Nordea Press release

Copenhagen, Helsinki, Oslo, Stockholm, 28 April 2011

First Quarter Report 2011

Solid quarter

CEO Christian Clausen's comment to the report:
"I am proud to present another strong quarter. Our relationship strategy and solid operating platform continue to deliver. Income is at record level. Both operating and risk-adjusted profit increased more than 10% from the first quarter last year.

European banks face large challenges with the costs of new regulation. Nordea is committed to take the necessary steps to maintain its position in the top league. In our New Normal plan, we will focus on increased ROE and take measures to increase capital and cost efficiency."

(For further viewpoints, see CEO comments, page 2)

First quarter 2011 vs first quarter 2010 (vs fourth quarter 2010):

- Total income up 9% (0%)
- Risk-adjusted profit up 14% (up 7%)
- Number of Gold and Private Banking customers up 210,000 or 8% (up 47,000, a 6% growth rate)
- Net loan losses 22 basis points, 31 basis points including a one-off Danish deposit guarantee fund provision (23 bps in the fourth quarter, 37 bps in the first quarter 2010)
- Core tier 1 capital ratio 10.7% excluding transition rules (10.3% in the fourth quarter, 10.1% in the first quarter 2010)
- Return on equity 12.0% (12.8% in the fourth quarter, 11.3% in the first quarter 2010)

Summary key figures, EURm	Q1 2011	Q4 2010	Ch.%	Q1 2010	Ch.%
Net interest income	1,324	1,365	-3	1,235	7
Total operating income	2,510	2,507	0	2,303	9
Profit before loan losses	1,245	1,237	1	1,139	9
Net loan losses	-242	-166	46	-261	-7
Loan loss ratio annualised, bps	31	23		37	
Operating profit	1,003	1,071	-6	878	14
Risk-adjusted profit	771	721	7	678	14
Diluted earnings per share, EUR	0.18	0.19		0.16	
Return on equity, %	12.0	12.8		11.3	

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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 11 million customers, approx. 1,400 branch offices and is among the ten largest universal banks in Europe in terms of total market capitalisation. The Nordea share is listed on the NASDAQ OMX Nordic Exchange in Stockholm, Helsinki and Copenhagen.

www.nordea.com

CEO comment

2011 has started with a continued increase in risk-adjusted profit and income at record level for Nordea. At the same time, the new regulatory environment has increased the challenges in the banking sector. To mitigate effects from higher capital, liquidity and funding costs, we will intensify our focus on increasing the return on equity.

A solid quarter

Our relationship strategy continues to deliver high income and deeper relations with both corporate and household customers. At the same time, we have continued to invest in our efficient platform.

In the household segment, the inflow of new Gold and Private Banking customers from outside Nordea continues. In addition, a large number of customers have increased the business with us and made Nordea their primary bank. In total, the number of Gold and Private Banking customers increased by 47,000 in the quarter.

In the corporate segment, we continue to strengthen our relations. In Sweden, the share of companies that we have a lead relationship with has increased from 31% two years ago to 43% today. With that achievement we are today the leading corporate relationship bank in three of the four Nordic markets.

Our investments, competence build-up and product development within corporate finance, equities, cash management and markets products have delivered both efficiency and income.

The cost efficiency gains are visible in the increase in income and customers per employee, the decrease in manual transactions and the lower cost for asset management and IT production.

The capital efficiency gains can for example be seen in Corporate Merchant Banking, where lending has remained flat while income increased by 14% since the first quarter last year, reflecting the positive effects on both funding and income from deeper customer relationship and a broader product portfolio.

In all, our result is solid. Operating profit is up by more than 10% to one billion euro. The doubling of risk-adjusted profit from 2007 to 2013 is within reach.

Adapting to the New Normal

We have since 2007 invested in our operating platform and our capabilities to become more efficient and do more business with each customer – both in the household and corporate segments.

This relationship strategy has delivered on the targets set out. Return on equity (ROE) has been higher than peers since the launch of the strategy. Risk-adjusted profit has increased by close to 40% and is not far from the trend line to reach the goal of doubling it in 7 years. Total shareholder return is in the top quartile of European peers. We thus have a good starting point as the banking industry now faces more challenging regulatory requirements.

European banks will have to respond to increasing costs for capital, liquidity and funding. Just as the car industry develops fuel-efficient cars when the oil prices increases, the banking industry will need to optimise efficiency in production, services and products as the price of the financial raw materials goes up.

Our assessment is that the best performing banks can reach ROE levels around 15% under the new regulation. Nordea is committed to take the necessary steps to maintain our position in the top league of European banks.

To meet these new challenges, we will have to maintain our strong business momentum and at the same time focus on increasing ROE. Our response will be to implement our New Normal Plan. It contains measures to increase capital efficiency, cost efficiency and ROE. We will adjust the group initiatives to mainly support efficiency and profit-ability. As a result, the level of cost increase will be reduced during the second half of the year continuing into 2012.

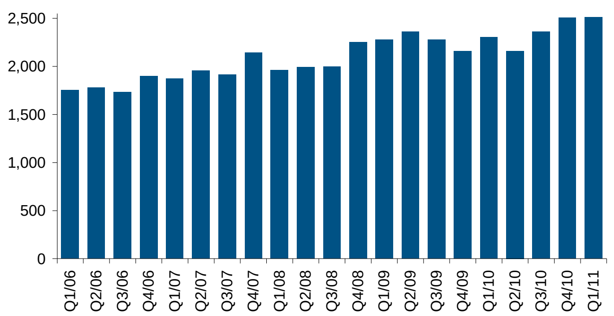
Just as we were proactive during the financial crisis, our intention is to adapt rapidly to the New Normal. The plan and the corresponding targets will be presented when the consequences from the regulatory work are visible.

To maintain our strong business momentum, and ensure direct responsibility and accountability on efficiency, we are changing the organisation. The new organisation will be built around three main business areas – Retail Banking, Wholesale Banking and Wealth Management. All parts of the value chains will be incorporated into these business areas with the clear objective to improve efficiency, increase ROE and deepen our customer relationships.

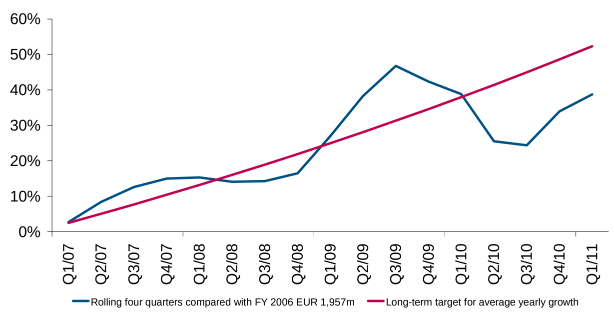
This new organisation and our high New Normal ambitions will be a strong platform for delivering great customer experiences.

Christian Clausen
President and Group CEO

Record total income, EURm



Risk-adjusted profit growth
Growth from 2006 compared to target to double in seven years



Income statement[1]

EURm	Q1 2011	Q4 2010	Change %	Q1 2010	Change %
Net interest income	**1,324**	1,365	-3	1,235	7
Net fee and commission income	**602**	618	-3	475	27
Net result from items at fair value	**544**	504	8	548	-1
Equity method	**18**	5		25	-28
Other operating income	**22**	15	47	20	10
Total operating income	**2,510**	**2,507**	**0**	**2,303**	**9**
Staff costs	**-768**	-675	14	-687	12
Other expenses	**-453**	-543	-17	-438	3
Depreciation of tangible and intangible assets	**-44**	-52	-15	-39	13
Total operating expenses	**-1,265**	**-1,270**	**0**	**-1,164**	**9**
Profit before loan losses	**1,245**	**1,237**	**1**	**1,139**	**9**
Net loan losses	**-242**	-166	46	-261	-7
Operating profit	**1,003**	**1,071**	**-6**	**878**	**14**
Income tax expense	**-261**	-301	-13	-235	11
Net profit for the period	**742**	**770**	**-4**	**643**	**15**

Business volumes, key items[1]

EURbn	31 Mar 2011	31 Dec 2010	Change %	31 Mar 2010	Change %
Loans to the public	**330.5**	314.2	5	292.5	13
Deposits and borrowings from the public	**182.3**	176.4	3	160.0	14
of which savings deposits	**52.8**	51.3	3	47.6	11
Assets under management	**192.0**	191.0	1	169.3	13
Technical provisions, Life	**36.7**	36.8	0	33.9	8
Equity	**24.1**	24.5	-2	22.3	8
Total assets	**586.6**	580.8	1	526.2	11

Ratios and key figures

	Q1 2011	Q4 2010	Q1 2010
Diluted earnings per share, EUR	**0.18**	0.19	0.16
EPS, rolling 12 months up to period end, EUR	**0.68**	0.66	0.57
Share price[2], EUR	**7.74**	8.16	7.34
Total shareholders' return, %	**-1.9**	4.2	1.0
Equity per share[2], EUR	**6.01**	6.07	5.53
Potential shares outstanding[2], million	**4,043**	4,043	4,037
Weighted average number of diluted shares, million	**4,026**	4,026	4,018
Return on equity, %	**12.0**	12.8	11.3
Cost/income ratio, %	**50**	51	51
Core Tier 1 capital ratio, excl transition rules[2] %	**10.7**	10.3	10.1
Tier 1 capital ratio, excl transition rules[2] %	**11.7**	11.4	11.2
Total capital ratio, excl transition rules[2] %	**13.5**	13.4	13.6
Core Tier 1 capital ratio[2] %	**9.1**	8.9	9.2
Tier 1 capital ratio[2,3] %	**10.0**	9.8	10.1
Total capital ratio[2,3] %	**11.4**	11.5	12.3
Tier 1 capital[2,3] EURm	**21,335**	21,049	20,070
Risk-weighted assets incl transition rules[2], EURbn	**214**	215	198
Loan loss ratio, basis points	**31**	23	37
Number of employees (full-time equivalents)[2]	**34,138**	33,809	33,447
Risk-adjusted profit, EURm	**771**	721	678
Economic profit, EURm	**378**	300	265
Economic capital[2], EURbn	**17.4**	17.5	17.4
EPS, risk-adjusted, EUR	**0.19**	0.17	0.17
RAROCAR, %	**17.6**	16.2	16.5

[1] For exchange rates used in the consolidation of Nordea Group see Note 1.

[2] End of period.

[3] Including the result for the first three months. According to Swedish FSA rules (excluding the unaudited result for Q1): Tier 1 capital EUR 20,891m (31 Mar 2010: EUR 19,685m), capital base EUR 24,000m (31 Mar 2010: EUR 24,050m), Tier 1 capital ratio 9.8% (31 Mar 2010:9.9%), total capital ratio 11.2% (31 Mar 2010: 12.1%).

The Group

Result summary, first quarter 2011

Total income remains at the record level from the previous quarter and increased 9% compared to the first quarter last year. Risk-adjusted profit increased by 7% to EUR 771m.

Customer business continued to develop strongly. Net fee and commission income and net fair value result were maintained at strong levels.

Total expenses decreased somewhat compared to the previous quarter and staff costs increased by 5%, in local currencies and excluding the effect of the adjustment of pension plans in Norway in the previous quarter.

Net loan loss provisions were EUR 175m, corresponding to a loan loss ratio of 22 basis points (23 basis points in the previous quarter). In addition to this, a one-off provision of EUR 67m related to the Danish deposit guarantee fund was made, corresponding to a loan loss ratio of 9 basis points.

Operating profit was down 6% from the previous quarter, mainly due to higher net loan losses. Risk-adjusted profit increased 7% compared to the previous quarter.

The inflow of new Gold and Private Banking customers remained strong, with an increase of more than 47,000 in the first quarter. Around 65% of the new Gold and Private Banking customers were new customers to Nordea.

Nordea has increased its long-term funding ratio from 65% to 69% during the first quarter.

Assets under Management increased to an all-time-high of EUR 192bn at the end of the first quarter.

The core tier 1 capital ratio, ie excluding hybrid loans, was 10.7% excluding transition rules according to Basel II (10.3% in the fourth quarter). Including transition rules, the core tier 1 capital ratio was 9.1% (8.9%).

The effect from currency fluctuations contributed to an increase in income of 2 %-points and expenses of 4 %-points compared to the first quarter last year.

Income

Total income increased somewhat from the previous quarter, to EUR 2,510m.

Net interest income

Net interest income decreased 3% compared to the previous quarter to EUR 1,324m, mainly due to the number of banking days being two fewer than previous quarter. Deposit volumes and margins continued to increase, resulting in higher net interest income in the customer areas. However, this was offset by lower net interest income in Group Corporate Centre, mainly due to reduced interest rate risk in the funding area.

Corporate lending

Volumes, excluding reversed repurchase agreements, were largely unchanged in local currencies in the first quarter, whereas margins also were unchanged in the lending book.

Household lending

Household mortgage lending volumes increased 1% compared to the previous quarter, with an annualised growth rate of 4%. Market share in the Nordic region continued to increase in the first quarter. Total household mortgage lending margins were largely unchanged.

Corporate and household deposits

Total deposits from the public increased to EUR 182bn, up 3% in local currencies compared to the previous quarter and 12% compared to one year ago, due to higher volume of repurchase agreements. Excluding repurchase agreements, total deposits were down 2% from the previous quarter and household deposits were largely unchanged, despite fierce competition for savings deposits. Average household and corporate deposit margins increased in the quarter, due to higher market interest rates, which contributed approx. EUR 15m to higher net interest income.

Group Corporate Centre

Net interest income decreased to EUR 30m compared to EUR 81m in the previous quarter, mainly due to reduced interest rate risk in Group Funding, to prepare for higher interest rates, and increased funding cost for the liquidity buffer. The average long-term funding cost has been largely unchanged in the quarter.

Changed funds transfer pricing for loans and deposits

To better reflect the higher funding costs for the banking sector, Nordea has changed the internal funds transfer pricing model for most loans and deposits, resulting in a 20 basis points higher transfer price for both. The new transfer pricing affects net interest income and margins in business areas and Group Corporate Centre for the first quarter 2011 and also through restatements the figures for 2010.

Net fee and commission income

Net fee and commission income remained strong, but decreased 3% compared to the high income in the previous quarter to EUR 602m. Increases were mainly seen in asset management commissions and lending commissions.

Commission expenses related to stability funds, were EUR 13m, related only to Sweden, compared to EUR 8m in the previous quarter.

Savings and asset management commissions
Savings-related commissions increased 3% in the first quarter to EUR 369m, mainly due to higher asset management commission income and brokerage income. Assets under Management (AuM) continued to increase, by 1% to EUR 192bn, with a strong net inflow in the quarter of EUR 2.5bn.

Lending-related commissions
Lending-related commissions increased 6% to EUR 165m, largely a result of increased lending and guarantee fees in debt capital markets.

Net result from items at fair value
Net result from items at fair value increased 8% from the previous quarter to EUR 544m.

Capital Markets income in customer areas
The customer-driven capital markets activities with customers in Nordic Banking and other customer areas continued to perform well, with a net fair value result from these areas of EUR 235m, although down from the high level of EUR 313m in the previous quarter.

Capital Markets unallocated income
The net fair value result in Capital Markets unallocated income, ie income from risk management and trading in connection with managing the risk inherent in customer transactions, increased to EUR 191m from EUR 116m.

