

Interim Report 2nd quarter 2012

Nordea Bank Norge Group

Nordea's vision is to be a Great European bank, acknowledged for its people, creating superior value for customers and shareholders. We are making it possible for our customers to reach their goals by providing a wide range of products, services and solutions within banking, asset management and insurance. Nordea has around 11 million customers, more than 1,000 branch office locations 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.

Key financial figures¹

Income statement

	Q2	Q1	Change	Q2	Change	Jan-Jun	Jan-Jun	Change
NOKm	2012	2012	%	2011	%	2012	2011	%
Net interest income	2,266	2,305	-2	1,961	16	4,571	4,068	12
Net fee and commission income	596	574	4	646	-8	1,170	1,194	-2
Net result from items at fair value	74	87	-15	117	-37	161	150	7
Equity method	97	18		15		115	28	
Other operating income	54	57		38		111	71	
Total operating income	3,087	3,041	2	2,777	11	6,128	5,511	11
Staff costs	-752	-799	-6	-730	3	-1,551	-1,504	3
Other expenses	-450	-454	-1	-495	-9	-904	-992	-9
Depreciation of tangible and intangible assets	-47	-42	12	-35	34	-89	-73	22
Total operating expenses	-1,249	-1,295	-4	-1,260	-1	-2,544	-2,569	-1
Profit before loan losses	1,838	1,746	5	1,517	21	3,584	2,942	22
Net loan losses	-273	-176	55	-247	11	-449	-777	-42
Operating profit	1,565	1,570	0	1,270	23	3,135	2,165	45
Income tax expense	-410	-451	-9	-343	20	-861	-598	44
Net profit for the period	1,155	1,119	3	927	25	2,274	1,567	45

Business volumes, key items

	30 Jun	31 Mar	Change	30 Jun	Change
NOKbn	2012	2012	%	2011	%
Loans to the public	474.9	467.4	2	446.0	6
Deposits and borrowings from the public	216.6	228.7	-5	228.2	-5
of which savings deposits	85.4	91.9	-7	80.8	6
Equity	31.1	30.0	4	28.6	9
Total assets	611.7	584.4	5	519.6	18

Ratios and key figures

	Q2	Q1	Q2	Jan-Jun	Jan-Jun
	2012	2012	2011	2012	2011
Earnings per share (EPS), NOK	2.09	2.03	1.68	4.12	2.84
EPS, rolling 12 months up to period end, NOK	7.35	6.94	6.73	7.35	6.73
Equity per share ² , NOK	56.34	54.38	51.91	56.34	51.91
Shares outstanding ² , million	551	551	551	551	551
Return on equity, %	15.1	14.8	13.2	15.0	11.0
Cost/income ratio, %	40	43	45	42	47
Loan loss ratio, basis points	22	14	22	18	35
Core Tier 1 capital ratio, excl transition rules ^{2,3} %	10.2	10.2	9.4	10.2	9.4
Tier 1 capital ratio, excl transition rules ^{2,3} %	12.1	12.1	10.0	12.1	10.0
Total capital ratio, excl transition rules ^{2,3} %	13.5	13.5	12.5	13.5	12.5
Core Tier 1 capital ratio, incl transition rules ^{2,3} %	7.8	8.0	7.9	7.8	7.9
Tier 1 capital ratio, incl transition rules ^{2,3} %	9.3	9.5	8.4	9.3	8.4
Total capital ratio, incl transition rules ^{2,3} %	10.4	10.5	10.5	10.4	10.5
Tier 1 capital ^{2,3} , NOKm	31,169	31,294	25,918	31,169	25,918
Risk-weighted assets excl transition rules ² , NOKbn	257	258	260	257	260
Number of employees (full-time equivalents) ²	2,872	3,103	3,287	2,872	3,287

¹For exchange rates used in the consolidation of NBN see Note 1, Accounting policies.

²End of period.

³Excluding profit for the six first months.

Throughout this report, "Nordea Bank Norge" and "NBN" refer to the parent company Nordea Bank Norge ASA, business identity code 911 044 110, with its subsidiaries. The registered office of the company is in Oslo. Nordea Bank Norge ASA is a wholly owned subsidiary of Nordea Bank AB (publ), the listed parent company of the whole Nordea Group. The business operations of the Nordea Group have been organised in the following business areas, all of which operate across national boundaries: Retail Banking, Wholesale Banking and Wealth Management. In addition the Nordea Group has the following group functions: Group Human Resources, Group Identity & Communications, Group Operations & Other Lines of Business, Group Corporate Centre and Group Risk Management.

The consolidated interim report of Nordea Bank AB (publ) embraces all the activities of the Nordea Group and provides the most complete and fair view. This statutory interim report covers the operations of the legal entity Nordea Bank Norge ASA with its subsidiaries.

Nordea Bank Norge Group

Group result and development

Macroeconomic, financial market and business development

The second quarter has been characterised by an escalation of the European sovereign debt crisis leading to increased volatility. The driving factors have been the uncertainty in Europe, particularly around the Greek elections with effects spreading to Italy and especially Spain related to the banking sector. In June, some stabilisation has been seen which has resulted in improved sentiment in the end of the quarter.

Macroeconomic development

The global economic growth outlook deteriorated during the second quarter. European economies remain weak from austerity measures, continued deleveraging, falling consumer confidence.

The Nordic economies have increasingly been influenced by the overall weak economic environment in Europe. Denmark remains the most impacted country with only marginal positive GDP growth. Sweden and Finland still had positive economic growth in the past quarter but momentum has halted over the last 6 months and falling projections for full-year 2012 indicate potential further economic slowdown. Norway has maintained stronger growth with a very positive first half year. Despite the recent developments, the overall strong fiscal position of the Nordic countries has kept the safe-haven status of the region intact.

Financial market development

Developments in financial markets in the second quarter were driven by the intensification of turmoil in Europe. Peripheral yields rose back to crisis levels while government yields in core countries fell to new all-time lows and short-term yields even into negative territory.

Nordic sovereign debt strengthened further as investors search for high quality assets as highlighted by the historic negative yields on short-term Danish government bonds.

Equity markets reversed the positive development from the first quarter and European equities fell more than 20% from March highs before regaining almost half of the loss during June.

