



 Capital Markets Day 2013



Nordea Capital Markets Day

Shaping the future relationship bank

London, 6 March 2013



Making it possible

Disclaimer

This presentation 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 presentation 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.

Agenda

Registration and coffee **08.30-09.00**

- | | | |
|--|-------------------------|-------------|
| • Shaping the future relationship bank | Christian Clausen | 09.00-09.40 |
| • Financial plan and targets | Torsten Hagen Jørgensen | 09.40-10.20 |
| • Retail Banking | Michael Rasmussen | 10.20-10.50 |

Coffee break **10.50-11.10**

- | | | |
|------------------------------|--------------------|-------------|
| • Wholesale Banking | Casper von Koskull | 11.10-11.40 |
| • Wealth Management | Gunn Wærsted | 11.40-12.10 |
| • Credit risk management | Ari Kaperi | 12.10-12.25 |
| • Concluding remarks and Q&A | | 12.25-13.00 |



Shaping the future relationship bank

Christian Clausen, President and Group CEO



- **Leading platform in attractive markets**
- The relationship bank business model has delivered
- 2015 plan – Shaping the future relationship bank

Nordea has the leading Nordic platform

Key facts

■ Leading financial services platform in the Nordic region

- Largest total operating income (~EUR10.2bn in 2012)
- Market share leader across the region in both retail and corporate markets
- ~31,500 employees

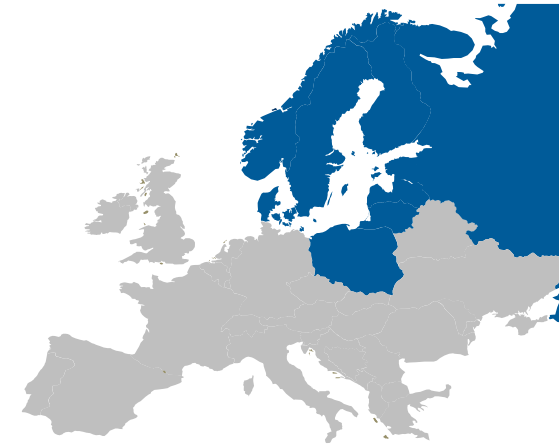
■ Superior customer franchise

- ~11m personal customers¹ of which ~3.2m Gold and Private Banking customers
- ~625,000 corporate and institutional customers

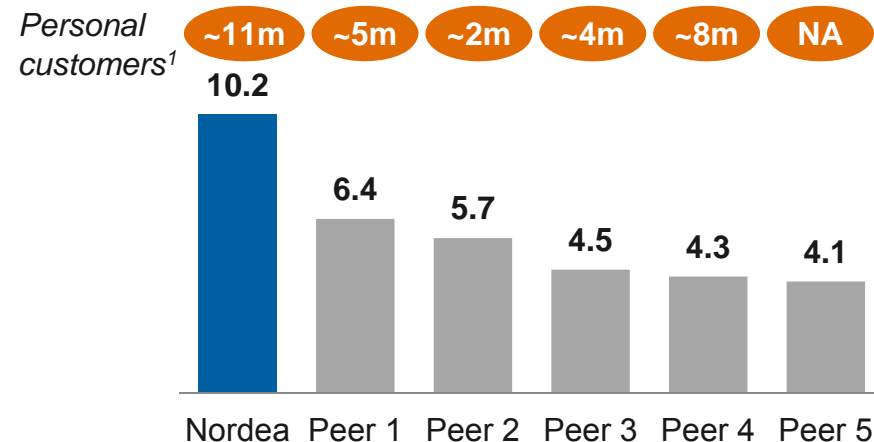
■ Strong distribution power

- ~1,000 branch locations
- Leading netbank and mobile banks

Nordea's geographic presence

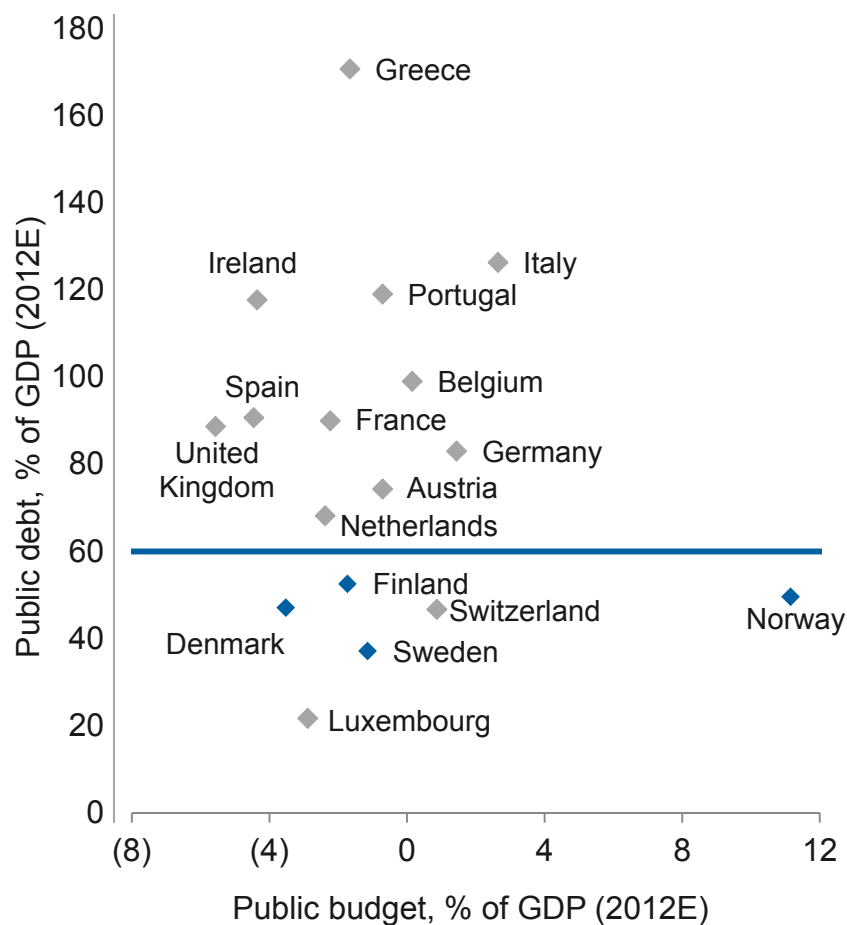


Operating income vs. Nordic peers, 2012, EURbn



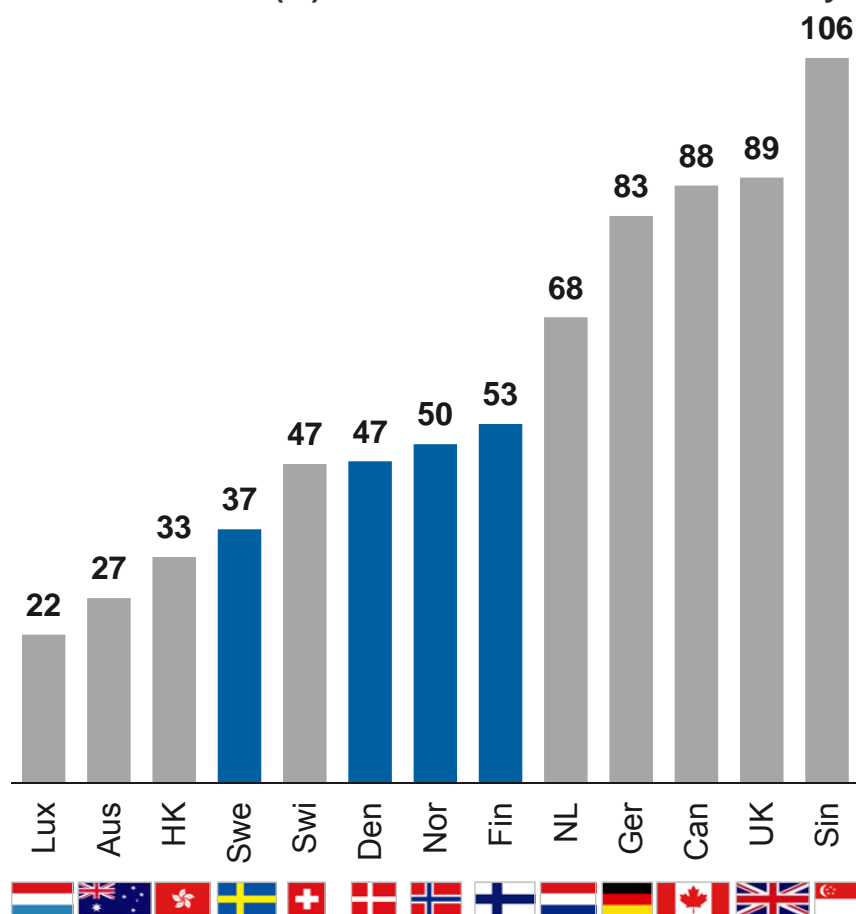
Nordic platform is macro economically sound...

State of public finances – Europe vs. Nordics



Nordic countries in AAA debt position

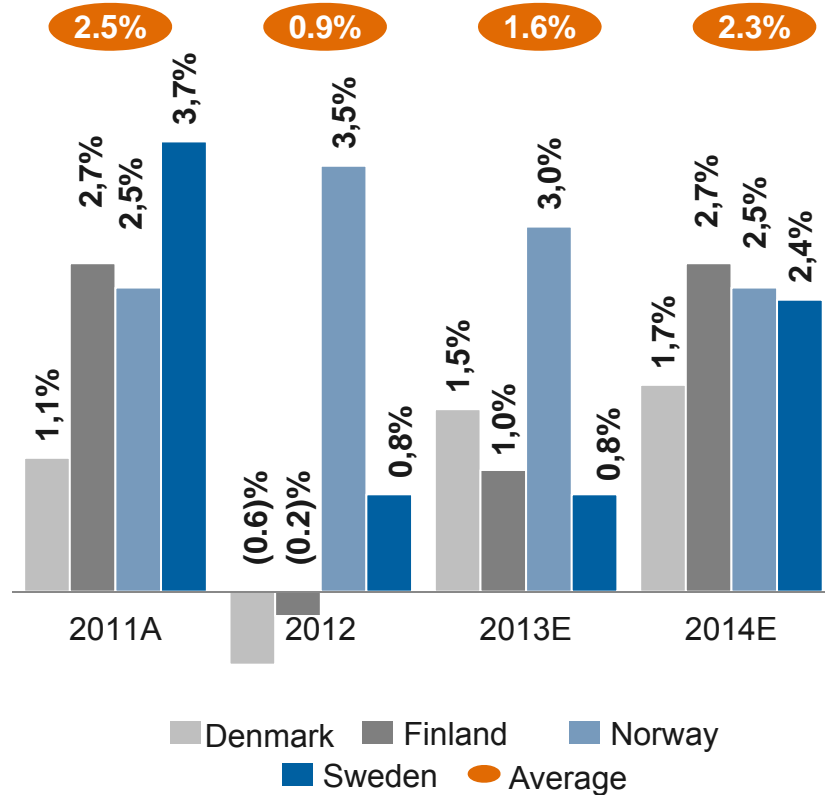
Gross Debt/GDP (%) for AAA Rated Countries Globally¹



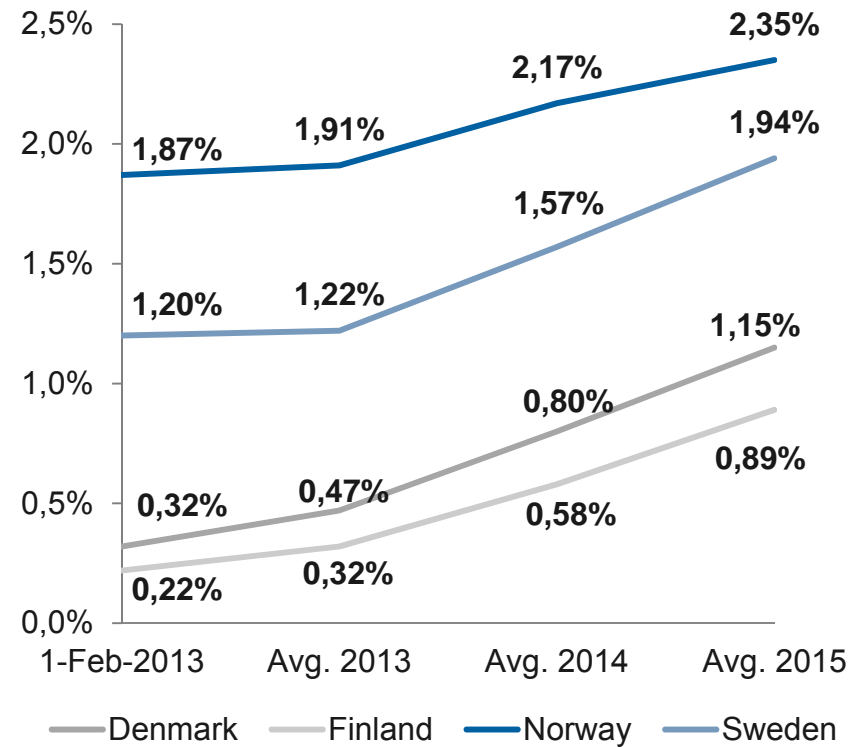
Note: AAA countries refers to S&P's credit ratings based on foreign currency
¹ Based on 2012E IMF estimates.

...and has some growth prospects

Nordic real GDP development, %



Nordic 3-month interest rates development, %

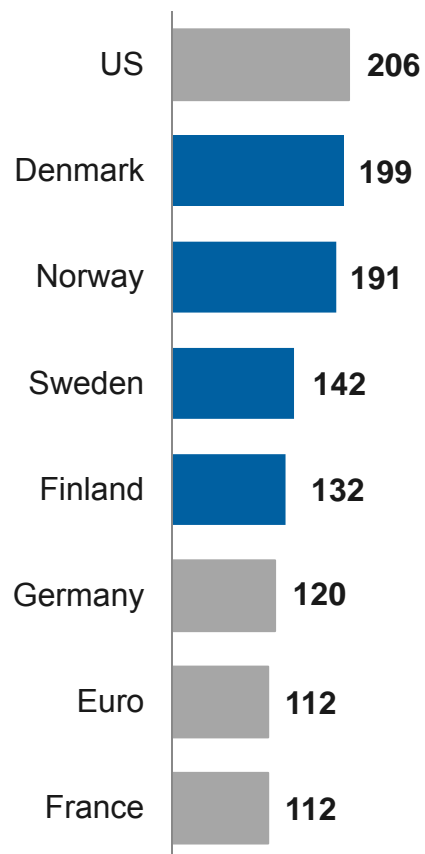


2015 Plan build on somewhat more conservative estimates

Nordic customers are sophisticated users of the banking system

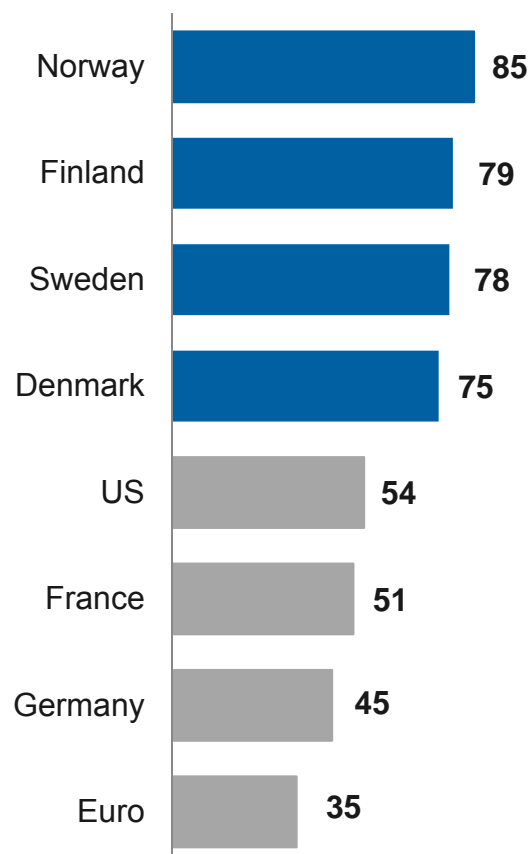
Banking volume per customer¹

2012 EUR '000



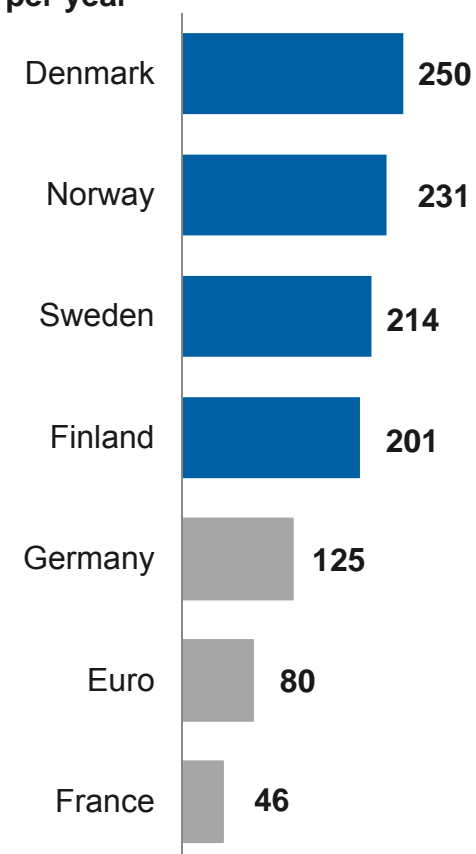
Online banking penetration

2011 or latest available, %



Card usage

2010, no. of transactions per card per year









- Leading platform in attractive markets
- **The relationship bank business model has delivered**
- 2015 plan – Shaping the future relationship bank

Nordea has a unique position in the Nordics

1 Superior customer franchise

	Retail Customers		Corporates & Institutions	
	No. of relationships (m)	Market position	No. of relationships ('000s)	Market position
Sweden 	4.2	#2-3	246	#1-2
Norway 	1.0	#2	87	#2
Finland 	3.2	#1-2	125	#1
Denmark 	1.7	#2	50	#1-2
Total Nordea	11.2	#1	625	#1

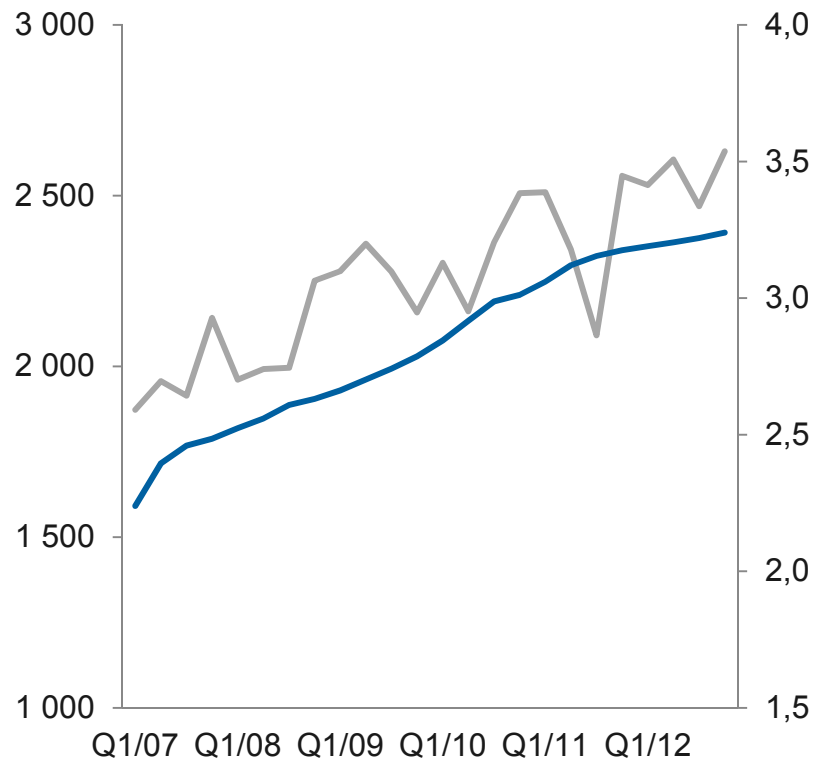
2 Global capabilities on par with international peers¹

Capital Markets #1	Asset Management #1
Life & Pension #1	Private Banking #1

Note: Illustration excludes Poland (668,000 total customers), Baltic's (406,700 total customers) and Russia (67,000 total customers)
1: Ranking in Nordic region

1 Superior customer franchise: Retail customers

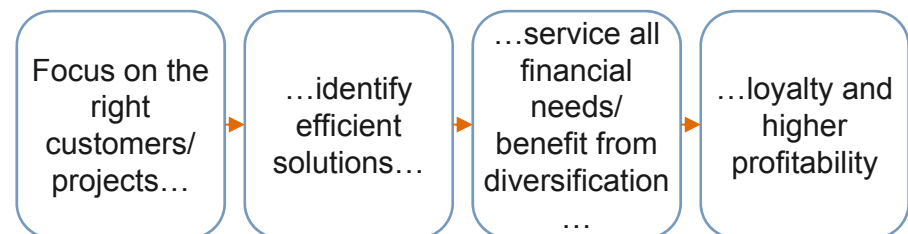
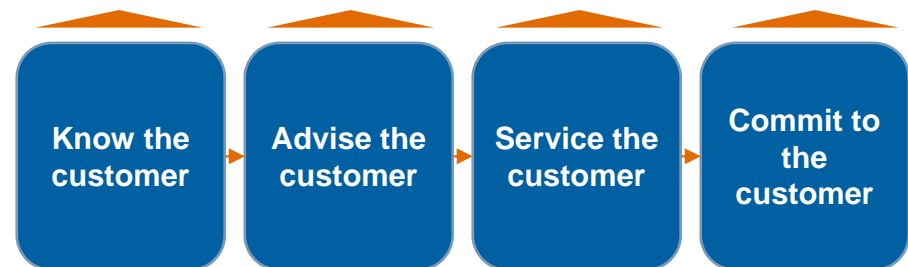
Gold and Private Banking customers and income



— Total operating income, EURm (LHS)
— Number of Gold and Private Banking customers, m (RHS)

Clear value proposition to relationship customers

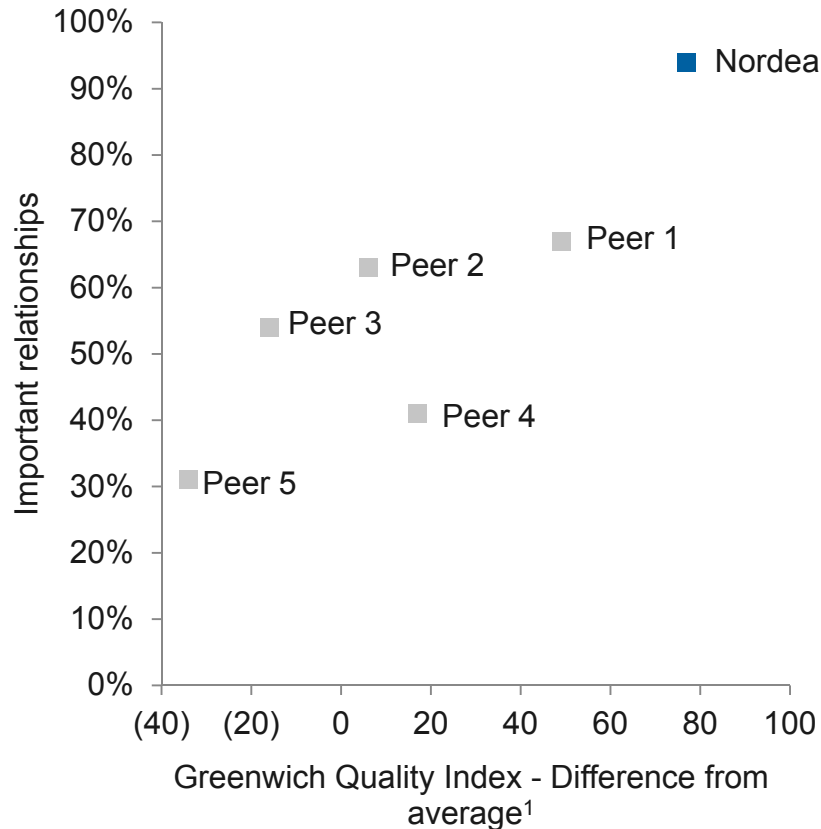
Customer's benefits



Bank's benefits

1 Superior customer franchise: Corporates and institutions

Large corporates evaluation of quality and relationship



Multi local presence

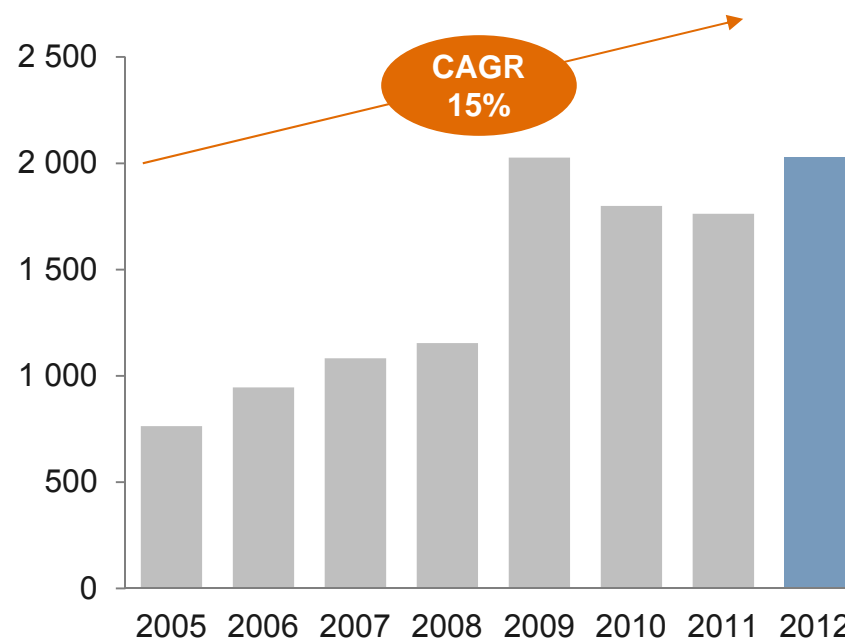
- Only bank with a substantial lead bank footprint in all markets
- Deep and intimate local presence
- Interaction on all levels with many touch-points
- Coordination of effort in customer teams
- Proactivity on all levels

2 Global capabilities: The leading Nordic Capital Markets operation

Product capabilities on par with int'l peers

- Very strong FICC capabilities
 - Covering all major needs for Nordic customers
 - Size and scale to support efficiency
 - Leveraged into Retail Banking
- Competitive Investment Banking and Equities capabilities
- Competitive working capital management capabilities
- Balance sheet to support transactions

Markets total income, EURm



#1 bookrunner in
Nordic corporate
bonds

#1 Nordic bank in
Nordic ECM

#1 Nordic bank in
Nordic M&A

#1 bookrunner in
Nordic
syndicated loans

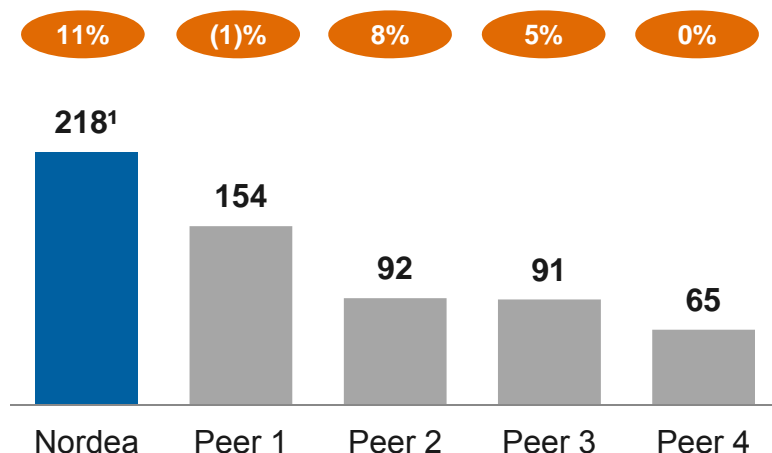
Most Award
Winning Equity
Broker Nordics

Leading Nordic
FX and interest
rate derivatives
franchises

2 Global capabilities: Largest and fastest growing Nordic Wealth Manager

Outperforming Nordic peers on size and growth

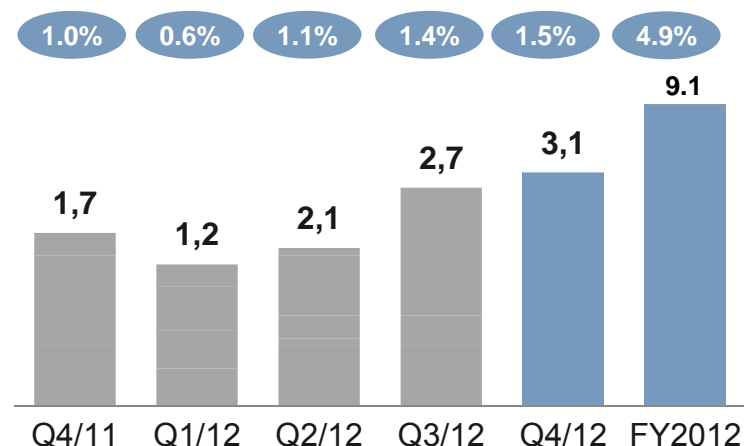
AuM EURbn Q4/12



Leading customer franchises

- Largest Nordic life & pensions provider by GWP
- Largest Nordic private bank with EUR69bn of AuM
- Largest Nordic international private bank, EUR11bn of AuM, with presence in Luxembourg, Switzerland and Singapore

Strong net inflow progression, EURbn



Global product capabilities

- Largest Nordic asset manager, EUR138bn of AuM
- Global Fund Distribution – Distributing through 14 of the 20 largest wealth managers globally
- Globally 7th largest fund promoter in Europe² 2012
- In house product offering supplemented by carefully selected external investment product offering

● CAGR 09/Q4-12/Q4
 ● Net inflow / AuM (BoP)

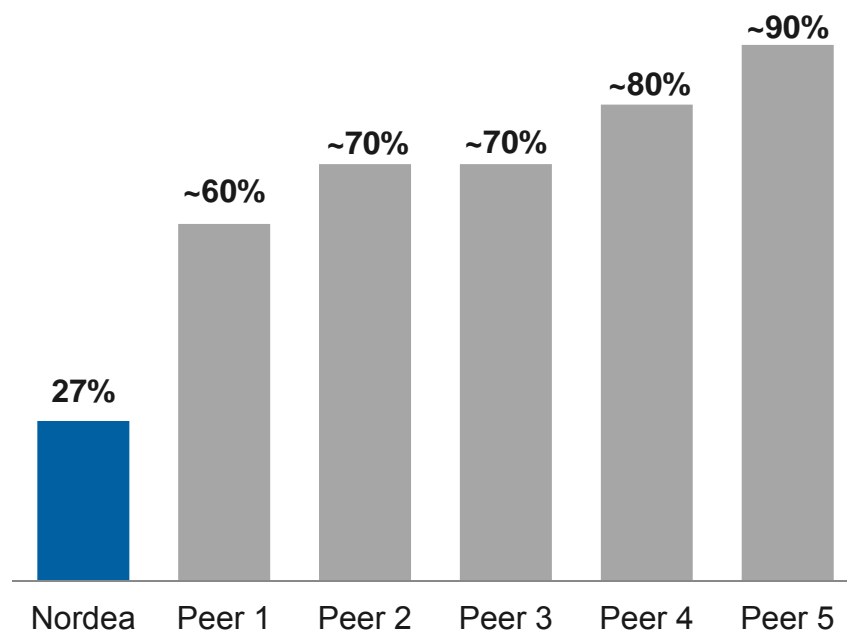
¹ EUR218bn – Nordea Group asset base including Private Banking advisory mandates and Nordea Life assets not managed by NAM.