Group Corporate Centre
The net result from fair value items in Group Treasury increased to EUR 67m compared to EUR 11m in the previous quarter, due to successful active risk management.

Life insurance operations
Net result from items at fair value in Life was down 39% to EUR 62m, due to the extraordinary high recognition of income in the previous quarter. The financial buffers were 8.0% of technical provisions, or EUR 1,942m, at the end of the first quarter, an increase of 0.7 %-point compared to the fourth quarter.

Equity method
Income from companies accounted for under the Equity method was EUR 18m, compared to EUR 5m in the previous quarter. The result from the holding in Eksportfinans was EUR 12m.

Other operating income
Other operating income was EUR 22m compared to EUR 15m in the previous quarter.

Expenses
Total expenses decreased somewhat compared to the previous quarter to EUR 1,265m. In local currencies and excluding the positive adjustment of pension plans in Norway of EUR 40m in the previous quarter, total expenses were down 6%, due to 19% lower other expenses compared to the high level in the previous quarter.
Staff costs were EUR 768m, up 5% in local currencies and excluding the positive adjustment of pension plans in Norway, due to salary inflation and a higher number of employees.

Compared to the first quarter last year, total expenses increased by 9% and staff costs increased by 12%. In local currencies, total expenses were up 5% and staff costs increased 8%. The increase in staff costs was due to salary inflation, the effect from Group initiatives and a higher number of employees.

The number of employees (FTEs) at the end of the first quarter increased 1% compared to the end of the previous quarter. Compared to the first quarter last year, FTEs grew by 2%.

The cost/income ratio was 50%, down somewhat from the previous quarter and compared to one year ago.

Provisions for performance-related salaries in the first quarter were EUR 75m, compared to EUR 73m in the previous quarter.

Net loan losses
Net loan loss provisions were EUR 175m, corresponding to a loan loss ratio of 22 basis points (23 basis points in the previous quarter). In addition to this, a one-off provision of EUR 67m was made, related to the ordinary Danish deposit guarantee fund, which is in place following the expiration of the Danish state guarantee scheme in 2010. This provision was in connection to Amagerbanken's collapse and corresponded to 9 basis points. In the Baltic countries, net reversals were reported corresponding to 26 basis points (loan loss ratio 26 basis points in the previous quarter). Collective net loan losses were positive EUR 53m in the first quarter (positive by EUR 108m in the fourth quarter), as rating migration was positive.

Taxes
The effective tax rate was 26.0% compared to 28.0% in the previous quarter and 26.8% in the first quarter last year.

Net profit
Net profit decreased 4% compared to the previous quarter to EUR 742m, corresponding to a return on equity of 12.0%. Diluted earnings per share were EUR 0.18 (EUR 0.19 in the previous quarter).

Risk-adjusted profit
Risk-adjusted profit increased to EUR 771m, up 7% compared to the previous quarter and up 14% compared to one year ago.

Other information

Credit portfolio
Total lending was EUR 331bn, up 5% compared to the previous quarter, mainly due to increased volume of reversed repurchase agreements. Total lending in customer areas increased 1% in the first quarter.

The credit quality in the loan portfolio improved further in the first quarter, mainly due to positive rating migration in the corporate loan portfolio, which resulted in a reduction of risk-weighted assets (RWA) of approx. EUR 0.5bn or 0.3%.

The impaired loans ratio decreased to 141 basis points of total loans, due to increased total loan volumes. Total impaired loans increased by 5% from the previous quarter. This development has been expected, since at this point of the business cycle, it has been easier to identify specific customers, where there is a need for a loan loss provision. These risks have previously been largely covered by collective loan loss provisions. 58% of impaired loans gross are performing loans and 42% are non-performing loans. Impaired loans net, after allowances for individually assessed impaired loans amounted to EUR 3,233m, corresponding to 90 basis points of total loans. The provisioning ratio decreased somewhat to 51%, compared to 52% at the end of the fourth quarter.

Loan loss ratios and impaired loans

Basis points of loans	Q1 2011	Q4 2010	Q3 10	Q2 10	Q1 10
Loan loss ratio					
Group annualised	31[1]	23	29	35	37
of which individual	37	38	35	34	26
of which collective	-6	-15	-6	1	11
Loan loss ratio					
Nordic Banking	37[1]	27	33	35	37
Impaired loans ratio					
gross, Group (bps)	141	146	139	135	140
- performing	58%	59%	55%	52%	53%
- non-performing	42%	41%	45%	48%	47%
Total allowance					
ratio, Group (bps)	72	76	75	76	76
Provisioning ratio,					
Group[2]	51%	52%	54%	56%	54%

[1] Loan loss ratio excluding the one-off provision related to the Danish deposit guarantee fund: 22 bps in the Group, 26 bps in Nordic Banking.
[2] Total allowances in relation to gross impaired loans.

Market risk
Interest-bearing securities and treasury bills were EUR 90bn at the end of the first quarter, of which EUR 26bn in the life insurance operations and the remaining part in the liquidity buffer and trading portfolios. 25% of the portfolio comprises government or municipality bonds and 36% mortgage bonds, when excluding EUR 11bn of pledged securities.

Total Value at Risk (VaR) market risk increased to EUR 94m in the first quarter compared to EUR 81m in the previous quarter, mainly due to higher interest rate risk.

Market risk

EURm	Q1 2011	Q4 2010	Q3 10	Q1 10
Total risk, VaR	94	81	79	138
Interest rate risk, VaR	107	91	104	66
Equity risk, VaR	10	13	25	63
Foreign exchange risk, VaR	8	14	21	32
Credit spread risk, VaR	26	33	40	41
Diversification effect	38%	47%	59%	32%

Balance sheet
Total assets in the balance sheet increased 1% compared to at the end of the previous quarter to EUR 587bn. The increase mainly relates to higher reversed repurchase agreements within loans to the public, while market values of derivatives decreased.

Capital position and risk-weighted assets
At the end of the first quarter, Nordea's risk-weighted assets (RWA) were EUR 181.7bn excluding transition rules, down 1.8% compared to the previous quarter and up 1.3% compared to one year ago, when RWA were EUR 179.4bn. During the first quarter, RWA decreased mainly due to improved credit quality in the corporate portfolio, volume changes in the international branches portfolio (standardised approach) and RWA optimisations. The yearly update of operational risk led to increased RWA, which was offset by reduction in market risk RWA. There was no major impact from volume changes, however counterparty credit risks in the corporate segment has decreased.

Nordea has intensified the focus on efficient use of RWA within the business areas. This includes a number of targeted RWA efficiency initiatives covering the processes, data and methodologies across the different exposures classes. In the first quarter, this has affected RWA positively by EUR 1.2bn, and going forward it is expected to further affect the key components within the RWA calculation and contribute to a reduction of RWA.

The core tier 1 ratio excluding transition rules under Basel II was 10.7%. The tier 1 capital ratio and the total capital ratio are well above the targets in Nordea's capital policy. The capital base of EUR 24.4bn exceeds the capital requirements including transition rules by EUR 7.3bn and excluding transition rules by EUR 9.9bn. The tier 1 capital of EUR 21.3bn exceeds the Pillar 1 capital requirements (excluding transitions rules) by EUR 6.8bn.

Capital ratios

%	Q1 2011	Q4 2010	Q3 10	Q1 10
Excluding transition rules:				
Core tier 1 capital ratio	10.7	10.3	10.4	10.1
Tier 1 capital ratio	11.7	11.4	11.5	11.2
Total capital ratio	13.5	13.4	13.5	13.6
Including transition rules:				
Core tier 1 capital ratio	9.1	8.9	9.1	9.2
Tier 1 capital ratio	10.0	9.8	10.1	10.1
Total capital ratio	11.4	11.5	11.9	12.3

Economic Capital (EC) was at the end of the first quarter EUR 17.4bn, slightly down from the end of the previous quarter.

Nordea's funding and liquidity operations

The average funding cost for long-term funding has been largely unchanged in the first quarter.

Nordea issued approx. EUR 12bn of long-term funding in the first quarter of which approx. EUR 4.0bn represented issuance of Swedish, Norwegian and Finnish covered bonds in the domestic and international markets.

The portion of long-term funding of total funding was at the end of the first quarter approx 69%, up from 65% at the end of the previous quarter.

For long-term funding risks, Nordea applies management of the measures economic funding gap and matching between behavioural duration of assets and liabilities.

For short-term liquidity risks, Nordea maintains a measure close to the liquidity coverage ratio (LCR). The liquidity buffer is composed of highly liquid central bank eligible securities with characteristics similar to Basel III liquid assets and amounted to EUR 56bn at the end of the first quarter (EUR 61bn at the end of the fourth quarter).

Macroeconomic development

Neither the tragic disaster in Japan nor the political turbulence in northern Africa and the Middle East has had any significant impact on the economic development in our home markets.

The high oil price has so far only had marginal effect on GDP growth and employment in the Nordic countries, Baltic countries and Poland, reflecting the gradually decreasing oil-price sensitivity of developed societies. Still, it is too early to assess the effects from continued high energy prices.

Nordea share

During the first quarter, the share price of Nordea on the NASDAQ OMX Nordic Exchange depreciated from SEK 73.15 to SEK 69.10. The dividend, equal to approx. SEK 2.60 (EUR 0.29), was excluded from the share price during the first quarter.

Annual General Meeting

The AGM on 24 March 2011 decided on a dividend of EUR 0.29 per share.

The AGM also decided on authorisations to decide on repurchase own shares (limited to a maximum own holding of 10% of all shares) on a regulated market where the company's shares are listed, or by means of an acquisition offer directed to all shareholders, as well as on conveyance of own shares.

The AGM approved a Long-Term Incentive Programme (LTIP), LTIP 2011, for up to 400 managers and key employees. To be part of the programme, the participants have to lock in Nordea shares and thereby align their interest and perspectives with the shareholders.

New organisation and appointments in Group Executive Management

A new organisation will be implemented, which builds on the value-chain thinking that has been central in the Nordea operating model since 2007. The reorganisation is developed around the three main business areas: Retail Banking, Wholesale Banking and Wealth Management. All parts of the value chains – customer responsibility, support, products, staff and IT-development – will be incorporated into these business areas with the clear objective to improve efficiency, increase ROE and deepen the customer relationships.

In addition, a business unit called Group Operations and Other Lines of Business will be established. Group Corporate Centre and Group Risk Management will as today remain as central parts of the organisation.

In connection to the reorganisation, Peter Schütze has decided to retire and two new members of Group Executive Management have been appointed: Torsten Hagen Jørgensen and Peter Nyegaard.

More information has been made public in a separate press release.

Quarterly development, Group

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net interest income	1,324	1,365	1,310	1,249	1,235
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Other operating income	22	15	53	28	20
Total operating income	**2,510**	**2,507**	**2,363**	**2,161**	**2,303**
General administrative expenses:					
Staff costs	-768	-675	-721	-701	-687
Other expenses	-453	-543	-436	-445	-438
Depreciation of tangible and intangible assets	-44	-52	-39	-40	-39
Total operating expenses	**-1,265**	**-1,270**	**-1,196**	**-1,186**	**-1,164**
Profit before loan losses	**1,245**	**1,237**	**1,167**	**975**	**1,139**
Net loan losses	-242	-166	-207	-245	-261
Operating profit	**1,003**	**1,071**	**960**	**730**	**878**
Income tax expense	-261	-301	-249	-191	-235
Net profit for the period	**742**	**770**	**711**	**539**	**643**
Diluted earnings per share (DEPS), EUR	0.18	0.19	0.18	0.13	0.16
DEPS, rolling 12 months up to period end, EUR	0.68	0.66	0.58	0.55	0.57

Customer areas

Nordic Banking

The number of Gold and Private Banking customers increased by 39,000 during the first quarter, showing an annualised growth rate of 5%. Around 28,000 Gold and Private Banking customers were new customers to Nordea.

Efficiency in banking operations has improved significantly. During the last 12 months, the number of relationship customers has increased by close to 190,000 or 7%, while at the same time the number of employees (FTEs) has decreased by 400. The positive trend in the number of proactive customer meetings continued, up 22% from one year ago.

The Future distribution initiative continued as planned. In the first quarter, 67 branches were transformed and a total of 149 branches are now operating in the new focused formats. Strong results have been achieved so far, not least confirmed by an all-time-high in customer activity in the first quarter. Similarly, online facilities, especially within mobile banking, are improving. In Denmark, a mobile netbank solution for all mobile platforms was launched. Mobile application upgrades have also been released in Finland, Norway and Sweden. Customer mobile activity increased steeply during the quarter.

Result

Total income was slightly down compared to the previous quarter, due to the extraordinary high net result from items at fair value in the fourth quarter. Compared to the first quarter last year, income increased by 16% (11% in local currencies), supported by strong performance in all major income lines. Deposit margins increased compared to the fourth quarter following higher short-term interest rates in Denmark, Finland and Sweden.

Income from the corporate segment decreased from the previous quarter, reflecting lower income from large deals and revaluation gains in the previous quarter. Income from the household segment was positively affected by improved margins and continued inflow of new customers.

Expenses were down compared to the previous quarter and unchanged in local currencies compared to the same period last year.

Net loan losses increased compared to the fourth quarter, mainly related to Denmark, where a one-off provision of 67 EURm to the Danish Deposit Guarantee Fund due to the collapse of Amagerbanken was included. The loan loss ratio was 26 basis points excluding this one-off provision (27 basis points in the fourth quarter) and 37 basis points including it.

Nordic Banking

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Ch. Q111/ Q410	Q111/ Q110
Net interest income	1,025	1,004	961	916	900	2%	14%
Net fee and commission income	533	548	451	493	443	-3%	20%
Net result from items at fair value	166	233	175	175	137	-29%	21%
Equity method & other income	9	3	8	22	16	200%	-44%
Total income incl. allocations	**1,733**	**1,788**	**1,595**	**1,606**	**1,496**	**-3%**	**16%**
Staff costs	-322	-311	-313	-310	-300	4%	7%
Total expenses incl. allocations	**-914**	**-922**	**-877**	**-862**	**-873**	**-1%**	**5%**
Profit before loan losses	**819**	**866**	**718**	**744**	**623**	**-5%**	**31%**
Net loan losses	-232	-155	-188	-200	-209	50%	11%
Operating profit	**587**	**711**	**530**	**544**	**414**	**-17%**	**42%**
Cost/income ratio, %	53	52	55	54	58		
RAROCAR, %	16	17	13	14	12		
Economic capital (EC)	12,019	12,300	12,428	12,506	11,890		
Risk-weighted assets (RWA)	123,554	126,263					
Number of employees (FTEs)	16,198	16,270	16,442	16,558	16,599	0%	-2%
Volumes, EURbn:							
Lending to corporates	117.6	116.2	116.1	115.5	111.1	1%	6%
Household mortgage lending	111.2	109.8	106.1	102.6	99.4	1%	12%
Consumer lending	26.5	26.9	26.2	25.8	24.3	-1%	9%
Total lending	**255.3**	**252.9**	**248.4**	**243.9**	**234.8**	**1%**	**9%**
Corporate deposits	59.1	62.0	57.6	55.5	56.4	-5%	5%
Household deposits	75.0	74.5	72.6	72.1	69.0	1%	9%
Total deposits	**134.1**	**136.5**	**130.2**	**127.6**	**125.4**	**-2%**	**7%**
Margins, %:							
Corporate lending	1.35	1.35	1.33	1.32	1.32		
Household mortgage lending	0.73	0.70	0.70	0.72	0.75		
Consumer lending	3.77	3.73	3.80	3.79	3.79		
Total lending margins	**1.30**	**1.28**	**1.28**	**1.29**	**1.31**		
Corporate deposits	0.44	0.42	0.36	0.29	0.33		
Household deposits	0.48	0.43	0.29	0.22	0.24		
Total deposits margins	**0.46**	**0.42**	**0.32**	**0.25**	**0.28**		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Restated due to smaller organisational changes.