Business development

NBN delivered a very strong result this quarter with a Return on Equity (RoE) of 15.1% annualised.

Nordea's relationship strategy supported the introduction of a new deposit product for young household customers and increased mobile banking usage during the second

quarter. Several improvements in Private Netbank were also made to further increase the quality and stability of service. Additionally, Nordea provided a new, intuitive, easy-to-use design to its open internet pages during the second quarter.

Nordea remains focused on its efficiency initiatives, including RWA optimisation, and continues to use its balance sheet for the benefit of customers while building a strong presence in the bond and loan markets to secure alternative sources of financing for customers.

On 1 April 2012 NBN transferred 138 IT employees to the Norwegian branch of NBAB, as a result of the decision to centralise the Group's IT activities in NBAB. In the future NBAB will be responsible for operating and developing the Nordea Group's IT systems. NBAB and NBN have entered into a service level agreement on the delivery of IT operations and development to NBN.

Developments in operating expenses are on target with the New Normal plan for 2012. Loan losses remain elevated, mainly driven by challenging conditions in the Shipping segment. The tanker, dry cargo and containership markets are weak with high pressure on vessel values and the outlook for these sectors remains challenging.

Second quarter 2012

Income

Total income increased 2% from the previous quarter to NOK 3,087m.

Net interest income

Net interest income declined 2% compared to previous quarter to NOK 2,266m mainly due to lower deposit volumes in CIB and declined deposit spreads in all areas. This is due to lower interest rates and increasingly fierce competition for deposits this period as well as high deposit and lending spreads in the previous quarter in CIB. Lending spreads rose in all other areas, and lending volumes in Retail Banking and Shipping increased.

Corporate lending

Corporate lending volumes are up 1% compared to the previous quarter, despite a strengthening NOK versus USD effect. Corporate lending spreads increased somewhat compared to the prior quarter, except for in CIB.

Household mortgage lending

Household mortgage volumes increased 2% compared to the first quarter, with household mortgage lending spreads somewhat increased during the quarter, escalated by positive temporary lag effects from Norges Bank's rate decrease in March.

Corporate and household deposits

Total deposits from the public fell by 5% to NOK 217bn

compared to the previous quarter mainly due to severe competition in corporate deposits, partially offset by seasonal effects increasing deposits in Household. Average deposit spreads have fallen across all main business areas.

Net fee and commission income

Net fee and commission income increased 4% to NOK 596m compared to the first quarter. Stronger results were seen in all areas and driven mainly by payment related commissions including higher seasonal effects in cards.

Net result from items at fair value

Net result from items at fair value was slightly reduced, but remained at a positive level with a NOK 74m result. Interest related instruments increased NOK 43m related to positive results in Treasury's bond portfolio compared to losses in the previous quarter. This was offset by reduced result from FX instruments in Treasury and a slight decrease from equity instruments.

Equity method

Income from companies accounted for under the equity method was NOK 97m compared to NOK 18m in the previous quarter. The result from the 23.21% holding in Eksportfinans ASA ended at NOK 96m.

Other operating income

Other income was NOK 54m compared to NOK 57m in the prior quarter.

Expenses

Total expenses went down 4% compared to the previous quarter to NOK 1,249m. Staff costs declined 6% to NOK 752m and other expenses were stable. The reduction in staff expenses relates mainly to the transfer of IT staff to the Norwegian NBAB branch.

Normalising for IT staff transferred and one-time effect on pensions, staff cost decrease was 3% compared to the first quarter. Other expenses, adjusted for staff costs charged to NBN from the Norwegian NBAB branch for IT services, decreased 8%.

The number of fulltime employees at 30 June 2012 dropped by 7% compared to the prior quarter due a combination of the New Normal plan and the transfer of employees to the Norwegian NBAB branch following the centralisation of IT activities.

The cost/income ratio was 40%, improved from 43% previous quarter and from 45% compared to the same quarter last year.

Net loan losses

Net loan losses in the second quarter this year amounted to NOK 273m, an increase of NOK 97m from the previous quarter. Individual loan losses ended at NOK 265m, while

collective provisions were NOK 8m.

The loan loss ratio was 22 basis points annualised in the second quarter, compared to 14 basis points annualised in the previous quarter. Individual net loan losses amounted to 21 basis points, and collective provisions net amounted to 1 basis point annualised this quarter.

Taxes

The effective tax rate for the second quarter was 26.2% compared to 28.7% in the previous quarter.

Net profit

Net profit increased 3% compared to the first quarter to NOK 1,155m due to higher income and reduced costs, corresponding to a return on equity of 15.1% annualised.

January - June 2012

The first half year of 2012 showed continued high income levels, up 11% compared to the first half year last year, driven by solid net interest income results. Operating profit increased 45% due to higher total income and reduced costs and loan losses.

Income

Net interest income increased 12% compared to the first half of last year, and 16% compared to the same quarter last year. Lending volumes increased 6% and all lending spreads were higher than the same period last year. Deposit volumes have decreased NOK 12bn compared to last year, mainly related to CIB. Deposit spreads have fallen significantly in Households and Corporate Retail, while CIB and shipping deposit spreads experienced slight increases compared to the same period last year.

Net fee and commission income fell 2% compared to the first half year 2011, however adjusted for the positive one-time effect in the second quarter last year, there would be a rise of 2% compared to the first half year 2011.

Net result from items at fair value increased by 7% compared to the same period last year.

Income from companies accounted for under the equity method was NOK 115m and other income was NOK 111m.

Expenses

Total expenses fell 1% to NOK 2,544m compared to the same period last year. Staff costs increased 3%, despite lower FTEs, as strong results from customer activities in Markets lead to higher performance related salaries. Other expenses dropped 9% compared to the same period last year, mainly related to IT and consultancy costs.

Net loan losses

Net loan losses were NOK 449m, a 42% decline compared

to the same period last year. This corresponds to an annualised loan loss ratio of 18 basis points against 35 basis points in first half of 2011. Individual net loan losses amounted to 13 basis points annualised, and net collective provisions amounted to 5 basis points annualised.

Taxes

The effective tax rate in the first half year was 27.5% compared to 27.6% last year.

Net profit

Net profit climbed 45% compared to last year due to higher total income, reduced costs and lower net loan losses, corresponding to a return on equity of 15.0% annualised.