² Morningstar Direct Asset Flows Commentary: Europe.

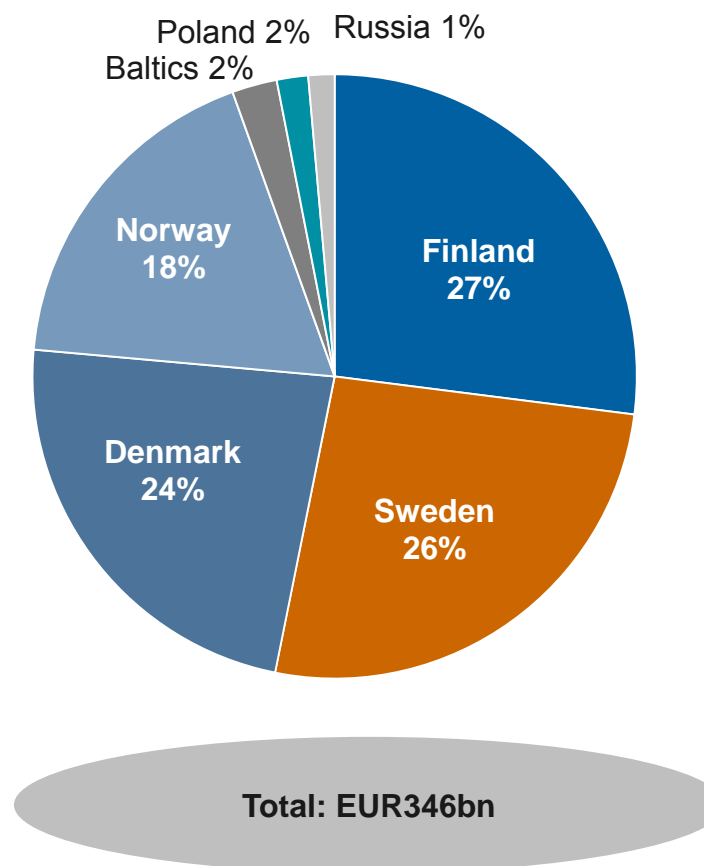
Nordea is the most diversified Nordic bank...

Geographic exposure vs. Nordic peers¹, %

Largest market contribution

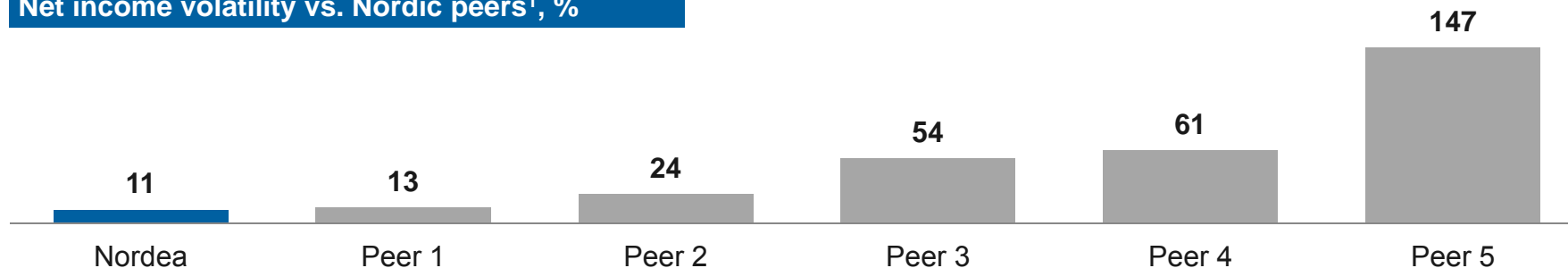


Total loans to public by geography, %

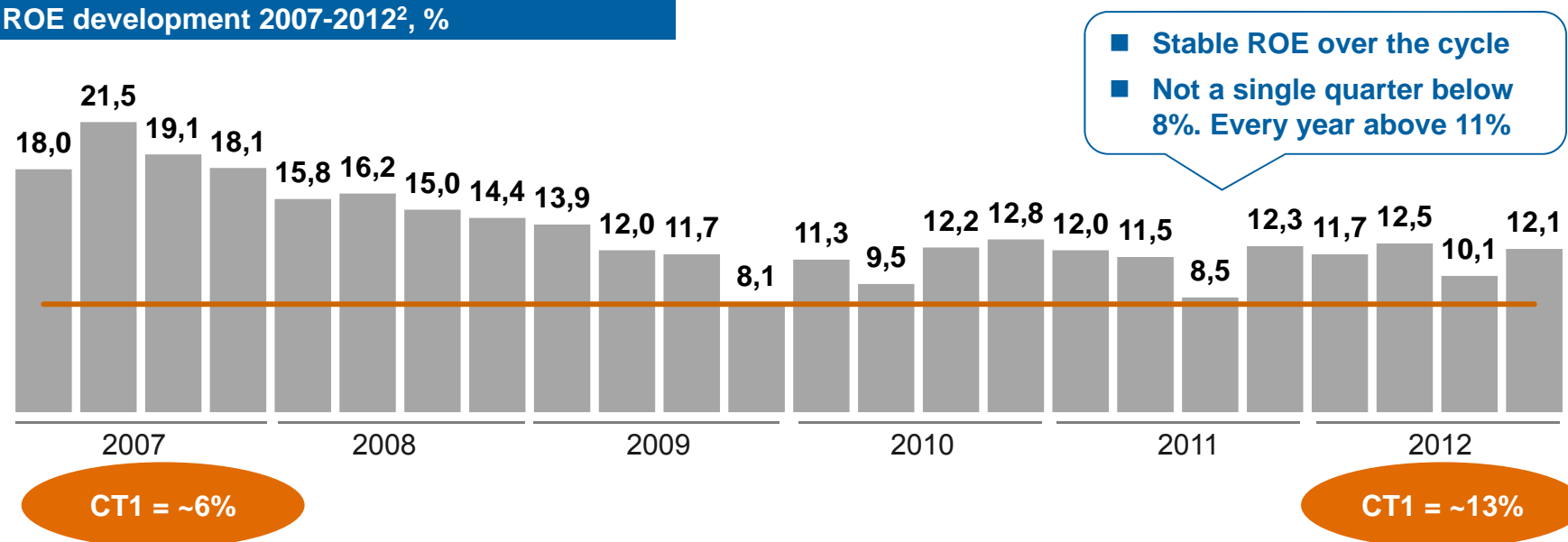


...with lower earnings volatility and stable ROE over the cycle

Net income volatility vs. Nordic peers¹, %

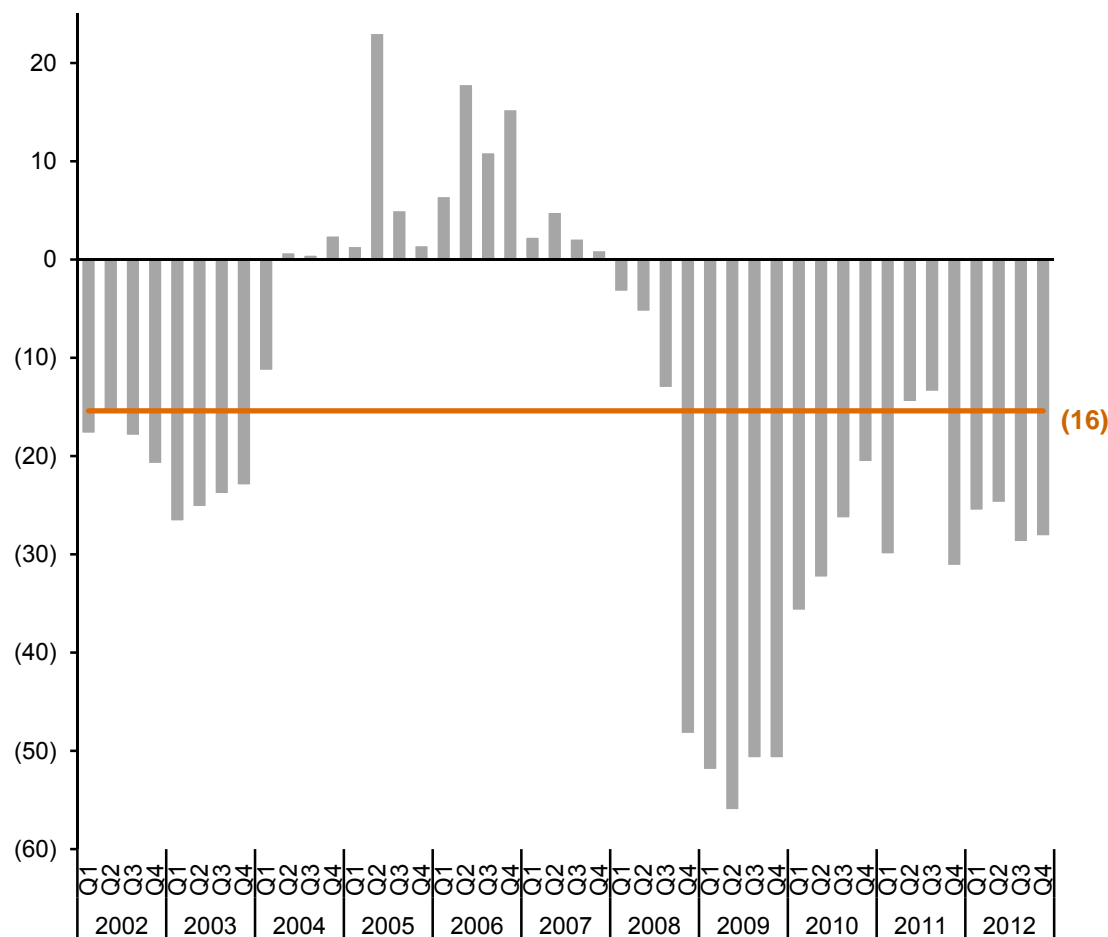


ROE development 2007-2012², %

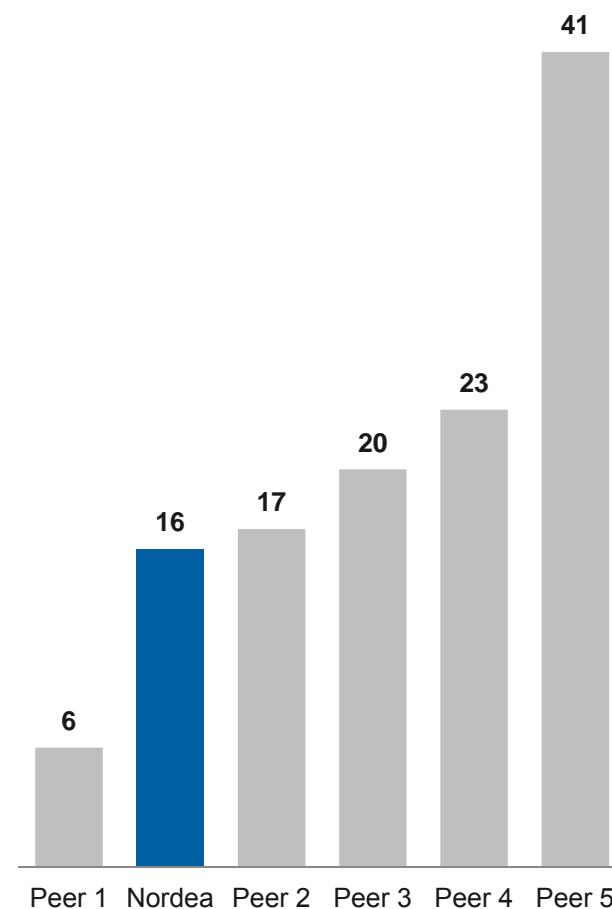


Sound risk profile with low loan losses over the cycle...

Annualised actual loan losses, bps

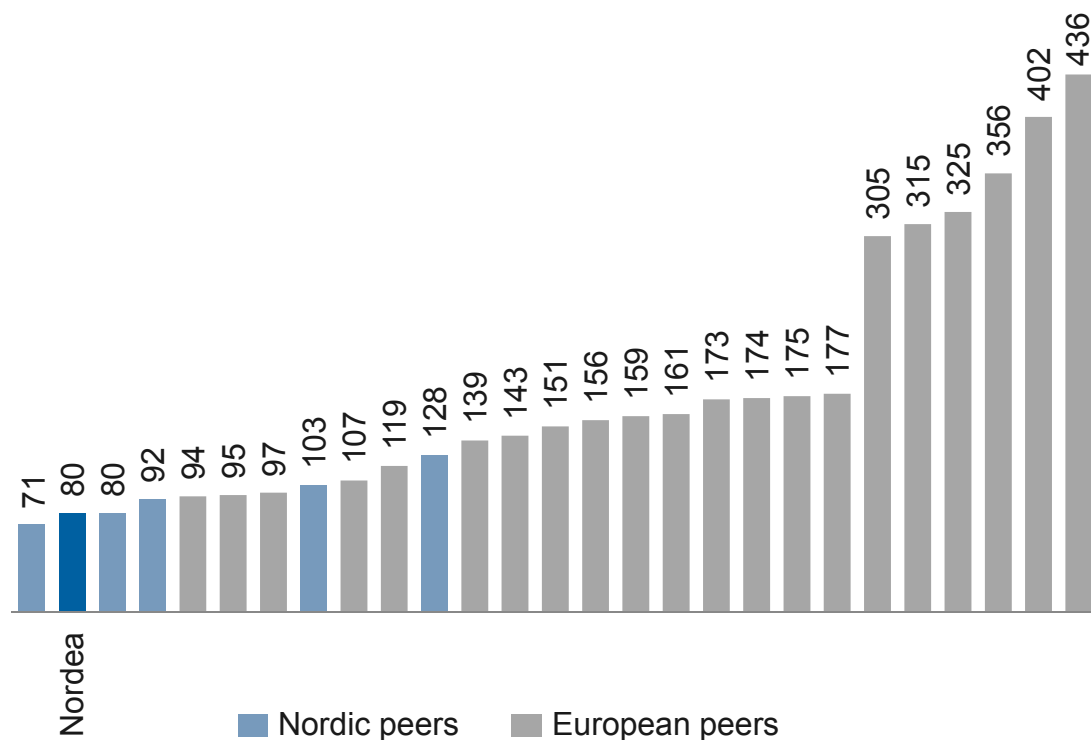


Low over the cycle loan losses¹, bps



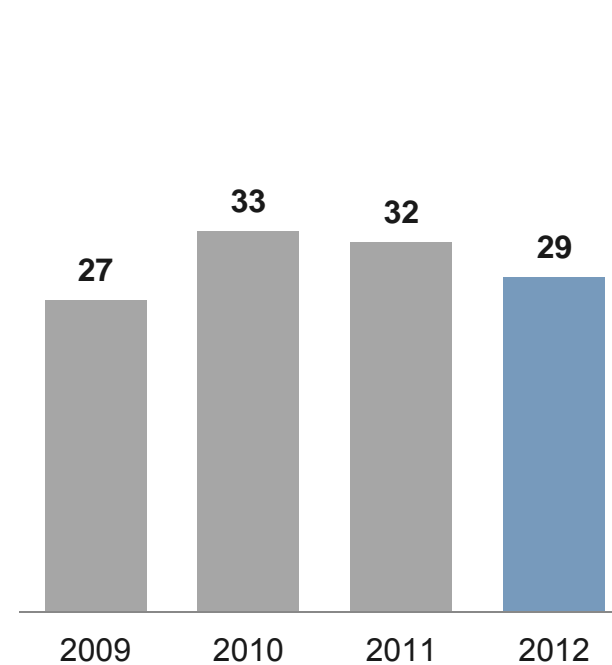
...already recognised by debt investors

5-year CDS spread vs. European peers, bps



One of lowest CDS spreads of any bank in Europe (Nordea Aa3/AA-1/AA-)

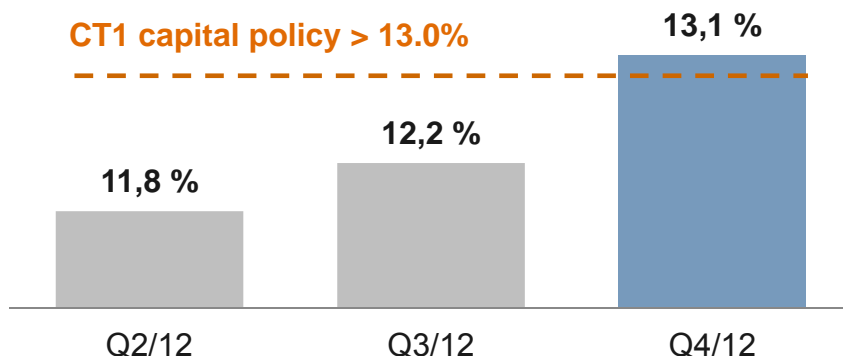
Long-term funding issuance, EURbn



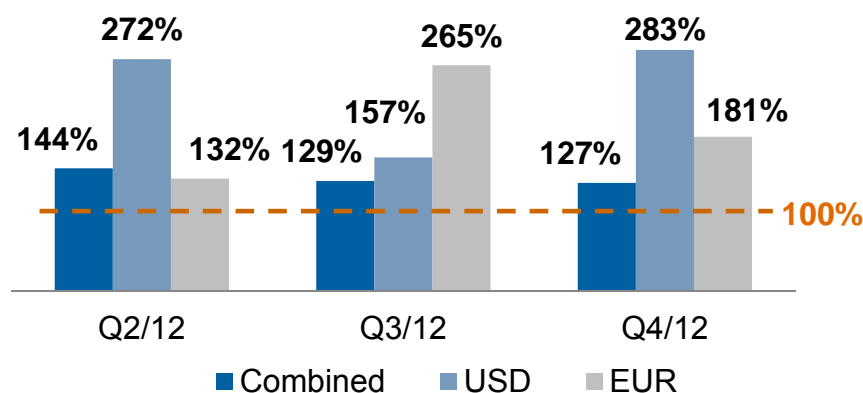
Strong access to long-term wholesale funding

Nordea is compliant on key regulatory requirements

CT1 ratio above 13%



LCR compliant



Other regulatory requirements relating to banks' business models

Recovery and resolution

- Framework still under development, may not inflict additional costs on banks

Banking union

- One single supervisor a positive for banks with a cross-border platform, and one supervising manual will push convergence

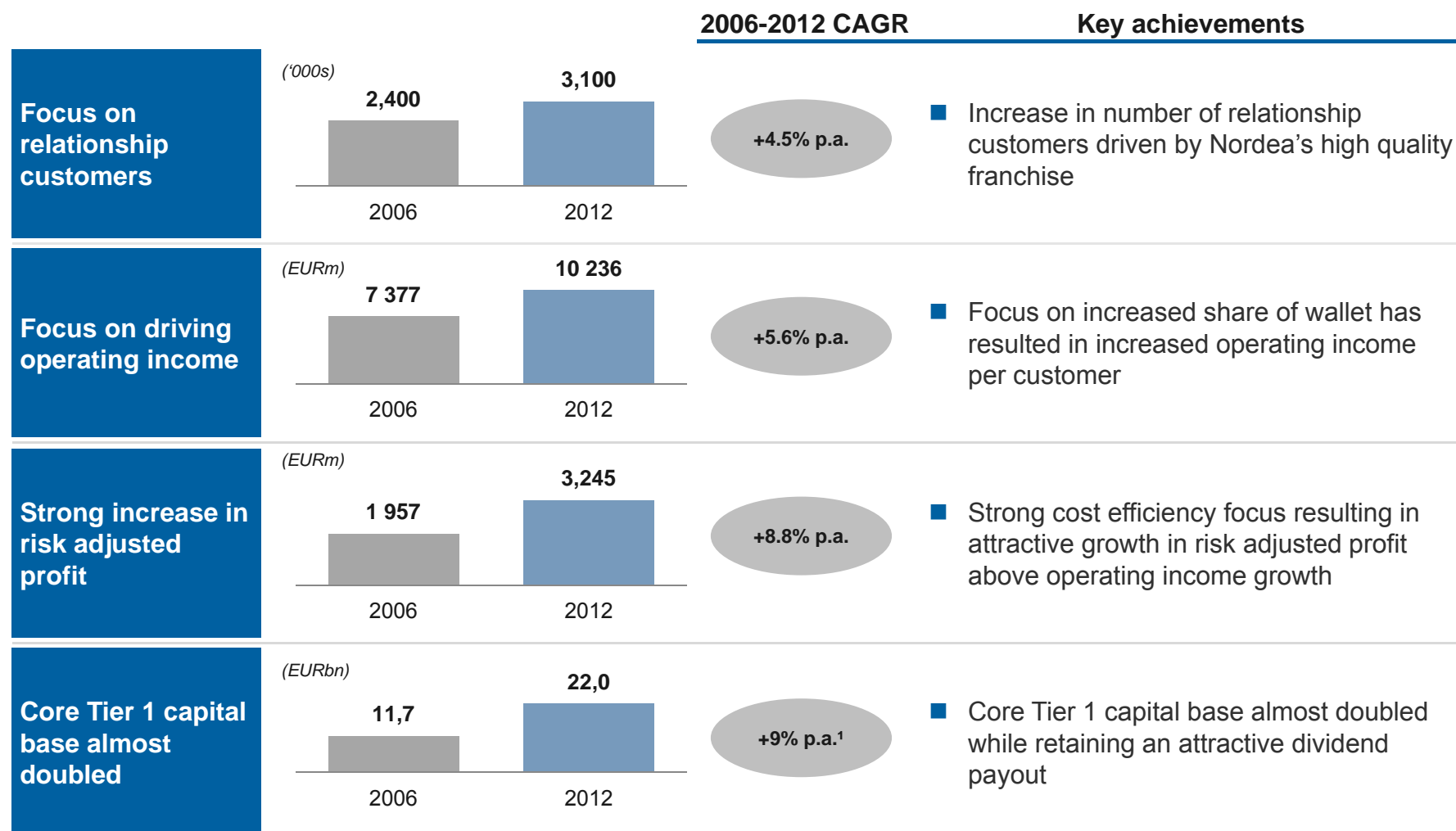
Liikanen

- Not likely to be implemented as first presented, and Nordea structurally well positioned

Nordic FSAs

- Maintain their "conservative" stance. Nordea in continuous and constructive dialogue with local regulators

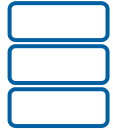
Nordea has continuously delivered on targets and improved performance





- Leading platform in attractive markets
- The relationship bank business model has delivered
- **2015 plan – Shaping the future relationship bank**