Banking Denmark

Business development

The number of Gold and Private Banking customers increased by 8,600 in the quarter, showing an annualised growth rate of 5%.

The average number of 360-degree meetings per week per personal banking adviser increased some 30% compared to one year ago. Attention is kept on maintaining a high quality of meetings and securing satisfactory outcome of the meetings. The high activity level has resulted in stable volumes in a contracting market.

In January, a mobile netbank solution for all mobile platforms was launched, thus consolidating Nordea's increased attractiveness towards the household segment.

The corporate lending market was characterised by fierce price competition especially in the upper segments. Part of the behaviour seen in the market is considered untenable in a Basel III environment. Market share for corporate deposits are at a normalised level after the run-off of a few large time deposits. For deposits as well as lending, the margin level is maintained.

Overall, the financial environment for especially the Copenhagen area was influenced by the announcement of Amagerbanken's collapse on 6 February 2011. All its activities were taken over by Finansiel Stabilitet with the purpose of sale.

Result

Total income remained strong in the first quarter, although, net result from items at fair value decreased, due to extraordinary positive adjustments in the fourth quarter 2010. The high activity level in the first quarter resulted in increased commission income. Net interest income was positively affected by increasing margins, but challenged by the volume development.

The number of employees was reduced in accordance with the efficiency strategy for the branch network. Total expenses were lower than in the fourth quarter and included significant investments in the branch network as part of the Future distribution development.

Loan losses were affected by a one-off provision of EUR 67m to the Danish Deposit Guarantee Fund, due to the collapse of Amagerbanken. The loan loss ratio as 75 basis points including and 40 basis points excluding the one-off provision to the Danish Deposit Guarantee Fund (44 basis points in the fourth quarter).

EURm	Q111	Q410	Q310	Q210	Q110	Ch. Q111/Q410	Q111/Q110
Net interest income	328	338	326	317	317	-3%	3%
Net fee and commission income	154	152	96	105	96	1%	60%
Net result from items at fair value	44	107	64	63	52	-59%	-15%
Equity method & other income	7	3	5	20	13	133%	-46%
Total income incl. allocations	**533**	**600**	**491**	**505**	**478**	**-11%**	**12%**
Staff costs	-108	-106	-108	-104	-102	2%	6%
Total expenses incl. allocations	**-275**	**-283**	**-263**	**-260**	**-261**	**-3%**	**5%**
Profit before loan losses	**258**	**317**	**228**	**245**	**217**	**-19%**	**19%**
Net loan losses	-142	-79	-129	-137	-115	80%	23%
Operating profit	**116**	**238**	**99**	**108**	**102**	**-51%**	**14%**
Cost/income ratio, %	52	47	54	52	55		
RAROCAR, %	17	22	15	16	15		
Economic capital (EC)	3,381	3,486	3,422	3,443	3,281		
Risk-weighted assets (RWA)	36,345	37,367					
Number of employees (FTEs)	5,063	5,119	5,162	5,156	5,171	-1%	-2%
Volumes, EURbn:							
Lending to corporates	31.6	32.0	30.9	31.2	30.1	-1%	5%
Household mortgage lending	30.1	29.9	29.3	28.9	28.5	1%	6%
Consumer lending	13.4	13.5	13.4	12.8	12.2	-1%	10%
Total lending	**75.1**	**75.4**	**73.6**	**72.9**	**70.8**	**0%**	**6%**
Corporate deposits	12.5	13.2	13.6	13.2	13.4	-5%	-7%
Household deposits	23.4	23.7	23.2	23.5	22.1	-1%	6%
Total deposits	**35.9**	**36.9**	**36.8**	**36.7**	**35.5**	**-3%**	**1%**
Margins, %:							
Corporate lending	1.57	1.56	1.59	1.61	1.61		
Household mortgage lending	0.55	0.54	0.49	0.50	0.50		
Consumer lending	4.37	4.36	4.48	4.50	4.45		
Total lending margins	**1.54**	**1.53**	**1.54**	**1.55**	**1.55**		
Corporate deposits	0.33	0.30	0.28	0.29	0.33		
Household deposits	0.37	0.32	0.19	0.21	0.31		
Total deposits margins	**0.35**	**0.31**	**0.23**	**0.25**	**0.32**		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Banking Finland

Business development

The number of proactive customer meetings reached an all-time-high in the Finnish branch network in the first quarter. The meetings with new customers in particular showed positive development, supported by appointing advisers focusing primarily on the acquisition of new customers. Nordea acquired 12,100 Gold and Private Banking customers in the first quarter, of which 8,150 were new customers, significantly above the quarterly inflow during last year.

The activities in Growth Plan Finland contributed positive results as the market share on the highly competitive household deposit market increased. In the end of the first quarter, new deposit products were launched to improve Nordea’s position on the long-term deposits market.

Corporate lending margins were kept at the same level as in the fourth quarter as competition on corporate lending deals has intensified, while customers’ demand has not seen any significant increase.

During the first quarter, the main focus of future-distribution-related activities was on the corporate side of the branch network. 38 corporate branches and 7 corporate service units were operational at the end of the quarter.

Result

The effect of increased interest rates was visible in the deposit margin development in the first quarter. High activity level led to an increase in net fee and commission income, whereas net result from items at fair value was affected by high customer interest rate hedging activity.

Expenses decreased in line with plans in the first quarter and were below the level in both the fourth quarter and the first quarter last year. The continued focus on efficiency in the branch network facilitated a 2% decrease in the number of FTEs and a net intake of new customers compared to the first quarter last year.

Net loan losses were EUR 24m, arising mainly from the corporate sector. The loan loss ratio was 18 basis points (22 basis points in the fourth quarter).

EURm	Q111	Q410	Q310	Q210	Q110	Ch. Q111/Q410	Q111/Q110
Net interest income	195	193	186	179	180	1%	8%
Net fee and commission income	142	140	131	131	133	1%	7%
Net result from items at fair value	40	36	39	35	35	11%	14%
Equity method & other income	0	-1	2	1	1		
Total income incl. allocations	**377**	**368**	**358**	**346**	**349**	**2%**	**8%**
Staff costs	-72	-71	-74	-73	-70	1%	3%
Total expenses incl. allocations	**-202**	**-216**	**-200**	**-212**	**-212**	**-6%**	**-5%**
Profit before loan losses	**175**	**152**	**158**	**134**	**137**	**15%**	**28%**
Net loan losses	-24	-28	-53	-55	-55	-14%	-56%
Operating profit	**151**	**124**	**105**	**79**	**82**	**22%**	**84%**
Cost/income ratio, %	54	59	56	61	61		
RAROCAR, %	15	12	12	10	10		
Economic capital (EC)	2,740	2,819	2,886	2,941	2,887		
Risk-weighted assets (RWA)	25,677	26,218					
Number of employees (FTEs)	5,064	5,050	5,102	5,228	5,181	0%	-2%
Volumes, EURbn:							
Lending to corporates	23.5	23.3	23.8	23.9	23.3	1%	1%
Household mortgage lending	24.1	23.8	23.4	22.9	22.3	1%	8%
Consumer lending	5.6	5.6	5.5	6.0	5.4	0%	4%
Total lending	**53.2**	**52.7**	**52.7**	**52.8**	**51.0**	**1%**	**4%**
Corporate deposits	14.2	15.8	13.5	14.1	14.1	-10%	1%
Household deposits	23.9	23.7	23.2	23.2	22.3	1%	7%
Total deposits	**38.1**	**39.5**	**36.7**	**37.3**	**36.4**	**-4%**	**5%**
Margins, %:							
Corporate lending	1.27	1.27	1.25	1.24	1.21		
Household mortgage lending	0.55	0.55	0.57	0.61	0.62		
Consumer lending	2.93	2.96	3.06	3.13	3.20		
Total lending margins	**1.13**	**1.13**	**1.15**	**1.17**	**1.17**		
Corporate deposits	0.38	0.36	0.27	0.19	0.22		
Household deposits	0.30	0.26	0.12	0.03	0.07		
Total deposits margins	**0.33**	**0.30**	**0.18**	**0.09**	**0.13**		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Banking Norway

Business development

Business activity was strong in the household segment in the first quarter and the number of Gold and Private Banking customers increased by 8,400, showing a 14% annualised growth rate. The number of new acquired Gold and Private Banking customers exceeded 4,100.

Competition for household deposits remained fierce, however the market share was slightly increased compared to the fourth quarter.

In the corporate segment, business activity improved compared to the previous quarter. Income effects related to this are expected to be visible over the coming quarters.

In the first quarter, the implementation of the Future distribution initiative continued. In terms of improved proactivity, the results so far from the implementation are very promising.

Result

Total income decreased by 4% from the previous quarter, mainly due to the year-end effects from savings products and lower income from capital markets products and net fair value result. Household lending margins were increased, mainly due to technical internal factors, but customer rates were close to unchanged from the previous quarter. Deposit margins showed the opposite development. Corporate competition has been tough around large single deposit volumes and corporate lending.

The increase in total expenses was 4%, following the increase in salaries on the Norwegian market. The number of employees (FTEs) was unchanged and in line with plans.

The loan loss ratio was 51 basis points (24 basis points in the fourth quarter), driven by a couple of large provisions within the corporate segment.

EURm	Q111	Q410	Q310	Q210	Q110	Ch. Q111/Q410	Q111/Q110
Net interest income	185	181	177	174	170	2%	9%
Net fee and commission income	65	70	62	68	56	-7%	16%
Net result from items at fair value	20	29	25	30	19	-31%	5%
Equity method & other income	0	0	0	0	2		
Total income incl. allocations	**270**	**280**	**264**	**272**	**247**	**-4%**	**9%**
Staff costs	-49	-47	-46	-46	-45	4%	9%
Total expenses incl. allocations	**-146**	**-140**	**-143**	**-130**	**-137**	**4%**	**7%**
Profit before loan losses	**124**	**140**	**121**	**142**	**110**	**-11%**	**13%**
Net loan losses	-61	-26	-6	-7	-23	135%	165%
Operating profit	**63**	**114**	**115**	**135**	**87**	**-45%**	**-28%**
Cost/income ratio, %	54	50	54	48	56		
RAROCAR, %	10	12	9	12	9		
Economic capital (EC)	2,541	2,588	2,672	2,690	2,452		
Risk-weighted assets (RWA)	26,862	27,452					
Number of employees (FTEs)	1,786	1,784	1,813	1,796	1,815	0%	-2%
Volumes, EURbn:							
Lending to corporates	23.7	23.1	24.0	24.2	22.5	3%	5%
Household mortgage lending	23.7	23.4	22.2	21.6	20.9	1%	13%
Consumer lending	1.1	1.4	1.0	1.0	1.0	-21%	10%
Total lending	**48.5**	**47.9**	**47.2**	**46.8**	**44.4**	**1%**	**9%**
Corporate deposits	15.6	15.9	14.7	13.7	13.6	-2%	15%
Household deposits	8.6	8.3	8.3	8.5	7.9	4%	9%
Total deposits	**24.2**	**24.2**	**23.0**	**22.2**	**21.5**	**0%**	**13%**
Margins, %:							
Corporate lending	1.43	1.45	1.42	1.41	1.45		
Household mortgage lending	0.87	0.71	0.73	0.88	1.07		
Consumer lending	6.96	6.76	6.87	6.94	6.97		
Total lending margins	**1.28**	**1.22**	**1.22**	**1.29**	**1.41**		
Corporate deposits	0.34	0.43	0.44	0.37	0.43		
Household deposits	0.37	0.52	0.54	0.37	0.26		
Total deposits margins	**0.35**	**0.46**	**0.48**	**0.37**	**0.37**		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

FX fluctuation impacted income and expenses items by +2% Q1/Q4 (+3% Q1/Q1). FX fluctuations impacted balance sheet items by 0% Q1/Q4 (+3% Q1/Q1).

Banking Sweden

Business development

Income reached a new all-time-high in the first quarter, driven by high business momentum and increasing deposit margins. The number of Gold and Private Banking customers grew by 10,000. Nordea's mobile banking services are being adopted rapidly by customers, with more than 160,000 users of Nordea's mobile Netbank in March, an increase of close to 40,000 since December 2010.

Activity towards household customers reached record levels in the first quarter, supported by the implementation of new branch formats. Advisers conducted 25% more proactive customer meetings than in the same period last year, contributing to an increase in lending and deposit volumes, despite intensified competition and somewhat slower growth in demand for new housing loans. The deposit market share increased, reflecting a focus on providing a highly competitive deposit offering. Margins on deposits and consumer lending increased, while mortgage margins were unchanged.

Competition remained intense in the corporate market, reflecting a volatile deposit market and margin pressure on both deposits and lending. Branch regions continued to win attractive lending volumes in the large and medium segments during the quarter, while deposit volumes fell slightly. Despite the competitive business climate, Nordea managed to increase margins.

The strong focus on developing the efficiency of the banking franchise continued to pay off, with the number of employees (FTEs) down 3% and expenses down 1% in local currency compared to the same quarter last year.

Result

The increasing business volumes and margins resulted in an increase in total income of 31% compared to the first quarter last year (17% in local currency). Compared to the fourth quarter, net interest income increased 8%, while net fee and commission income was down 8%, partly due to lower lending deal activity and a doubling of fees related to the state stability fund. Net result from items at fair value remained at a high level, reflecting a strong momentum in capital markets products.

The loan loss ratio was 2 basis points (12 basis points in the fourth quarter).