Other information

Credit portfolio

Total lending to the public was NOK 475bn, a 2% increase compared to the previous quarter and up 6% compared to one year ago.

Impaired loans gross are stable compared to the first quarter 2012 and ended at NOK 3,761m including off balance sheet impaired items of NOK 28m. This corresponds to 73 basis points of total gross lending at the beginning of the year. 31% of impaired loans gross are performing loans and 69% are non-performing loans. Impaired loans net, after allowances, amounted to NOK 2,012m. This corresponds to 39 basis points of total net lending at the beginning of the year.

The industries with the largest provision were Shipping and offshore, Metals and mining materials, and Construction and engineering.

Balance Sheet

Total assets in the balance sheet grew 5% compared to the first quarter and 18% compared to one year ago, ending at NOK 612bn. The increase from prior quarter is driven by lending to credit institutions with the main counterparty being within the Nordea group. Compared to one year ago, the increase is driven by loans to credit institutions, lending to the public, and interest bearing securities. Lending to the public increased 6%, and was driven by CIB and Retail Banking, both Corporate and Household. Interest bearing securities increased 67% as a part of NBN's liquidity buffer management strategy.

Deposits from credit institutions is mainly funding from other banks within the Nordea group and increased 14% compared to prior period and 37% compared to one year ago. Debt securities grew 5% compared to the first quarter and 70% compared to one year ago in line with Nordea's strategy to secure funding from sources other than deposits. Deposits from the public fell 5% compared to previous quarter and one year ago, mainly driven by the extreme competition for corporate customers in Retail

Banking and CIB.

Equity remains at healthy levels and has increased 4% compared to prior quarter and 9% compared to one year ago.

Capital position and risk-weighted assets

At the end of the second quarter, NBN's risk-weighted assets (RWA) were NOK 257bn excluding transition rules, down 0.5% compared to the previous quarter and down 1.3% compared to one year ago, when RWA were NOK 260bn. Compared to previous quarter, the change was mainly related to a decrease in the retail segment in the internal rating based approach and an increase in the institution segment in the standardised approach. RWA including transition rules amounted to NOK 335bn at the end of the second quarter.

The core tier 1 capital ratio excluding transition rules was 10.2%. The tier 1 capital ratio and the total capital ratio excluding transition rules were 12.1% respectively 13.5%. The capital base of NOK 35bn exceeds the capital requirements excluding transition rules by NOK 14bn. The tier 1 capital of NOK 31bn exceeds the capital requirements excluding transitions rules by NOK 11bn. Core tier 1 capital amounts to NOK 26bn. The hybrid capital constitutes 15.8% of tier 1 capital.

Nordea's funding and liquidity operations

The Norwegian covered bond issuance represented approximately NOK 2.7 bn. Included in the Norwegian covered bond issuance is a new NOK floating rate note maturing in June 2019.

For long-term funding risk, Nordea applies management of funding gap measures 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/CRD IV-liquid assets.

Quarterly development

NOKm	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Jan-Jun 2012	Jan-Jun 2011
Net interest income	2,266	2,305	2,207	2,074	1,961	4,571	4,068
Net fee and commission income	596	574	540	531	646	1,170	1,194
Net result from items at fair value	74	87	38	155	117	161	150
Profit from companies accounted for under the equity method	97	18	102	64	15	115	28
Other operating income	54	57	48	66	38	111	71
Total operating income	3,087	3,041	2,935	2,890	2,777	6,128	5,511
General administrative expenses:							
Staff costs	-752	-799	-646	-1,059	-730	-1,551	-1,504
Other expenses	-450	-454	-496	-466	-495	-904	-992
Depreciation of tangible and intangible assets	-47	-42	-41	-46	-35	-89	-73
Total operating expenses	-1,249	-1,295	-1,183	-1,571	-1,260	-2,544	-2,569
Profit before loan losses	1,838	1,746	1,752	1,319	1,517	3,584	2,942
Net loan losses	-273	-176	-434	-221	-247	-449	-777
Operating profit	1,565	1,570	1,318	1,098	1,270	3,135	2,165
Income tax expense	-410	-451	-334	-302	-343	-861	-598
Net profit for the period	1,155	1,119	984	796	927	2,274	1,567
Basic/diluted Earnings per share (EPS), NOK	2.09	2.03	1.78	1.44	1.68	4.12	2.84
EPS, rolling 12 months up to period end, NOK	7.35	6.94	6.07	6.33	6.73	7.35	6.73

Income statements

NOKm	Note	Q2 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Operating income						
Interest income		5,044	4,351	10,074	8,491	18,164
Interest expense		-2,778	-2,390	-5,503	-4,423	-9,815
Net interest income		2,266	1,961	4,571	4,068	8,349
Fee and commission income		789	857	1,546	1,589	3,124
Fee and commission expense		-193	-211	-376	-395	-859
Net fee and commission income	3	596	646	1,170	1,194	2,265
Net result from items at fair value	4	74	117	161	150	343
Profit from companies accounted for under the equity method		97	15	115	28	194
Other operating income		54	38	111	71	185
Total operating income		3,087	2,777	6,128	5,511	11,336
Operating expenses						
General administrative expenses:						
Staff costs		-752	-730	-1,551	-1,504	-3,209
Other expenses	5	-450	-495	-904	-992	-1,954
Depreciation, amortisation and impairment charges of tangible and intangible assets		-47	-35	-89	-73	-160
Total operating expenses		-1,249	-1,260	-2,544	-2,569	-5,323
Profit before loan losses		1,838	1,517	3,584	2,942	6,013
Net loan losses	6	-273	-247	-449	-777	-1,432
Operating profit		1,565	1,270	3,135	2,165	4,581
Income tax expense		-410	-343	-861	-598	-1,234
Net profit for the period		1,155	927	2,274	1,567	3,347
Attributable to:						
Shareholder of Nordea Bank Norge ASA		1,157	925	2,274	1,564	3,341
Non-controlling interests		-2	2	0	3	6
Total		1,155	927	2,274	1,567	3,347
Basic/diluted earnings per share, NOK		2.09	1.68	4.12	2.84	6.07