Nordea will deliver an attractive total return to shareholders




Nordea market commitments

**Strong capital generation
and return of excess capital
to our shareholders**

**ROE target of 15%
at a CT1 ratio >13%
and with normalised interest rates**

**Delivering low volatility results
based on a well diversified
and resilient business model**



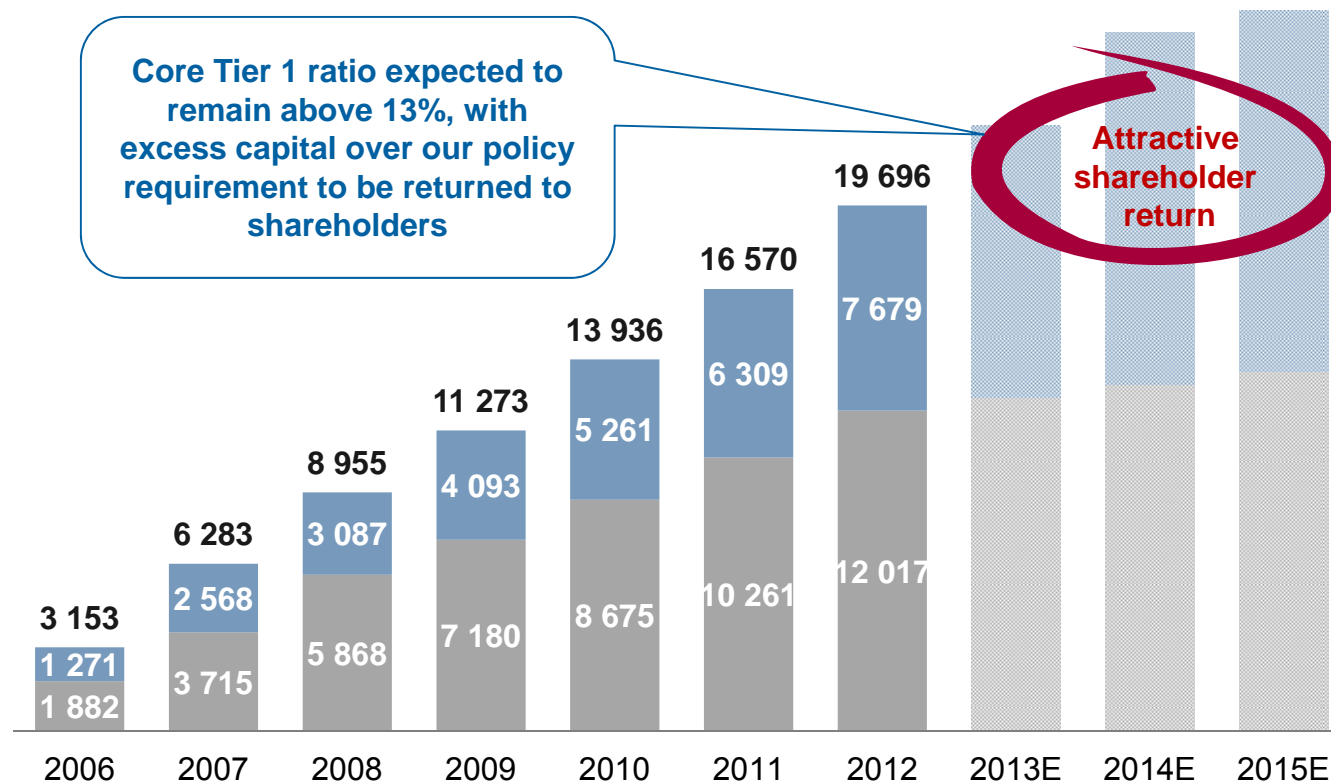
**Attractive total
shareholder return**

Strong capital generation and return of excess capital to our shareholders



Capital generation¹, EURm

- Acc. dividend
- Acc. retained equity



Core Tier 1 capital, EURm

11,689

12,821

14,313

17,766

19,103

20,677

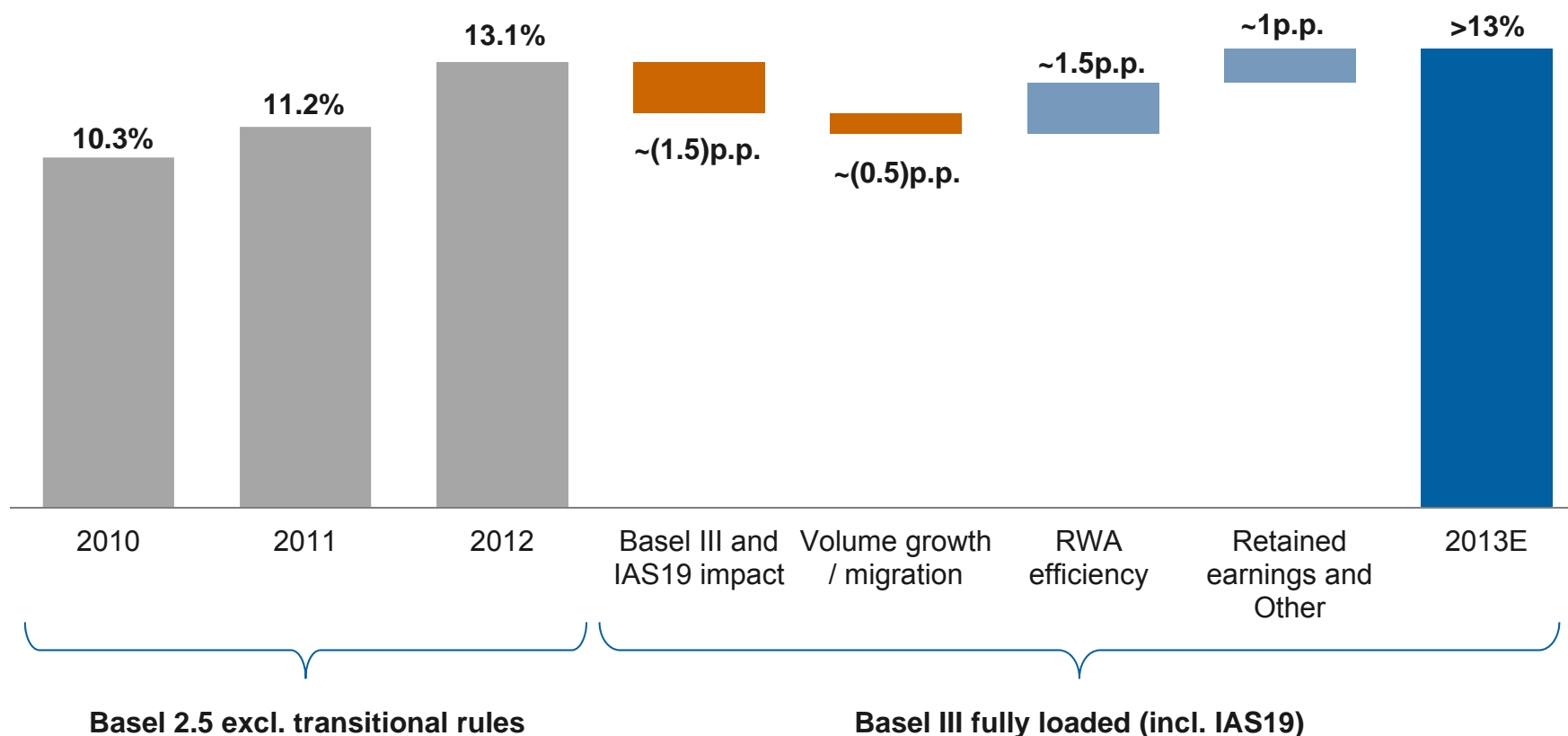
21,961

~9% p.a. 2006-2012²

Core Tier 1 ratio expected to remain above 13%



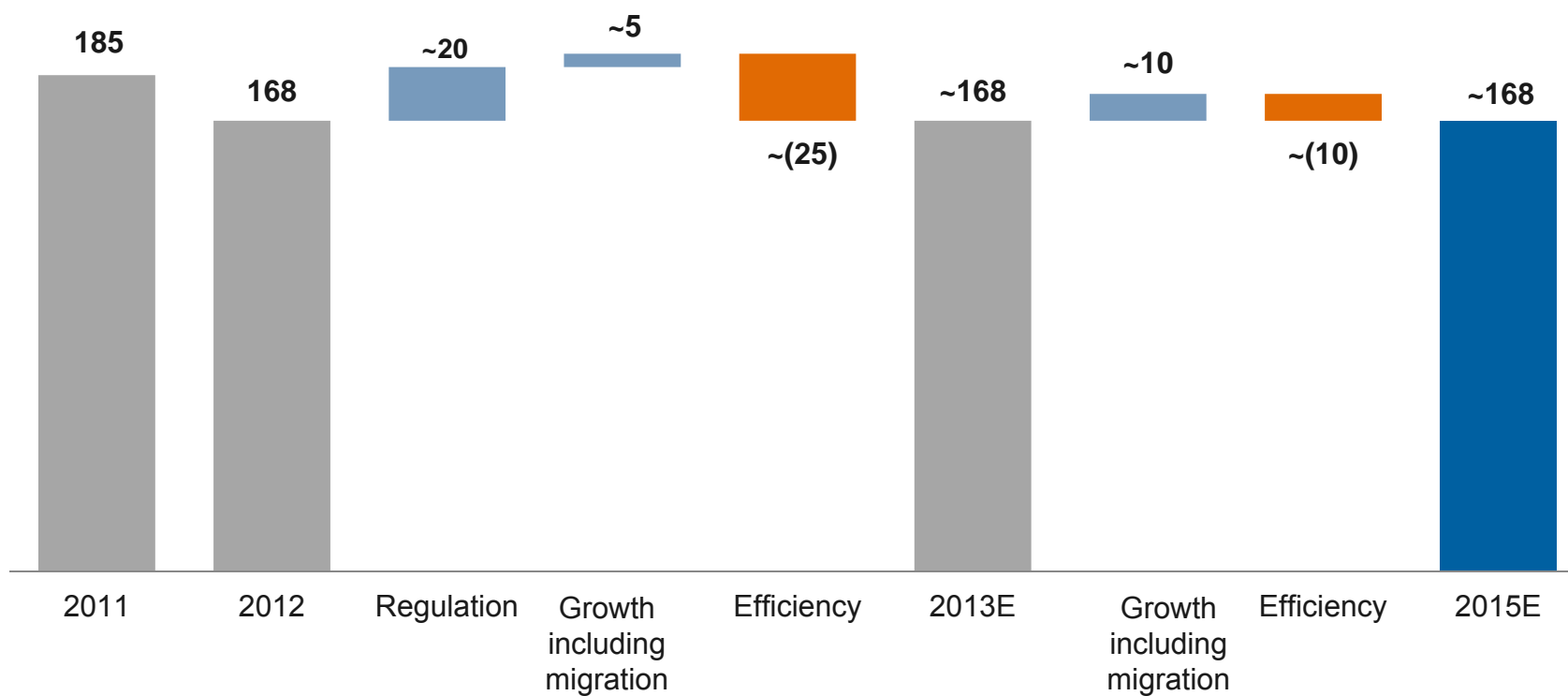
Core Tier 1 ratio development, %



Efficiency initiatives to keep RWAs flat



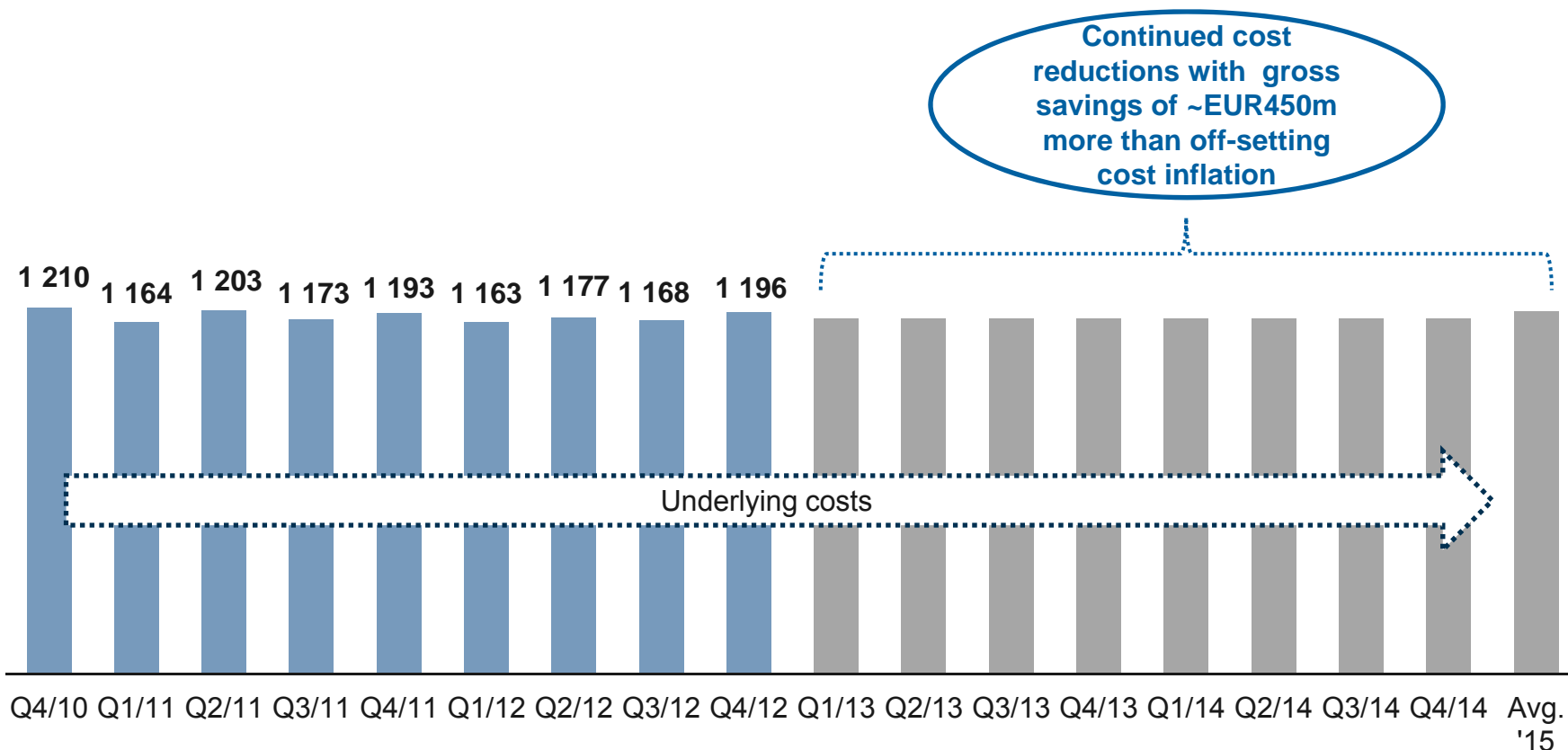
RWA development, EURbn



Strong execution on the flat cost plan for nine quarters, costs to remain flat for another eight



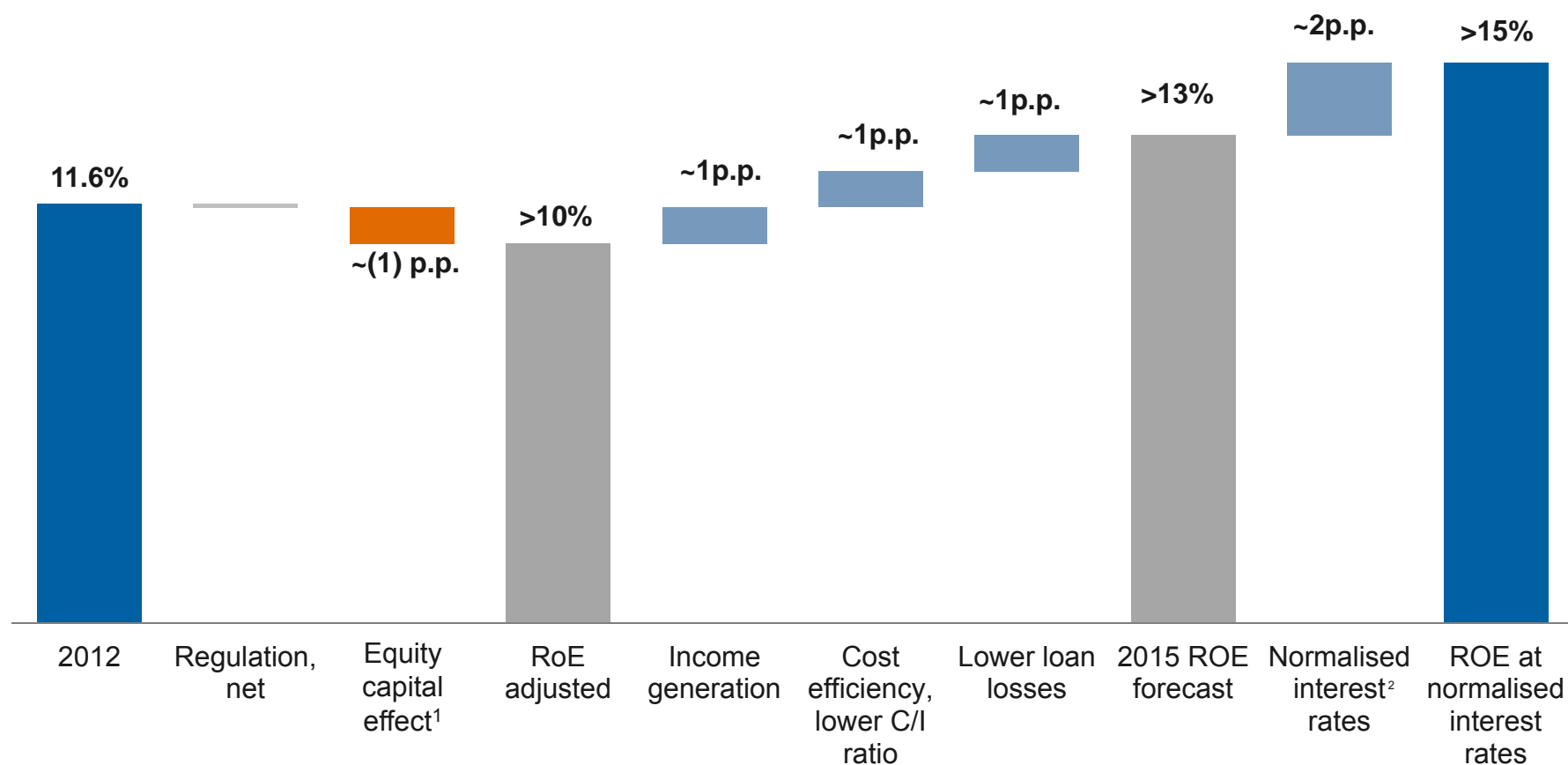
Total expenses (excl. FX & variable pay¹), EURm



Well balanced plan to reach ambitious ROE target



Return on equity, %





Stabilising loan losses and a maintained low risk profile

- Underlying credit quality remains solid in majority of markets
 - Finland, Norway, Sweden, Russia, Poland, and the Baltics
- Positive rating migration in institutional and household portfolios
- Losses in Denmark and Shipping remains at elevated levels, but the loan loss situation has stabilised and is expected to improve during 2013
 - Danish macro conditions stabilising
 - Ship values bottoming out

Nordea will continue to utilise its core relationship model to do low risk business while increasing asset productivity

Business Areas are very well positioned to deliver on the plan

Retail Banking

- Largest and most diversified retail bank in the Nordics
- Successful relationship model and optimised distribution network
- One shared Nordic operating model with scale benefits

Wholesale Banking

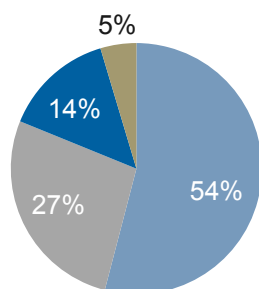
- Leading wholesale bank in the Nordics
- Uniquely positioned combining strong local presence with global product capabilities
- Successful markets strategy with significant earnings growth

Wealth Management

- Largest private bank, asset manager and life & pensions provider in the Nordics
- Fastest growing wealth manager supported by strong net inflows
- Strong product capabilities supported by investment outperformance

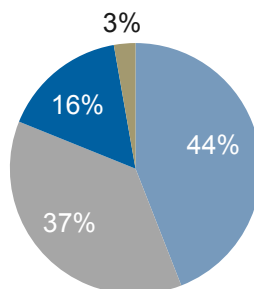
Business Area contribution, 2012

Operating income



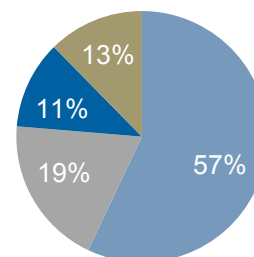
Total: EUR10.2bn

Operating profit



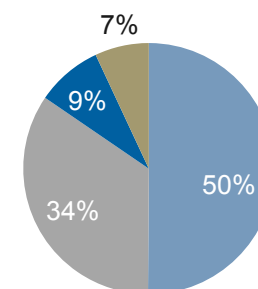
Total: EUR4.1bn

FTEs



Total: 31,466

Economic capital

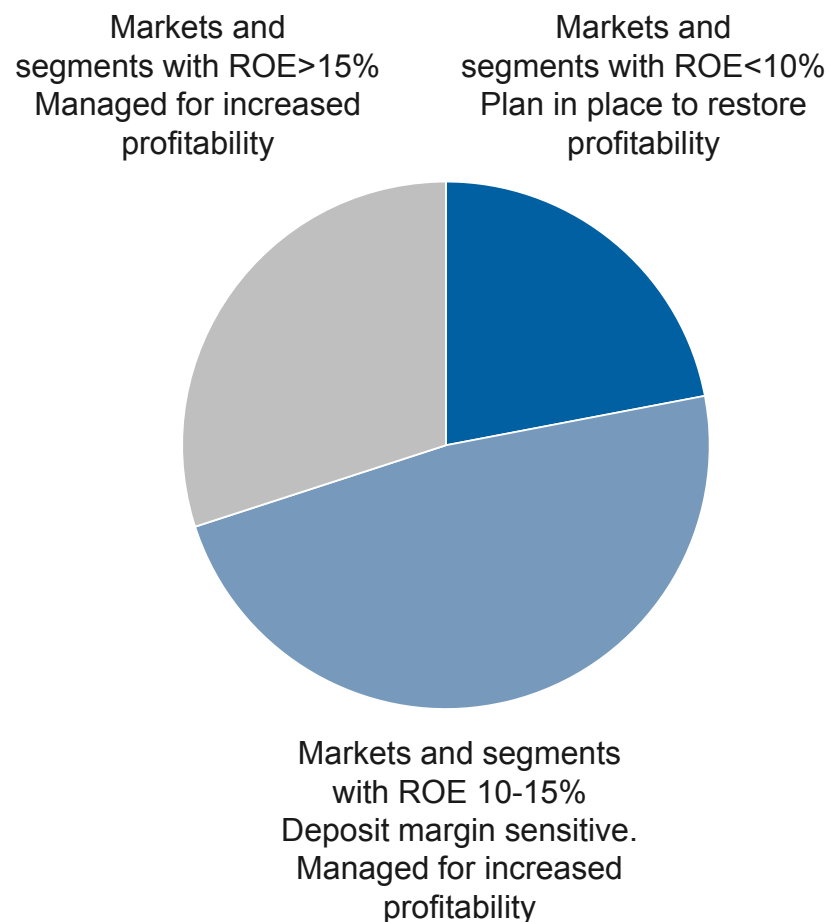


Total: EUR24.3bn

■ Retail Banking ■ Wholesale Banking ■ Wealth Management ■ Other

Continuous management, across markets and segments, to deliver on group targets

Nordea markets and segments



Key comments

- Income, cost and RWA levers worked on in each market and segment to optimise performance
- Performance in select markets and segments can change rapidly due to dynamic market effects
- If expected performance in a certain market or segment does not materialise, structural measures will be considered

Nordea is committed to deliver on the 2015 plan

Nordea market commitments

**Strong capital generation
and return of excess capital**
to our shareholders

**ROE target of 15%
at a CT1 ratio >13%**
and with normalised interest rates

Delivering low volatility results
based on a well diversified
and resilient business model

Key initiatives and levers

Capital initiatives to maintain CT1 ratio >13%

Initiatives for income generation

Flat costs 2013-14
Initiatives for cost savings of ~EUR450m

Low risk profile and low volatility



Financial plan and targets

Torsten Hagen Jørgensen, Group CFO



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Targets and policies

Capital policy

- CT1 ratio >13%
- Total capital ratio >17%

Dividend policy

- Pay-out ratio >40%
- Returning excess capital to shareholders

ROE target

- 15%
- CT1 ratio >13%
- Normalised interest rates

Flat cost 2013-2014

- Excluding FX and variable salaries

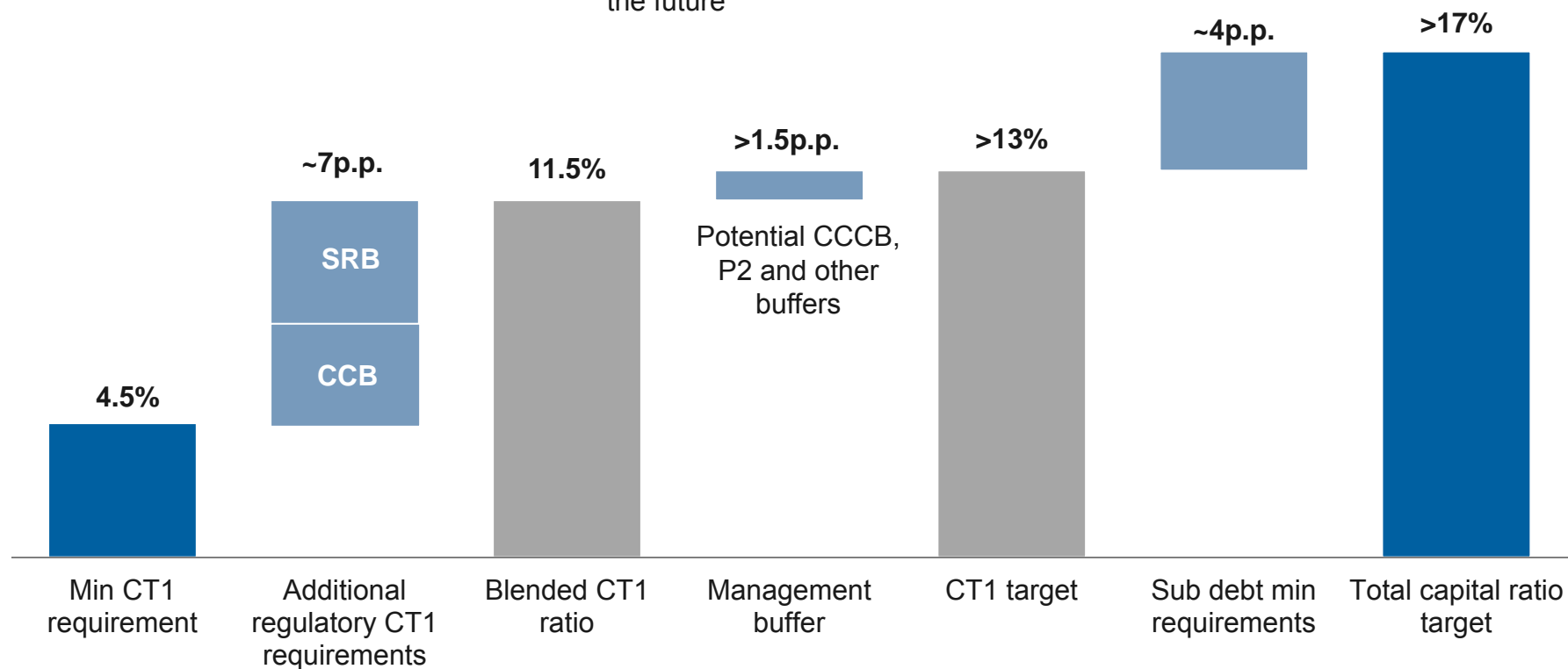
Flat RWAs 2013-2015

- Including impact from new regulation

Prudent assessment of capital with 13% CT1 ratio

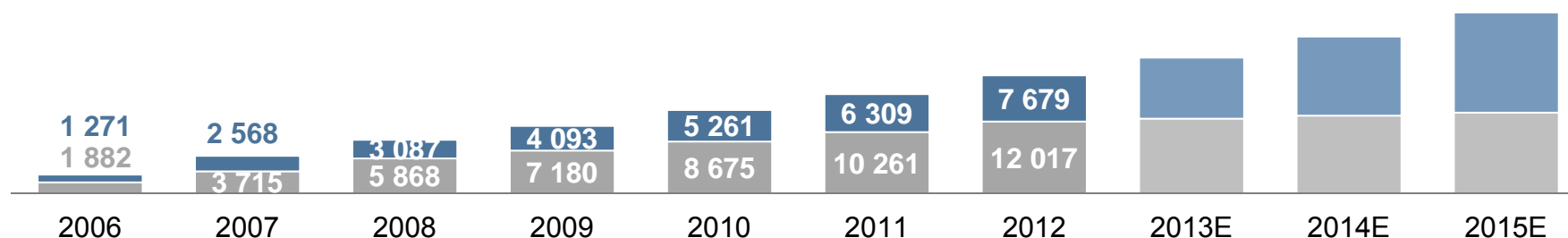
Basel III capital ratio targets

- Optimising capitalisation level taking into account
 - Targets considered minimum targets in normal business conditions
 - Still considerable regulatory uncertainty, which can lead to target revision in the future



Excess capital generation to create capital repatriation and optimisation opportunities

Capital generation¹, EURm



Active capital management

Dividend	Share buy-back	Convertible instruments	Other B/S initiatives
<ul style="list-style-type: none"> ■ Unchanged dividend policy ■ Payout ratio to exceed 40% 	<ul style="list-style-type: none"> ■ Proposed AGM-mandate to repurchase own shares ■ Limited to max. 10% of outstanding shares ■ With or without shareholders' pre-emptive rights 	<ul style="list-style-type: none"> ■ Proposed AGM-mandate to issue convertible instruments ■ Potential share dilution capped at 10% ■ Capital considerations including Pillar 2 	<ul style="list-style-type: none"> ■ Active management of low yielding assets ■ Other capital instruments to be evaluated to optimise overall cost of capital
Considerations including potential investor tax effects, timing and specific events		Active balance sheet management of both assets and liabilities to drive optimal and efficient capital structure	

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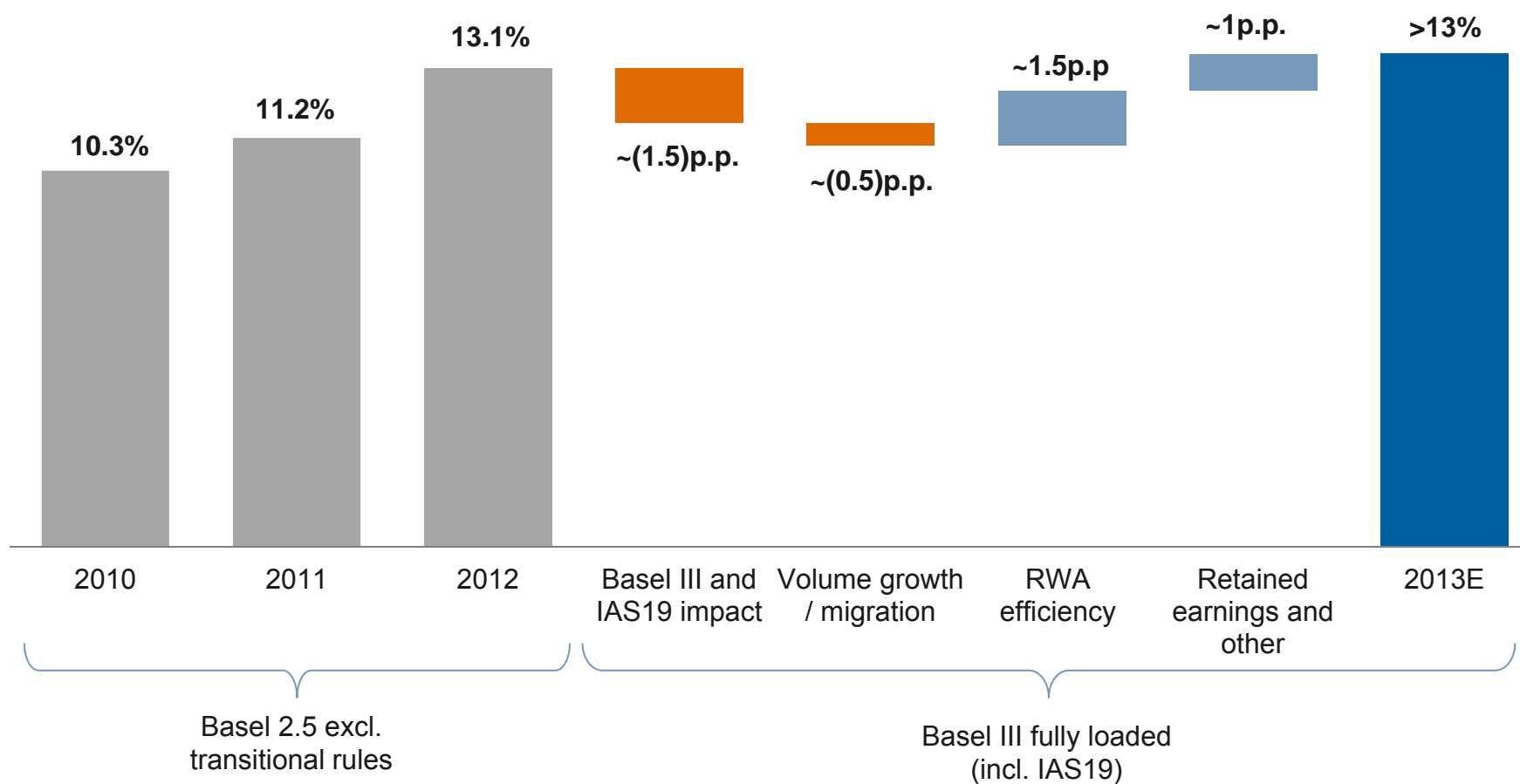
Flat costs 2013-14
Initiatives for cost savings of ~EUR450m