EURm	Q111	Q410	Q310	Q210	Q110	Ch. Q111/Q410	Q111/Q110
Net interest income	304	282	258	235	218	8%	39%
Net fee and commission income	171	186	162	190	160	-8%	7%
Net result from items at fair value	61	61	48	46	31	0%	97%
Equity method & other income	0	0	0	0	0		
Total income incl. allocations	**536**	**529**	**468**	**471**	**409**	**1%**	**31%**
Staff costs	-93	-87	-84	-86	-82	7%	13%
Total expenses incl. allocations	**-281**	**-273**	**-261**	**-250**	**-253**	**3%**	**11%**
Profit before loan losses	**255**	**256**	**207**	**221**	**156**	**0%**	**63%**
Net loan losses	-4	-19	-1	0	-13		
Operating profit	**251**	**237**	**206**	**221**	**143**	**6%**	**76%**
Cost/income ratio, %	52	52	56	53	62		
RAROCAR, %	19	19	15	16	11		
Economic capital (EC)	3,357	3,406	3,448	3,432	3,270		
Risk-weighted assets (RWA)	34,258	34,543					
Number of employees (FTEs)	4,282	4,315	4,362	4,375	4,430	-1%	-3%
Volumes, EURbn:							
Lending to corporates	38.8	37.8	37.4	36.2	35.2	3%	10%
Household mortgage lending	33.4	32.7	31.2	29.2	27.6	2%	21%
Consumer lending	6.3	6.4	6.3	6.0	5.8	-2%	9%
Total lending	**78.5**	**76.9**	**74.9**	**71.4**	**68.6**	**2%**	**14%**
Corporate deposits	16.8	17.0	15.8	14.4	15.3	-1%	10%
Household deposits	19.1	18.9	17.9	17.0	16.6	1%	15%
Total deposits	**35.9**	**35.9**	**33.7**	**31.4**	**31.9**	**0%**	**13%**
Margins, %:							
Corporate lending	1.17	1.16	1.11	1.09	1.08		
Household mortgage lending	0.95	0.95	0.98	0.90	0.87		
Consumer lending	2.93	2.77	2.72	2.57	2.53		
Total lending margins	**1.20**	**1.19**	**1.17**	**1.12**	**1.10**		
Corporate deposits	0.67	0.57	0.42	0.32	0.33		
Household deposits	0.87	0.69	0.49	0.42	0.40		
Total deposits margins	**0.78**	**0.63**	**0.46**	**0.37**	**0.36**		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

FX fluctuation impacted income and expenses items by +4% Q1/Q4 (+16% Q1/Q1). FX fluctuations impacted balance sheet items by 0% Q1/Q4 (+9% Q1/Q1).

Customer segment
Corporate Merchant Banking

The customer segment Corporate Merchant Banking (CMB) is part of the new business area Corporate Merchant Banking & Capital Markets, which besides CMB includes Capital Markets Products and Financial Institutions Division. Due to this, the CMB customer segment is presented separately here. In the financial reporting, the segment Corporate Merchant Banking is included in figures for the customer area Nordic Banking.

Business development
The business momentum with large corporate customers increased in the first quarter. Nordea continued to benefit from its leading position in customer relations and succeeded in improving income compared to the same quarter of last year. Compared to the previous quarter, income decreased as extraordinary high income on items at fair value was booked towards year-end. Business development was particularly strong within the capital markets and cash management product areas. Other product areas also performed well and a number of prominent customer deals were closed during the quarter.

The competitive level remains very high as both Nordic and international competitors target the well-capitalised corporate customers in the Nordic countries. The high level of economic growth, particularly in Sweden, continues to attract banks, resulting in high margin pressure.

Lending volumes decreased slightly as the customer demand for financing is limited and many competitors are pushing for increased market shares. Most transactions were refinancing of existing loans, underlining the low demand for additional funds among customers. Nordea managed to maintain a stable lending margin despite the intensifying pressure in the market.

Deposit volumes decreased from the record-high level in the previous quarter, but remained at the same level as in first quarter of 2010. Concerns regarding the solidity of competing banks have subsided and customer focus is moving towards pricing. Nordea maintained a low but stable margin level.

Nordea continues to strengthen its position among the largest corporate customers in Sweden as the Growth Plan Sweden initiative continues to progress well.

Result
Total income was EUR 339m, 18% below that of the previous quarter, which included extraordinary high result from items at fair value. Underlying business remains strong and the income was 14% above first quarter of last year.

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Ch. Q111/ Q410	Q111/ Q110
Net interest income	163	168	159	154	158	-3%	3%
Net fee and commission income	110	122	90	131	87	-10%	26%
Net result from items at fair value	66	121	90	40	53	-45%	25%
Other income	0	0	0	0	0	0%	0%
Total income incl. allocations	**339**	**411**	**339**	**325**	**298**	**-18%**	**14%**
Volumes, EURbn:							
Lending volumes	35.9	37.4	37.1	37.7	36.1	-4%	-1%
Deposit volumes	18.5	20.1	18.8	18.3	18.7	-8%	-1%
Margins, %:							
Lending margins	1.38	1.39	1.36	1.35	1.34		
Deposit margins	0.13	0.13	0.12	0.11	0.12		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

New European Markets

Business development

Business development remained stable in New European Markets in the first quarter, supporting financial performance. Lending volumes and margins were largely unchanged. In the Russian market though, lending margins remained under pressure. Deposit volumes declined somewhat in the quarter, while margins increased in both the corporate and household segments. On back of the recovery of the economies, the need for loan loss provisions was reduced and net reversals were seen.

Baltic countries

The recovery of the Baltic economies continued in the quarter, supported by high exports and signs of increased confidence in the economy. Lending volumes were fairly stable, while deposit volumes declined somewhat. Lending margins were stable, while deposit margins picked up compared to previous quarter.

Income was largely unchanged compared to the previous quarter and up 10% from one year ago. In the quarter, there was a net reversal of loan loss provisions as a result of recent economic recovery and the improved situation.

Poland

The Polish economy continued to develop favourably in the first quarter, supported by high exports and private consumption. Lending volumes increased in the household as well as corporate segments with stable margins. Deposits volumes, mainly in the corporate segment, decreased slightly following Nordea's withdrawal from its earlier high-pricing policy resulting in noticeably increased deposit margins.

Income decreased compared to the previous quarter, due to lower net fair value result, and was up 26% compared with one year ago. Nordea continued to strengthen its position in selected segments in the quarter, attracting more than 4,900 new Gold customers. By end of the first quarter, the number of Gold customers was 67,100. Healthy growth continued in the household segment, where Nordea is recognised as a top player in mortgage lending towards private individuals. Also, the business in the large corporate segment continued to grow, supporting income.

Increased focus on the household market is paying off. There is positive progress in the 45 new branches opened in the latter part of 2010. Solid customer intake is noted as well as healthy business activity generating sound business volumes and income. Already after less than two quarters, some five branches had reached break-even confirming the strength in the franchise.

Russia

The Russian economy showed signs of continuing strength in the quarter, supported by growing exports, bolstered by high oil prices and rising commodity prices. Lending volumes decreased somewhat in the period, while deposit volumes increased. Lending margins decreased in the quarter, reflecting fierce competition in the top-tier corporate segment. Deposit margins declined somewhat. Nordea retained its positions in the targeted segments in the quarter. Income was in line with previous quarter and up 8% from the same quarter last year.

Credit quality

On the back of the recovery in the Baltic economies, provisions for net loan losses were reversed, resulting in positive loan losses of EUR 5m in the quarter, an improvement of EUR 10m compared with the fourth quarter last year. Similarly, low provisions were recorded in Poland and Russia in the quarter, confirming the strong credit quality in the lending book in these countries.

In the Baltic countries, gross impaired loans increased somewhat in the quarter to EUR 601m or 744 basis points of total loans (712 basis points at the end of the fourth quarter). Total allowances for the Baltic countries at the end of the quarter equalled 375 basis points of loans. The provisioning ratio in the Baltic countries was 50% (56% at the end of the fourth quarter). Net reversals were reported for the Baltic countries corresponding to 26 basis points.

Baltic countries, net loan losses, impaired loans

	Q12011	Q410	Q310	Q210	Q110
Net loan losses, EURm (negative=net reversals)	-5	5	17	22	32
of which collective	-12	-17	-2	4	2
Loan loss ratio, basis points	-26	26	88	114	166
Gross impaired loans, EURm	601	572	622	614	641
Impaired loans ratio gross, basis points	744	712	808	808	822
Total allowances, EURm	303	320	361	347	339
Total allowance ratio, basis points	375	398	469	457	435
Provisioning ratio[1]	50%	56%	58%	57%	53%

[1] Total allowances in relation to gross impaired loans.

Result

Total income was fairly stable compared to the fourth quarter last year. Income growth compared to the first quarter last year was 13%. Net result on items at fair value was notably lower in Poland and Russia. Net interest income and net commission income were supported by healthy business activity and volumes. Total expenses decreased compared with the previous quarter, which was characterised by marketing spending and expenses related to the branch openings in Poland. Operating profit was higher in the first quarter, driven by lower costs and positive net loan losses. The total number of employees (FTEs) increased by 80 in the first quarter, mainly reflecting the expanded branch network in Poland.

New European Markets, operating profit, volumes and margins by area

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Ch. Q111/ Q410	Q111/ Q110
Net interest income	111	111	109	105	101	0%	10%
Net fee and commission inc.	21	20	27	19	19	5%	11%
Net result from items at fair value	15	19	18	19	10	-21%	50%
Equity method	0	0	0	0	0		
Other operating income	1	2	1	5	1	-50%	0%
Total income incl. alloc.	**148**	**152**	**155**	**148**	**131**	**-3%**	**13%**
Staff costs	-39	-33	-34	-36	-34	18%	15%
Other expenses incl. depr.	-38	-51	-34	-35	-32	-25%	19%
Expenses incl. allocations	**-77**	**-84**	**-68**	**-71**	**-66**	**-8%**	**17%**
Profit before loan losses	**71**	**68**	**87**	**77**	**65**	**4%**	**9%**
Net loan losses	3	-6	-14	-31	-34	-150%	-109%
Operating profit	**74**	**62**	**73**	**46**	**31**	**19%**	**139%**
Cost/income ratio, %	52	55	44	48	50		
RAROCAR, %	14	16	15	20	15		
Economic capital (EC)	1,177	1,095	1,315	863	1,066		
Risk-weighted assets (RWA)	17,944	18,518					
Number of employees (FTEs)	4,926	4,846	4,644	4,479	4,435		
Volumes, EURbn							
Corporate lending	11.1	11.2	10.9	10.4	10.3		
Household lending	6.6	6.5	6.1	5.9	5.5		
Corporate deposit	3.3	3.6	3.1	2.8	3.1		
Household deposits	1.7	1.7	1.7	1.6	1.6		
Margins, %:							
Corporate lending	1.91	2.00	1.98	2.09	2.17		
Household lending	1.74	1.73	1.71	1.64	1.63		
Corporate deposits	0.74	0.67	0.68	0.71	0.78		
Household deposits	0.63	0.52	0.55	0.55	0.47		

	Baltic countries					**Poland**					**Russia**				
EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net interest income	34	36	35	33	33	34	32	30	27	27	46	43	45	44	42
Net fee and commission inc.	10	9	17	10	11	8	9	6	7	5	4	4	3	2	3
Net result from items at fair value	2	1	2	1	-2	11	14	14	14	9	2	5	2	4	3
Equity method	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other operating income	0	1	0	1	0	0	1	0	4	1	0	0	1	0	0
Total income incl. alloc.	**46**	**47**	**54**	**45**	**42**	**53**	**56**	**50**	**52**	**42**	**52**	**52**	**51**	**50**	**48**
Staff costs	-8	-8	-7	-7	-7	-13	-12	-10	-11	-10	-17	-11	-15	-15	-15
Other expenses incl. depr.	-12	-15	-10	-13	-11	-17	-23	-14	-14	-14	-9	-12	-8	-8	-6
Expenses incl. allocations	**-20**	**-23**	**-17**	**-20**	**-18**	**-30**	**-35**	**-24**	**-25**	**-24**	**-26**	**-23**	**-23**	**-23**	**-21**
Profit before loan losses	**26**	**24**	**37**	**25**	**24**	**23**	**21**	**26**	**27**	**18**	**26**	**29**	**28**	**27**	**27**
Net loan losses	5	-5	-17	-22	-32	-3	-2	-1	-2	0	0	1	3	-6	-2
Operating profit	**31**	**19**	**20**	**3**	**-8**	**20**	**19**	**25**	**25**	**18**	**26**	**30**	**31**	**21**	**25**
Cost/income ratio, %	43	49	31	44	43	57	63	48	48	57	50	44	45	46	44
RAROCAR, %	10	13	10	10	11.975	21	16	28	26	18	19	22	16	40	21
Economic capital (EC)	522	427	654	393	459	298	322	242	273	263	356	345	419	198	344
Risk-weighted assets (RWA)	6,670	7,386				5,485	5,393				5,789	5,739			
Number of employees (FTEs)	1,201	1,167	1,151	1,144	1,154	1,982	1,936	1,781	1,656	1,627	1,704	1,710	1,679	1,648	1,628
Volumes, EURbn															
Corporate lending	4.9	4.9	4.9	4.8	5.0	2.0	1.9	1.9	1.8	2.0	4.2	4.4	4.1	3.8	3.3
Household lending	2.9	2.9	2.8	2.8	2.8	3.4	3.3	3.0	2.8	2.5	0.3	0.3	0.3	0.3	0.2
Corporate deposits	1.2	1.3	1.2	1.1	1.2	1.2	1.4	1.2	1.1	1.2	0.9	0.8	0.7	0.7	0.7
Household deposits	0.6	0.6	0.6	0.6	0.7	1.0	1.0	0.9	0.9	0.9	0.1	0.1	0.1	0.1	0.1
Margins, %															
Lending	1.43	1.44	1.39	1.37	1.37	1.72	1.76	1.71	1.67	1.68	2.66	2.82	3.08	3.39	3.68
Deposits	0.52	0.46	0.46	0.48	0.42	0.79	0.62	0.70	0.71	0.67	0.82	0.91	0.80	0.84	1.03

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Restated due to smaller organisational changes.

Shipping, Offshore & Oil Services

Business development

The development in earnings in the sector in the first quarter 2011 points to a continued soft market balance in major shipping segments on the back of high fleet growth, combined with a significant increase in bunker cost. Earnings for the larger dry bulk vessels deteriorated from already modest levels, while product tankers were supported by recent large US gasoline stock draws, high US refinery maintenance and increased floating storage. The crude tanker market saw large fluctuations, but is hampered by significant fleet growth especially in the larger vessel segments. Second-hand vessel values seem to have stabilised in many shipping segments. However, large dry bulk vessels decreased in value during the quarter.

All major shipping segments, apart from container shipping, are facing declining order books on the back of important deliveries of new vessels combined with low contracting activity. Order books in the major tanker segments were down by 8% to 10% during the first quarter. While this will help balance the markets from 2012 and beyond, we expect that deliveries during 2011 in most shipping segments will outweigh what seems as fairly modest general demand growth.

Exploration and production (E&P) spending is estimated to increase by 11% during 2011, and should positively impact the demand for oil services. We already see a stronger demand for oil services globally, apart from certain countries in the Middle East as a result of the recent civil unrest. Due to the strong demand for oil and gas coupled with the depletion of existing reserves, we continue to believe that the long-term fundamentals for the oil services industry will remain strong.

Nordea’s business volume on syndicated loans within Shipping, Offshore & Oil Services continued to be strong during the quarter. Transactions are still executed on conservative structures.

Nordea’s exposure to the shipping, offshore and oil services industries is well diversified. Proactive risk management and follow-up on the existing portfolio will continue to remain high on the agenda.

Results

Total income was EUR 101m, down 4% from the previous quarter, mainly due to reduced net result from items at fair value compared to the strong fourth quarter, and up 23% compared to the first quarter of 2010. Net interest income was in line with the fourth quarter, as a slight decrease in loan volumes was offset by a similar increase in margins. Fees held up well, as several new transactions were closed during the quarter. Net loan losses were EUR 14m, a loan loss ratio of 41 basis points. Operating profit was EUR 71m, down EUR 15m from the previous quarter and up 36% from the first quarter of 2010.