Statements of comprehensive income

NOKm	Q2 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Net profit for the period	1,155	927	2,274	1,567	3,347
Currency translation differences during the period	0	0	-2	-2	1
Available-for-sale investments:					
Valuation gains/losses during the period	-45	0	39	0	0
Tax on valuation gains/losses during the period	12	0	-11	0	0
Transferred to profit or loss on sale for the period	10	0	6	0	0
Tax on transfers to profit or loss on sale for the period	-3	0	-2	0	0
Other comprehensive income, net of tax	-26	0	30	-2	1
Total comprehensive income	1,129	927	2,304	1,565	3,348
Attributable to:					
Shareholder of Nordea Bank Norge ASA	1,129	925	2,304	1,562	3,342
Non-controlling interests	0	2	0	3	6
Total	1,129	927	2,304	1,565	3,348

Balance sheets

NOKm	Note	30 Jun 2012	31 Dec 2011	30 Jun 2011
Assets				
Cash and balances with central banks		550	5,299	575
Loans to credit institutions	7	37,602	26,943	7,913
Loans to the public	7	474,909	464,403	446,006
Interest-bearing securities		85,064	75,591	51,449
Shares		569	1,645	2,092
Derivatives	10	2,547	5,803	693
Fair value changes of the hedged items in portfolio hedge of interest rate risk		656	658	598
Investments in associated undertakings		1,392	1,277	1,111
Intangible assets		472	461	458
Property and equipment		317	303	299
Investment property		89	0	0
Deferred tax assets		233	269	1,197
Other assets		4,443	3,888	4,680
Prepaid expenses and accrued income		2,846	2,773	2,521
Total assets		611,689	589,313	519,592
Liabilities				
Deposits by credit institutions		276,002	239,470	201,236
Deposits and borrowings from the public		216,607	223,195	228,203
Debt securities in issue		61,812	51,471	36,331
Derivatives	10	2,021	2,005	3,564
Fair value changes of the hedged items in portfolio hedge of interest rate risk		847	618	3
Current tax liabilities		943	198	534
Other liabilities		7,863	28,583	7,379
Accrued expenses and prepaid income		3,619	2,368	3,328
Provisions		451	512	581
Retirement benefit obligations		1,108	1,087	876
Subordinated liabilities		9,353	9,394	8,936
Total liabilities		580,626	558,901	490,971
Equity				
Non-controlling interests		0	9	7
Share capital		3,860	3,860	3,860
Share premium reserve		953	953	953
Other reserves		32	0	0
Retained earnings		26,218	25,590	23,801
Total equity		31,063	30,412	28,621
Total liabilities and equity		611,689	589,313	519,592
Assets pledged as security for own liabilities		154,556	132,931	123,907
Contingent liabilities		1,647	1,703	1,729
Commitments		96,162	130,906	118,997

Statement of changes in equity

NOKm	Share capital ¹	Share premium reserve	Other reserves	Retained earnings	Non-controlling interests	Total equity
Opening balance at 1 Jan 2012	3,860	953	0	25,590	9	30,412
Total comprehensive income			32	2,272		2,304
Share-based payments ²				3		3
Dividend for 2011				-1,600	-6	-1,606
Other changes				-47	-3	-50
Closing balance at 30 Jun 2012	3,860	953	32	26,218	0	31,063

NOKm	Share capital ¹	Share premium reserve	Other reserves	Retained earnings	Non-controlling interests	Total equity
Opening balance at 1 Jan 2011	3,860	953	0	24,742	8	29,563
Total comprehensive income				3,342	6	3,348
Share-based payments ²				11		11
Dividend for 2010				-2,500	-5	-2,505
Other changes				-5		-5
Closing balance at 31 Dec 2011	3,860	953	0	25,590	9	30,412

NOKm	Share capital ¹	Share premium reserve	Other reserves	Retained earnings	Non-controlling interests	Total equity
Opening balance at 1 Jan 2011	3,860	953	0	24,742	8	29,563
Total comprehensive income				1,562	3	1,565
Share-based payments ²				4		4
Dividend for 2010				-2,500	-4	-2,504
Other changes				-7		-7
Closing balance at 30 Jun 2011	3,860	953	0	23,801	7	28,621

¹ Total shares registered were 551m (31 Dec 2011: 551m, 30 Jun 2011: 551m).

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

Cash flow statement

NOKm	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Operating activities			
Operating profit	3,135	2,165	4,581
Adjustments for items not included in cash flow	1,536	1,241	1,730
Income taxes paid	-64	-2,483	-2,528
Cash flow from operating activities before changes in operating assets and liabilities	4,607	923	3,783
Changes in operating assets and liabilities	-9,834	-11,776	-4,167
Cash flow from operating activities	-5,227	-10,853	-384
Investing activities			
Acquisition of property and equipment	-56	-45	-98
Dividend from associated undertakings	0	116	116
Sale of property and equipment	36	0	63
Acquisition of intangible assets	-58	-69	-113
Sale of intangible assets	-3	0	0
Cash flow from investing activities	-81	2	-33
Financing activities			
Other changes in equity	-12	-7	6
Issued Subordinate debt	-41	0	-148
Dividend paid	-1,600	-2,500	-2,500
Cash flow from financing activities	-1,653	-2,507	-2,642
Cash flow for the period	-6,961	-13,358	-3,059
Cash and cash equivalents at beginning of period	16,940	20,011	20,011
Translation difference	-2	-6	-12
Cash and cash equivalents at end of period	9,977	6,647	16,940
Change	-6,961	-13,358	-3,059
Cash and cash equivalents	30 Jun	30 Jun	31 Dec
The following items are included in cash and cash equivalents (NOKm):	<u>2012</u>	<u>2011</u>	<u>2011</u>
Cash and balances with central banks	550	575	5,299
Loans to credit institutions, payable on demand	9,427	6,072	11,641

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 Standards Interpretations Committee (IFRS IC), as endorsed by the EU Commission.

These statements are presented in accordance with IAS 34 Interim Financial Reporting.

As a result of rounding adjustments, the figures in one or more columns or rows included in the financial statements may not add up to the total of that column or row.

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2011 Annual Report, except for the categorisation of commissions within Note 3 Net fee and commission income. This change is further described below.