Low risk profile and low volatility

Core Tier 1 ratio expected to remain above 13%



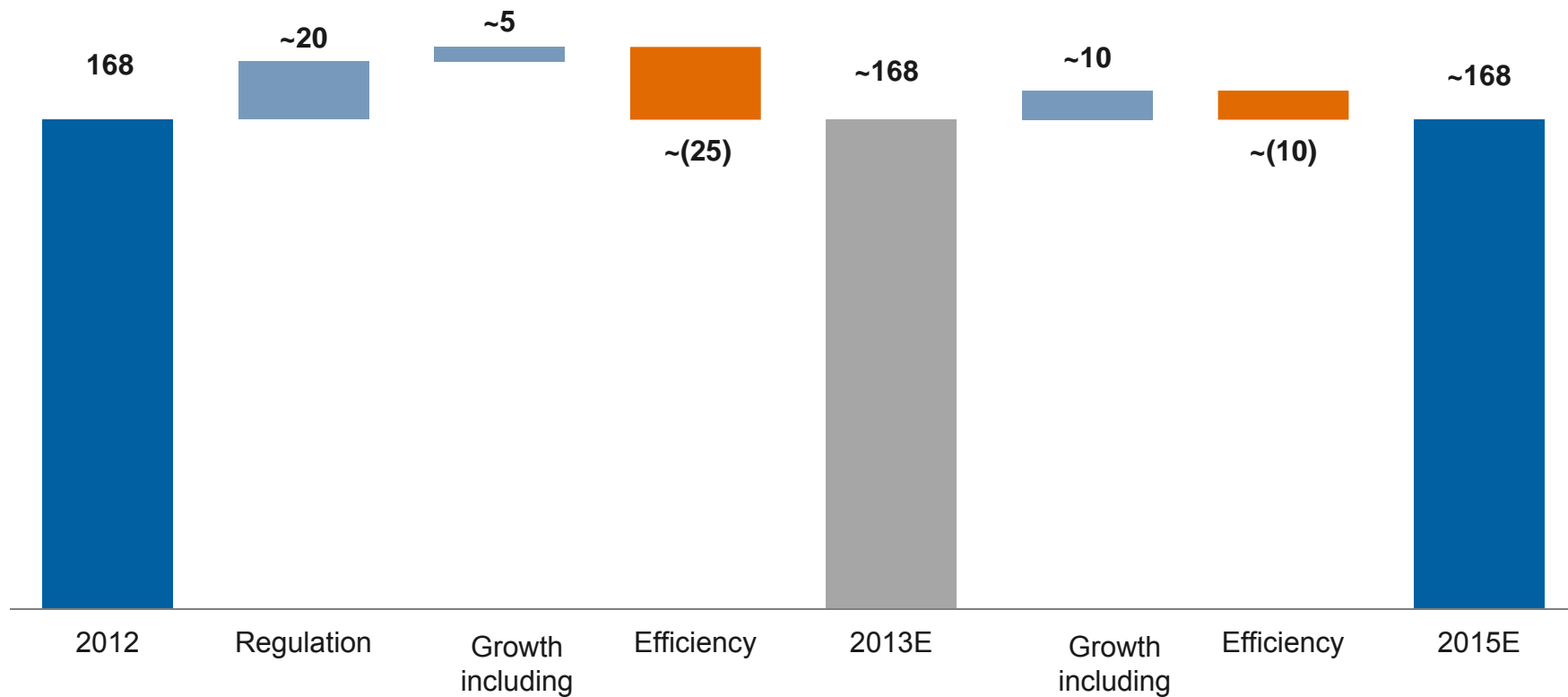
Core Tier 1 ratio development, %



Efficiency initiatives to keep RWAs flat for 2012-2015



RWA development, EURbn



Regulation expected to increase RWA by ~EUR20bn



Regulatory changes and RWA impact, EURbn

Comments

CVA and CCP

~12

- Higher capital requirements for derivatives by introducing a capital charge for CVA risk for OTC contracts
- Derivatives cleared through a CCP will be subject to CCP capital requirement

Asset value correlation and deductions

~6

- Higher capital requirements for loans to financial intermediaries
- RWA treatment of elements that otherwise would have been deducted from CT1 capital

Norwegian risk weights

~3

- Increased risk weights on Norwegian Residential Real Estate loans

Total: EUR20bn

Efficiency initiatives to migrate regulatory effects



Initiatives

Comments

Roll-Outs

~21

- Applying for use of internal models

Model Reviews

~5

- Review of corporate rating models – including segmentation, parameter estimation
- Review of retail scoring models

Sourcing and Processes

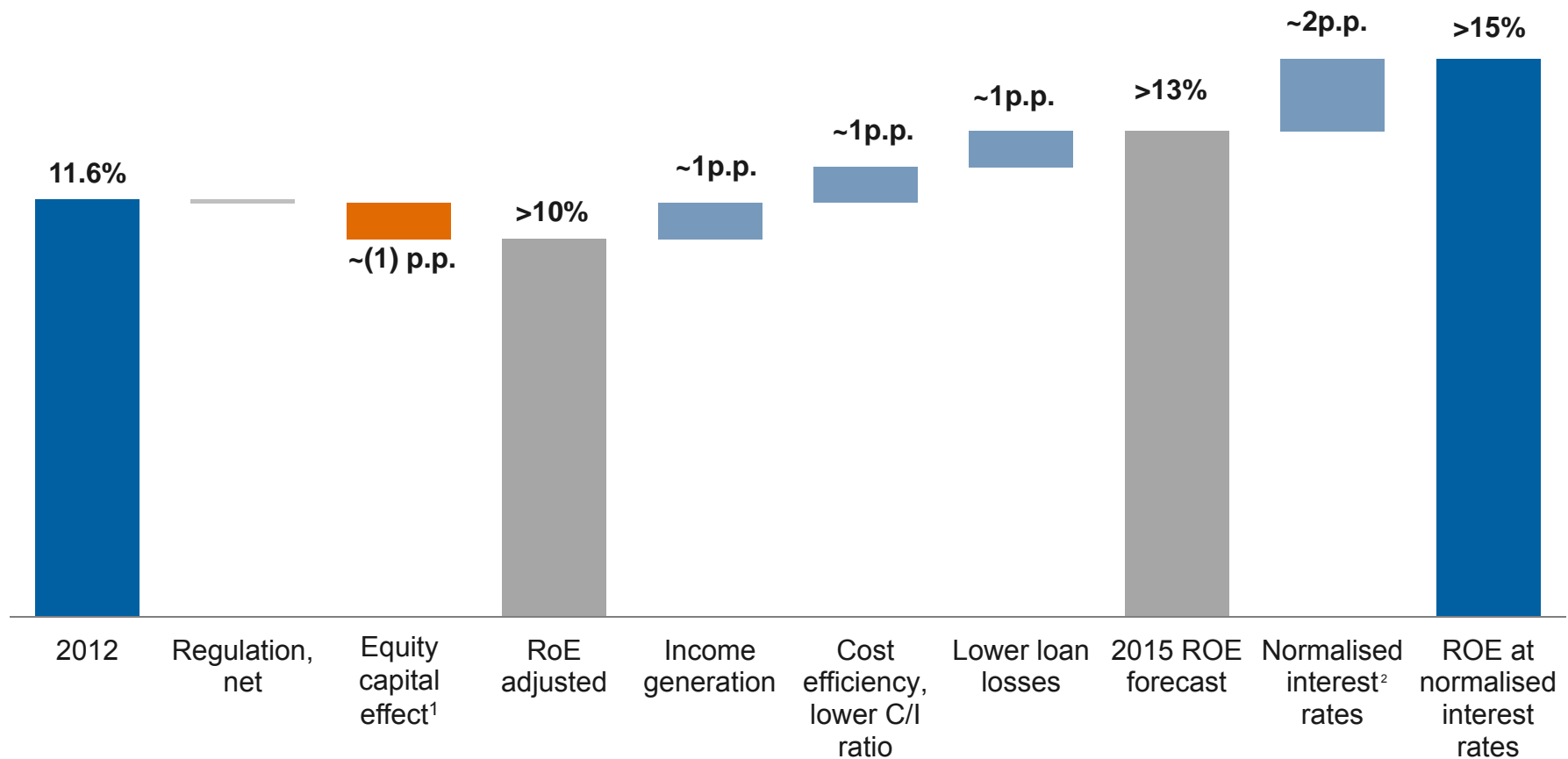
~9

- Review exposure class and product segmentation
- Capital light products
- Efficiency in processes

Total: EUR35bn

Well balanced plan to reach ambitious ROE target

Return on equity, %



Nordea is committed to deliver on the 2015 plan

Nordea market commitments

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**ROE target of 15%
at a CT1 ratio >13%
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Initiatives for income generation

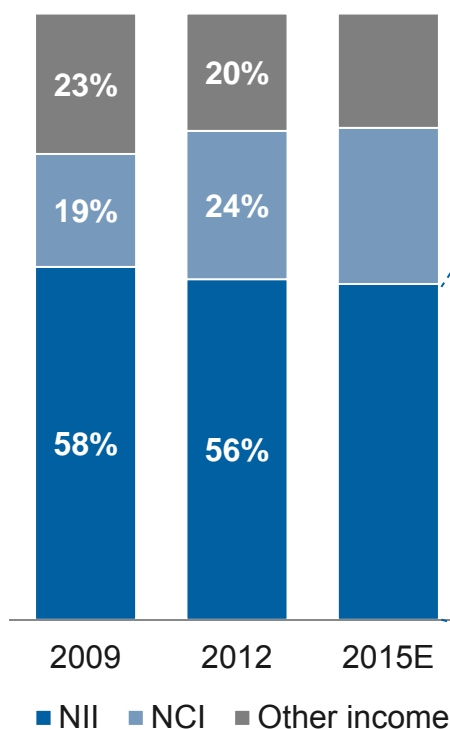
**Flat costs 2013-14
Initiatives for cost savings of ~EUR450m**

Low risk profile and low volatility

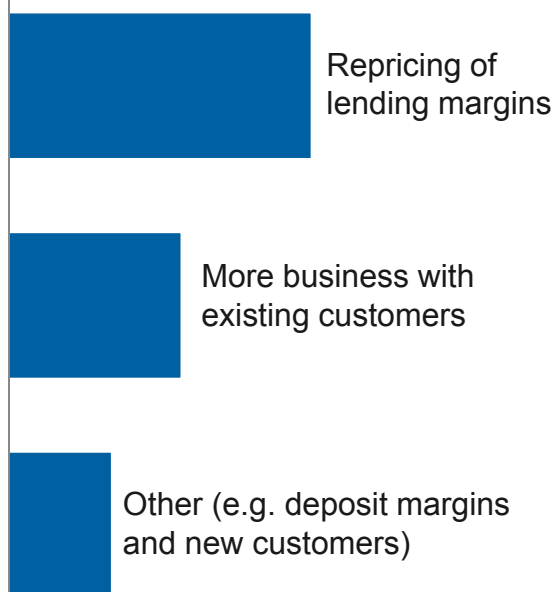
Initiatives for supporting NII growth and margin expansion



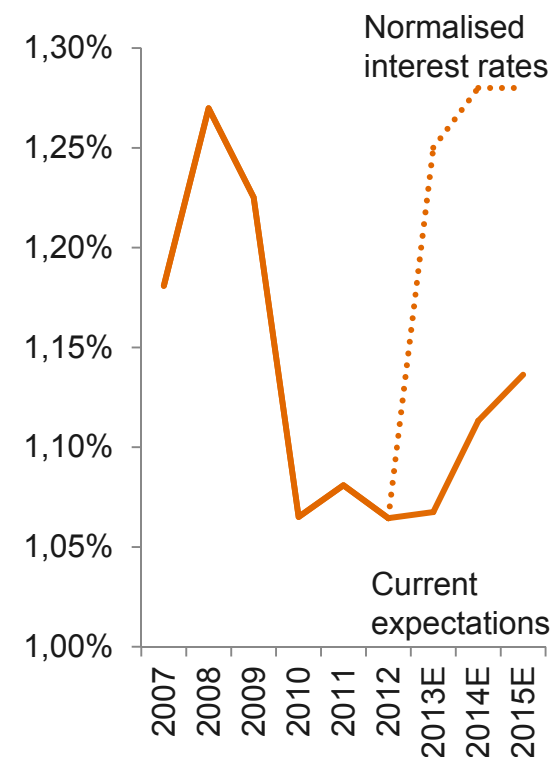
Nordea Group income split



Initiatives



Blended margin



**Net interest income growth constituting
40-50% of income growth 2013-2015**

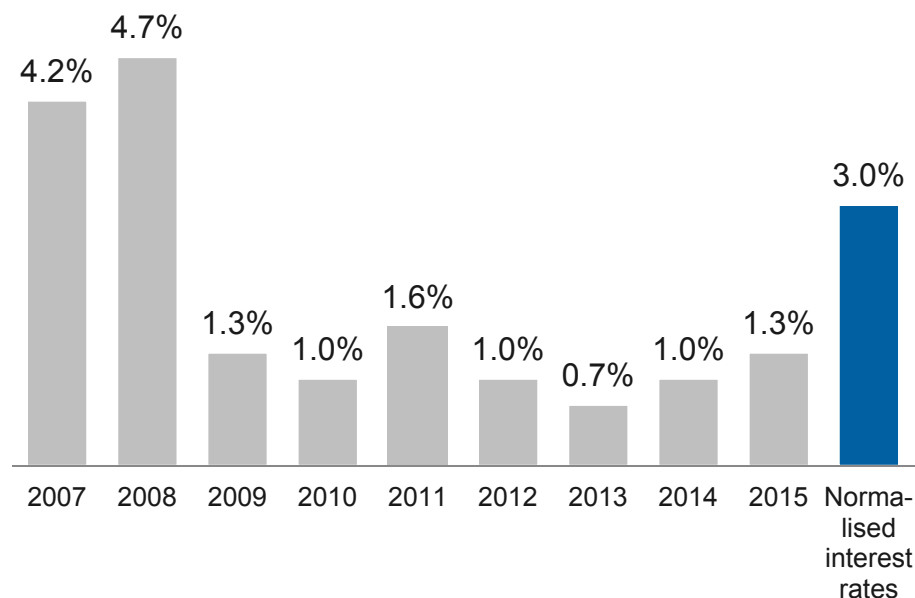
Income sensitive to higher interest rates, normalised rates not part of the main scenario



NII sensitivity at interest rates +100 bps, EUR

		Volumes 2012	Income Sensitivity
Deposit Margins	HH	87bn	470m
	Corp	113bn	110m
Structural Sensitivity			(80)m
Total sensitivity			500m

Weighted short term interest rates in the plan¹



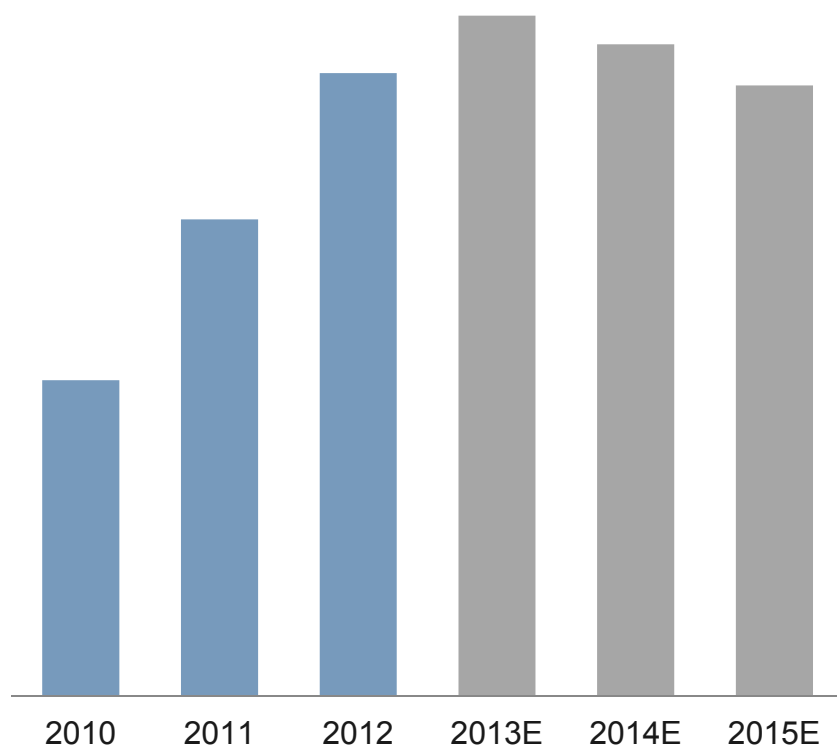
Comments

- Current short term sensitivity is EUR500m up to one year after a +100bps increase
- Over time, long term structural sensitivity will change
- Competitive situation can have an impact on both deposit and lending margins in case of a rate change

Lower funding costs expected



Yearly funding costs



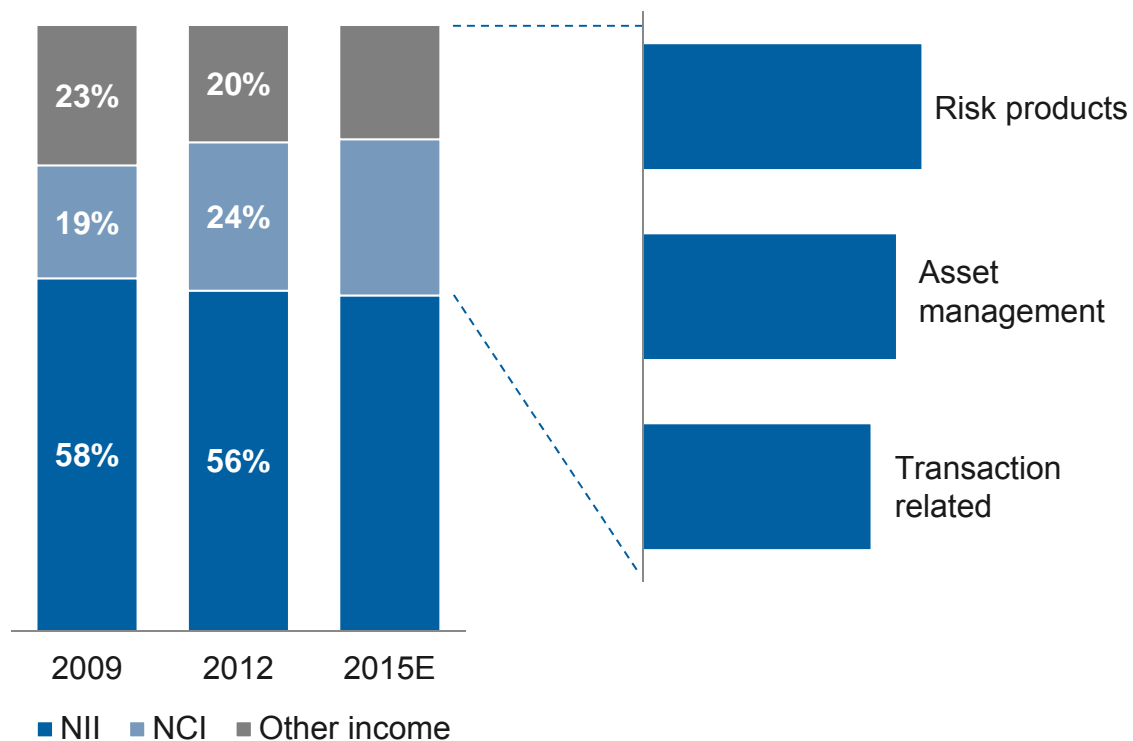
Comments

- Issuance of long term funding has increased, the proportion of long term funding is now approximately 70%
- Lengthening of average maturity from 2.3 to 3.4 years (2007 – 2012)
- Wholesale funding costs expected to decrease from 2014
 - Present market spreads for long term issuance used in forecasts
 - New issuance spreads expected to be below current redemption spreads
 - Cost for short term issuance expected to remain at attractive levels
 - Stable development in senior/covered ratio

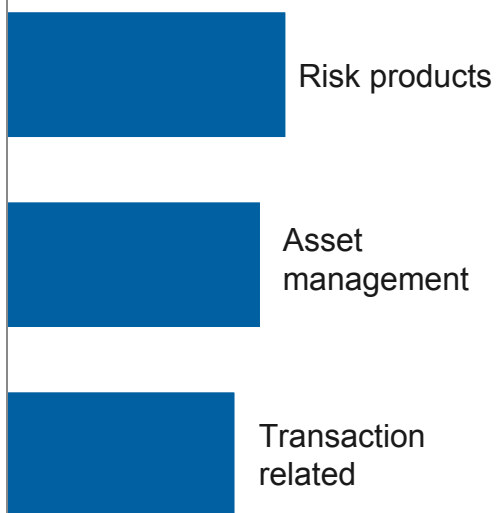
Ancillary income growth driven by product capabilities



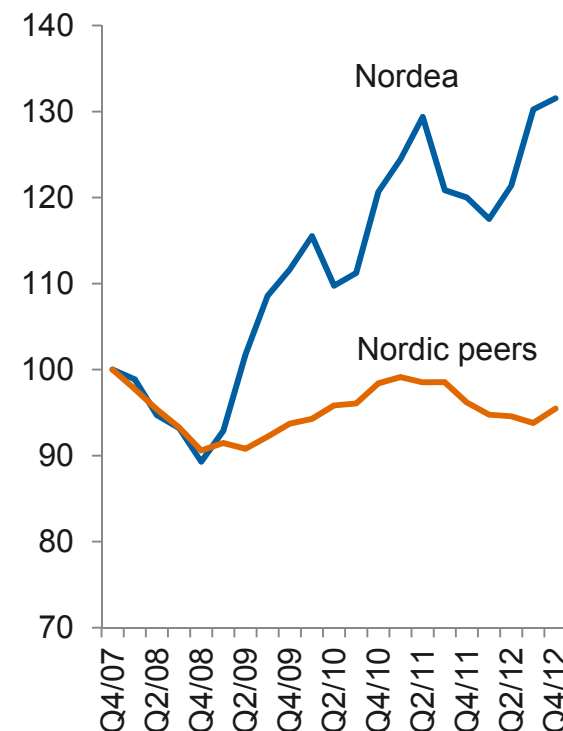
Nordea Group income split



Initiatives



Non NII-Income vs. Nordic peers

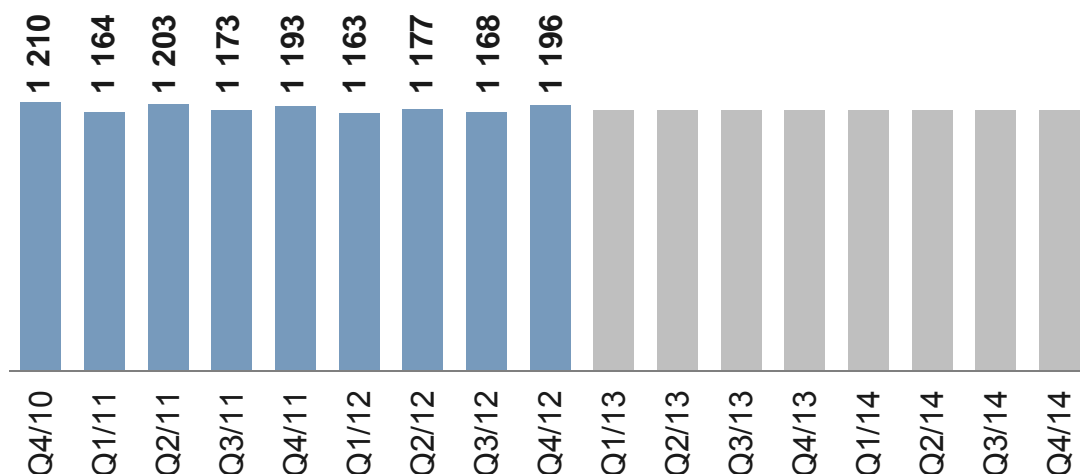


Net commission and Net gains constituting 50-60% of income growth 2013-2015

Cost efficiency to further improve in the 2015 plan



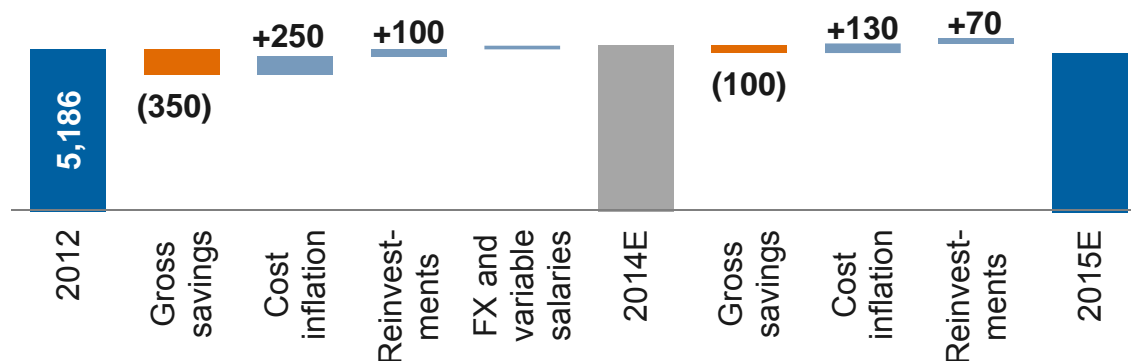
Nordea total expenses (Excl. FX and variable pay), EURm



Comments

- Flat costs will be maintained throughout 2014 (excluding effect of FX and variable salaries, including profit sharing)
- Gross savings of EUR450m, in total for 2013-15, corresponding to 8.7% of total 2012 cost base
- C/I ratio expected to improve

Nordea total expenses, EURm



- Reinvestments in prioritised areas e.g.
 - IT infrastructure and investments to meet mandatory regulatory requirements



Process and productivity enhancing initiatives

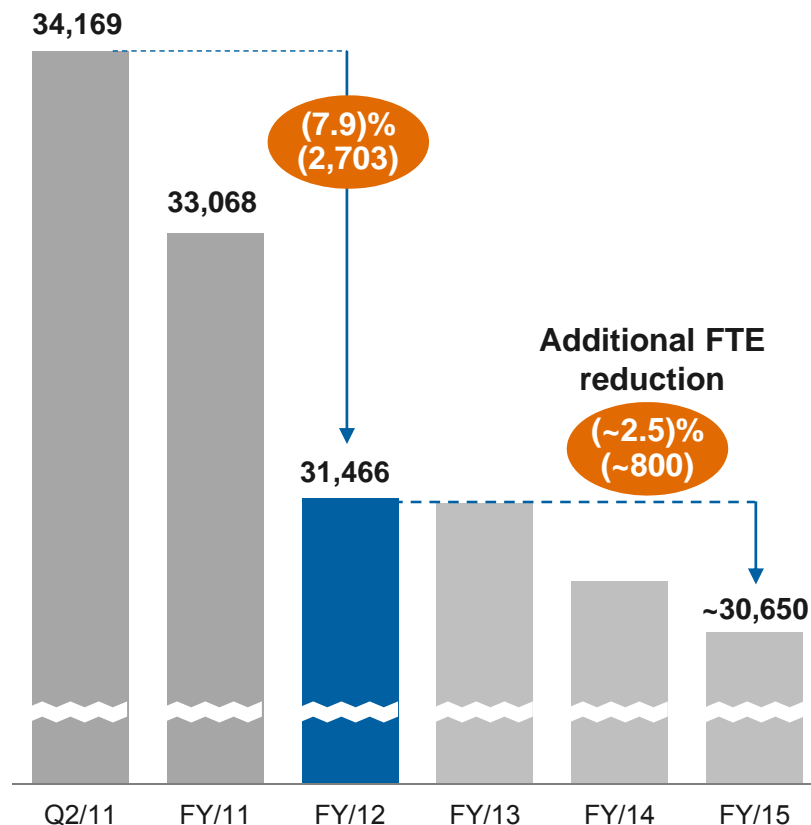
Clusters	Main actions
Streamline physical distribution	<ul style="list-style-type: none">■ Reduce branches handling cash (~400 in 2009-2012)■ Focus on advisory in remaining branches■ Re-direct daily banking to online and self-service channels
Optimise advisory services	<ul style="list-style-type: none">■ Target advisory services to the right customers■ Increase advisor efficiency■ Improve value proposition to drive share of wallet
Reengineer processes	<ul style="list-style-type: none">■ Increase processing efficiency■ Centralise staff and automate processes■ Near-shore processes equivalent to > 500 FTEs