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Ch. Q111/ Q410	Q111/ Q110
Net interest income	78	78	82	74	65	0%	20%
Net fee and commission income	16	13	20	16	11	23%	45%
Net result from items at fair value	7	14	6	8	6	-50%	17%
Equity method	0	0	0	0	0		
Other operating income	0	0	0	0	0		
Total income incl. allocations	**101**	**105**	**108**	**98**	**82**	**-4%**	**23%**
Staff costs	-6	-5	-6	-6	-4	20%	50%
Other expenses incl. depr.	-10	-10	-9	-9	-7	0%	43%
Expenses incl. allocations	**-16**	**-15**	**-15**	**-15**	**-11**	**7%**	**46%**
Profit before loan losses	**85**	**90**	**93**	**83**	**71**	**-6%**	**19%**
Net loan losses	-14	-4	-10	-12	-19	250%	-26%
Operating profit	**71**	**86**	**83**	**71**	**52**	**-17%**	**36%**
Cost/income ratio, %	16	14	14	15	13		
RAROCAR, %	23	22	25	19	20		
Economic capital (EC)	987	1,067	1,072	1,076	867		
Risk-wighted assets (RWA)	12,462	12,799					
Lending, EURbn	13.2	13.6	13.9	14.5	13.4	-3%	-1%
Deposits, EURbn	4.8	5.0	5.3	5.2	4.9	-4%	-2%
Number of employees (FTEs)	103	102	104	103	102		
Margins, %:							
Corporate lending	1.65	1.61	1.56	1.57	1.57		
Corporate deposits	0.15	0.16	0.15	0.13	0.14		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Financial Institutions

Business development

Business activity held up well in the first quarter as investors seemed to have priced in the continued downgrades of Greece and Spain and, instead, turned their focus to the improved economic conditions in the US and most of Europe. Market sentiment deteriorated towards the end of the quarter with the unrest in northern Africa, the earthquake and tsunami in Japan as well as new concerns over economic development.

A continuing trend during the quarter has been steady advances in commodities prices, in particular oil, soft commodities and industrially important metals. The advances in oil prices have been magnified by the situation in the Middle East. Equity markets rebounded towards the end of the quarter but even so, activity was moderate given the significant uncertainty about future development.

Competition remains fierce as the strength of the Nordic economies continues to attract international competitors. Additionally, conditions for Nordic competitors have improved with lower loan loss reservations and stronger balance sheets and ensuing ambitions to win back market shares lost during the crisis.

The restructuring of the banking industry is set to continue. Banks are active in securing new capital and/or divesting or acquiring assets to adapt their business model to the new environment.

Result

Financial Institutions Division (FID) income decreased somewhat compared to the previous quarter, mainly due to lower net fee and commission income, but increased compared to the first quarter last year. The business mix remained relatively stable compared to both the previous year and quarter. Deposits were stable and supported the development in net interest income.

Total expenses were unchanged in the quarter and FID cost/income ratio remains in line with the long-term trend.

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Ch. Q111/ Q410	Q111/ Q110
Net interest income	14	17	16	16	15	-18%	-7%
Net fee and commission income	41	46	37	42	39	-11%	5%
Net result from items at fair value	40	39	42	46	36	3%	11%
Equity method	0	0	0	0	0		
Other operating income	2	0	27	0	2		0%
Total income incl. allocations	**97**	**102**	**122**	**104**	**92**	**-5%**	**5%**
Staff costs	-9	-9	-9	-8	-8	0%	13%
Other expenses incl. depr.	-40	-40	-38	-39	-39	0%	3%
Expenses incl. allocations	**-49**	**-49**	**-47**	**-47**	**-47**	**0%**	**4%**
Profit before loan losses	**48**	**53**	**75**	**57**	**45**	**-9%**	**7%**
Net loan losses	0	0	5	-3	1		
Operating profit	**48**	**53**	**80**	**54**	**46**	**-9%**	**4%**
Cost/income ratio, %	51	48	39	45	51		
RAROCAR, %	28	37	40	34	23		
Economic capital (EC)	489	441	530	318	545		
Risk-weighted assets (RWA)	8,647	9,356					
Lending, EURbn	3.8	3.4	3.5	3.9	4.4	12%	-14%
Deposits, EURbn	12.0	11.7	8.9	9.3	8.9	3%	35%
Number of employees (FTEs)	382	381	383	387	388		
Margins, %:							
Corporate lending	0.59	0.82	0.77	0.90	0.82		
Corporate deposits	0.14	0.17	0.20	0.15	0.17		

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Other customer operations

The customer operations, which are not included in Nordic Banking or the other customer areas, are included under Other customer operations, as well as results not allocated to any of the main customer areas.

International Private Banking & Funds

International Private Banking & Funds is responsible for the Group's advisory services to wealthy individuals resident outside Nordea's home markets. It is also the Group's platform for distribution of funds in Europe. Nordea funds are licensed for sale in 17 European countries.

Assets under Management of both International Private Banking and Global Fund Distribution grew during the first quarter, to EUR 10.2bn and EUR 6.1bn respectively. The increase was due to positive net inflow in both units.

The combined result for International Private Banking & Funds was EUR 21m, up 10% from the fourth quarter and up 63% from the first quarter last year. The income and financial results for International Private Banking & Funds are part of the result for Asset Management.

Life customer operations

The customer operation Life includes the Life Insurance operations outside Nordea Bank's branch distribution network, including sales to Nordic customers through Life & Pensions' own sales force, brokers and tied agents, and the Polish life business, and is included in the product result for Life & Pensions, see page 24.

Life customer operations generated income of EUR 70m and operating profit of EUR 16m in the first quarter of 2011, both significantly below the previous quarter's result, which was high due to extraordinary high recognition of income.

Capital Markets unallocated

Capital Markets unallocated mainly includes the part of the result in Capital Markets Products (see page 23), which is not allocated to Nordic Banking or other customer areas. Net result from items at fair value increased to EUR 191m and total income increased to EUR 171m.

	International Private Banking & Funds					**Life**					**Capital Markets unallocated**				
EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net interest income	10	9	8	8	10	0	0	0	0	0	2	-7	-17	6	27
Net fee and commission inc.	27	25	19	23	18	8	8	24	4	17	-22	-22	-31	-28	-39
Net result from items at fair value	7	8	5	6	6	62	101	86	88	98	191	116	137	60	179
Equity method	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	4	4	4	4	0	2	0	0	0
Total income incl. allocations	**44**	**42**	**32**	**37**	**34**	**70**	**113**	**114**	**96**	**119**	**171**	**89**	**89**	**38**	**167**
Staff costs	-14	-14	-13	-13	-13	-33	-33	-34	-32	-35	-98	-90	-88	-88	-88
Other expenses incl. depr.	-9	-9	-8	-9	-8	-21	-24	-21	-24	-20	39	17	30	32	30
Expenses incl. allocations	**-23**	**-23**	**-21**	**-22**	**-21**	**-54**	**-57**	**-55**	**-56**	**-55**	**-59**	**-73**	**-58**	**-56**	**-58**
Net loan losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating profit	**21**	**19**	**11**	**15**	**13**	**16**	**56**	**59**	**40**	**64**	**112**	**16**	**31**	**-18**	**109**
Economic capital (EC)	158	168	144	153	142	1,102	1,328	1,249	1,198	1,134	523	599	646	690	709
Risk-weighted assets (RWA)	1,756	1,899				0	0				4,850	5,611			
Lending, EURbn	1.6	1.8	1.5	1.6	1.8	2.4	2.2	2.4	2.2	1.8	32.4	13.6	23.7	17.4	15.2
Deposits, EURbn	2.7	2.7	2.7	2.7	2.6	3.5	4.0	3.7	4.3	4.0	20.9	5.7	10.2	8.7	8.1

Group functions

Together with the result in the customer areas and in Other customer operations, the result of the Group functions adds up to the reported result in the Group. The main income in Group Corporate Centre originates from Group Treasury (Group Asset & Liability Management, Group Funding and Group Investments & Execution).

Group Corporate Centre

Business development

Financial market development in the first quarter was influenced by the statements from the European Central Bank regarding an April interest rate hike and by geo-political development, especially the disaster in Japan causing severe market volatility during March. The situation in the Middle East also affected oil prices and financial markets. Economic data for the Nordic area and largest economies in Europe and in the US generally improved suggesting a more sustainable job recovery, which overall supported risky assets and led to tighter credit spreads. However, risk factors persist where a continued increase in oil prices eventually could lead to rising inflation expectations and stagflation fears. Uncertainty regarding the debt situation in southern European countries also persists and could potentially lead to renewed volatility in debt markets.

The outcome related to funding and liquidity risk management as well as the investment portfolio has been strong during the first quarter.

Nordea's funding and liquidity operations

The average cost for long-term funding has been largely unchanged in the first quarter.

The portion of long-term funding of total funding was at the end of the first quarter approx. 69%.

For long-term funding risks, Nordea applies management of the measures economic funding gap and matching between behavioural duration of assets and liabilities. For short-term liquidity risks, Nordea maintains a measure close to the liquidity coverage ratio (LCR). The liquidity buffer is composed of highly liquid central-bank-eligible securities with characteristics similar to Basel III liquid assets and amounted to EUR 56bn at the end of the first quarter (EUR 61bn at the end of the fourth quarter).

Nordea issued approx. EUR 12bn of long-term funding in the first quarter, of which approx. EUR 4.0bn represented issuance of Swedish, Norwegian and Finnish covered bonds in the domestic and international markets. Nordea issued in January a triple-tranche senior transaction in the US 144a market. The transaction consists of two three-year tranches in fixed and floating format and a fixed ten-year tranche, amounting to USD 2.75bn. In February, a dual-tranche EUR senior transaction was issued in the form of a floating two-year and a fixed five-year tranche. Total volume issued was EUR 3bn. Also in February, the second Nordea Bank Finland covered bond benchmark was issued in the form of a EUR 1bn 10-year transaction. Finally, in March Nordea Eiendomskreditt issued its inaugural covered bond transaction in the US market off the new 144a/RegS covered bond programme. The three-year dual-tranche transaction with value date in April amounted to USD 2bn.

The average price risk on Group Treasury's interest-rate positions, calculated as VaR, was EUR 94m. The risk related to equities, calculated as VaR, was EUR 10m and the risk related to credit spreads (VaR) was EUR 17m. Interest rate risk increased, while equity risk and credit spread risk decreased compared to the fourth quarter.

Result

Total operating income was strong, EUR 95m in the first quarter. Net interest income was EUR 30m in the first quarter compared to EUR 81m in the previous quarter, mainly due to reduced interest rate risk in Group Funding, to prepare for higher interest rates, and increased funding cost for the liquidity buffer. Net result on items at fair value was EUR 67m compared to EUR 11m in the fourth quarter. Operating profit was EUR 43m.

	Group Corporate Centre					**Group functions and Eliminations**				
EURm	Q111	Q410	Q310	Q210	Q110	Q111	Q410	Q310	Q210	Q110
Net interest income	30	81	103	90	108	54	72	48	34	9
Net fee and commission income	-3	-1	-3	-2	-1	-19	-19	-19	-29	-32
Net result from items at fair value	67	11	10	-98	58	-11	-37	-33	35	18
Other income	1	1	-1	0	-1	27	8	43	4	23
Total operating income	**95**	**92**	**109**	**-10**	**164**	**51**	**24**	**39**	**44**	**18**
Total operating expenses	**-52**	**-55**	**-67**	**-41**	**-44**	**-21**	**8**	**12**	**-16**	**11**
Net loan losses	0	0	0	0	0	1	-1	0	1	0
Operating profit	**43**	**37**	**42**	**-51**	**120**	**31**	**31**	**51**	**29**	**29**
Number of employees (FTEs)	442	433	427	440	431					
Economic capital (EC)	862	761	706	577	621	49	-258	-190	518	427
Risk-weighted assets (RWA)	5,156	5,163				7,369	5,522			

Net interest income adjusted in accordance with the new funds transfer pricing model regarding liquidity premiums. Expenses restated due to organisational changes.

Customer segments

Corporate customer segments and financial institutions, key figures

	Corporate Merchant Banking			Large corporate customers			Other corporate customers			Nordic corporate customers		
	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10
Number of customer '000 (EOP)	8	9	8	26	26	25						
Income, EURm	339	411	298	313	326	286	231	234	196	883	971	780
Volumes, EURbn												
Lending	35.9	37.4	36.1	55.4	53.3	51.0	26.3	25.5	24.0	117.6	116.2	111.1
Deposit	18.5	20.1	18.7	19.3	20.2	18.3	21.3	21.7	19.4	59.1	62.0	56.4
Margins, pct p.a.												
Lending	1.38%	1.39%	1.34%	1.24%	1.26%	1.23%	1.57%	1.58%	1.55%	1.35%	1.35%	1.32%
Deposit	0.13%	0.13%	0.12%	0.42%	0.44%	0.40%	0.71%	0.66%	0.45%	0.44%	0.42%	0.33%

	New European Markets corporate customers			Shipping customers			Financial Institutions			Corporate and Financial Institutions Total		
	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10
Number of customer '000 (EOP)	101	98	91	2	2	2	2	1	1			
Income, EURm	82	85	85	101	105	82	97	102	92	1,163	1,263	1,039
Volumes, EURbn												
Lending	11.1	11.2	10.3	13.2	13.6	13.4	3.8	3.4	4.4	145.7	144.4	139.2
Deposit	3.3	3.6	3.1	4.8	5.0	4.9	12.0	11.7	8.9	79.2	82.3	73.3
Margins, pct p.a.												
Lending	1.91%	2.00%	2.17%	1.65%	1.61%	1.57%	0.59%	0.82%	0.82%	1.40%	1.41%	1.39%
Deposit	0.74%	0.67%	0.70%	0.15%	0.16%	0.14%	0.14%	0.17%	0.17%	0.38%	0.38%	0.32%

Household customer segments, key figures

	Nordic Private Banking			Gold customers			Other household customers			Nordic household customers		
	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10
Number of customer '000 (EOP)	94	93	89	2,817	2,778	2,634						
Income, EURm	123	120	93	530	516	443	175	179	164	828	815	700
Volumes, EURbn												
Lending	6.8	6.9	6.0	121.7	120.4	107.8	9.2	9.5	9.8	137.7	136.7	123.7
Deposit	8.5	8.6	8.2	50.3	49.3	44.7	16.2	16.6	16.0	75.0	74.5	69.0
Assets under Management	56.6	57.3	48.9									
Margins, pct p.a.												
Lending	0.88%	0.88%	0.91%	1.05%	1.03%	1.06%	3.38%	3.45%	3.42%	1.25%	1.22%	1.29%
Deposit	0.24%	0.28%	0.18%	0.36%	0.31%	0.16%	0.82%	0.70%	0.45%	0.48%	0.43%	0.24%

	New European Markets household customers			International Private Banking						Household customers Total		
	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10	Q1 11	Q4 10	Q1 10
Number of customer '000 (EOP)	1,001	977	901	12	12	12						
Of which Gold+Private Banking	130	122	103							3,053	3,005	2,838
Income, EURm	50	50	40	27	26	22				905	891	763
Volumes, EURbn												
Lending	6.6	6.5	5.5	1.6	1.0	1.1				145.9	144.2	130.3
Deposit	1.7	1.7	1.6	1.9	1.6	1.8				78.6	77.8	72.4
Assets under Management				10.2	10.0	9.2						
Margins, pct p.a.												
Lending	1.74%	1.73%	1.63%	0.68%	0.86%	0.84%				1.27%	1.24%	1.29%
Deposit	0.63%	0.52%	0.47%	0.62%	0.61%	0.44%				0.49%	0.44%	0.26%

Margins generally now include a liquidity premium and have been adjusted, in accordance with the new funds transfer pricing model for lending and deposits

Product divisions

Capital Markets Products

The first quarter of 2011 was marked by a series of events with significant impact on the financial markets, eg the unrest in northern Africa as well as the earthquake and tsunami in Japan. Despite these external shocks, the markets displayed a high degree of resilience and continued to function during the whole period. In addition to the external shocks, markets were highly affected by economic events such as the budget crisis in Portugal and the change of rate policy by the ECB. Nordic equity markets showed mixed performance, but ended relatively unchanged, despite increasing interest rates. Equity volatility increased slightly.

