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Note 8 - Classification of financial instruments

NOKm	Loans	Held to maturity	Held for trading	Fair value option	Derivatives used for hedging	Available for sale	Total
Financial assets							
Cash and balances with central banks	8,860						8,860
Loans to credit institutions	17,398		1,533	457			19,388
Loans to the public	446,631		1,554				448,185
Interest-bearing securities		12,595	24,027	31			36,653
Financial instruments pledged as collateral			100				100
Shares			2,124			472	2,596
Derivatives			3,560		46		3,606
Fair value changes of the hedged items in portfolio hedge of interest rate risk	298						298
Other assets	2,462			5,625			8,087
Prepaid expenses and accrued income	1,648			310			1,958
Total 30 Jun 2010	477,297	12,595	32,898	6,423	46	472	529,731
Total 31 Dec 2009	454,206	15,485	53,743	8,234	193	51	531,912
Total 30 Jun 2009	472,439	16,669	33,118	11,130	405	57	533,818

NOKm	Held for trading	Fair value option	Derivatives used for hedging	Other financial liabilities	Total
Financial liabilities					
Deposits by credit institutions	1,377	23,852		229,488	254,717
Deposits and borrowings from the public				220,191	220,191
Debt securities in issue				3,100	3,100
Derivatives	641		489		1,130
Fair value changes of the hedged items in portfolio hedge of interest rate risk				35	35
Other liabilities	1,399	5,589		2,129	9,117
Accrued expenses and prepaid income		433		1,551	1,984
Subordinated liabilities				10,464	10,464
Total 30 Jun 2010	3,417	29,874	489	466,958	500,738
Total 31 Dec 2009	8,318	7,906	412	485,558	502,194
Total 30 Jun 2009	4,510	26,098	540	475,170	506,318

Note 9 - Financial instruments

Determination of fair value from quoted market prices or valuation techniques

30 Jun 2010, NOKm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets				
Loans to credit institutions	1,990			1,990
Loans to the public	1,554			1,554
Interest-bearing securities	19,803	4,253	1	24,057
Shares ¹	2,144	81	470	2,695
Derivatives	42	3,564		3,606
Other assets		5,625		5,625
Prepaid expenses and accrued income		310		310
Liabilities				
Deposits by credit institutions		2 482		2 482
Derivatives	24	1 106		1 130
Other liabilities	5 592	1 396		6 988
Accrued expenses and prepaid income		433		433

¹ NOK 100m relates to the balance sheet item Financial instruments pledged as collateral.

Note 10 - Derivatives

Fair value NOKm	30 Jun 2010		31 Dec 2009		30 Jun 2009	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Derivatives held for trading						
Interest rate derivatives	9	50	11	54	60	37
Equity derivatives	321	25	31	459	610	139
Foreign exchange derivatives	3,219	555	1,496	580	347	1,460
Other derivatives	11	11	7	7	6	6
Total	3,560	641	1,545	1,100	1,023	1,642
Derivatives used for hedging						
Interest rate derivatives	46	489	102	412	107	452
Foreign exchange derivatives	0	0	91	0	0	0
Total	46	489	193	412	107	452
Total fair value						
Interest rate derivatives	55	539	113	466	167	489
Equity derivatives	321	25	31	459	610	139
Foreign exchange derivatives	3,219	555	1,587	580	347	1,460
Other derivatives	11	11	7	7	6	6
Total	3,606	1,130	1,738	1,512	1,130	2,094
Nominal amount						
NOKm					30 Jun 2010	31 Dec 2009 30 Jun 2009
Derivatives held for trading						
Interest rate derivatives					43,753	34,836 92,592
Equity derivatives					2,958	2,473 2,059
Foreign exchange derivatives					121,957	103,637 72,970
Other derivatives					104	394 197
Total					168,772	141,340 167,818
Derivatives used for hedging						
Interest rate derivatives					16,204	100,606 20,264
Foreign exchange derivatives					0	2,511 0
Total					16,204	103,117 20,264
Total nominal amount						
Interest rate derivatives					59,957	135,442 112,856
Equity derivatives					2,958	2,473 2,059
Foreign exchange derivatives					121,957	106,148 72,970
Other derivatives					104	394 197
Total					184,976	244,457 188,082

Note 11 - Capital adequacy

Capital Base

	30 Jun 2010	31 Dec 2009	30 Jun 2009
NOKm			
Core Tier 1 Capital	23,698	23,837	23,490
Tier 1 capital	25,583	25,509	25,346
Total capital base	33,579	32,916	34,291