Enabling cost savings in 2013-2015 of ~EUR200m

Reduction of FTEs will continue, but at a slower pace



FTE development



Comments

- Process efficiency, reduced cash handling and investments in support systems enable FTE reduction
- Number of FTEs down ~8% since launch of the New Normal plan in summer 2011
- Going forward, reduction will be achieved through natural attrition, approx. 2.5% of total FTEs
- Net reduction includes some increases of e.g. specialist competences and IT infrastructure



Infrastructure optimisation initiatives

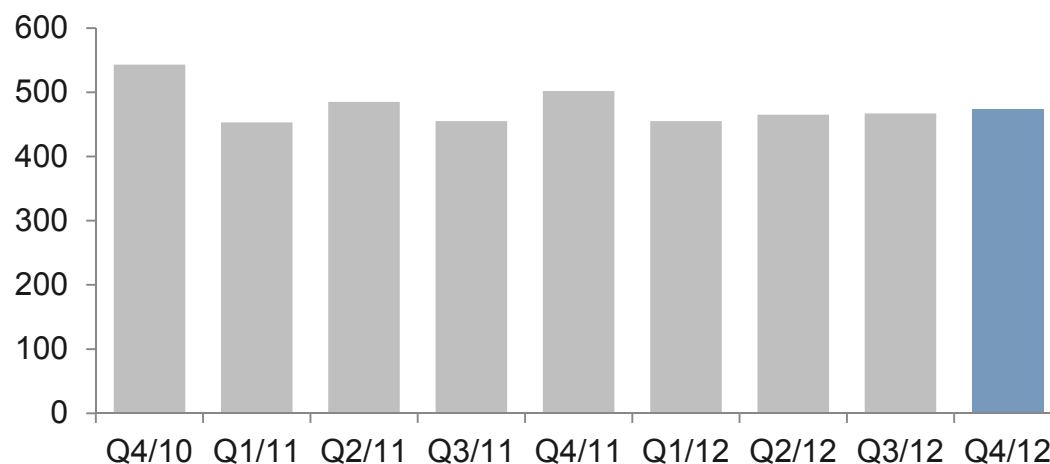
Clusters	Main actions
Transform premises	<ul style="list-style-type: none">■ Reduce headquarter sqms by 10% in step 1■ New HQs outside CBDs and reduced number of sites■ Branch closure and contract renegotiation
Enhance digitisation	<ul style="list-style-type: none">■ Reduce and digitise physical mail by 12% in 2013■ Digitise documents and signatures
Streamline IT	<ul style="list-style-type: none">■ Optimise IT delivery model and IT infrastructure tuning■ IT Application clean-up, restructuring and reuse■ Reduce number of printers by 9,000 and PCs by 8,000
Optimise external spend	<ul style="list-style-type: none">■ Right-size demand via policies and spend management■ Fewer vendors and renegotiation of unit prices■ Reduce office supplies and travelling costs

Enabling cost savings in 2013-2015 of ~EUR250m

Non-staff costs will continue to be flat or reduced



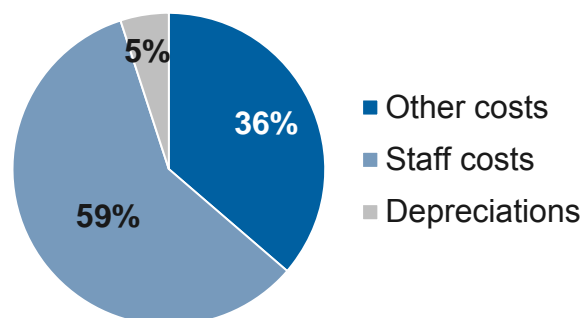
Other expenses, EURm



Comments

- Flat to reduced costs through prudent cost management
- Ongoing initiatives enables reduction of other costs by EUR250m in 2013-2015
- Some cost categories have been reduced significantly between 2011 and 2012:
 - Consulting 24%
 - Marketing 8%
 - Rents, premises & real estate 5%
 - Travelling 5%

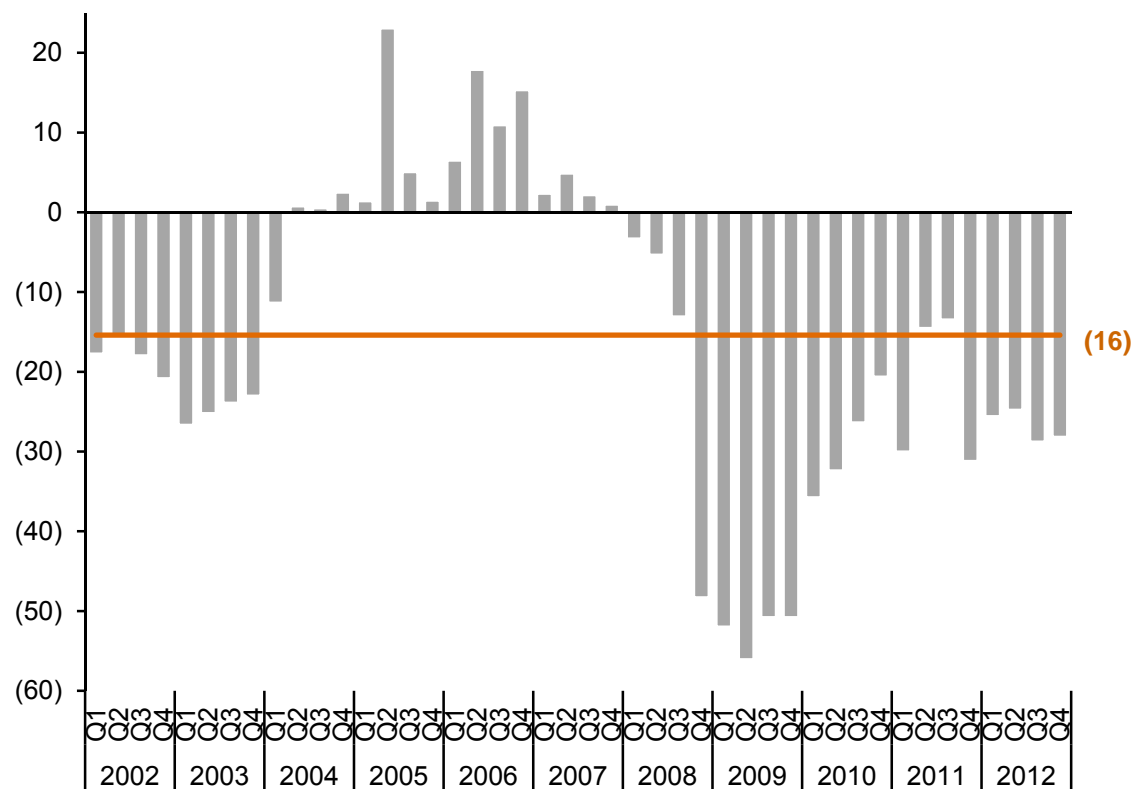
Split of total expenses, 2012



Loan losses expected to decrease



Actual loan losses, bps



Comments

- Average loan loss ratio approximately 16bps
- For 2012, Banking Denmark and Shipping constituted more than half of loan losses
- Loan losses expected to revert to around historical average during 2013-2015, following signs of improved conditions in problem areas

Expectations in summary

Nordea financial plan and expectations 2013-2015

Income growth

- CAGR ~4%
- Including normalised interest rates, CAGR ~6%

Cost growth

- CAGR ~0% 2012-14 (excl. FX and variable salaries)
- Some cost growth 2015 if supported by income growth

Loan loss ratio

- Approach 16bps during the period
- Loan loss ratio nearing historical average

RWA

- CAGR ~0%
- Mitigations compensating regulation

CT1 ratio

- >13%

Lending growth

- CAGR ~2-3%

ROE

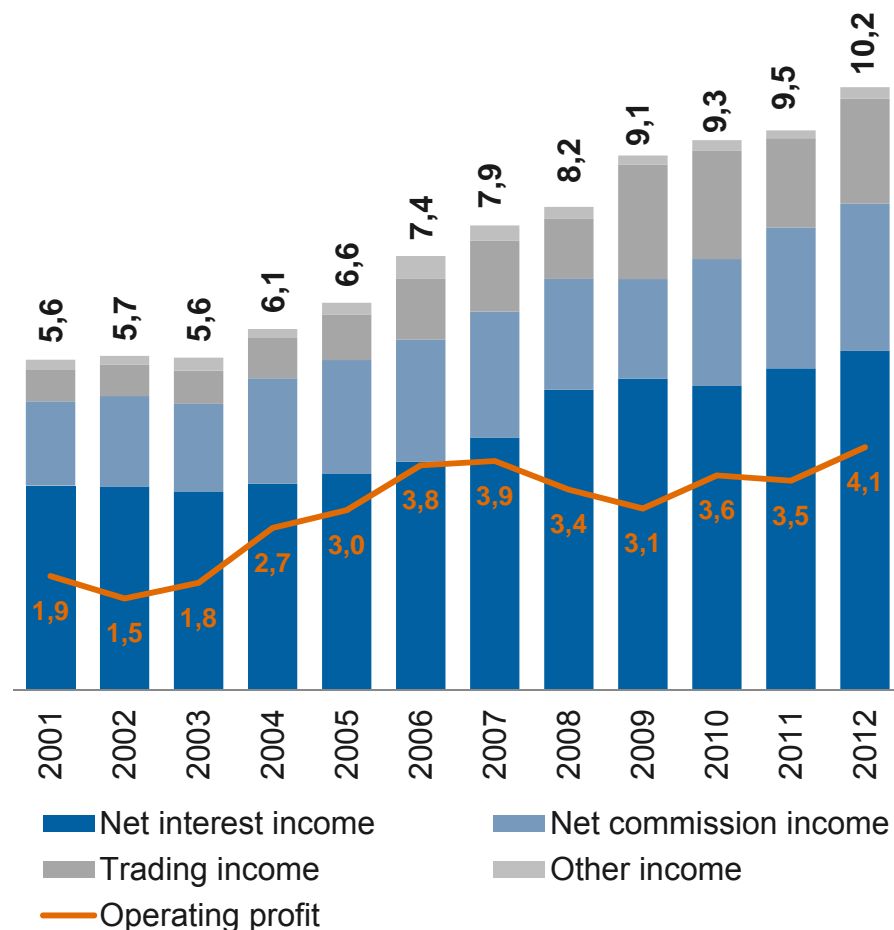
- >13% 2015, given expected interest rate development
- >15% 2015, with normalised interest rates

Nordea financial 2015 plan – Robust and resilient

Concluding remarks

- The financial plan is robust
 - Most of the levers are within our own control
 - Conservative macro outlook and assumptions
 - Balanced plan with concrete initiatives on all levers income, cost and capital
- Our commitment to the market is clear
 - Resilient and diversified business model
 - Proven track record
 - Full management commitment to deliver, plan based upon detailed bottom up plans

Nordea long term income and profit generation, EURbn



Nordea is committed to deliver on the 2015 plan

Nordea market commitments

**Strong capital generation
and return of excess capital**
to our shareholders

**ROE target of 15%
at a CT1 ratio >13%**
and with normalised interest rates

Delivering low volatility results
based on a well diversified
and resilient business model

Key initiatives and levers

Capital initiatives to maintain CT1 ratio >13%

Initiatives for income generation

Flat costs 2013-14
Initiatives for cost savings of ~EUR450m

Low risk profile and low volatility

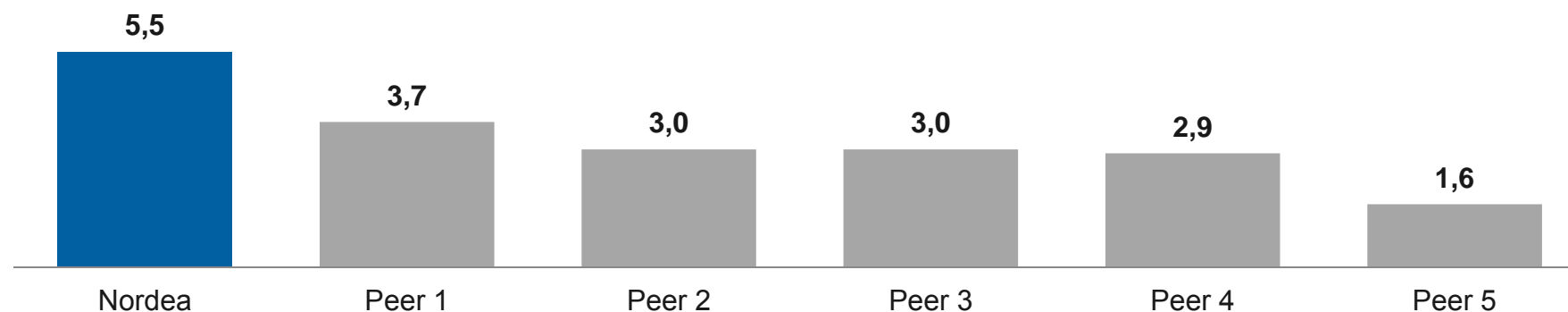


Retail Banking







Michael Rasmussen, Head of Retail Banking

The leading Nordic retail bank

2012 Retail income vs. Nordic peers, EURbn



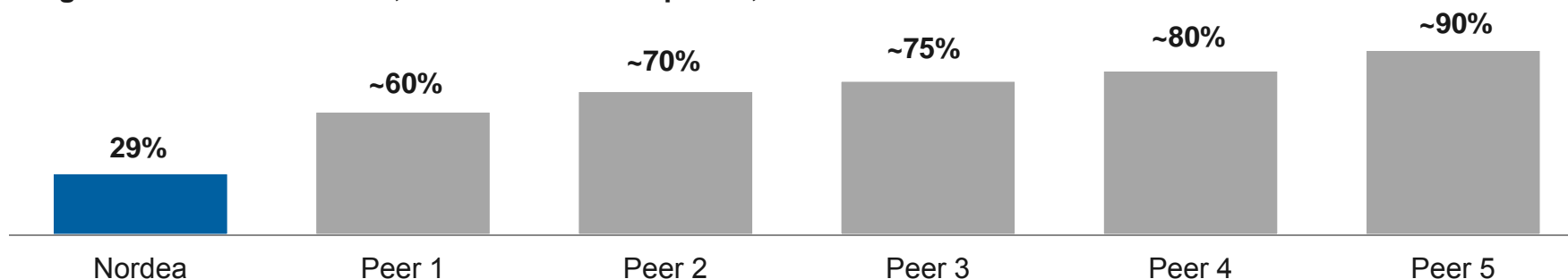
Geographic presence

		Branches	Customers (m)	Employees (FTEs)	Income (EURm)	Market rank
	Denmark	207	1.7	3,934	1,551	2
	Norway	97	1.0	1,402	1,013	2
	Sweden	231	4.2	3,306	1,643	2-3
	Finland	235	3.2	3,996	1,024	1-2
	Baltics	40	0.4	799	163	3
	Poland	138	0.7	1,629	192	14
Total		948	11.2	17,947	5,533	

A fully diversified platform

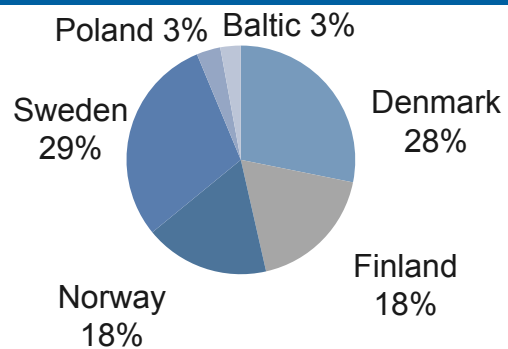
Geographic diversification

Largest market contribution, Nordea vs. Nordic peers¹, %

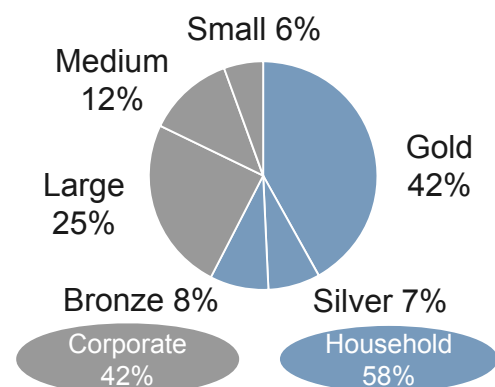


Income split, 2012

Geography

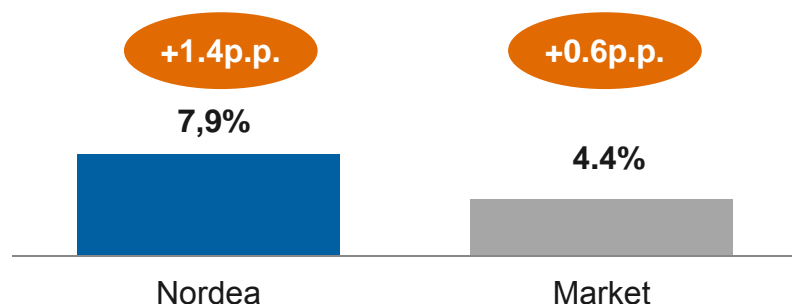


Segment

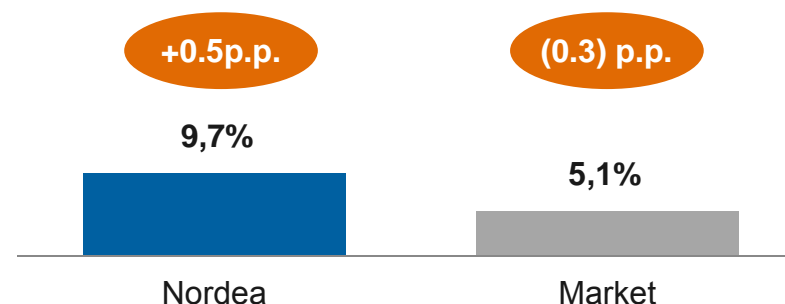


Performance of local franchise above market

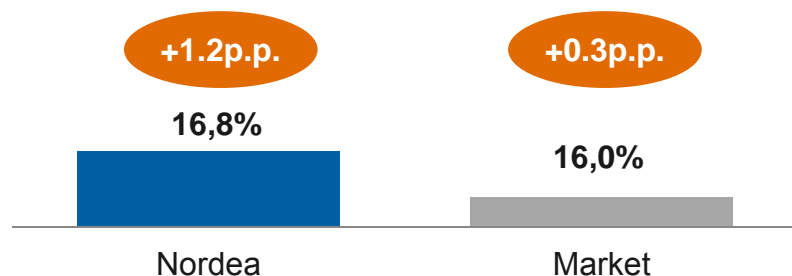
ROE 2012 – Retail banking Denmark vs. market avg.



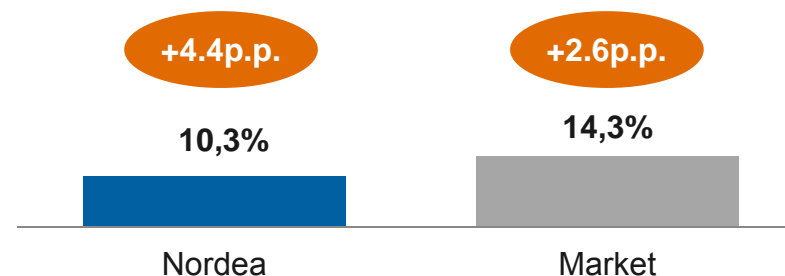
ROE 2012 – Retail banking Finland vs. market avg.



ROE 2012 – Retail banking Sweden vs. market avg.



ROE 2012 – Retail banking Norway vs. market avg.



One Nordic operating model with potential to outperform market in all countries

2011/2012 annual percentage points difference

"Market" includes Nordic peers and local retail banks with more than 5% market shares. RoE is calculated allocating full equity to retail based on disclosed internal capital allocation. Loan losses are average over past 5 years. Standard tax 25% applied. 61 •

Key Retail Banking value drivers



Key ambitions and initiatives

Coherent business system supporting relationship strategy

- Optimisation of household and SME relationships by a systematic approach to enable further income potential
- Maintained lead to competitors on customer satisfaction
- High retention

Optimised distribution model

- Restructuring of branch network to focus on advice
- Developing multichannel relationship banking is the next step

Share of wallet and re-pricing to drive income

- Leverage customer relationships to acquire full customer wallet
- New customer acquisition
- Re-pricing of lending stock to the level of margins on new business

Cost and capital optimisation

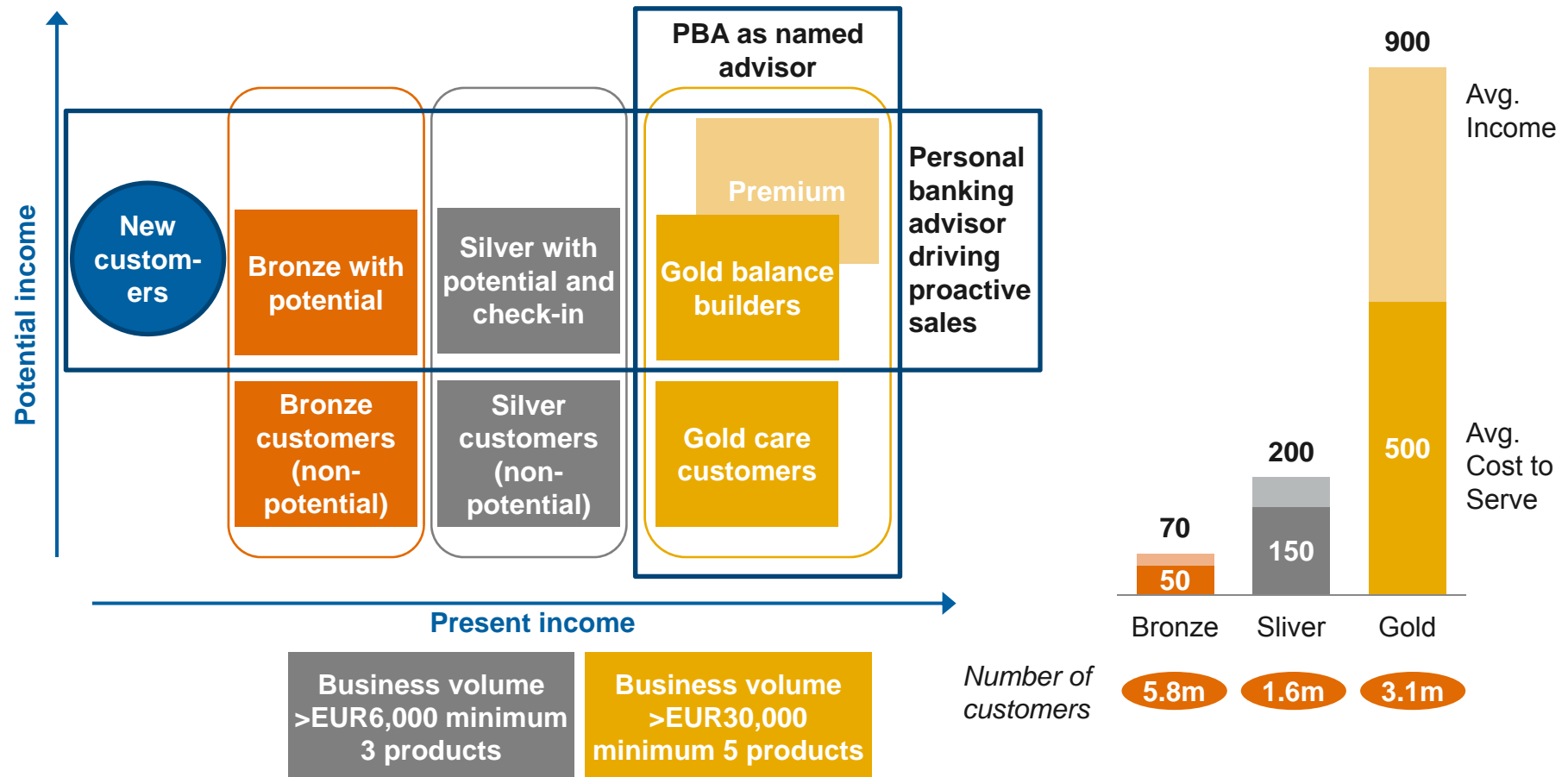
- Maintain flat costs and RWAs
- All customers are welcome – capital and cost optimisation making all customer relationships profitable

Optimising household relationships



Customer programme to drive cross selling, elevation and loyalty

Income / cost to serve per customer, EUR

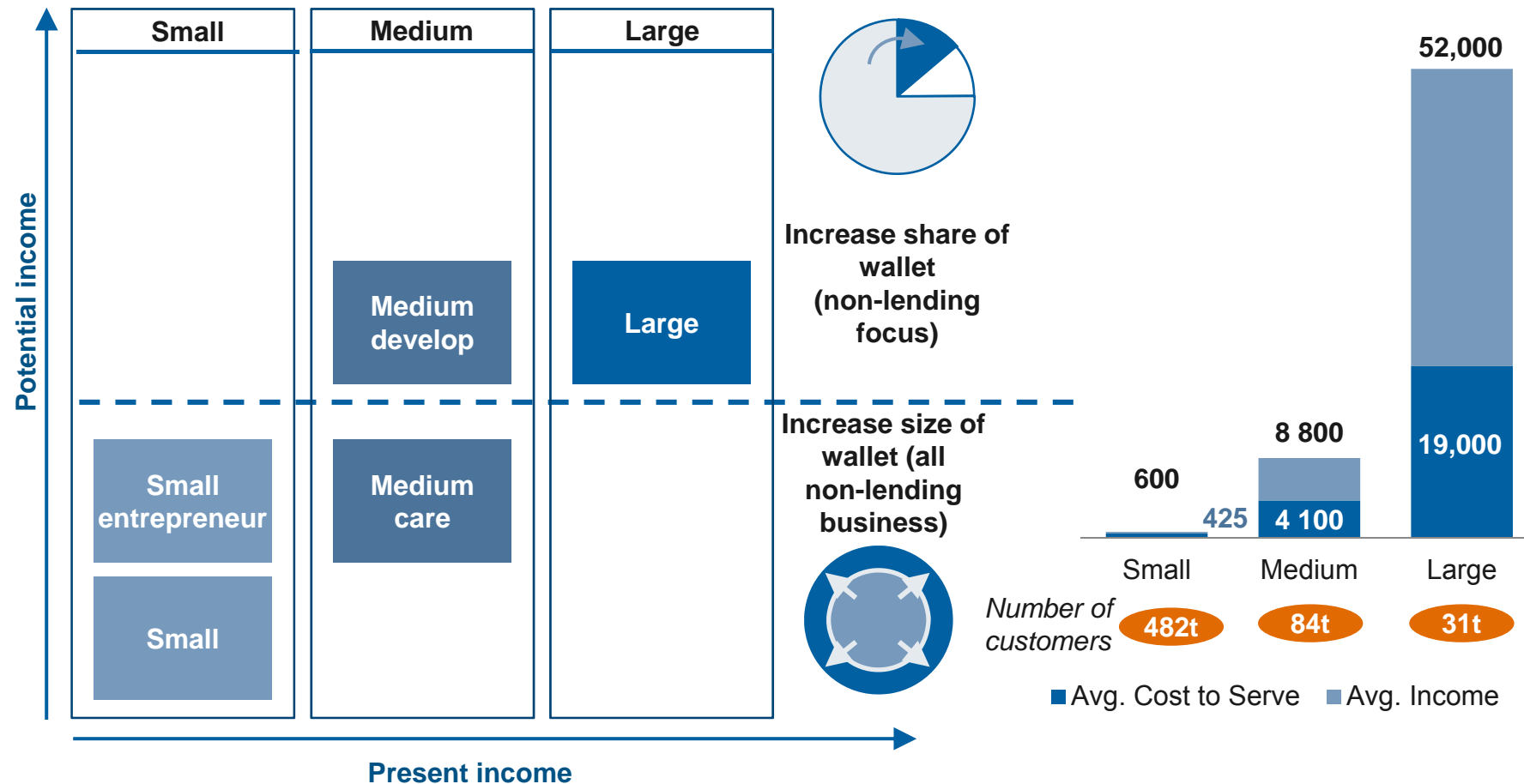


Optimising SME relationships



Corporate service model

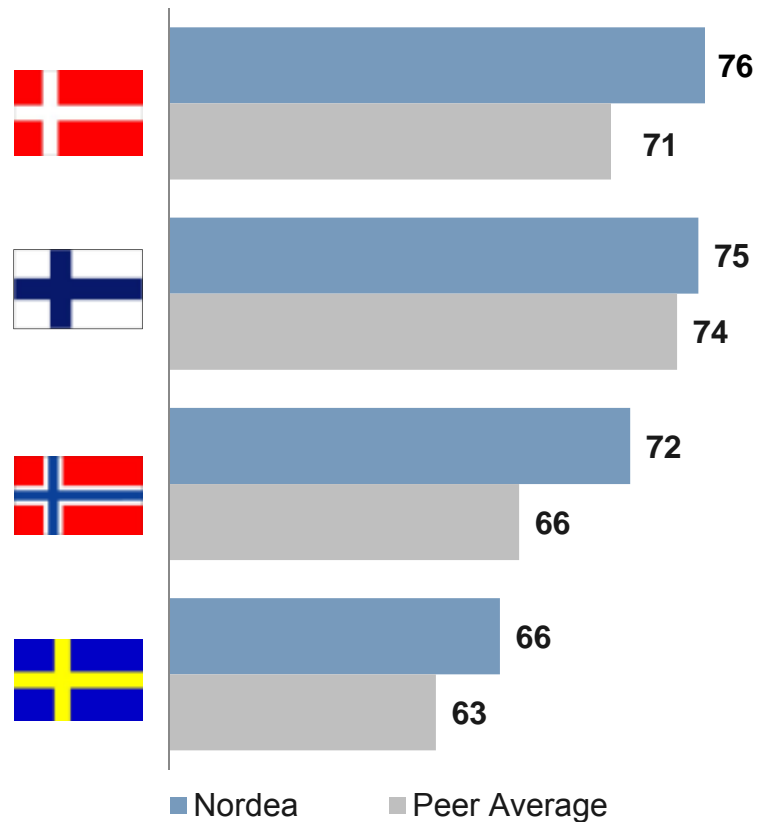
Income / cost to serve per customer, EUR