The competitive pressure to win market shares continued to increase. International competitors expanded their presence in the Nordic countries, both in terms of locations and customer targeting.

Commercial flows, and hence foreign-exchange activity, increased compared to the previous quarter, as economic activity increased.

Customer activity also increased within equities, particularly following the earthquake and tsunami in Japan.

Nordic primary equity markets remain subdued. Several transactions were postponed or cancelled, including the IPO for ISS (Nordea joint lead manager). M&A activities included financial advisory to TeliaSonera in their repurchase offer and the continued advisory to DuPont in their bid for control of Danisco.

Primary bond market activity was comparable to last quarter. Nordea completed a number of significant transactions, including Republic of Finland (EUR 4bn), Kingdom of Sweden (USD 2bn) and TDC (EUR 2.4bn, largest corporate issue ever in Denmark and largest in the Nordic countries the past two years).

Activity in the Nordic syndicated loan markets was strong, though refinancing dominated the transactions. Nordea executed several transactions, eg Statkraft (NOK 12bn), Nokia (EUR 1.5bn), Trelleborg (EUR 1.2bn) and ISS (DKK 12.3bn).

Result

In total, the product result in the first quarter was EUR 416m, up 20% from the previous quarter and 8% above the first quarter last year. The higher result was primarily driven by increased income from fixed-income products, reflected in the net result from items at fair value.

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net interest income	104	100	89	91	105
Net fee and commission income	67	78	63	87	57
Net result from items at fair value	407	332	321	302	368
Other income	0	2	0	0	0
Total income	**578**	**512**	**473**	**480**	**530**
Staff costs	-98	-90	-88	-88	-88
Other expenses	-59	-70	-56	-53	-53
Operating expenses	**-157**	**-160**	**-144**	**-141**	**-141**
Distribution expenses	-5	-5	-6	-6	-4
Net loan losses	0	0	0	0	0
Product result	**416**	**347**	**323**	**333**	**385**
Cost/income ratio, %	27	31	30	29	27
Number of employees (full-time equivalents)	1,809	1,780	1,773	1,739	1,763

Asset Management

Business development

In the first quarter, Nordea's Assets under Management (AuM) continued to increase, to EUR 192bn, up 1% from end 2010, due to continued net inflow of EUR 2.5bn. This corresponds to a yearly increase in AuM of 13%.

Particularly equity markets were volatile in the first quarter, with significant up and downturns, leaving accumulated absolute return to customers in many markets in the region of zero. In this environment of highly atypical performance drivers, Nordea's equity products delivered somewhat mixed, but mostly decent, relative performances. Fixed income and balanced products, on the other hand, showed fairly strong performance. All together, a solid 70% of all investment composites outperformed their respective benchmark in the first quarter. Over the past 36 months, 89% of the investment composites have outperformed their benchmarks.

Nordic retail funds experienced a slow start of the year, with a net outflow of EUR 0.3bn. The outflow was mainly seen in Sweden and within fixed income and money market funds.

The net inflow of EUR 2.1bn in institutional clients' assets in the first quarter was the highest quarterly net inflow ever registered. The strong development in AuM was attributable to a major fixed income mandate in Denmark and several international mandates with attractive margins, which are important for future income growth. With 28 new international mandates the last year, Nordea has made a solid foothold in the highly competitive, high-margin and highly profiled international market for institutional asset management.

Result

Total income was EUR 197m in the first quarter, down 5% compared to last quarter, but up 33% compared to the first quarter last year. A high AuM growth and higher margins related to the AuM business contributed to a positive development in income in the first quarter, but the overall fall was due to a decrease in performance fees, as these are only paid in the fourth quarter of a year. The product result was EUR 123m, down 9% from last quarter.

Life & Pensions

Business development

Nordea Life & Pensions' sales reached a record-high level in the first quarter with gross written premiums of EUR 1,719m. The gross written premiums increased by 17% compared to the fourth quarter last year and by 23% compared to the first quarter last year.

Strong customer demand through the bank channel continued during the first quarter with a continued focus on unit-linked products. Sales via the Nordea bank channel accounted for 53% of total premiums out of which 70% were unit-linked sales.

Nordea consolidated its position as the leading Nordic provider of Life & Pensions products with a slight increase in the Nordic market share of 0.3% to 10.9%, measured as 12 months gross written premiums.

Assets under Management were EUR 44bn at the end of the first quarter, generated by a strong inflow in the unit-linked based portfolio of 5.8% and a net outflow from the traditional portfolio of 2.6%. Financial buffers in the traditional portfolio gained additional EUR 151m during the first quarter of 2011, ending at EUR 1,942m, corresponding to 8.0% of the technical provisions.

Result

The product result was EUR 52m in the first quarter, down 46% from the previous quarter, due to extraordinary high recognition of income in the previous quarter and low return on the money market investments backing the owner's capital in the first quarter of 2011. Unit-linked accounted for 36% of the total result.

The MCEV decreased in the first quarter by EUR 27m to EUR 3,628m. The value of new business was EUR 69m.

Assets under Management (AuM), volumes and net inflow

EURbn	Q1 2011	Net inflow Q1	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Nordic Retail funds	35.5	-0.3	36.4	34.4	32.9	33.0
Global Fund Distribution	6.1	0.2	5.8	5.3	4.4	3.9
Nordic Private Banking	56.6	0.2	57.3	51.5	48.1	48.9
International Private Banking	10.2	0.3	10.0	9.3	9.2	9.2
Institutional clients	34.7	2.1	32.8	32.0	29.7	29.2
Life & Pensions	48.9	0.0	48.7	47.7	45.5	45.0
Total	**192.0**	**2.5**	**191.0**	**180.2**	**169.8**	**169.3**

Asset Management, key figures per quarter

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Total income	**197**	**208**	**162**	**157**	**148**
of which income within Nordic Banking	*146*	*142*	*130*	*137*	*114*
Staff costs	-44	-43	-36	-36	-32
Other expenses	-30	-30	-29	-29	-27
Operating expenses	**-74**	**-73**	**-65**	**-65**	**-59**
Product result	**123**	**135**	**97**	**92**	**89**
Cost/income ratio, %	38	35	40	41	40
Income related to AuM, margin (basis points)	63	70	57	57	54
AuM (managed by Savings Products & Asset Management), EURbn	124	122	116	110	108
of which Equities, %	*35*	*36*	*32*	*32*	*33*
of which Fixed income and Other, %	*65*	*64*	*68*	*68*	*67*
Number of employees (full-time equivalents)	1,166	1,163	1,144	1,070	1,042

Life & Pensions, key figures per quarter

EURm	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Profit drivers					
Traditional insurance:					
Fee contribution/profit sharing	23	52	52	38	49
Contribution from cost result	-2	-1	2	3	2
Contribution from risk result	-1	17	12	8	9
Return on shareholders' equity/other profits	15	13	12	17	22
Total profit Traditional	**35**	**81**	**77**	**66**	**82**
Total profit Unit-linked	**20**	**19**	**21**	**17**	**17**
Estimated distribution expenses in Nordic Banking	-3	-3	-3	-4	-3
Total Product result	**52**	**97**	**95**	**79**	**96**
of which income within Nordic Banking	*41*	*45*	*39*	*42*	*35*
Key figures					
Gross premiums written	1,719	1,466	1,181	1,316	1,399
of which from Traditional business	785	620	573	541	590
of which from Unit-linked business	934	846	608	775	809
Investment return %	0.6	-2.0	3.2	2.2	2.9
Technical provisions	36,676	36,795	35,972	34,675	33,881
Financial buffers	1,942	1,791	1,750	1,487	1,702
Investment assets, EURbn	43.9	43.7	42.9	40.9	40.4
of which bonds, %	*46*	*45*	*48*	*49*	*49*
of which equities, %	*7*	*7*	*7*	*7*	*7*
of which alternative investments, %	*6*	*7*	*7*	*7*	*6*
of which property, %	*7*	*8*	*8*	*8*	*9*
of which unit linked, %	*33*	*33*	*31*	*29*	*29*
Number of employees (full-time equivalents)	1,374	1,370	1,349	1,343	1,340

Income statement

EURm	Note	Q1 2011	Q1 2010	Full year 2010
Operating income				
Interest income		*2,746*	*2,298*	*9,687*
Interest expense		*-1,422*	*-1,063*	*-4,528*
Net interest income		1,324	1,235	5,159
Fee and commission income		*788*	*673*	*2,955*
Fee and commission expense		*-186*	*-198*	*-799*
Net fee and commission income	3	602	475	2,156
Net result from items at fair value	4	544	548	1,837
Profit from companies accounted for under the equity method		18	25	66
Other operating income		22	20	116
Total operating income		**2,510**	**2,303**	**9,334**
Operating expenses				
General administrative expenses:	5			
Staff costs		-768	-687	-2,784
Other expenses		-453	-438	-1,862
Depreciation, amortisation and impairment charges of tangible and intangible assets		-44	-39	-170
Total operating expenses		**-1,265**	**-1,164**	**-4,816**
Profit before loan losses		**1,245**	**1,139**	**4,518**
Net loan losses	6	-242	-261	-879
Operating profit		**1,003**	**878**	**3,639**
Income tax expense		-261	-235	-976
Net profit for the period		**742**	**643**	**2,663**
Attributable to:				
Shareholders of Nordea Bank AB (publ)		740	642	2,657
Non-controlling interests		2	1	6
Total		**742**	**643**	**2,663**
Basic earnings per share, EUR		0.18	0.16	0.66
Diluted earnings per share, EUR		0.18	0.16	0.66

Statement of comprehensive income

EURm	Q1 2011	Q1 2010	Full year 2010
Net profit for the period	**742**	**643**	**2,663**
Currency translation differences during the period	-9	362	669
Currency hedging of net investments in foreign operations	-3	-214	-407
Tax on currency hedging of net investments in foreign operations	1	56	107
Available-for-sale investments:			
Valuation gains/losses during the period	4	-	3
Tax on valuation gains/losses during the period	-1	-	-1
Cash flow hedges:			
Valuation gains/losses during the period	-	1	1
Tax on valuation gains/losses during the period	-	0	0
Other comprehensive income, net of tax	**-8**	**205**	**372**
Total comprehensive income	**734**	**848**	**3,035**
Attributable to:			
Shareholders of Nordea Bank AB (publ)	732	847	3,029
Non-controlling interests	2	1	6
Total	**734**	**848**	**3,035**

Balance sheet

EURm	Note	31 Mar 2011	31 Dec 2010	31 Mar 2010
Assets				
Cash and balances with central banks		3,248	10,023	2,574
Treasury bills		15,027	13,112	13,268
Loans to credit institutions	7	26,284	15,788	22,221
Loans to the public	7	330,536	314,211	292,460
Interest-bearing securities		63,826	69,137	53,850
Financial instruments pledged as collateral		11,345	9,494	11,329
Shares		18,236	17,293	15,506
Derivatives	10	81,749	96,825	92,098
Fair value changes of the hedged items in portfolio hedge of interest rate risk		1,172	1,127	1,058
Investments in associated undertakings		577	554	476
Intangible assets		3,272	3,219	3,051
Property and equipment		455	454	432
Investment property		3,579	3,568	3,570
Deferred tax assets		280	278	128
Current tax assets		274	262	311
Retirement benefit assets		189	187	136
Other assets		24,163	22,857	11,442
Prepaid expenses and accrued income		2,405	2,450	2,265
Total assets		**586,617**	**580,839**	**526,175**
Of which assets customer bearing the risk		*15,734*	*16,230*	*13,247*
Liabilities				
Deposits by credit institutions		50,235	40,736	54,134
Deposits and borrowings from the public		182,344	176,390	160,012
Liabilities to policyholders		39,486	38,766	35,765
Debt securities in issue		150,119	151,578	125,440
Derivatives	10	82,498	95,887	90,217
Fair value changes of the hedged items in portfolio hedge of interest rate risk		358	898	1,316
Current tax liabilities		381	502	629
Other liabilities		45,007	38,590	23,081
Accrued expenses and prepaid income		3,607	3,390	3,421
Deferred tax liabilities		871	885	826
Provisions		434	581	328
Retirement benefit obligations		304	337	373
Subordinated liabilities		6,865	7,761	8,318
Total liabilities		**562,509**	**556,301**	**503,860**
Equity				
Non-controlling interests		83	84	81
Share capital		4,043	4,043	4,037
Share premium reserve		1,073	1,065	1,065
Other reserves		-154	-146	-313
Retained earnings		19,063	19,492	17,445
Total equity		**24,108**	**24,538**	**22,315**
Total liabilities and equity		**586,617**	**580,839**	**526,175**
Assets pledged as security for own liabilities		180,829	163,945	138,792
Other assets pledged		6,428	5,972	6,686
Contingent liabilities		23,357	23,963	22,301
Credit commitments[1]		86,017	88,740	78,209
Other commitments		3,864	4,009	2,795

[1] Including unutilised portion of approved overdraft facilities of EUR 45,795m (31 Dec 2010: 50,522m, 31 Mar 2010: 45,976m).

Statement of changes in equity

	Attributable to shareholders of Nordea Bank AB (publ)								
			Other reserves:						
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available-for-sale investments	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Opening balance at 1 Jan 2011	**4,043**	**1,065**	**-148**	**-**	**2**	**19,492**	**24,454**	**84**	**24,538**
Total comprehensive income	-	-	-11	-	3	740	732	2	734
Share-based payments	-	-	-	-	-	3	3	-	3
Dividend for 2010	-	-	-	-	-	-1,168	-1,168	-	-1,168
Purchases of own shares[2]	-	-	-	-	-	-4	-4	-	-4
Other changes	-	8[4]	-	-	-	-	8	-3	5
Closing balance at 31 Mar 2011	**4,043**	**1,073**	**-159**	**-**	**5**	**19,063**	**24,025**	**83**	**24,108**

	Attributable to shareholders of Nordea Bank AB (publ)								
			Other reserves:						
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available-for-sale investments	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Opening balance at 1 Jan 2010	**4,037**	**1,065**	**-517**	**-1**	**-**	**17,756**	**22,340**	**80**	**22,420**
Total comprehensive income	-	-	369	1	2	2,657	3,029	6	3,035
Issued C-shares[3]	6	-	-	-	-	-	6	-	6
Repurchase of C-shares[3]	-	-	-	-	-	-6	-6	-	-6
Share-based payments	-	-	-	-	-	17	17	-	17
Dividend for 2009	-	-	-	-	-	-1,006	-1,006	-	-1,006
Divestment of own shares[2]	-	-	-	-	-	74	74	-	74
Other changes	-	-	-	-	-	-	-	-2	-2
Closing balance at 31 Dec 2010	**4,043**	**1,065**	**-148**	**-**	**2**	**19,492**	**24,454**	**84**	**24,538**

	Attributable to shareholders of Nordea Bank AB (publ)								
			Other reserves:						
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available-for-sale investments	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Opening balance at 1 Jan 2010	**4,037**	**1,065**	**-517**	**-1**	**-**	**17,756**	**22,340**	**80**	**22,420**
Total comprehensive income	-	-	204	1	-	642	847	1	848
Share-based payments	-	-	-	-	-	6	6	-	6
Dividend for 2009	-	-	-	-	-	-1,006	-1,006	-	-1,006
Divestment of own shares[2]	-	-	-	-	-	47	47	-	47
Other changes	-	-	-	-	-	-	-	0	0
Closing balance at 31 Mar 2010	**4,037**	**1,065**	**-313**	**0**	**-**	**17,445**	**22,234**	**81**	**22,315**

[1] Total shares registered were 4,043 million (31 Dec 2010: 4,043 million, 31 Mar 2010 4,037million).