	30 Jun 2010	30 Jun 2010	31 Dec 2009	31 Dec 2009	30 Jun 2009	30 Jun 2009
Capital requirement						
NOKm	Capital requirement	RWA	Capital requirement	RWA	Capital requirement	RWA
Credit risk	20,888	261,101	19,644	245,544	21,280	266,012
IRB	18,664	233,297	17,585	219,817	18,907	236,344
- of which corporate	14,548	181,843	14,053	175,661	14,934	186,677
- of which institutions	564	7,054	565	7,067	680	8,495
- of which retail	3,444	43,044	2,860	35,746	3,151	39,396
of which retail SME	141	1,759	124	1,551	133	1,668
of which retail real estate	2,148	26,847	1,594	19,925	1,740	21,752
of which retail other	1,155	14,438	1,142	14,270	1,278	15,976
- of which other	108	1,356	107	1,343	142	1,776
Standardised	2,224	27,804	2,059	25,727	2,373	29,668
- of which sovereign	25	312	34	423	24	305
- of which other	2,199	27,492	2,025	25,304	2,349	29,363
Market risk	493	6,165	613	7,657	451	5,634
- of which trading book, VaR	174	2,176	179	2,234	213	2,659
- of which trading book, non-VaR	319	3,989	381	4,762	238	2,975
- of which FX, non-VaR	0	0	53	661	0	0
Operational risk	1,458	18,227	1,287	16,093	1,287	16,093
Standardised	1,458	18,227	1,287	16,093	1,287	16,093
Sub total	22,839	285,493	21,544	269,294	23,018	287,739
Adjustment for transition rules						
Additional capital requirement according to transition rules	3,768	47,090	3,548	44,344	3,434	42,924
Total	26,607	332,583	25,092	313,638	26,452	330,663

Capital ratio

	30 Jun 2010	31 Dec 2009	30 Jun 2009
Core Tier 1 ratio, %, incl profit	7.8	7.6	7.6
Tier I ratio, %, incl profit	8.3	8.1	8.1
Capital ratio, %, incl profit	10.7	10.5	10.8
Core Tier 1 ratio, %, excl profit	7.1	-	7.1
Tier I ratio, %, excl profit	7.7	-	7.7
Capital ratio, %, excl profit	10.1	-	10.4

Analysis of capital requirements

Exposure class, 30 Jun 2010	Average risk weight (%)	Capital requirement (NOKm)
Corporate	64	14,548
Institutions	27	564
Retail	21	3,443
Sovereign	2	25
Other	35	2,308
Total credit risk	43	20,888

Note 12 - Risks and uncertainties

Nordea's revenue base reflects the Group's business with a large and diversified customer base, comprising both household and corporate customers, representing different geographic areas and industries.

Nordea's main risk exposure is credit risk. The Group also assumes risks such as market risk, liquidity risk and operational risk. For further information on risk composition, see the Annual Report 2009.

The financial crisis and the deteriorating macroeconomic situation have not had material impact on Nordea's financial position. However, the macroeconomic

development remains uncertain, as communicated in the Outlook on page 5.

None of the above exposures and risks is expected to have any significant adverse effect on the Group or its financial position in the medium term.

Within the framework of the normal business operations, the Group faces claims in civil lawsuits and other disputes, most of which involve relatively limited amounts. None of these disputes are considered likely to have any significant adverse effect on the Group or its financial position in the next six months.

Note 13 - Related-party transactions

Nordea defines related parties as Shareholders with significant influence, Group undertakings, Associated undertakings, Key management personnel and Other related parties. Key management personnel include the Board of Directors, the Chief Executive Officer, Control committee, Board of Representatives and the Group Executive Management. Other related parties comprise companies significantly influenced by Key management personnel in Nordea Group as well as companies significantly influenced by close family members to these Key management personnel. Transactions with Other related parties are normally made in Nordea's and the related companies' ordinary course of business and on

the same criteria and terms as those for comparable transactions with companies of similar standing.

During the second quarter 2010 an associated undertaking in the Nordea Group, PBS A/S, acquired the shares in Nordito AS in which Nordea Bank Norge ASA had an insignificant influence with a holding of 10.8%. The acquiring company is still, after the transaction, an associated undertaking in the Nordea Group and continues to be accounted for under the equity method, while at fair value in NBN on the 4.92% received shares in the acquiring company.

Nordea Bank Norge ASA

Income statement

NOKm	Q2 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Full year 2009
Operating income					
<i>Interest income¹</i>	3,607	4,387	7,101	9,993	17,351
<i>Interest expense</i>	-1,787	-2,357	-3,539	-5,780	-9,283
Net interest income	1,820	2,030	3,562	4,213	8,068
<i>Fee and commission income¹</i>	703	683	1,355	1,264	2,753
<i>Fee and commission expense</i>	-206	-199	-393	-368	-739
Net fee and commission income	497	484	962	896	2,014
Net result from items at fair value	445	170	574	244	513
Dividends and group contribution	389	489	392	489	489
Other operating income	70	25	111	49	142
Total operating income	3,221	3,198	5,601	5,891	11,226
Operating expenses					
General administrative expenses:					
Staff costs	-738	-750	-1,430	-1,476	-3,096
Other expenses	-467	-456	-938	-920	-1,890
Depreciation of tangible and intangible assets	-34	-30	-68	-49	-117
Total operating expenses	-1,239	-1,236	-2,436	-2,445	-5,103
Profit before loan losses	1,982	1,962	3,165	3,446	6,123
Net loan losses	-91	-519	-388	-987	-1,834
Operating profit	1,891	1,443	2,777	2,459	4,289
Income tax expense	-352	-421	-568	-708	-1,202
Net profit for the period	1,539	1,022	2,209	1,751	3,087