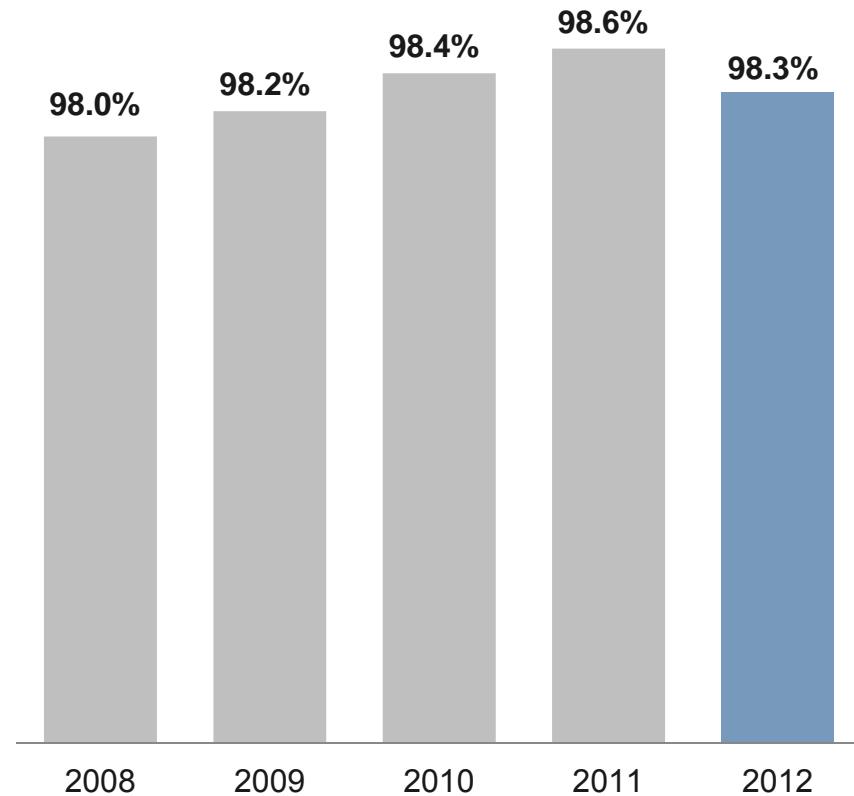
Maintained lead to competition on customer satisfaction



Household satisfaction compared to peers,
Avg. 2010-2012



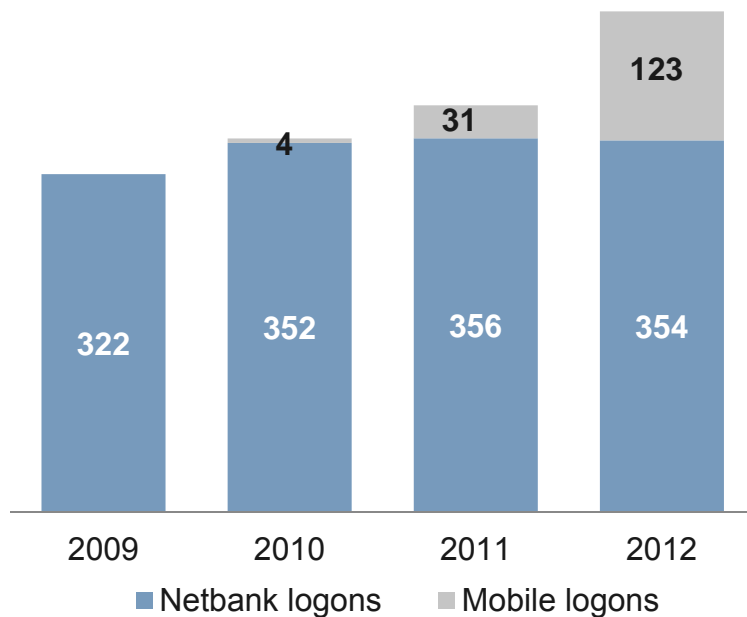
High and stable retention



Optimisation continues to meet changing customer behaviour

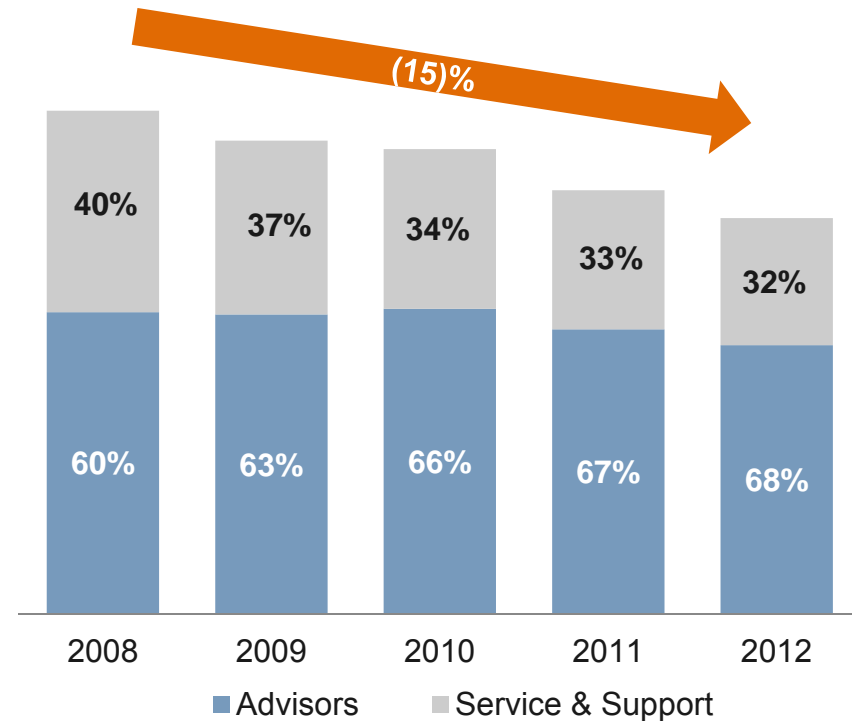


Development of online channels, m



Increased usage of online channels

Share of advisors in branch network, %

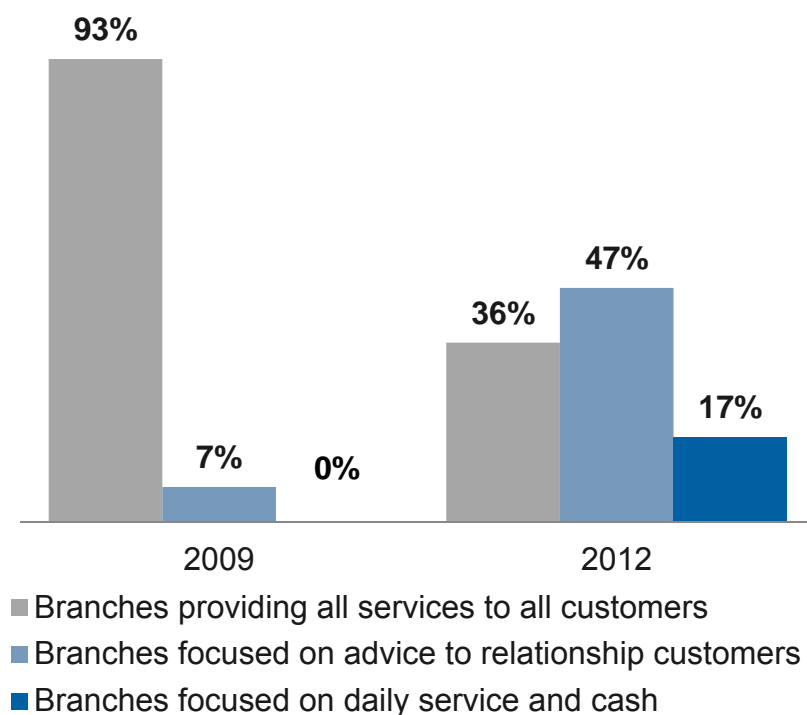


Increased focus on advisory in branches

Restructuring of Nordic branch network successfully completed

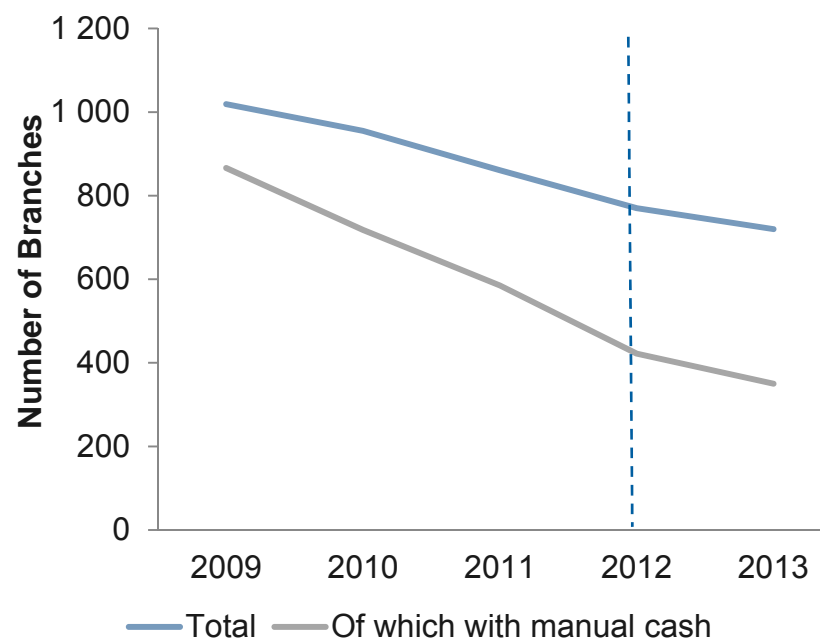


Restructuring of branch network, % of branches



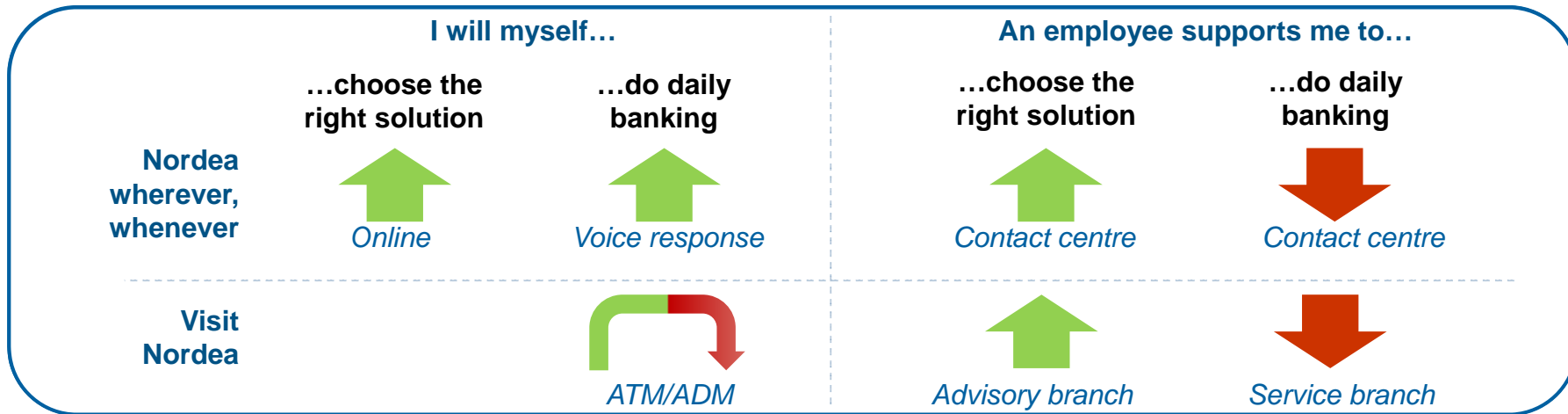
Resources in branch network focusing on value creating advice

Reduction in the of number of branches



Further efficiency gains as manual cash handling is reduced and by adjusting to changing customer behaviour

Multichannel relationship banking is the next step



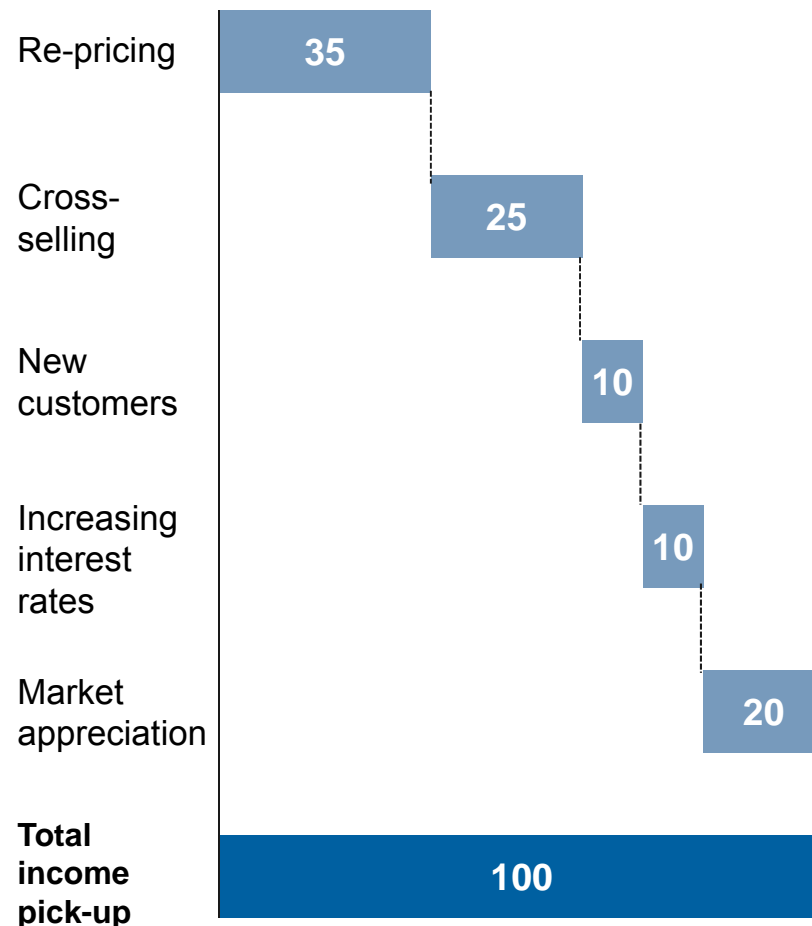
Key activities

- Today our relationship bank is primarily branch centric
- We will develop a true multichannel relationship bank accommodating customers being partly or fully self-directed
 - Named advisor in the branch with the responsibility for identifying customer needs, pro-actively contacting the customer
 - Remote meeting with named advisor or Contact Centre
 - Access to service and advice on any customer need 24/7
 - Build better opportunities for self-guided advice and improved self service online and mobile

Key income drivers are re-pricing and share of wallet



Income levers overview



Comments

- Re-pricing of lending stock to the pricing of new lending on both household and corporate
- Leverage existing relationships, focusing on asset productivity for corporate and special attention to savings and deposits for household
- Migration of Bronze and Silver customers
- Continued focus acquiring new good customers
- Deposit margins increase with market rate
- Only modest market growth expected

Further income potential exists within retail banking



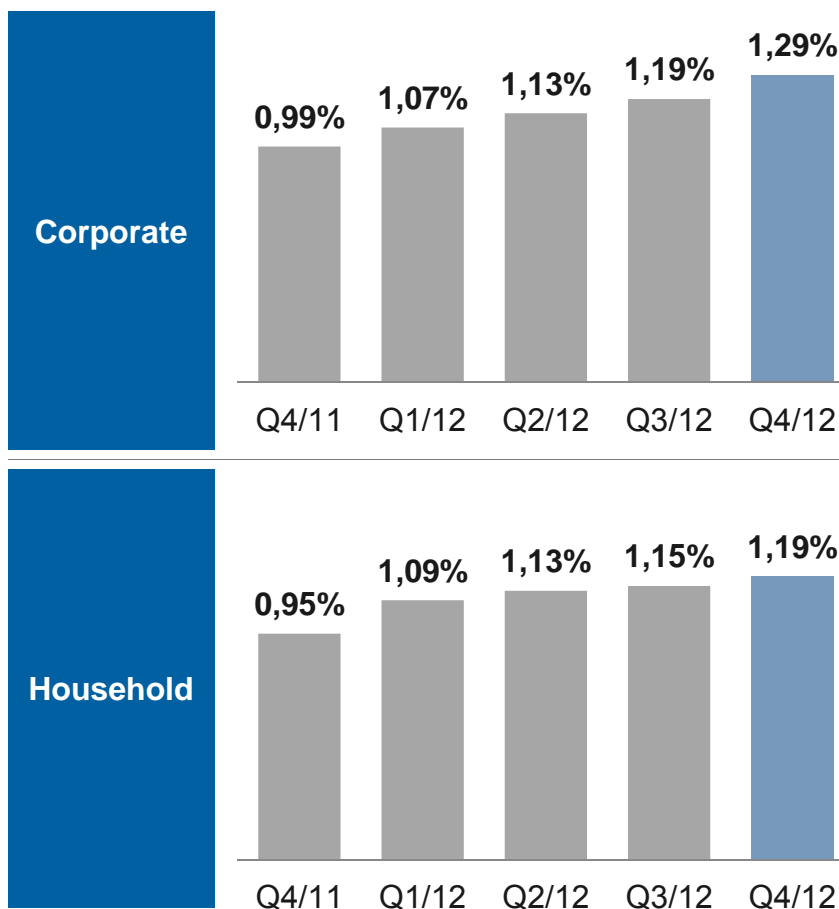
Key activities

- Re-price existing household lending stock including mortgages to the price of new lending
- SRMs systematically analyse their portfolios to re-price individual customer relationships to the price of new lending
- Deposit margins increase with market rate
- Pricing governance with competence centres; strict follow up on won and lost deals; pricing exceptions granted and volume (and market share) development

Further income opportunities



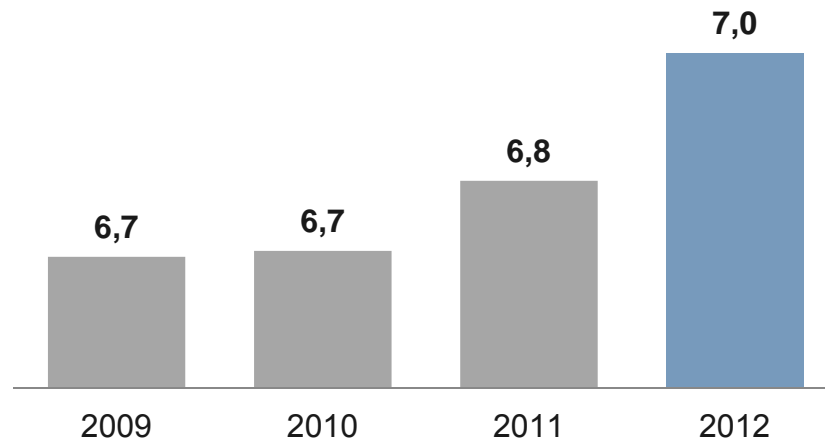
Lending margin development



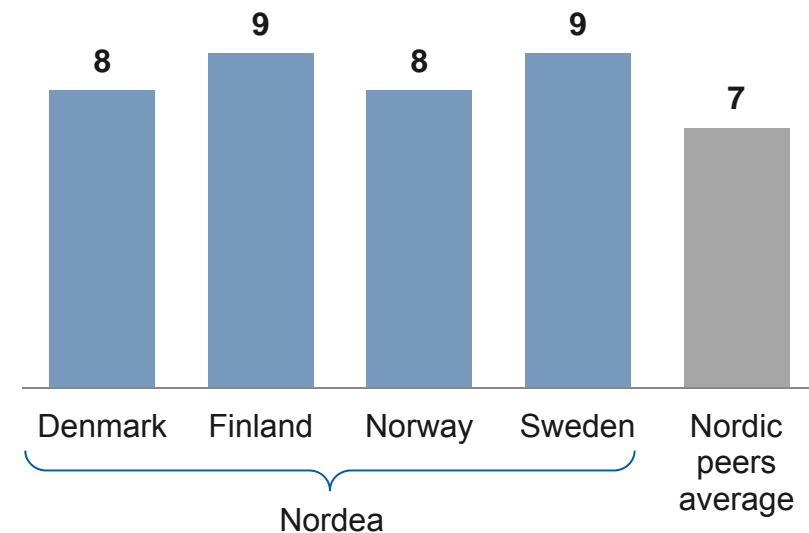
Cross sales initiatives to further drive income



Products per Gold customer



Products sales per personal banking advisor per week¹



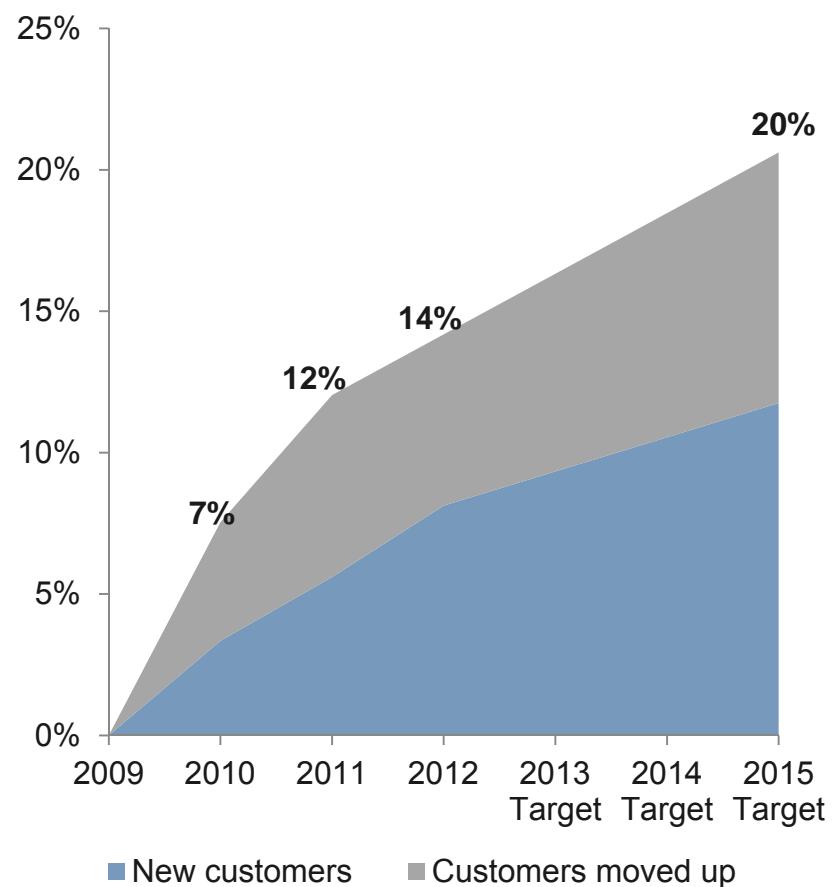
Key activities

- Further emphasise the need for acquiring the full customer wallet for household and corporate customers
- Banking Operating Model (BOM) has a strong focus on quality in the sales process in both household and corporate
- SRMs are instructed to evaluate individual portfolios of large corporate customers segment for cross sales opportunities
- Household contact policy shifted focus to a balanced approach on quantity and quality in meetings (cross sales with focus on savings and deposits)

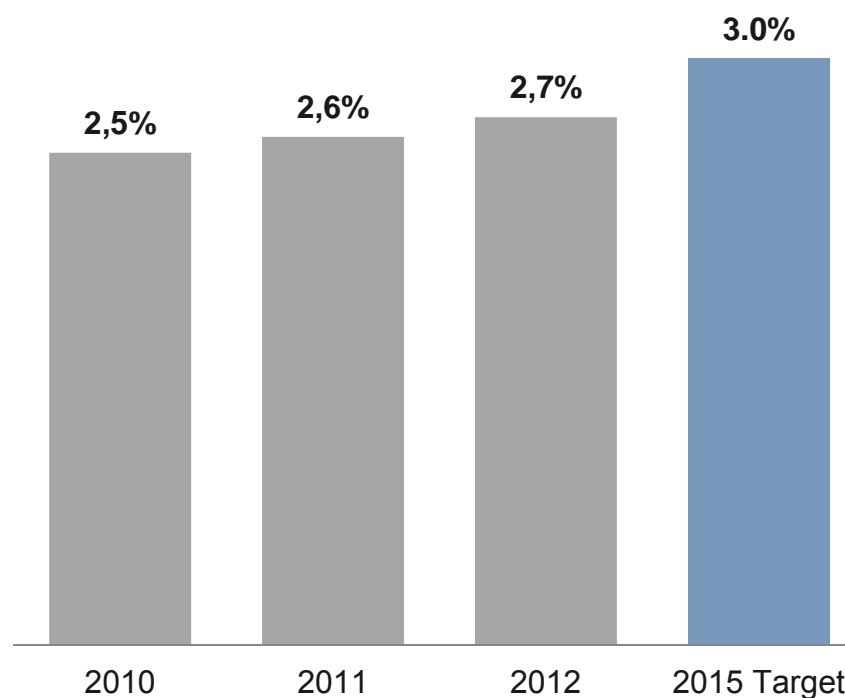
Cross sales and share of wallet development and ambition



Net increase in Gold and Premium customers, 2009–2015



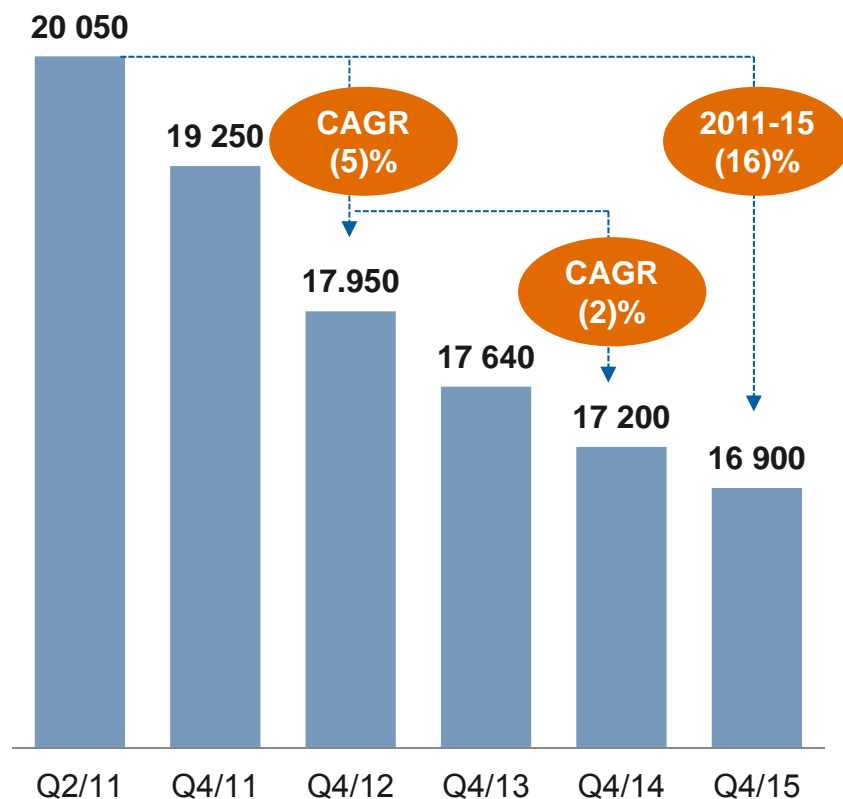
Asset productivity, corporate¹



Efficiency initiatives within Retail Banking



FTEs development



Flat cost ambition

- Reduced number of branches and optimised contact policy in 2012
- Flat costs 2013-2014
- Cost reductions during the period 2013-2015 of approximately EUR175m
- Dynamic resource allocation to segments
- Further cost efficiency gains will come from
 - Reduced cash handling
 - Digitise statements, customer documents and signatures
 - Automating, centralising and off shoring of processes
 - Increased efficiency in supporting functions