[2] Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares at 31 Mar 2011 were 17.3 million (31 Dec 2010: 16.9 million, 31 Mar 2010 17.3 million).

[3] Refers to the Long Term Incentive Programme (LTIP). LTIP 2010 was hedged by issuing 5,125,000 C-shares , the shares have been bought back and converted to ordinary shares. The total holding of own shares related to LTIP is 15.3 million (31 Dec 2010: 15.4 million, 31 Mar 2010: 11.9 million).

[4] In connection to the rights issue in 2009 an assessment was made on the VAT Nordea would have to pay on the transaction costs. This assessment has been changed in Q1 2011 based on a new tax case law.

Cash flow statement

EURm	Jan-Mar 2011	Jan-Mar 2010	Full year 2010
Operating activities			
Operating profit	1,003	878	3,639
Adjustments for items not included in cash flow	137	913	1,619
Income taxes paid	-431	-152	-1,045
Cash flow from operating activities before changes in operating assets and liabilities	709	1,639	4,213
Changes in operating assets and liabilities	-11,756	-12,870	-6,411
Cash flow from operating activities	-11,047	-11,231	-2,198
Investing activities			
Sale/acquisition of business operations	-	-37	-46
Property and equipment	-26	-14	-98
Intangible assets	-70	-38	-181
Net investments in debt securities, held to maturity	5,787	2,359	1,991
Other financial fixed assets	-17	13	1
Cash flow from investing activities	5,674	2,283	1,667
Financing activities			
New share issue	-	-	6
Issued/amortised subordinated liabilities	-579	920	194
Divestment/repurchase of own shares incl change in trading portfolio	-4	47	74
Dividend paid	-1,168	-1,006	-1,006
Cash flow from financing activities	-1,751	-39	-732
Cash flow for the period	**-7,124**	**-8,987**	**-1,263**
Cash and cash equivalents at beginning of the period	**13,706**	**13,962**	**13,962**
Translation difference	12	438	1,007
Cash and cash equivalents at end of the period	**6,594**	**5,413**	**13,706**
Change	**-7,124**	**-8,987**	**-1,263**

Cash and cash equivalents	31 Mar	31 Mar	31 Dec
The following items are included in cash and cash equivalents (EURm):	2011	2010	2010
Cash and balances with central banks	3,248	2,574	10,023
Loans to credit institutions, payable on demand	3,346	2,839	3,683

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 statements

Note 1 Accounting policies

Nordea's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of such standards by the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the EU Commission. In addition, certain complementary rules in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the recommendation RFR 1 "Supplementary Accounting Rules for Groups" and UFR statements issued by the Swedish Financial Reporting Board as well as the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25, with amendments in FFFS 2009:11), have also been applied.

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 2010 Annual Report, except for the categorisation of lending related commissions within "Net fee and commission income". This change is further described below.

Categorisation of lending related commissions

The categorisation of lending related commissions within "Net fee and commission income" (note 3) has been changed in order to be better aligned with the purpose for which the fees are received. The change mainly relates to syndicated transactions. The comparable figures have been restated accordingly. The impact on the first quarter 2010 was not significant and the impact on the full year is disclosed in the below table.

	Full year 2010	
EURm	Restated	Reported
Lending	397	323
Other commission income	217	291

Exchange rates

	Jan-Mar 2011	Jan-Dec 2010	Jan-Mar 2010
EUR 1 = SEK			
Income statement (average)	8.8684	9.5463	9.9571
Balance sheet (at end of period)	8.9329	8.9655	9.7135
EUR 1 = DKK			
Income statement (average)	7.4549	7.4472	7.4427
Balance sheet (at end of period)	7.4567	7.4535	7.4447
EUR 1 = NOK			
Income statement (average)	7.8261	8.0080	8.1104
Balance sheet (at end of period)	7.8330	7.8000	8.0135
EUR 1 = PLN			
Income statement (average)	3.9466	3.9957	3.9927
Balance sheet (at end of period)	4.0106	3.9750	3.8673
EUR 1 = RUB			
Income statement (average)	40.0090	40.2749	41.2992
Balance sheet (at end of period)	40.2850	40.8200	39.6950

Note 2 Segment reporting[1]

	Nordic Banking		New European Markets		Financial Institutions		Shipping, Offshore, & Oil Services	
	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010
Total operating income, EURm	1,733	1,496	148	131	97	92	101	82
Operating profit, EURm	587	414	74	31	48	46	71	52
Loans to the public, EURbn	255	235	18	16	4	4	13	13
Deposits and borrowings from the public, EURbn	134	125	5	5	12	9	5	5

Operating segments

	Other Operating segments		Total Operating segments		Reconciliation		Total Group	
	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010
Total operating income, EURm	380	484	2,459	2,285	51	18	2,510	2,303
Operating profit, EURm	192	306	972	849	31	29	1,003	878
Loans to the public, EURbn	36	19	326	287	5	5	331	292
Deposits and borrowings from the public, EURbn	27	15	183	159	-1	1	182	160

[1] The comparative figures have been restated to reflect a change in the internal funds transfer pricing model, as well as organisational changes, made as from the first quarter 2011.

Reconciliation between total operating segments and financial statements

	Operating profit, EURm		Loans to the public, EURbn		Deposits and borrowings from the public, EURbn	
	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010
Total Operating segments	972	849	326	287	183	159
Group functions[2] and unallocated items	-22	-2	5	5	-1	1
Differences in accounting policies[3]	53	31	-	-	-	-
Total	**1,003**	**878**	**331**	**292**	**182**	**160**

[2] Consists of Group Executive Management, Group Internal Audit, Group Risk Management, Group Human Resources and Group Identity and Communications.

[3] 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.

Change in basis of segmentation and measurement of segment profit or loss

Compared with the 2010 Annual Report there have been no changes in the basis of segmentation and measurement of segment profit or loss.

Reportable Operating segments

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. The branches within Nordea's banking activities in the New European Markets offer full banking services for local and Nordic corporate and personal customers in Estonia, Latvia, Lithuania, Poland and Russia. The Financial Institutions segment is responsible for Nordea's customers within the financial institution industry. The segment Shipping, Offshore & Oil Services is responsible for Nordea's customers within the shipping, offshore and oil services industries.

Note 3 Net fee and commission income

EURm	Q1 2011	Q4 2010	Q1 2010	Jan-Dec 2010
Asset Management commissions	202	193	158	698
Life insurance	82	80	75	305
Brokerage	58	52	52	198
Custody	16	23	14	77
Deposits	11	12	11	45
Total savings related commissions	369	360	310	1,323
Payments	103	106	102	412
Cards	100	104	89	397
Total payment commissions	203	210	191	809
Lending[1]	110	101	73	397
Guarantees and documentary payments	55	54	51	209
Total lending related commissions	165	155	124	606
Other commission income[1]	51	73	48	217
Fee and commission income	**788**	**798**	**673**	**2,955**
Life insurance	-28	-14	-19	-62
Payment expenses	-68	-82	-67	-300
State guarantee fees	-13	-8	-51	-162
Other commission expenses	-77	-76	-61	-275
Fee and commission expenses	**-186**	**-180**	**-198**	**-799**
Net fee and commission income	**602**	**618**	**475**	**2,156**

[1] Restated, see note 1.

Note 4 Net result from items at fair value

EURm	Q1 2011	Q4 2010	Q1 2010	Jan-Dec 2010
Shares/participations and other share-related instruments	59	1,151	634	2,394
Interest-bearing securities and other interest-related instruments	369	-495	1,188	2,051
Other financial instruments	-22	-30	-18	-230
Foreign exchange gains/losses	149	-64	-210	-20
Investment properties	45	43	45	161
Change in technical provisions[1], Life insurance	76	-238	-796	-2,423
Change in collective bonus potential, Life insurance	-141	113	-303	-160
Insurance risk income, Life insurance	61	79	79	312
Insurance risk expense, Life insurance	-52	-55	-71	-248
Total	**544**	**504**	**548**	**1,837**

[1] Premium income amounts to EUR 667m for Q1 2011 (Q4 2010: EUR 482m, Q1 2010: 431m, Jan-Dec 2010: EUR 1,733m).

Note 5 General administrative expenses

EURm	Q1 2011	Q4 2010	Q1 2010	Jan-Dec 2010
Staff	-768	-675	-687	-2,784
Information technology[1]	-149	-185	-141	-639
Marketing and entertainment	-29	-51	-30	-144
Postage, transportation, telephone and office expenses	-59	-58	-63	-227
Rents, premises and real estate expenses	-109	-106	-98	-400
Other	-107	-143	-106	-452
Total	**-1,221**	**-1,218**	**-1,125**	**-4,646**

[1] Refers to IT operations, service expenses and consultant fees. Total IT-related costs including staff etc, but excluding IT expenses in the Life operations, were EUR -185m in Q1 2011 (Q4 2010: EUR -198m, Q1 2010: EUR -181m, Jan-Dec 2010: EUR -759m).

Note 6 Net loan losses

EURm	Q1 2011	Q4 2010	Q1 2010	Jan-Dec 2010
Loan losses divided by class				
Loans to credit institutions	1	-1	0	0
Loans to the public	-167	-156	-259	-738
- of which provisions	-285	-324	-318	-1,185
- of which write-offs	-133	-183	-114	-535
- of which allowances used for covering write-offs	108	122	79	378
- of which reversals	129	207	71	531
- of which recoveries	14	22	23	73
Off-balance sheet items	-76	-9	-2	-141
Total	**-242**	**-166**	**-261**	**-879**

Key ratios

	Q1 2011	Q4 2010	Q1 2010	Jan-Dec 2010
Loan loss ratio, basis points	31	23	37	31
- of which individual	37	38	26	33
- of which collective	-6	-15	11	-2

Note 7 Loans and their impairment

	Total		
EURm	31 Mar 2011	31 Dec 2010	31 Mar 2010
Loans, not impaired	354,320	327,684	312,651
Impaired loans	5,075	4,849	4,453
- Performing	2,938	2,838	2,377
- Non-performing	2,137	2,011	2,076
Loans before allowances	**359,395**	**332,533**	**317,104**
Allowances for individually assessed impaired loans	-1,842	-1,752	-1,502
- Performing	-958	-969	-766
- Non-performing	-884	-783	-736
Allowances for collectively assessed impaired loans	-733	-782	-921
Allowances	**-2,575**	**-2,534**	**-2,423**
Loans, carrying amount	**356,820**	**329,999**	**314,681**

	Credit institutions			The public		
EURm	31 Mar 2011	31 Dec 2010	31 Mar 2010	31 Mar 2011	31 Dec 2010	31 Mar 2010
Loans, not impaired	26,286	15,791	22,223	328,034	311,893	290,428
Impaired loans	26	33	36	5,049	4,816	4,417
- Performing	-	4	4	2,938	2,834	2,373
- Non-performing	26	29	32	2,111	1,982	2,044
Loans before allowances	**26,312**	**15,824**	**22,259**	**333,083**	**316,709**	**294,845**
Allowances for individually assessed impaired loans	-26	-33	-36	-1,816	-1,719	-1,466
- Performing	-	-4	-4	-958	-965	-762
- Non-performing	-26	-29	-32	-858	-754	-704
Allowances for collectively assessed impaired loans	-2	-3	-2	-731	-779	-919
Allowances	**-28**	**-36**	**-38**	**-2,547**	**-2,498**	**-2,385**
Loans, carrying amount	**26,284**	**15,788**	**22,221**	**330,536**	**314,211**	**292,460**

Note 7, continued

Allowances and provisions

EURm	31 Mar 2011	31 Dec 2010	31 Mar 2010
Allowances for items in the balance sheet	-2,575	-2,534	-2,423
Provisions for off balance sheet items	-160	-331	-238
Total allowances and provisions	**-2,735**	**-2,865**	**-2,661**

Key ratios

	31 Mar 2011	31 Dec 2010	31 Mar 2010
Impairment rate, gross, basis points	141	146	140
Impairment rate, net, basis points	90	93	93
Total allowance rate, basis points	72	76	76
Allowances in relation to impaired loans, %	36	36	34
Total allowances in relation to impaired loans, %	51	52	54
Non-performing, not impaired, EURm	336	316	338

Note 8 Classification of financial instruments

EURm	Loans and receivables	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	3,248	-	-	-	-	-	3,248
Treasury bills	-	639	11,621	2,767	-	-	15,027
Loans to credit institutions	8,788	-	16,538	958	-	-	26,284
Loans to the public	252,997	-	31,529	46,010	-	-	330,536
Interest-bearing securities	-	9,624	29,176	19,305	-	5,721	63,826
Financial instruments pledged as collateral	-	-	11,345	-	-	-	11,345
Shares	-	-	5,239	12,987	-	10	18,236
Derivatives	-	-	81,215	-	534	-	81,749
Fair value changes of the hedged items in portfolio hedge of interest rate risk	1,172	-	-	-	-	-	1,172
Other assets	19,724	-	28	4,391	-	-	24,143
Prepaid expenses and accrued income	1,898	-	157	38	-	-	2,093
Total 31 Mar 2011	**287,827**	**10,263**	**186,848**	**86,456**	**534**	**5,731**	**577,659**
Total 31 Dec 2010	291,153	16,055	172,613	85,669	726	5,765	571,981
Total 31 Mar 2010	256,075	15,643	166,845	78,537	634	11	517,745

EURm	Held for trading	Fair value option	Derivatives used for hedging	Other financial liabilities	Total
Financial liabilities					
Deposits by credit institutions	18,780	8,099	-	23,356	50,235
Deposits and borrowings from the public	20,915	6,300	-	155,129	182,344
Liabilities to policyholders, investment contracts	-	9,839	-	-	9,839
Debt securities in issue	5,932	27,635	-	116,552	150,119
Derivatives	81,575	-	923	-	82,498
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	358	358
Other liabilities	13,942	3,791	-	27,225	44,958
Accrued expenses and prepaid income	-	426	-	2,025	2,451
Subordinated liabilities	-	-	-	6,865	6,865
Total 31 Mar 2011	**141,144**	**56,090**	**923**	**331,510**	**529,667**
Total 31 Dec 2010	139,188	57,967	661	325,601	523,417
Total 31 Mar 2010	131,533	62,788	737	276,971	472,029

Note 9 Financial instruments

Determination of fair value from quoted market prices or valuation techniques

31 Mar 2011, EURm	Quoted prices in active markets for same instrument (Level 1)	*Of which Life*	Valuation technique using observable data (Level 2)	*Of which Life*	Valuation technique using non-observable data (Level 3)	*Of which Life*	Total
Assets							
Loans to credit institutions	-	-	17,496	-	-	-	17,496
Loans to the public	-	-	77,539	-	-	-	77,539
Debt securities[1]	62,519	*19,035*	15,065	*2,645*	1,730	*1,604*	79,314
Shares[2]	14,488	*10,185*	109	*87*	4,260	*2,569*	18,857
Derivatives	526	*279*	79,321	*63*	1,902	-	81,749
Other assets	-	-	4,419	-	-	-	4,419
Prepaid expenses and accrued income	-	-	195	-	-	-	195
Liabilities							
Deposits by credit institutions	-	-	26,879	-	-	-	26,879
Deposits and borrowings from the public	-	-	27,215	-	-	-	27,215
Liabilities to policy holders	-	-	9,839	*9,839*	-	-	9,839
Debt securities in issue	27,635	-	5,932	-	-	-	33,567
Derivatives	258	*237*	80,193	-	2,047	-	82,498
Other liabilities	11,970	-	5,763	-	-	-	17,733
Accrued expenses and prepaid income	-	-	426	-	-	-	426

[1] Of which EUR 14,388m Treasury bills and EUR 54,202m Interest-bearing securities (the portion held at fair value in Note 8). EUR 10,724m relates to the balance sheet item Financial instruments pledged as collateral.