¹Restated, see note 1 for further details

Nordea Bank Norge ASA

Balance sheet

NOKm	30 Jun 2010	31 Dec 2009	30 Jun 2009
Assets			
Cash and balances with central banks	8,860	20,160	7,982
Loans to credit institutions	45,451	22,415	48,784
Loans to the public	351,893	409,072	402,170
Interest-bearing securities	101,653	58,686	46,099
Financial instruments pledged as collateral	100	2,612	120
Shares	2,596	2,950	2,282
Derivatives	3,752	1,738	1,057
Fair value changes of the hedged items in portfolio hedge of interest rate risk	203	119	216
Investments in group undertakings	2,856	2,241	2,241
Investments in associated undertakings	417	417	417
Intangible assets	354	328	313
Property and equipment	300	317	247
Deferred tax assets	339	346	0
Other assets	8,128	11,002	18,217
Prepaid expenses and accrued income	1,420	1,381	1,578
Total assets	528,322	533,784	531,723
Liabilities			
Deposits by credit institutions	254,720	258,969	249,191
Deposits and borrowings from the public	220,208	217,194	229,326
Debt securities in issue	3,100	3,740	1,733
Derivatives	1,130	1,509	1,977
Fair value changes of the hedged items in portfolio hedge of interest rate risk	35	49	19
Current tax liabilities	420	2,114	684
Other liabilities	9,282	13,362	10,175
Accrued expenses and prepaid income	2,293	1,335	2,991
Deferred tax liabilities	0	0	589
Provisions	23	24	42
Retirement benefit obligations	1,773	1,778	1,620
Subordinated liabilities	10,464	9,560	10,562
Total liabilities	503,448	509,634	508,909
Equity			
Share capital	3,860	3,860	3,860
Share premium reserve	953	953	953
Retained earnings	20,061	19,337	18,001
Total equity	24,874	24,150	22,814
Total liabilities and equity	528,322	533,784	531,723
Assets pledged as security for own liabilities	133,528	145,988	69,097
Contingent liabilities	4,127	4,379	1,190
Commitments	277,835	344,402	336,639

Nordea Bank Norge ASA

Note 1 - Equity

NOKm	Share capital ¹	Share premium account	Retained earnings	Total equity
Opening balance at 1 Jan 2010	3,860	953	19,337	24,150
Total comprehensive income			2,213	2,213
Share based payments ²			11	11
Dividend 2009			-1,500	-1,500
Closing balance at 30 Jun 2010	3,860	953	20,061	24,874

NOKm	Share capital ¹	Share premium account	Retained earnings	Total equity
Opening balance at 1 Jan 2009	3,860	953	19,272	24,085
Total comprehensive income			3,055	3,055
Share based payments ²			9	9
Dividend for 2008			-3,000	-3,000
Other changes			1	1
Closing balance at 31 Dec 2009	3,860	953	19,337	24,150

NOKm	Share capital ¹	Share premium account	Retained earnings	Total equity
Opening balance at 1 Jan 2009	3,860	953	19,272	24,085
Total comprehensive income			1,724	1,724
Share based payments ²			5	5
Dividend for 2008			-3,000	-3,000
Closing balance at 30 Jun 2009	3,860	953	18,001	22,814

¹Total shares registered were 551,358,576 with face value NOK 7.

²Refers to the Long Term Incentive Programme (LTIP).

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

STATEMENT BY EXECUTIVE AND SUPERVISORY BOARD

The supervisory and executive boards have today considered and approved the condensed consolidated interim report of Nordea Bank Norge ASA as at 30 June 2010 and for the first half year 2010 including condensed consolidated comparative figures as at 30 June 2009 and for the first half year 2009 (the interim report).

The interim report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Norwegian disclosure requirements for interim financial reports of listed and State-owned public limited companies. We consider the accounting policies applied to be appropriate. Accordingly, the interim report gives a true and fair view of the Group’s assets, liabilities and financial position as at 30 June 2010 and as at 30 June 2009 and of the results of the Group’s operations and cash flows for the first half year of 2010 and the first half year of 2009.

According to our best knowledge, the Board of Director’s report gives a true and fair view of important incidents in the accounting period and the effect on the interim accounts. The description of the most relevant risk factors the company faces the coming year, including disclosure of related party transaction, gives to our knowledge true and fair view.

Oslo, 20 July 2010

Executive board:

Gunn Wærsted
Managing director

Supervisory board:

Ari Kaperi
Chairman

Fredrik Rystedt
Deputy chairman

Mary Helene Moe

Karin S. Thorburn

Steinar Nickelsen
Employee representative

Nordea Bank Norge ASA

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