Flat RWA ambition

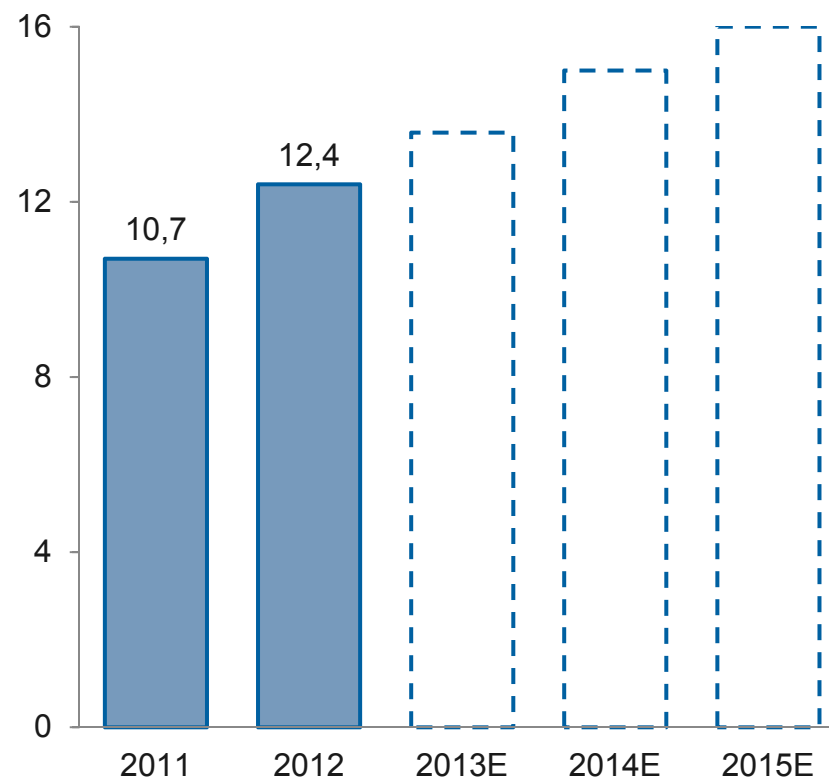
- Capital efficiency initiatives have realised RWA reductions of EUR 4bn in 2012
- Business selection on customer level based on current and future profitability
- Reduction in RWA will continue
 - Housecleaning processes e.g. collection and model optimization
 - Securing less capital intensive solutions on individual customer level

Return on allocated capital aspirations

Path to increased returns

- Diversified franchise delivering high, growing and low-volatile income
- Income growth based on customer acquisition and increased cross sell
- Nominal costs flat from 2013 -2014
- Total FTE reduction 2013 -2015 of 6%
- Efficiency in capital
- Strict credit risk management
- Return on allocated capital continue to increase over the forecast period

RaRoCaR development¹, %



Re-cap of Retail Banking initiatives

	Key ambitions and initiatives	Group key initiatives and levers
Coherent business system supporting relationship strategy	<ul style="list-style-type: none"> ■ Optimisation of household and SME relationships by a systematic approach to enable further income potential ■ Maintained lead to competitors on customer satisfaction and high retention 	Low volatile income generation and flat costs 2013-14
Optimised distribution model	<ul style="list-style-type: none"> ■ Restructuring of branch network to focus on advice ■ Developing multichannel relationship banking is the next step 	Income generation and flat costs 2013-14
Share of wallet and re-pricing to drive income	<ul style="list-style-type: none"> ■ Leverage customer relationships to acquire full customer wallet ■ Re-pricing of lending stock to the level of margins on new business 	Income generation
Cost and capital optimisation	<ul style="list-style-type: none"> ■ Maintain flat costs and RWAs ■ All customers are welcome – capital and cost optimisation making all customer relationships profitable 	Flat costs 2013-14 and nearly flat RWAs



Wholesale Banking

Casper von Koskull, Head of Wholesale Banking

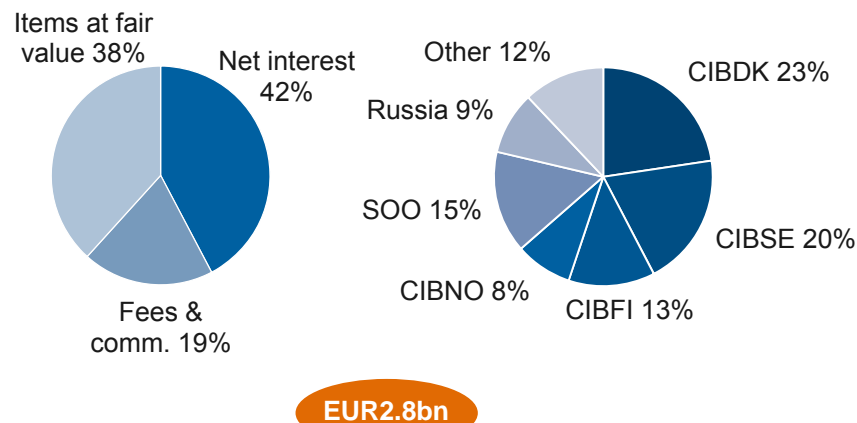


The leading Nordic Wholesale Bank for corporate and institutional customers

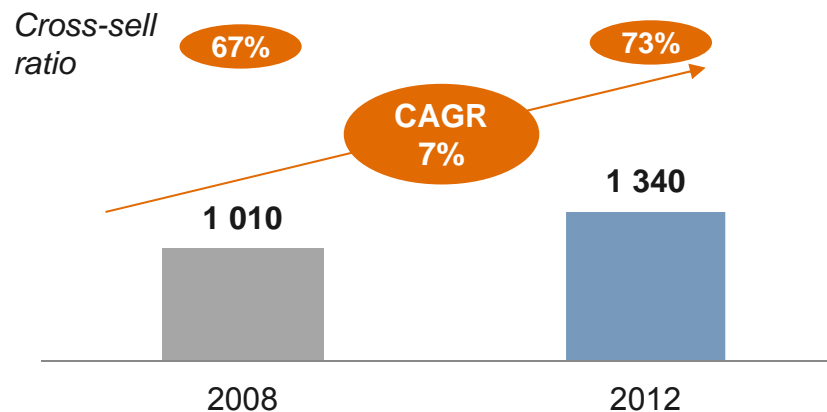
Key 2012 Wholesale Banking facts

- #1 or #2 position in each of the Nordic countries
- Total income EUR2,773m
- Operating profit EUR1,525m
- Cost/income ratio 34%
- RaRoCaR 14,7%¹
- Lending volume EUR89bn
- Approximately 6,000 employees

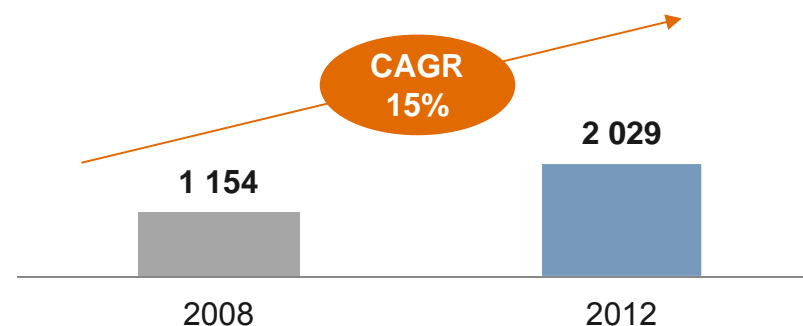
Operating income split



Corporate income, EURm



Markets income, EURm



Vision and strategic positioning

Strategic vision

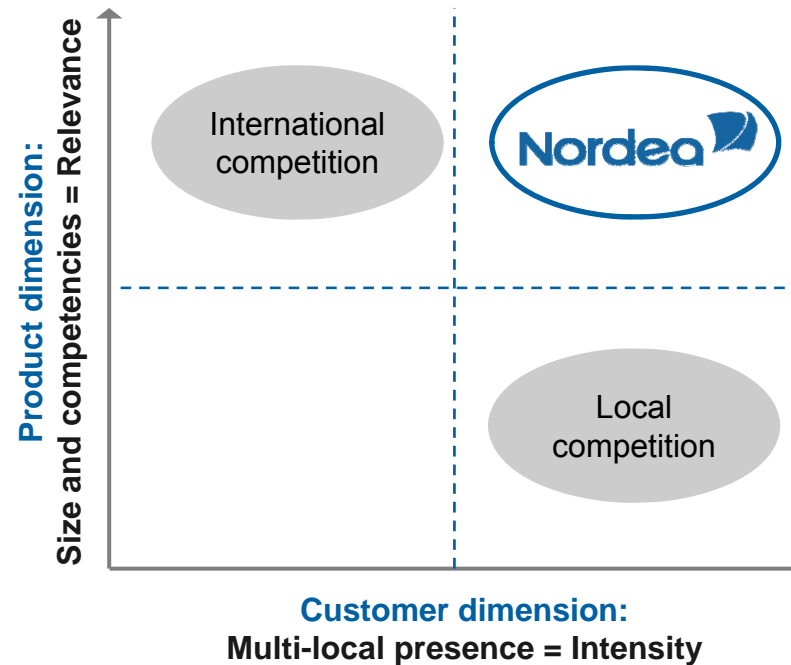
The vision is to be the leading wholesale bank in the Nordic region

- The leading relationship bank for our customers
- The best Nordic provider of Working Capital Management services
- The best Nordic provider of Capital Markets Products

One operating model with Nordic scale and local knowledge/presence

- Relationship driven customer coverage model
- Flat and customer centric structure
- Integrated operating model with full alignment between customer coverage officers and product specialists

Strategic positioning



A leading position built on local presence and global scale, resulting in deep customer understanding and competitive solutions

Key Wholesale Banking value drivers



Key ambitions and initiatives

Relationship strategy supported by global product capabilities

- Relationship strategy driving cross-sell and income growth
- Strengthened Wholesale Banking relationship management process
- Further develop successful Markets strategy delivering global products

Developing the new organisational platform

- One operating model with Nordic scale and local knowledge / presence
- Strengthening the organisation and aligning the value chain
- Improved transparency and strengthened product offering

Micro-optimisation of individual customer relationships

- Active business selection for further repricing
- Pricing initiatives linked to product capital consumption
- Leveraging leading access to capital markets financing

Strict management of resources

- Business selection based on profitability and asset productivity
- Capital light products
- Maintain expenses and RWA flat

Relationship strategy driving cross-sell and income growth

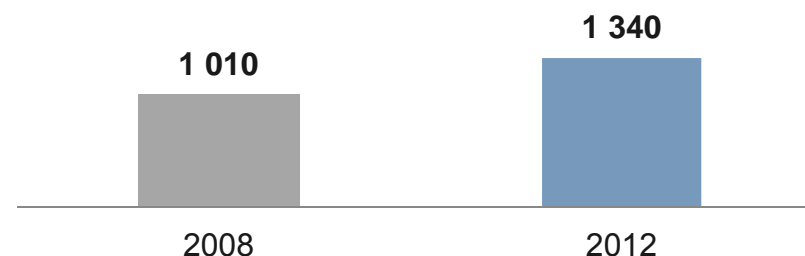


Key activities

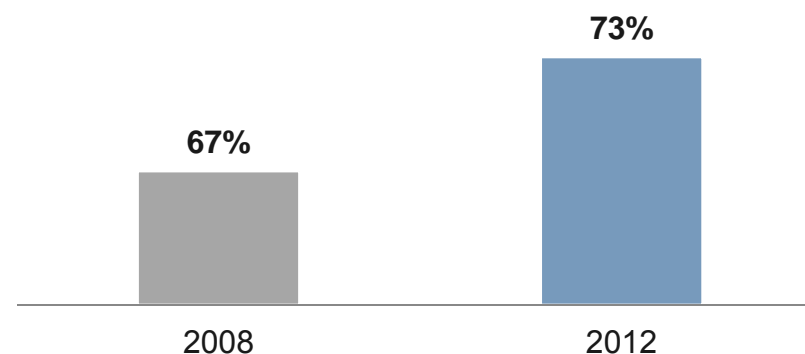
- Successful customer relationship strategy
 - Strategic partnerships based on superior industry and customer knowledge
 - Greenwich Share¹ and Quality² Leader - Nordic large corporate banking
- Strengthened WB Relationship Management Process
 - Increased intensity and relevance, forward-looking
 - Relationship economics and differentiated service
 - Stronger commitment across value chain
 - Increased flexibility
- Leverage leading relationships to sell more products, reduce earnings volatility and improve risk assessment

New behavior to meet new requirements in the future relationship bank

Corporate income³, EURm



Large corporates: Product cross-sell ratio⁴, %



Further develop successful Markets strategy



Key messages

- Deep understanding of customer needs - fully integrated into Nordea relationship strategy and cooperating closely with customer units
- Customer centric advisory based strategy
 - Widest and best ranked footprint with CIB customers
 - Deep and growing footprint with segment large and medium
 - Focus on providing what the customer needs across the full advisory chain
- Integrated investment banking offering with debt capital markets, equity capital markets and M&A

Market positions

**#1 bookrunner in
Nordic corporate
bonds**

**#1 Nordic bank in
Nordic ECM**

**#1 bookrunner in
Nordic syndicated
loans**

**Most Award Winning
Equity Broker
Nordics**

**#1 Nordic bank in
Nordic M&A**

**Leading Nordic FX
and interest rate
derivatives
franchises**

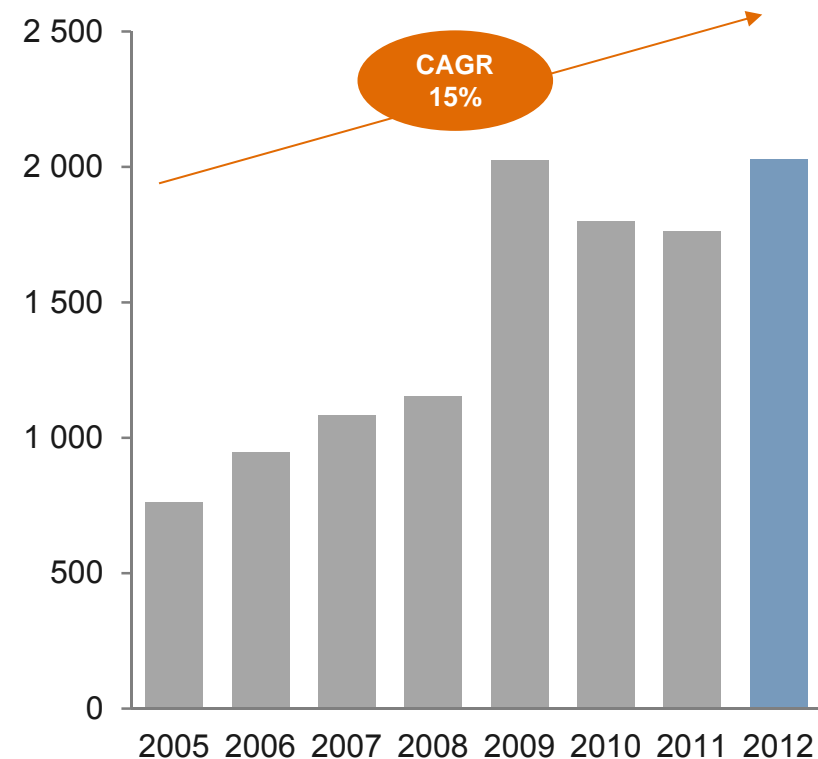
Further develop successful Markets strategy (cont'd)



Key messages

- Competitive advantage built on broad product range and deep market penetration – advice, liquidity/placing power and pricing
- Systematic concept for cross-selling to grow event-driven business and migrate solutions towards retail segment
- Scalable delivery platform – based on local sales and centralised operations and control – running at highly competitive C/I-ratio
- Solid and stable performance with high RaRoCaR throughout the crisis
 - Sustained high income growth
 - Customer focused trading activity with narrow risk profile

Markets income, EURm



Developing the organisational platform

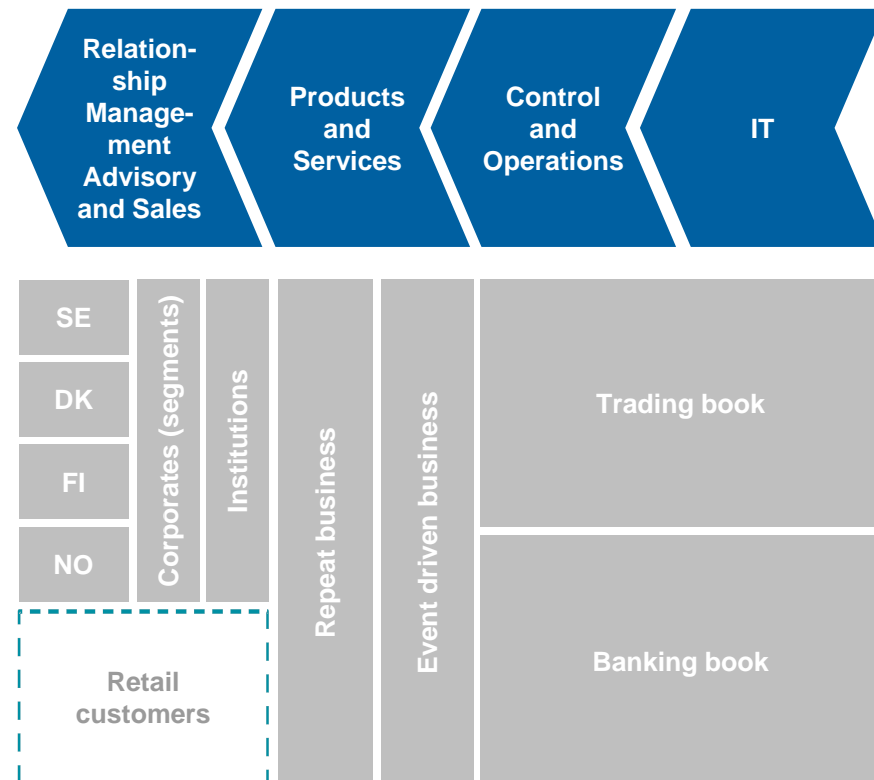


Key messages

- Full value chain approach, end-to-end alignment towards customer
 - WB organisation created in June 2011
- Customer delivery systems support a deeper penetration of customer base through continued focus on intensity and relevance
- Competitive product offering and high productivity
 - Exploit economies of scale
 - Harmonised processes
 - Reduce operational risk
 - Effective decision making and prioritisations

A strategy of local sales built on global production platform

Wholesale Banking operating model



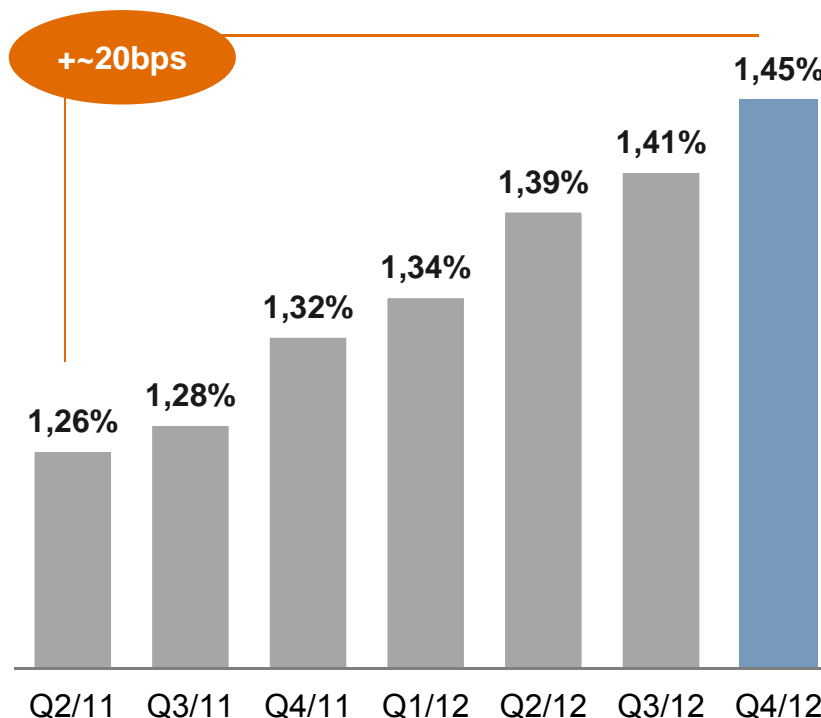
Active business selection for further re-pricing, supported by pricing initiatives



Key activities

- Active business selection
 - Systematic review of all new transactions by centralised committees
 - Regular follow-up on lowest performing customers
 - Reduction of undrawn part of credit facilities
- First-mover role in increasing pricing
 - Minimum pricing requirements
 - Pricing grids reflecting inherent risk and cost of resources in all business areas
 - Specifically in Markets; allocation of capital and funding cost to individual product lines for integration in pricing
- Further positive repricing effects expected
 - Lending portfolio turnover
 - Capital markets products as new regulation comes into effect

CIB average lending margin¹, %



Leveraging leading access to capital markets financing



Comments

- Increasing use of capital markets to supply customers with attractive financing
- Leading issuer of Nordic corporate bonds and syndicated loans
- Strengthened Investment Banking organisation with integrated advisory capabilities on debt and equity sides

Cement Nordic leadership by leveraging combination of own balance sheet, capital markets financing as well as risk management capabilities

Nordic corporate bonds – ranking by bookrunner

		Value (EURm)	No.	% Share
1	Nordea Markets	5,849	121	14.3
2	SEB	4,336	76	10.6
3	Danske Bank	3,652	58	8.9
4	Deutsche Bank	2,516	15	6.1
5	Swedbank First Securities	2,379	61	5.8
6	DNB Bank	2,267	54	5.5
7	Svenska Handelsbanken	2,143	52	5.2
8	Goldman Sachs	1,978	11	4.8
9	BNP Paribas	1,592	11	3.9
10	JPMorgan	1,532	10	3.7
	Total	41,015	351	100.0

Nordic syndicated loans – ranking by bookrunner

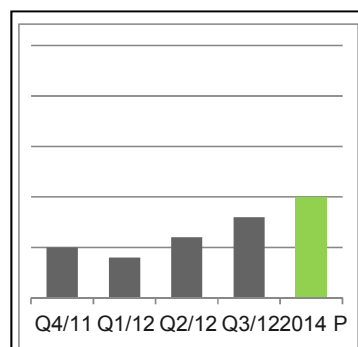
		Value (EURm)	No.	% Share
1	Nordea Markets	5,347	83	14.2
2	DNB Bank	5,064	68	13.5
3	SEB	2,953	45	7.9
4	Svenska Handelsbanken	1,735	19	4.6
5	Citi	1,436	18	3.8
6	Swedbank First Securities	1,406	19	3.7
7	Danske Bank	1,291	28	3.4
8	ING	1,098	13	2.9
9	JP Morgan	725	10	1.9
10	RBS	715	10	1.9
	Total	37,637	171	100.0

Structured segment review for daily business optimisation

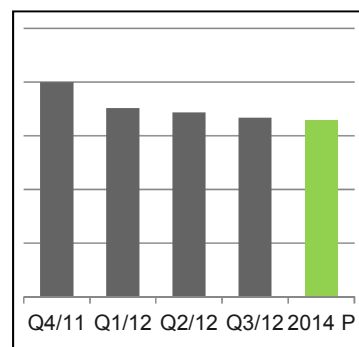


ILLUSTRATION

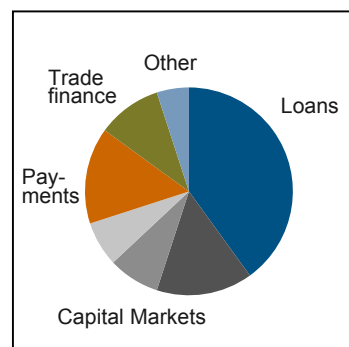
Income



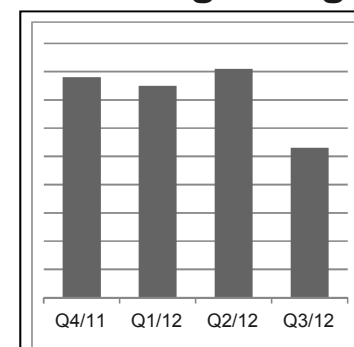
RWA



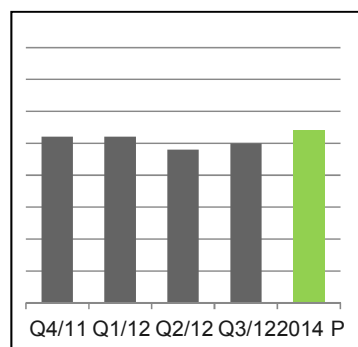
Income mix



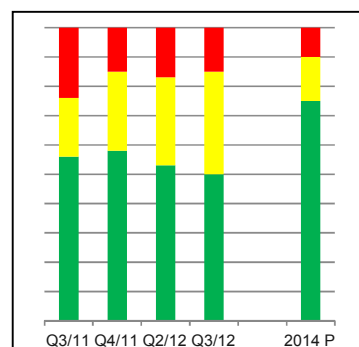
PD / Avg rating



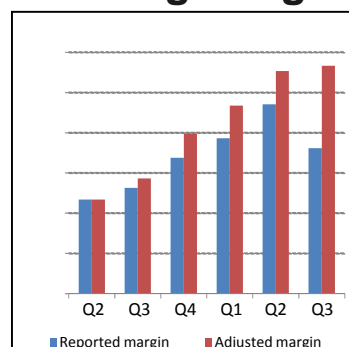
RAROCAR



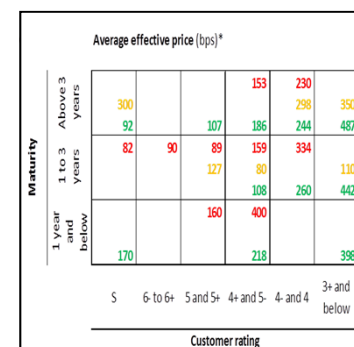
RAROCAR clusters



Lending margin



Won/lost deals



Wholesale Banking initiatives to maintain flat costs

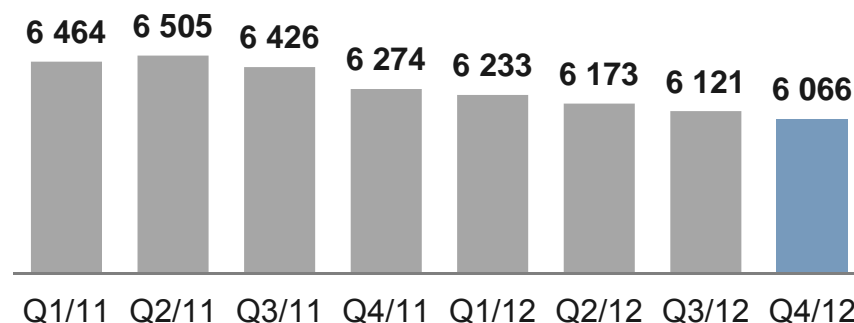


Comments

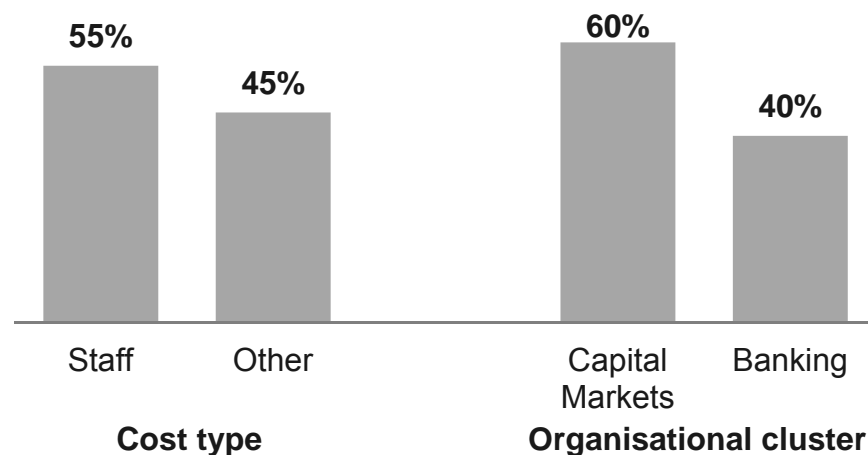
- Strong starting point with C/I ratio of 34% for 2012
- Streamlining of processes
- Zero growth in direct cost excluding performance driven bonuses in Markets
- Overall cost savings of EUR65m in 2013-2015, evenly split over three years
- Near-shoring (Nordea Operation Center in Poland) and off-shoring of operations and staff
- Reviewing global bank network to reduce number of counterparts