[2] EUR 621m relates to the balance sheet item Financial instruments pledged as collateral.

Note 10 Derivatives

Fair value	31 Mar 2011		31 Dec 2010		31 Mar 2010	
EURm	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Derivatives held for trading						
Interest rate derivatives	62,736	61,122	79,683	77,810	77,527	75,655
Equity derivatives	814	968	779	804	802	954
Foreign exchange derivatives	15,629	17,261	13,170	13,855	11,169	10,909
Credit derivatives	890	912	908	929	1,077	1,067
Commodity derivatives	1,119	1,097	1,534	1,525	855	774
Other derivatives	27	215	25	303	34	121
Total	**81,215**	**81,575**	**96,099**	**95,226**	**91,464**	**89,480**
Derivatives used for hedging						
Interest rate derivatives	399	527	461	422	404	310
Equity derivatives	0	0	0	1	1	2
Foreign exchange derivatives	135	396	265	238	229	425
Total	**534**	**923**	**726**	**661**	**634**	**737**
Total fair value						
Interest rate derivatives	63,135	61,649	80,144	78,232	77,931	75,965
Equity derivatives	814	968	779	805	803	956
Foreign exchange derivatives	15,764	17,657	13,435	14,093	11,398	11,334
Credit derivatives	890	912	908	929	1,077	1,067
Commodity derivatives	1,119	1,097	1,534	1,525	855	774
Other derivatives	27	215	25	303	34	121
Total	**81,749**	**82,498**	**96,825**	**95,887**	**92,098**	**90,217**

Nominal amount	31 Mar	31 Dec	31 Mar
EURm	2011	2010	2010
Derivatives held for trading			
Interest rate derivatives	5,196,987	4,761,179	4,053,333
Equity derivatives	23,092	22,003	36,838
Foreign exchange derivatives	883,913	860,298	847,573
Credit derivatives	55,475	51,224	68,478
Commodity derivatives	21,691	15,823	11,555
Other derivatives	2,196	2,904	1,886
Total	**6,183,354**	**5,713,431**	**5,019,663**
Derivatives used for hedging			
Interest rate derivatives	46,624	29,643	26,636
Equity derivatives	0	9	32
Foreign exchange derivatives	4,997	4,526	5,001
Total	**51,621**	**34,178**	**31,669**
Total nominal amount			
Interest rate derivatives	5,243,611	4,790,822	4,079,969
Equity derivatives	23,092	22,012	36,870
Foreign exchange derivatives	888,910	864,824	852,574
Credit derivatives	55,475	51,224	68,478
Commodity derivatives	21,691	15,823	11,555
Other derivatives	2,196	2,904	1,886
Total	**6,234,975**	**5,747,609**	**5,051,332**

Note 11 Capital adequacy

Capital Base

EURm	31 Mar 2011	31 Dec 2010	31 Mar 2010
Core Tier 1 capital	19,408	19,103	18,182
Tier 1 capital	21,335	21,049	20,070
Total capital base	24,444	24,734	24,435

Capital requirement

EURm	31 Mar 2011 Capital requirement	31 Mar 2011 RWA	31 Dec 2010 Capital requirement	31 Dec 2010 RWA	31 Mar 2010 Capital requirement	31 Mar 2010 RWA
Credit risk	**12,897**	**161,216**	**13,173**	**164,662**	**12,671**	**158,394**
IRB	9,981	124,762	10,028	125,346	9,997	124,976
- of which corporate	7,117	88,967	7,204	90,047	7,328	91,605
- of which institutions	782	9,768	722	9,021	758	9,478
- of which retail	1,955	24,438	1,964	24,556	1,793	22,414
- of which other	127	1,589	138	1,722	118	1,479
Standardised	2,916	36,454	3,145	39,316	2,674	33,418
- of which sovereign	35	444	35	434	88	1,096
- of which retail	767	9,588	781	9,760	723	9,032
- of which other	2,114	26,422	2,329	29,122	1,863	23,290
Market risk	**406**	**5,070**	**461**	**5,765**	**502**	**6,275**
- of which trading book, VaR	124	1,551	105	1,317	170	2,121
- of which trading book, non-VaR	207	2,581	278	3,469	256	3,201
- of which FX, non-VaR	75	938	78	979	76	953
Operational risk	**1,236**	**15,452**	**1,176**	**14,704**	**1,176**	**14,704**
Standardised	1,236	15,452	1,176	14,704	1,176	14,704
Sub total	**14,539**	**181,738**	**14,810**	**185,131**	**14,349**	**179,373**
Adjustment for transition rules						
Additional capital requirement according to transition rules	2,565	32,067	2,370	29,629	1,507	18,835
Total	**17,104**	**213,805**	**17,180**	**214,760**	**15,856**	**198,208**

Capital ratio

	31 Mar 2011	31 Dec 2010	31 Mar 2010
Core Tier I ratio, %, incl profit	9.1	8.9	9.2
Tier I ratio, %, incl profit	10.0	9.8	10.1
Capital ratio, %, incl profit	11.4	11.5	12.3

Analysis of capital requirements

Exposure class, 31 Mar 2011	Average risk weight (%)	Capital requirement (EURm)
Corporate	57%	7,117
Institutions	18%	782
Retail IRB	16%	1,955
Sovereign	1%	35
Other	80%	3,008
Total credit risk		**12,897**

Note 12 Risks and uncertainties

Nordea's revenue base reflects the Group's business with a large and diversified customer base, comprising household customers, corporate customers and financial institutions, 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, operational risk and life insurance risk. For further information on risk composition, see the Annual Report.

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

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 is considered likely to have any significant adverse effect on the Group or its financial position in the next six months.

Business definitions

Return on equity
Net profit for the year excluding non-controlling interests as a percentage of average equity for the year. Average equity including net profit for the year and dividend until paid, non-controlling interests excluded.

Total shareholders return (TSR)
Total shareholders return measured as growth in the value of a shareholding during the year, assuming the dividends are reinvested at the time of the payment to purchase additional shares.

Risk-adjusted profit
Risk-adjusted profit is defined as total income minus total operating expenses, minus Expected losses and standard tax. In addition, Risk-adjusted profit excludes major non-recurring items.

Tier 1 capital
The proportion of the capital base, which includes consolidated shareholders' equity excluding investments in insurance companies, proposed dividend, deferred tax assets, intangible assets in the banking operations and half of the expected shortfall deduction, – the negative difference between expected losses and provisions. Subsequent to the approval of the supervisory authorities, Tier 1 capital also includes qualified forms of subordinated loans (Tier 1 capital contributions and hybrid capital loans). The Core tier 1 capital constitutes the Tier 1 capital excluding hybrid capital loans.

Tier 1 capital ratio
Tier 1 capital as a percentage of risk-weighted assets. The Core tier 1 ratio is calculated as Core tier 1 capital as a percentage of risk-weighted assets.

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

Impairment rate, gross
Individually assessed impaired loans before allowances divided by total loans before allowances.

Impairment rate, net
Individually assessed impaired loans after allowances divided by total loans before allowances.

Total allowance rate
Total allowances divided by total loans before allowances.

Allowances in relation to impaired loans
Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

Total allowances in relation to impaired loans (provisioning ratio)
Total allowances divided by total impaired loans before allowances.

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

Expected losses
Expected losses reflect the normalised loss level of the individual loan exposure over a business cycle as well as various portfolios.

Economic capital
Economic Capital is Nordea's internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. EC uses advanced internal models to provide a consistent measurement for Credit Risk, Market Risk, Operational Risk, Business Risk and Life Insurance Risk arising from activities in Nordea's various business areas. The aggregation of risks across the group gives rise to diversification effects resulting from the differences in risk drivers and the improbability that unexpected losses occur simultaneously.

RAROCAR
RAROCAR, % (Risk-adjusted return on capital at risk) is defined as Risk-adjusted profit relative to Economic capital.

For a list of further business definitions, see the Annual Report.

Nordea Bank AB (publ)

Accounting policies

The financial statements for the parent company, Nordea Bank AB (publ) are prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and IFRS with the amendments and exceptions following the recommendation RFR 2 "Accounting for Legal Entities" issued by the Swedish Financial Reporting Board and the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25, with amendments in FFFS 2009:11). Under RFR 2, the parent company shall apply all standards and interpretations issued by the IASB and IFRIC to the extent possible within the framework of Swedish accounting legislation and considering the close tie between financial reporting and taxation. The recommendation sets out the exceptions and amendments to IFRS that shall be made.

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2010 Annual Report, except for the categorisation of lending related commissions within "Net fee and commission income". More information on the categorisation of lending related commissions can be found in Note 1 for the Group.

Income statement

EURm	Q1 2011	Q1 2010	Jan-Dec 2010
Operating income			
Interest income	*558*	*365*	*1,641*
Interest expense	*-416*	*-211*	*-1,057*
Net interest income	142	154	584
Fee and commission income	*182*	*151*	*735*
Fee and commission expense	*-47*	*-33*	*-164*
Net fee and commission income	135	118	571
Net result from items at fair value	136	72	157
Dividends	122	300	2,203
Other operating income	32	25	123
Total operating income	**567**	**669**	**3,638**
Operating expenses			
General administrative expenses:			
Staff costs	-199	-195	-745
Other expenses	-144	-122	-526
Depreciation, amortisation and impairment charges of tangible and intangible assets	-27	-27	-112
Total operating expenses	**-370**	**-344**	**-1,383**
Profit before loan losses	**197**	**325**	**2,255**
Net loan losses	-1	-13	-33
Impairment of securities held as financial non-current assets	-	-	-105
Operating profit	**196**	**312**	**2,117**
Appropriations	-	-	0
Income tax expense	-8	-9	-115
Net profit for the period	**188**	**303**	**2,002**

Nordea Bank AB (publ)
Balance sheet

EURm	31 Mar 2011	31 Dec 2010	31 Mar 2010
Assets			
Cash and balances with central banks	177	182	193
Treasury bills	3,709	4,858	2,835
Loans to credit institutions	47,899	48,151	46,919
Loans to the public	34,903	33,800	31,570
Interest-bearing securities	14,540	15,848	14,100
Financial instruments pledged as collateral	4,795	6,160	5,195
Shares	712	320	1,129
Derivatives	2,338	2,611	2,699
Fair value changes of the hedged items in portfolio hedge of interest rate risk	913	795	529
Investments in group undertakings	16,608	16,607	16,493
Investments in associated undertakings	4	4	2
Intangible assets	662	671	687
Property and equipment	79	77	78
Deferred tax assets	7	8	20
Current tax assets	25	1	0
Other assets	859	2,620	916
Prepaid expenses and accrued income	1,139	1,009	800
Total assets	**129,369**	**133,722**	**124,165**
Liabilities			
Deposits by credit institutions	23,306	28,644	29,921
Deposits and borrowings from the public	39,871	39,620	35,272
Debt securities in issue	36,166	33,424	28,399
Derivatives	2,309	2,174	2,506
Fair value changes of the hedged items in portfolio hedge of interest rate risk	646	749	532
Current tax liabilities	0	110	40
Other liabilities	4,196	4,458	4,103
Accrued expenses and prepaid income	877	721	648
Deferred tax liabilities	0	0	0
Provisions	42	35	31
Retirement benefit obligations	151	149	141
Subordinated liabilities	6,273	7,135	7,723
Total liabilities	**113,837**	**117,219**	**109,316**
Untaxed reserves	**6**	**6**	**5**
Equity			
Share capital	4,043	4,043	4,037
Share premium reserve	1,073	1,065	1,065
Other reserves	1	1	0
Retained earnings	10,409	11,388	9,742
Total equity	**15,526**	**16,497**	**14,844**
Total liabilities and equity	**129,369**	**133,722**	**124,165**
Assets pledged as security for own liabilities	6,168	6,843	5,706
Other assets pledged	7,514	7,259	7,926
Contingent liabilities	22,814	23,903	19,388
Credit commitments[1]	28,233	29,485	23,816
Other commitments	1,464	1,453	993

[1] Including unutilised portion of approved overdraft facilities of EUR 12,367m (31 Dec 2010: 13,972m, 31 Mar 2010: 10,655m)

For further information:

- A press and analyst conference with management will be arranged on 28 April 2011 at 09.30 CET, at Smålandsgatan 17, Stockholm.
- An international telephone conference for analysts with management will be arranged on 28 April at 14.00 CET. (Please dial +44 (0) 20 7136 2053, confirmation code 1149116#, latest ten minutes in advance.) The telephone conference can be monitored live on www.nordea.com. An indexed on-demand version will also be available on www.nordea.com. A replay will also be available through 5 May, by dialling +44 (0) 20 7111 1244, access code 1149116#.
- An analyst and investor presentation will be arranged in London on 5 May at 12.30 GMT at Brewers' Hall, Aldermanbury Square, London EC2V 7HR. To attend, please contact Abby Clue by e-mail: abigail.clue@jpmorgan.com, phone number +44 207 7779 2225.
- This quarterly report is available on www.nordea.com, as also an investor presentation and a fact book are.

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Financial calendar

19 July 2011 – second quarter report 2011
19 October 2011 – third quarter report 2011

Stockholm 28 April 2011

Christian Clausen
President and Group CEO

This Report has not been subject to review by the Auditors.

This report is published in four additional language versions; Danish, Finnish, Norwegian and Swedish. In the event of any inconsistencies between those language versions and this English version, the English version shall prevail.

The information provided in this press release is such, which Nordea is required to disclose pursuant to the Swedish Financial Instruments Trading Act (1991:980) and/or the Swedish Securities Markets Act (2007:528).

This report contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Nordea believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward looking statements as a result of various factors. Important factors that may cause such a difference for Nordea include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels. This report does not imply that Nordea has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

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