Categorisation of commissions

The categorisation of commission income and expense within "Net fee and commission income" has been changed. Similar classes of commissions have been consolidated through that commissions received for securities issues, corporate finance activities and issuer services have been reclassified from "Payments" and "Other commission income" to the renamed lines "Brokerage, securities issues and corporate finance" and "Custody and issuer services". The comparable figures have been restated accordingly and are disclosed in the below table.

NOKm	Q2 2011		Jan-Dec 2011		Jan-Jun 2011	
	New Policy	Old policy	New Policy	Old policy	New Policy	Old policy
Fee and commission income						
Brokerage securities issues and corporate finance	168	161	493	471	281	272
Custody and issuer services	58	38	223	144	108	72
Deposits	8	10	45	52	13	18
Payments	91	85	364	342	179	169
Other commission income	88	119	137	253	119	169
Fee and commission expense						
Savings and investments	-30	0	-121	0	-63	0
Payments	-63	-155	-252	-626	-113	-284
Cards	-92	0	-374	0	-170	0
Lending	-14	0	-51	0	-25	0
Other commission expense	-12	-56	-61	-233	-24	-111

Exchange rates

EUR 1 = NOK	Jan-Jun 2012	Jan-Dec 2011	Jan-Jun 2011
Income statement (average)	7.5740	7.7946	7.8252
Balance sheet (at end of period)	7.5330	7.7540	7.7875
USD 1 = NOK			
Income statement (average)	5.8424	5.6049	5.5806
Balance sheet (at end of period)	5.9833	5.9927	5.3882
SEK 1 = NOK			
Income statement (average)	0.8528	0.8635	0.8755
Balance sheet (at end of period)	0.8587	0.8701	0.8489
DKK 1 = NOK			
Income statement (average)	1.0187	1.0462	1.0495
Balance sheet (at end of period)	1.0134	1.0430	1.0441

Note 2 - Segment reporting¹

	Wholesale Banking																Total Group			
	Retail Banking NO		CIB Norway		Shipping, Offshore & Oil Services		Other Wholesale ⁵		Group Corporate Centre		Other segments ⁵		Total Operating segments		Reconcilia- tion ²					
	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun	Jan- Jun		
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011		
Total operat- ing income, NOKm	4,547	3,672	968	912	842	859	557	506	978	539	-220	-169	7,672	6,319	-1,544	-808	6,128	5,511		
Operating profit, NOKm ³	2,368	1,374	648	264	514	600	182	131	869	426	-295	-150	4,286	2,645	-1,151	-480	3,135	2,165		
Loans to the public, NOKbn	383	363	32	24	54	52	6	7	0	0	0	0	475	446	0	0	475	446		
Deposits and borrowings from the pub- lic, NOKbn	164	166	33	39	16	16	4	7	0	0	0	0	217	228	0	0	217	228		

Reconciliation between total operating segments and financial statements

	Total operating income, NOKm ^{1,4}		Operating profit, NOKm ^{1,4}		Loans to the public, NOKbn		Deposits and borrowings from the public, NOKbn	
	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun
	2012	2011	2012	2011	2012	2011	2012	2011
Total Operating segments	7,672	6,319	4,286	2,645	475	446	217	228
Reconciliation ²	-548	-90	-513	-95	0	0	0	0
Eliminations	-78	-52	0	0	0	0	0	0
Differences in accounting policies ³	0	0	0	0	0	0	0	0
Differences in accounting policies between the segments and the group regarding Markets ⁴	-918	-666	-638	-385	0	0	0	0
Total	6,128	5,511	3,135	2,165	475	446	217	228

¹ As from the third quarter 2011 the segment reporting has been changed as a consequence of organisational changes. Comparative information has been restated accordingly.

² Consists of Group Executive Management, Group Internal Audit, Group Risk Management, Group Human Resources, Group Identity and Communications, Sundry units incl Nordea Eiendomskredit, eliminations and allocations related to Markets as per footnote 4 below.

³ Internally developed and bought software have previously been expensed as incurred in the operating segments but capitalised, as required by IAS 38, in the group's balance sheet. As from the first quarter 2012 internally developed and bought software are capitalised directly in the operating segments. Comparative information has been restated accordingly.

⁴ In the segment reporting the results from Markets' and Savings and Assets Management operations are allocated to the operating segments as if they were the counterparts in the customer transactions. In the financial statements the results are recognised where the legal agreements with the customers have been established.

⁵ Other segments consists of Wealth Management and Group Operations & Other Lines of Business (GOOLB). In the reporting results, net interest income, net commission income and other income/ex-penses are presented after allocations from other operating segments for services received or rendered from Wealth and GOOLB as if they were the counterparts in the transactions. In the financial statements the results are recognised where the legal agreements with the customer are established. This practice is also used within Transaction Products which is reported within Other Wholesale.

Measurement of operating segments' performance

The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision Maker (CODM), as required by IFRS 8. In Nordea the CODM has been defined as Group Executive Management. The main differences compared to the business area reporting are that the information to CODM is prepared using plan rates and that different allocation principles between operating segments have been applied.

Compared with the 2011 Annual Report there have been no changes in the measurement of segment profit or loss.

Reportable Operating segments

Retail Banking conducts a full service banking operation. It is Nordea's largest customer area and serves household customers and corporate customers in the Nordic market. Customers within Retail Banking are offered a complete range of banking products and services including account products, transaction products, market products and insurance products. Corporate & Institutional Banking is a customer oriented organisation serving the largest globally operating corporates. The segment Shipping Offshore & Oil Services is responsible for Nordea's customers within the shipping, offshore and oil services industries. Nordea provides tailor-made solutions and syndicated loan transactions within this area. The segment Wealth Management is responsible for delivering savings, products and services in private banking, institutional asset management and large corporate pension customers. The segment GOOLB supports the Group in realizing greater efficiencies and governs Nordea Finance. The segment Group Corporate Center is responsible for strategy, the finance function and obtaining funding for the Group.

Note 3 - Net fee and commission income

NOKm	Q2 2012	Q1 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Asset Management commissions	16	16	17	32	35	65
Life insurance	17	17	15	34	30	60
Brokerage, securities issues and corporate finance ¹	118	114	168	232	281	493
Custody and issuer services ¹	54	48	58	102	108	223
Deposits ¹	16	14	8	30	13	45
Total savings and investments	221	209	266	430	467	886
Payments ¹	93	93	91	186	179	364
Cards	202	191	199	393	374	801
Total payment and cards	295	284	290	579	553	1,165
Lending ¹	230	224	192	454	407	849
Guarantees and documentary payments	19	19	21	38	43	87
Total lending related commissions	249	243	213	492	450	936
Other commission income ¹	24	21	88	45	119	137
Fee and commission income	789	757	857	1,546	1,589	3,124
Savings and investments ¹	-33	-32	-30	-65	-63	-121
Payments ¹	-63	-53	-63	-116	-113	-252
Cards ¹	-83	-83	-92	-166	-170	-374
Lending ¹	-1	-1	-14	-2	-25	-51
Other commission expenses ¹	-13	-14	-12	-27	-24	-61
Fee and commission expenses	-193	-183	-211	-376	-395	-859
Net fee and commission income	596	574	646	1,170	1,194	2,265

¹Restated. The categorisation of commission income and expense within "Net fee and commission income" has been changed. See note 1 Accounting policies for further details.

Note 4 - Net result from items at fair value

NOKm	Q2 2012	Q1 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Shares/participations and other share-related instruments	-2	7	118	5	118	148
Interest-bearing securities and other interest-related instruments	62	18	-62	80	-82	13
Foreign exchange gains/losses	14	62	61	76	114	182
Total	74	87	117	161	150	343

Note 5 - Other expenses

NOKm	Q2 2012	Q1 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Information technology	141	139	151	280	321	614
Marketing and entertainment	40	28	38	68	70	152
Postage, transportation, telephone and office expenses	55	56	56	111	107	208
Rents, premises and real estate expenses	107	105	109	212	218	457
Other	107	126	141	233	276	523
Total	450	454	495	904	992	1,954

Note 6 - Net loan losses

NOKm	Q2 2012	Q1 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Loan losses divided by class						
Loans to credit institutions	0	0	0	0	0	11
- of which write-offs	0	0	0	0	-22	-24
- of which allowances used for covering write-offs	0	0	0	0	22	22
- of which recoveries	0	0	0	0	0	13
Loans to the public	-259	-174	-256	-433	-778	-1,443
- of which provisions	-259	-256	-229	-515	-796	-1,752
- of which write-offs	-222	-130	-1,242	-352	-1,430	-2,345
- of which allowances used for covering write-offs	137	110	1,098	247	1,228	2,101
- of which reversals	79	91	110	170	203	543
- of which recoveries	6	11	7	17	17	10
Off-balance sheet items	-14	-2	9	-16	1	0
- of which provisions	-16	-5	8	-21	-1	-3
- of which reversals	2	3	1	5	2	3
Total	-273	-176	-247	-449	-777	-1,432

Key ratios

	Q2 2012	Q1 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Loan loss ratio, basis points ¹	22	14	22	18	35	32
- of which individual	21	5	27	13	37	38
- of which collective	1	9	-5	5	-2	-6

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

Note 7 - Loans and their impairment

NOKm	Total			
	30 Jun 2012	31 Mar 2012	31 Dec 2011	30 Jun 2011
Loans, not impaired	510,900	483,685	489,331	452,396
Impaired loans	3,733	3,734	4,014	3,719
- Performing	1,161	1,498	1,469	1,152
- Non-performing	2,572	2,236	2,545	2,567
Loans before allowances	514,633	487,419	493,345	456,115
Allowances for individually assessed impaired loans	-1,721	-1,644	-1,709	-1,702
- Performing	-509	-494	-420	-416
- Non-performing	-1,212	-1,150	-1,289	-1,286
Allowances for collectively assessed impaired loans	-401	-399	-290	-494
Allowances	-2,122	-2,043	-1,999	-2,196
Loans, carrying amount	512,511	485,376	491,346	453,919

NOKm	Central banks and credit institutions				The public			
	30 Jun 2012	31 Mar 2012	31 Dec 2011	30 Jun 2011	30 Jun 2012	31 Mar 2012	31 Dec 2011	30 Jun 2011
Loans, not impaired	37,602	17,975	26,943	7,913	473,298	465,710	462,388	444,483
Impaired loans	0	0	0	0	3,733	3,734	4,014	3,719
- Performing	0	0	0	0	1,161	1,498	1,469	1,152
- Non-performing	0	0	0	0	2,572	2,236	2,545	2,567
Loans before allowances	37,602	17,975	26,943	7,913	477,031	469,444	466,402	448,202
Allowances for individually assessed impaired loans	0	0	0	0	-1,721	-1,644	-1,709	-1,702
- Performing	0	0	0	0	-509	-494	-420	-416
- Non-performing	0	0	0	0	-1,212	-1,150	-1,289	-1,286
Allowances for collectively assessed impaired loans	0	0	0	0	-401	-399	-290	-494
Allowances	0	0	0	0	-2,122	-2,043	-1,999	-2,196
Loans, carrying amount	37,602	17,975	26,943	7,913	474,909	467,401	464,403	446,006

Allowances and provisions

NOKm	30 Jun 2012	31 Mar 2012	31 Dec 2011	30 Jun 2011
Allowances for items in the balance sheet	-2,122	-2,043	-1,999	-2,196
Provisions for off balance sheet items	-26	-16	-13	-12
Total allowances and provisions	-2,148	-2,059	-2,012	-2,208

Key ratios

	30 Jun 2012	31 Mar 2012	31 Dec 2011	30 Jun 2011
Impairment rate, gross ¹ , basis points	73	77	81	82
Impairment rate, net ² , basis points	39	43	47	44
Total allowance rate ³ , basis points	41	42	41	48
Allowances in relation to impaired loans ⁴	46	44	43	46
Total allowances in relation to impaired loans ⁵	57	55	50	59

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

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

³ Total allowances divided by total loans before allowances.

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

⁵ Total allowances divided by total impaired loans before allowances.

Note 8 - Classification of financial instruments

NOKm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss		Derivatives used for hedging	Available for sale	Total
			Held for trading	Designated at fair value through profit or loss			
Financial assets							
Cash and balances with central banks	550	0	0	0	0	0	550
Loans to central banks and credit institutions	35,569	0	0	2,033	0	0	37,602
Loans to the public	471,593	0	1,893	1,423	0	0	474,909
Interest-bearing securities	30	7,487	48,879	0	0	28,668	85,064
Shares	0	0	500	0	0	69	569
Derivatives	0	0	773	0	1,774	0	2,547
Fair value changes of the hedged items in portfolio							
hedge of interest rate risk	656	0	0	0	0	0	656
Other assets	738	0	0	3,699	0	0	4,437
Prepaid expenses and accrued income	2,516	0	0	250	0	0	2,766
Total 30 Jun 2012	511,652	7,487	52,045	7,405	1,774	28,737	609,100
Total 31 Dec 2011	494,811	11,827	49,803	6,822	1,689	21,940	586,892
Total 30 Jun 2011	454,624	14,099	41,779	5,766	68	79	516,415

	Financial liabilities at fair value through profit or loss		Derivatives used for hedging	Other financial liabilities	Total
	Held for trading	Designated at fair value through profit or loss			
NOKm					
Financial liabilities					
Deposits by credit institutions	0	580	0	275,422	276,002
Deposits and borrowings from the public	0	240	0	216,367	216,607
Debt securities in issue	0	0	0	61,812	61,812
Derivatives	1,007	0	1,014	0	2,021
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	0	0	847	847
Other liabilities	1,661	4,484	0	1,642	7,787
Accrued expenses and prepaid income	0	245	0	2,575	2,820
Subordinated liabilities	0	0	0	9,353	9,353
Total 30 Jun 2012	2,668	5,549	1,014	568,018	577,249
Total 31 Dec 2011	3,088	12,094	1,057	540,004	556,243
Total 30 Jun 2011	3,734	14,491	1,691	468,257	488,173

Note 9 - Financial instruments

Determination of fair value from quoted market prices or valuation techniques

30 Jun 2012, NOKm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets				
Loans to credit institutions	0	2,033	0	2,033
Loans to the public	0	3,316	0	3,316
Interest-bearing securities	57,758	19,789	0	77,547
Shares	445	0	124	569
Derivatives	7	2,540	0	2,547
Other assets	0	3,699	0	3,699
Prepaid expenses and accrued income	0	250	0	250
Liabilities				
Deposits by credit institutions	0	580	0	580
Deposits and borrowings from the public	0	240	0	240
Derivatives	4	2,017	0	2,021
Other liabilities	0	6,145	0	6,145
Accrued expenses and prepaid income	0	245	0	245

Note 10 - Derivatives

Fair value NOKm	30 Jun 2012		31 Dec 2011		30 Jun 2011	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Derivatives held for trading						
Interest rate derivatives	321	486	284	664	95	241
Equity derivatives	57	9	74	13	65	99
Foreign exchange derivatives	396	512	3,741	256	455	1,523
Other derivatives	0	0	15	15	10	10
Total	774	1,007	4,114	948	625	1,873
Derivatives used for hedging						
Interest rate derivatives	566	1,014	462	1,057	68	1,263
Foreign exchange derivatives	1,207	0	1,227	0	0	428
Total	1,773	1,014	1,689	1,057	68	1,691
Total fair value						
Interest rate derivatives	887	1,500	1,973	1,721	163	1,504
Equity derivatives	57	9	74	13	65	99
Foreign exchange derivatives	1,603	512	3,741	256	455	1,951
Other derivatives	0	0	15	15	10	10
Total	2,547	2,021	5,803	2,005	693	3,564
Nominal amount						
NOKm					30 Jun 2012	31 Dec 2011 30 Jun 2011
Derivatives held for trading						
Interest rate derivatives					292,494	201,868 114,949
Equity derivatives					685	1,779 2,475
Foreign exchange derivatives					133,742	143,294 114,091
Other derivatives					0	200 200
Total					426,921	347,141 231,715
Derivatives used for hedging						
Interest rate derivatives					68,152	42,929 31,794
Foreign exchange derivatives					17,940	16,759 0
Total					86,092	59,688 31,794
Total nominal amount						
Interest rate derivatives					360,646	244,797 146,743
Equity derivatives					685	1,779 2,475
Foreign exchange derivatives					151,682	160,053 114,091
Other derivatives					0	200 200
Total					513,013	406,829 263,509

Note 11 - Capital adequacy

Capital Base

	30 Jun 2012	31 Dec 2011	30 Jun 2011
NOKm			
Core Tier 1 Capital ¹	26,235	26,302	24,355
Tier 1 capital ¹	31,169	31,239	25,918
Total capital base¹	34,785	35,016	32,579

¹Excluding profit for the period, except for year-end which is including profit.

	30 Jun 2012	30 Jun 2012	31 Dec 2011	31 Dec 2011	30 Jun 2011	30 Jun 2011
Capital requirement						
NOKm	Capital requirement	RWA	Capital requirement	RWA	Capital requirement	RWA
Credit risk	18,676	233,455	18,815	235,180	18,783	234,778
IRB	16,665	208,312	16,932	211,636	17,258	215,724
– of which corporate	13,022	162,780	12,886	161,077	13,058	163,220
– of which institutions	483	6,032	512	6,394	508	6,355
– of which retail	3,054	38,172	3,435	42,934	3,569	44,611
of which retail SME	103	1,286	122	1,521	146	1,823
of which retail real estate	2,276	28,446	2,481	31,015	2,474	30,925
of which retail other	675	8,440	832	10,398	949	11,863
– of which other	106	1,328	99	1,231	123	1,538
Standardised	2,011	25,143	1,883	23,544	1,525	19,054
– of which retail	472	5,898	446	5,579	438	5,478
– of which sovereign	24	303	31	382	20	246
– of which other	1,515	18,942	1,406	17,583	1,067	13,330
Market risk[*]	191	2,382	418	5,227	426	5,323
– of which trading book, Internal Approach	60	748	155	1,934	67	834
– of which trading book, Standardised Approach	131	1,634	263	3,293	359	4,489
Operational risk	1,690	21,125	1,615	20,193	1,615	20,193
Standardised	1,690	21,125	1,615	20,193	1,615	20,193
Sub total	20,557	256,962	20,848	260,600	20,824	260,294

Adjustment for transition rules

Additional capital requirement according to transition rules	6,247	78,085	5,485	68,563	3,947	49,341
Total	26,804	335,047	26,333	329,163	24,771	309,635

* Note that the comparison figures as of 31-Mar 2011 are not restated with respect to CRD III

Capital ratio excl. transition rules

	30 Jun 2012	31 Dec 2011	30 Jun 2011
Core Tier 1 ratio ¹ , %	10.2	10.1	9.4
Tier 1 capital ratio ¹ , %	12.1	12.0	10.0
Capital base ratio¹, %	13.5	13.4	12.5

¹Excluding profit for the period, except for year-end which is including profit.

Capital ratio incl. transition rules

	30 Jun 2012	31 Dec 2011	30 Jun 2011
Core Tier 1 ratio ¹ , %	7.8	8.0	7.9
Tier 1 capital ratio ¹ , %	9.3	9.5	8.4
Capital base ratio¹, %	10.4	10.6	10.5

¹Excluding profit for the period, except for year-end which is including profit.

Analysis of capital requirements

Exposure class, 30 Jun 2012	Average risk weight (%)	Capital requirement (NOKm)
Corporate IRB	58	13,022
Institutions IRB	11	483
Retail IRB	16	3,054
Sovereign	1	24
Other	29	2,093
Total credit risk	34	18,676

Note 12 - Risks and uncertainties

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

Nordea's main risk exposure is credit risk. The Group also assumes risks such as market risk, liquidity risk and operational risk. For further information on risk composition, see the Annual Report 2011.

The financial crisis and the deteriorating macroeconomic situation have not had a material impact on Nordea's financial position. However, the macroeconomic development remains uncertain, as communicated on page 3.

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

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

Note 13 - Related-party transactions

During March 2012 Nordea reduced its ownership in the teleinstallation company Relacom (Relacom Management AB) from 47.91% to 42.88% through sale of shares. The company is an associated company accounted for under the equity method, and a related party to Nordea.

During April 2012 Nordea further increased its ownership in the real estate company Privatmegleren from 67% to 100% through purchase of shares from minority shareholders. The company is a consolidated subsidiary, and a related party to Nordea.

Nordea Bank Norge ASA

Income statements

NOKm	Q2 2012	Q2 2011	Jan-Jun 2012	Jan-Jun 2011	Full year 2011
Operating income					
Interest income	4,151	3,825	8,391	7,551	15,941
Interest expense	-2,349	-2,130	-4,630	-4,051	-8,686
Net interest income	1,802	1,695	3,761	3,500	7,255
Fee and commission income	748	820	1,463	1,512	3,012
Fee and commission expense	-192	-196	-373	-368	-805
Net fee and commission income	556	624	1,090	1,144	2,207
Net result from items at fair value	83	251	168	17	140
Dividends and group contribution	300	116	312	116	124
Other operating income	61	53	131	103	228
Total operating income	2,802	2,739	5,462	4,880	9,954
Operating expenses					
General administrative expenses:					
Staff costs	-712	-695	-1,477	-1,435	-3,068
Other expenses	-427	-471	-860	-947	-1,883
Depreciation of tangible and intangible assets	-46	-36	-86	-72	-155
Total operating expenses	-1,185	-1,202	-2,423	-2,454	-5,106
Profit before loan losses	1,617	1,537	3,039	2,426	4,848
Net loan losses	-177	-212	-334	-719	-1,356
Operating profit	1,440	1,325	2,705	1,707	3,492
Income tax expense	-403	-335	-770	-439	-940
Net profit for the period	1,037	990	1,935	1,268	2,552

Nordea Bank Norge ASA

Balance sheets

NOKm	30 Jun 2012	31 Dec 2011	30 Jun 2011
Assets			
Cash and balances with central banks	550	5,289	575
Loans to credit institutions	71,493	56,552	32,781
Loans to the public	355,008	359,710	348,294
Interest-bearing securities	106,044	96,370	82,449
Shares	569	1,645	2,092
Derivatives	2,713	6,044	1,800
Fair value changes of the hedged items in portfolio hedge of interest rate risk	278	232	70
Investments in group undertakings	2,896	2,845	2,834
Investments in associated undertakings	417	417	417
Intangible assets	418	408	406
Property and equipment	305	301	296
Deferred tax assets	460	528	1,395
Current tax assets	0	23	0
Other assets	4,598	3,754	4,625
Prepaid expenses and accrued income	1,940	1,915	1,664
Total assets	547,689	536,033	479,698
Liabilities			
Deposits by credit institutions	276,050	239,494	201,251
Deposits and borrowings from the public	216,632	223,178	228,186
Debt securities in issue	2,003	2,505	1,001
Derivatives	3,446	3,310	3,275
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	0	3
Current tax liabilities	729	0	351
Other liabilities	8,178	28,653	7,516
Accrued expenses and prepaid income	2,723	1,259	2,486
Provisions	440	499	450
Retirement benefit obligations	1,073	1,048	844
Subordinated liabilities	9,353	9,394	8,936
Total liabilities	520,627	509,340	454,299
Equity			
Share capital	3,860	3,860	3,860
Share premium reserve	953	953	953
Other reserves	32	0	0
Retained earnings	22,217	21,880	20,586
Total equity	27,062	26,693	25,399
Total liabilities and equity	547,689	536,033	479,698
Assets pledged as security for own liabilities	76,402	68,709	58,666
Contingent liabilities	5,444	5,410	5,489
Commitments	176,432	187,597	128,066

Statement by the Chief Executive Officer and the Board of Directors

The Chief Executive Officer and the Board of Directors have today considered and approved the condensed consolidated interim report of Nordea Bank Norge ASA as at 30 June 2012 and for the first half year 2012 including condensed consolidated comparative figures as at 30 June 2011 and for the first half year 2011 (the interim report).

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Norwegian disclosure requirements for interim financial reports of listed and State-owned public limited companies. We consider the accounting policies applied to be appropriate. Accordingly, the interim report gives a true and fair view of the Group's assets, liabilities and financial position as at 30 June 2012 and as at 30 June 2011 and of the results of the Group's operations and cash flow for the first half year of 2012 and the first half year of 2011.

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

Oslo, 17 July 2012

Chief Executive Officer:

Gunn Wærsted
Managing Director

Board of Directors:

Ari Kaperi
Chairman

Fredrik Rystedt
Deputy chairman

Mary Helene Moe

Karin S. Thorburn

Steinar Nickelsen
Employee representative

Nordea Bank Norge ASA

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