Significant leverage in operating model

Wholesale banking total FTE number



Breakdown of cost savings 2013–15, %



Wholesale Banking initiatives to maintain flat RWAs

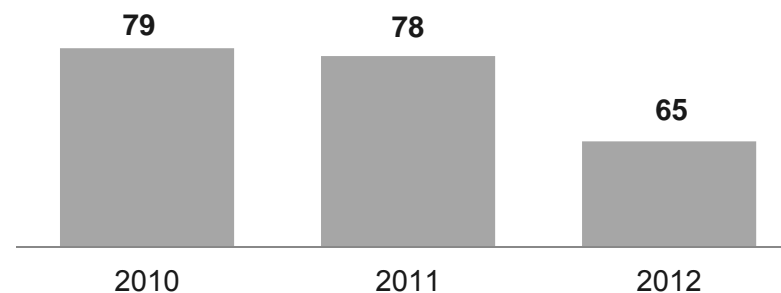


Key activities

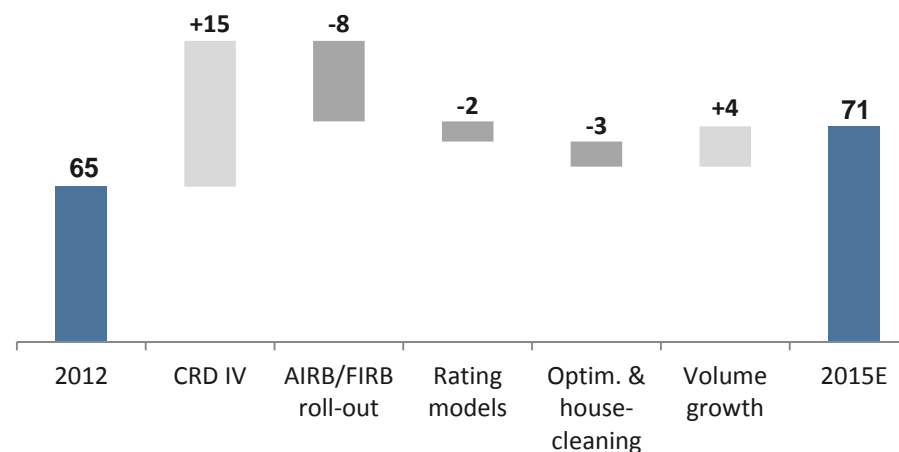
- Strong Wholesale Banking track record
- Customer targeted initiatives
 - RWA caps per division introduced
 - Active business selection/de-selection
 - Move customers to capital-light solutions
 - Optimize product features against new regulation
 - Central counterparty clearing/LCH
- Production environment
 - Speed-up AIRB roll-out for all exposures
 - Implement new rating models
 - House cleaning, e.g. sourcing/collaterals/-ratings/industry codes/provisions

Increase RaRoCaR and sustain business momentum by reallocating released RWA

RWA development, EURbn



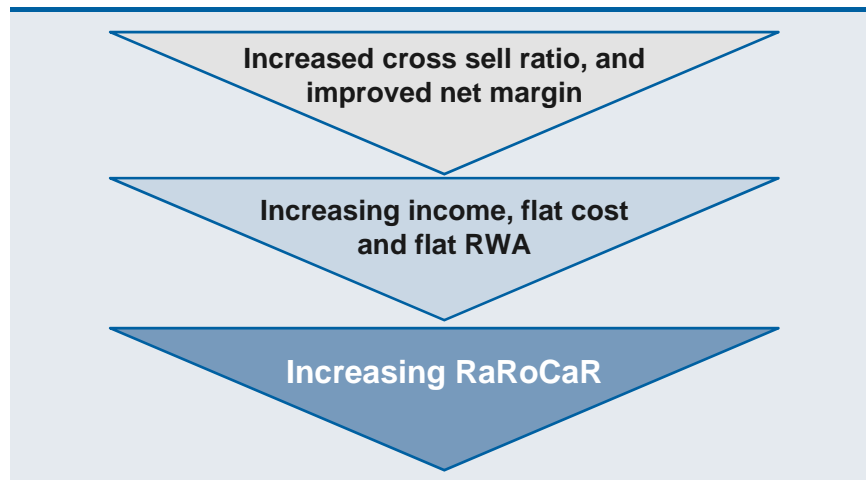
RWA: regulation and mitigating actions, EURbn



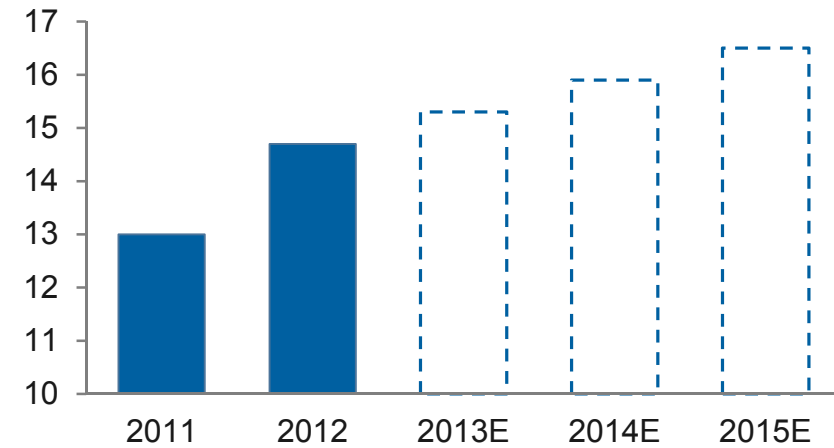
Initiatives drive increased return on customer activities

Path to increased returns

- Increased customer income
- Increased use of capital-light customer financing
- Strict resource management
- One operating model
- Strategic alignment across the entire value chain
- Improved productivity/efficiency



RaRoCaR development, %



Improving customer proposition through high intensity and relevance while at the same time improving productivity/efficiency AND absorbing cost of new regulation

Re-cap of Wholesale Banking initiatives

	Key ambitions and initiatives	Group key initiatives and levers
Relationship strategy supported by global product capabilities	<ul style="list-style-type: none"> Relationship strategy driving cross-selling Relationship management process Successful markets strategy 	Income generation
Developing the new organisational platform	<ul style="list-style-type: none"> One operating model Strengthening the organisation Strengthened product offering 	Income generation and flat costs 2013-14
Micro-optimisation of individual customer relationships	<ul style="list-style-type: none"> Active business selection and repricing Pricing linked to product capital consumption Leverage access to capital markets financing 	Income generation and nearly flat RWAs
Strict management of resources	<ul style="list-style-type: none"> Business selection and asset productivity Capital light products Maintain expenses and RWA flat 	Flat costs 2013-14 and nearly flat RWAs



Wealth Management

Gunn Wærsted
Head of Wealth Management



Wealth Management in brief

Private Banking

- Income 2012 EUR524m (+5%)
- Largest private bank in the Nordic
- Largest Nordic based international private bank
- 705 advisors, 80 branches
- AuM EUR69bn (+14%)
- 106,000 customers

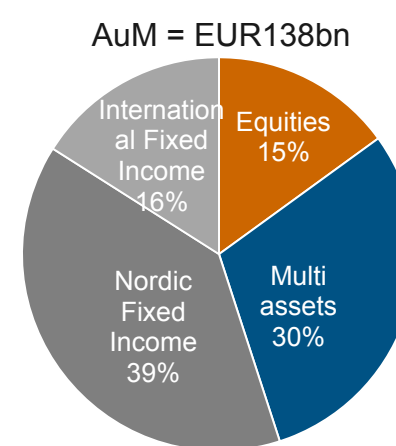
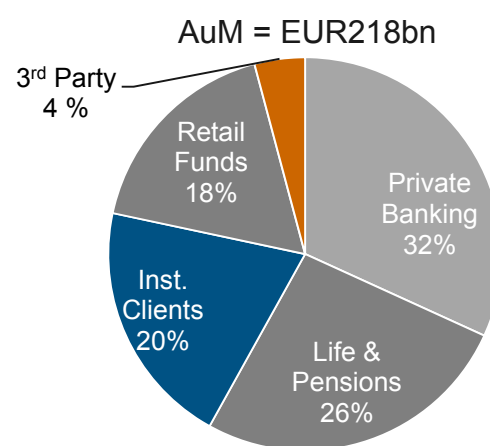
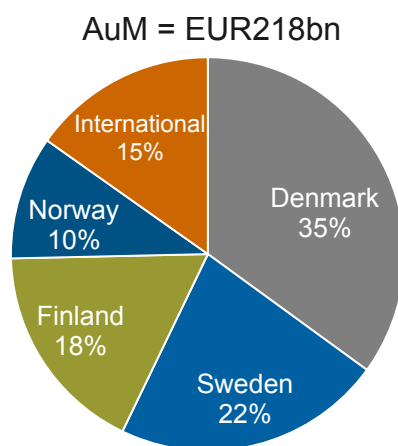
Asset Management

- Income 2012 EUR435m (+13%)
- Largest asset manager in the Nordic
- AuM EUR138bn (+18%)
- >1.9 million unit holders
- >600 institutional clients
- 350 international fund distributors, of which 21 global Wealth Managers

Life & Pensions

- Income 2012 EUR499m (+29%)
- Largest Life & Pension provider in the Nordic
- AuM EUR51bn (+13%)
- GWP 2012 EUR5,735m (-3%)
- 2.3 million policy holders

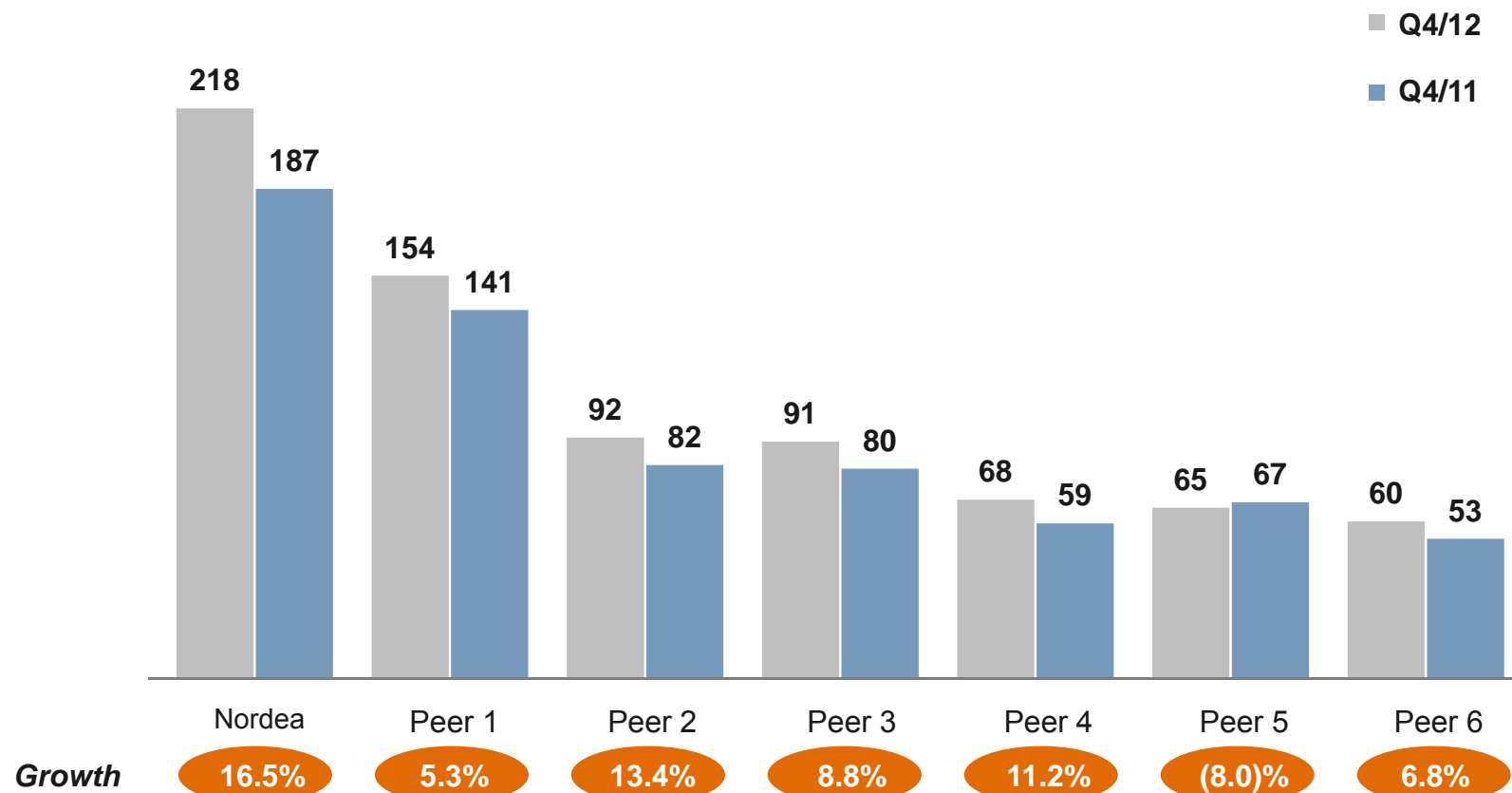
Composition by customer region, segment and asset mix in Asset Management



Note: EUR218bn is Nordea Group asset base including Private Banking assets and Nordea Life assets not managed by NAM. 92 •

Largest and fastest growing wealth manager in the Nordics

AuM development, EURbn



Source: Companies Q4/12 Interim Reports
 Note: Growth refers to AuM growth 2012 and is based on local currency
 Nordea Group asset base including Private Banking advisory mandates and
 Nordea Life assets not managed by NAM 93 •

Well diversified business model with growth in all segments and markets

Year end 2012 AuM, EURbn

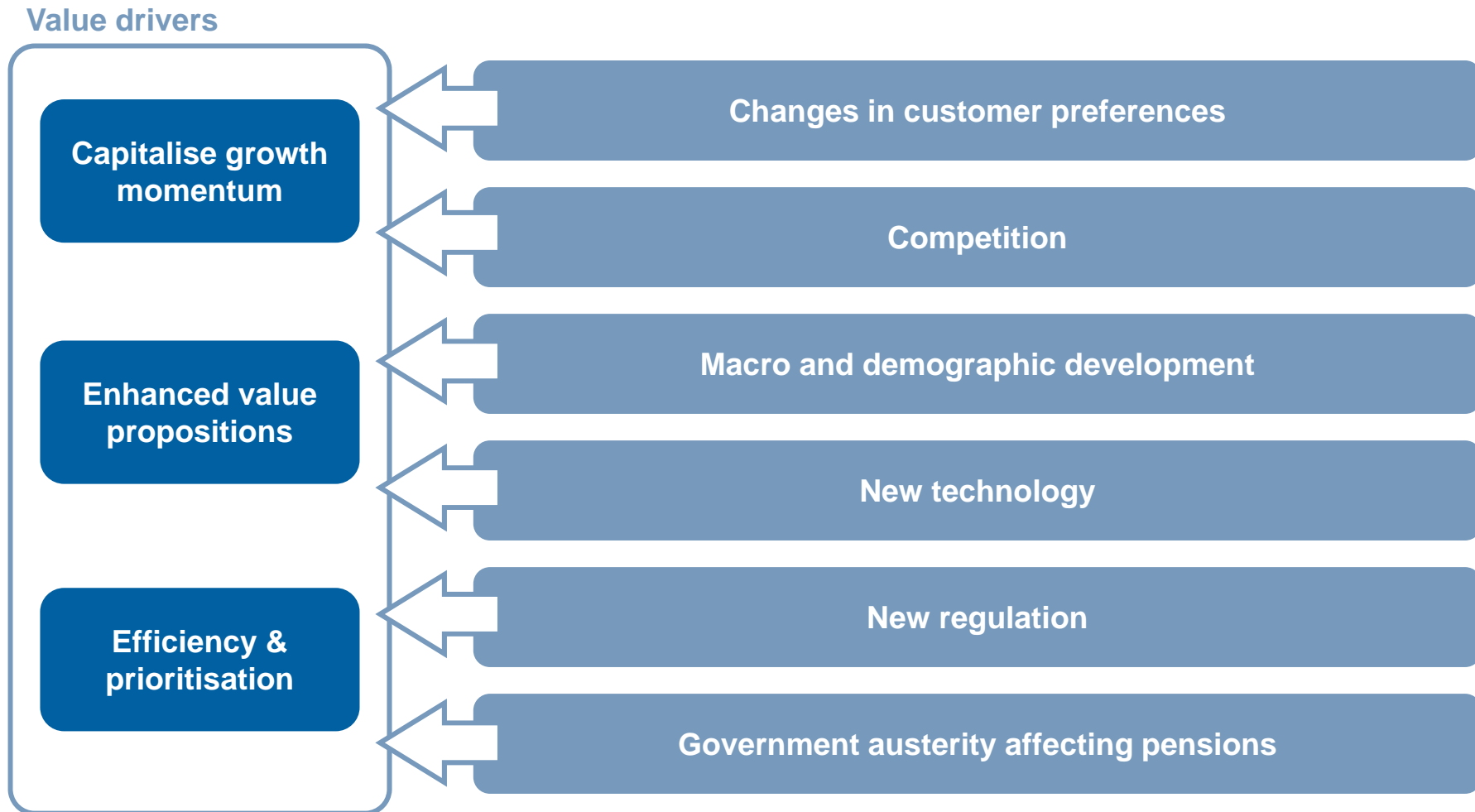
	Retail funds ¹	Private banking	Inst. clients	3 rd Party distribution ²	Life & pensions ³	Total	1 year growth
Denmark	10	22	20	0	24	76	9%
Finland	4	19	5	0	10	38	13%
Norway	3	4	6	0	9	22	22%
Sweden	22	13	5	0	8	48	23%
International	0	11	9	9	6	33	29%
Total	38	69	44	9	57	218	
1 year growth	24%	14%	14%	46%	14%		17%

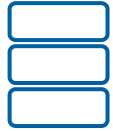
¹All funds targeted at Nordic Retail segment sold through own branches.

²Global Fund Distribution.

³Includes pension pools products. 94 •

Strategy review starting with the external factors





Key Wealth Management value drivers

Key ambitions and initiatives

Capitalise growth momentum

- Leverage the strength of a diversified business model and broad distribution capabilities
- Elevate Retail Banking customers to Private Banking
- Accelerate external customer acquisition Private Banking
- Leverage the strong momentum in AM institutional sales

Enhanced value propositions

- Enhance accessibility, advice and transactions through online and multichannel
- Roll-out enhanced wealth planning concepts and advisory skills
- Develop advisory concepts and tools
- Develop and launch new products and solutions

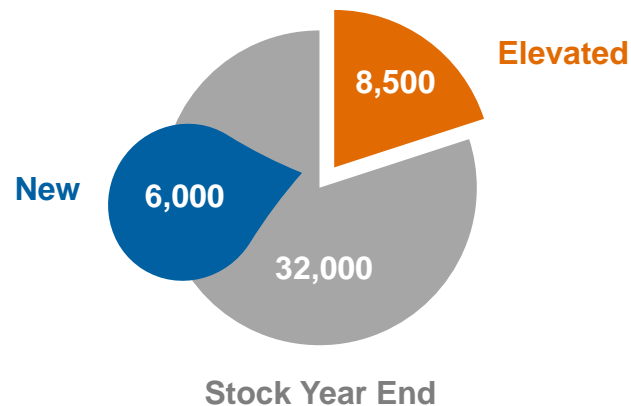
Efficiency & prioritisation

- Improve operations, continue to extract benefits of an integrated wealth value chain
- Improve IT efficiency through offshoring and investments to reduce complexity
- Improve frontline efficiency, to increase the number of right clients per advisor
- Migrate to market return products in Life & Pension

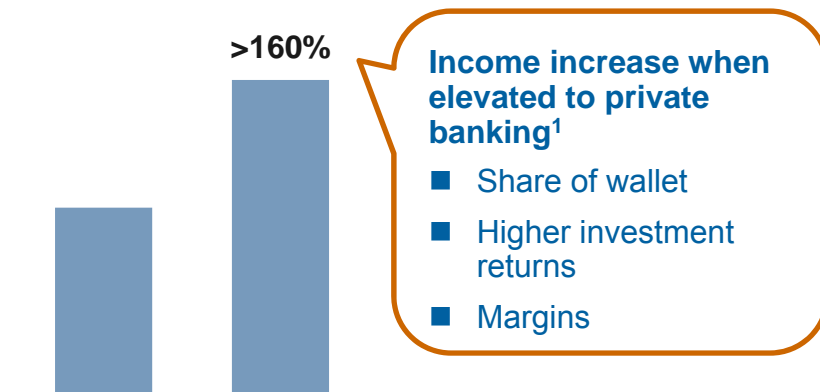
The Private Banking concept creates value for customers and shareowners



of Retail Banking customers fulfilling Private Banking criteria (2012)



Revenue increase



External customer acquisition

- 2,000 customers (2012)

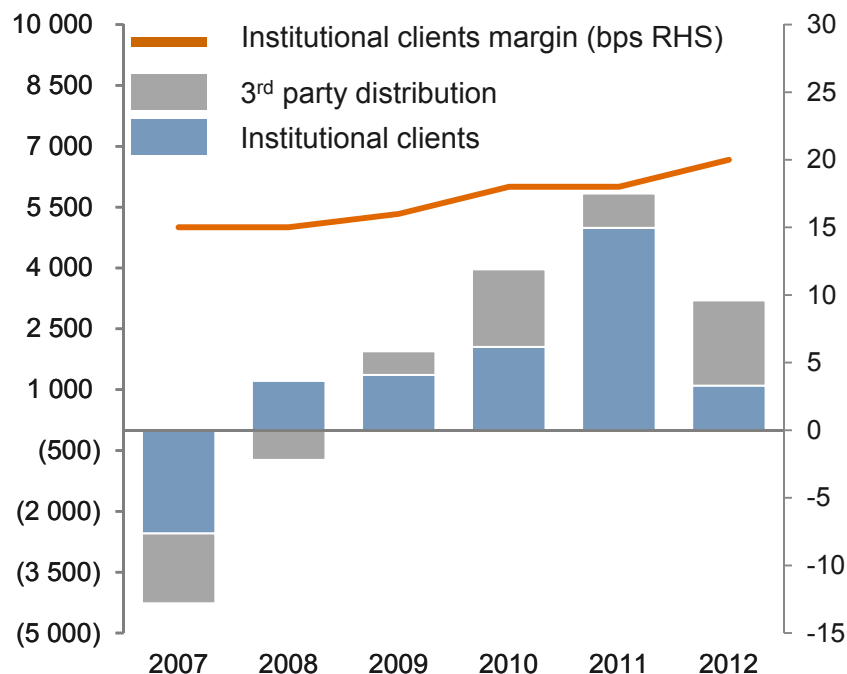
Customer benefits

- Advice and service tailored to more complex needs
- Access to all competencies and full product range
- Higher investment return
- High level of customer satisfaction

Solid growth momentum and a scalable business model in institutional sales



Institutional sales net flows, EURm



AuM
y.e.



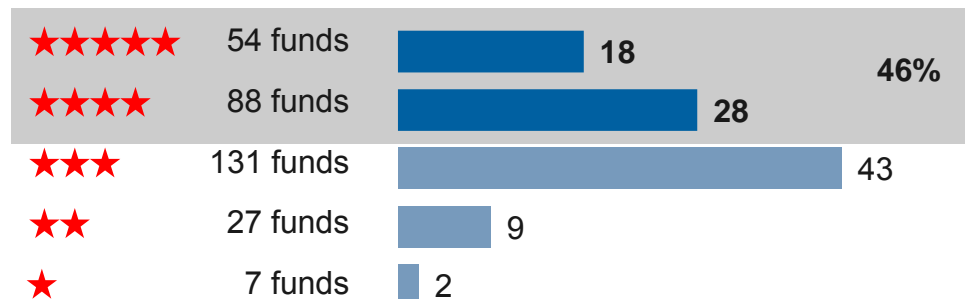
Comments

- Institutional clients
 - Highest Tier 1¹ penetration in the Nordics, 56%
 - Highest penetration in the Nordics within both Equity and Fixed Income¹
 - 20% of AuM from international clients
- 3rd party distribution
 - Distributing through 14 of the 20 global wealth managers²
 - Ranked #7 in European cross-border fund sales in Q4 2012 by LipperFerri³
- International AuM CAGR 21% 2007-2012

Strong investment capabilities is a core part of our value propositions



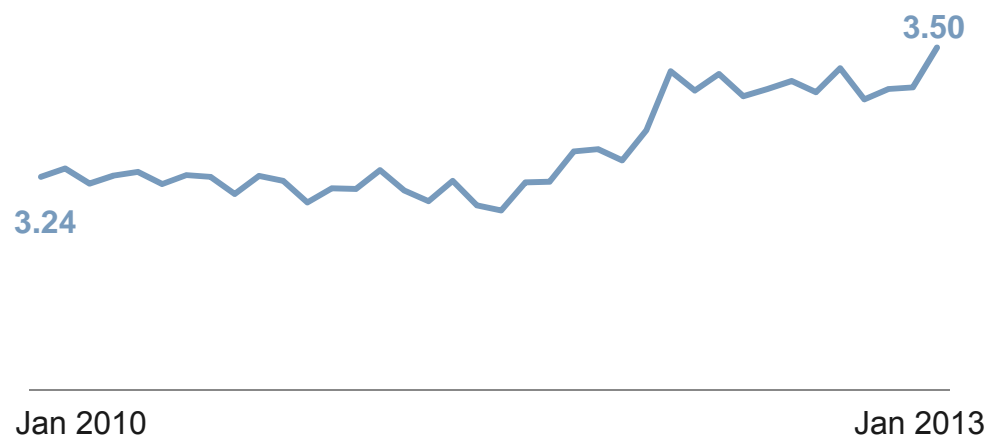
Morningstar rating¹



Investment performance – GIPS²

- 11.7% in average return on assets managed by Asset Management 2012 (8.5% last 3 years)
- 87% of composites outperforming benchmark 2012 (70% last 3 years)
- 179bps value add compared to benchmark in 2012 (76bps last 3 years)

Average Morningstar rating¹



Integrated wealth value chain drives customer value and innovation



Integrated value chain business model

Customers



Advice & service



Retail banking

Private banking

Concepts and sales support



Asset allocation advice

Savings & wealth offerings

Products

Funds

Life and pension products

Account products

Other investment products

Asset management

Life & pensions

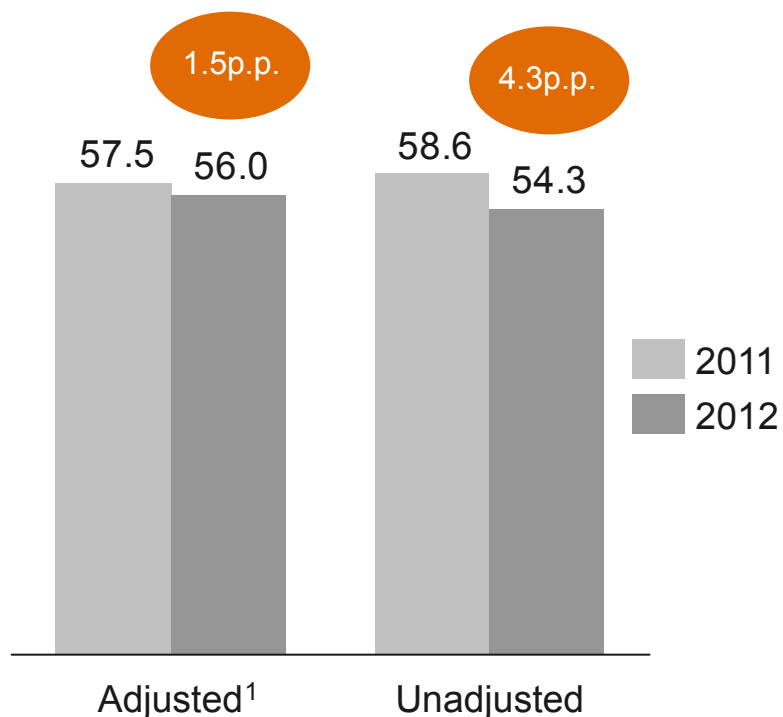
Customer benefits of our model

- In house product offering supplemented by carefully selected **external products**
- **Asset allocation advice** provided customers >95bps value add 2012¹
- More than 770,000 **financial plans** created with Financial Planning Tool for retail banking 2012, resulting in +5p.p. higher CSI and +7p.p. share of wallet²
- Offerings **tailored to customer target groups'** needs, including service concepts for entrepreneurs and balance builders

Efficiency and prioritisation



C/I development



- Cost / AuM 1.7bps, to 38.2bps

Efficiency initiatives 2013-2015

- Increased straight-through processing
- Offshoring of IT development and maintenance
- Reduction of IT complexity
- Front line operational excellence programs
- Reduction of complexity, leveraging UCITS IV

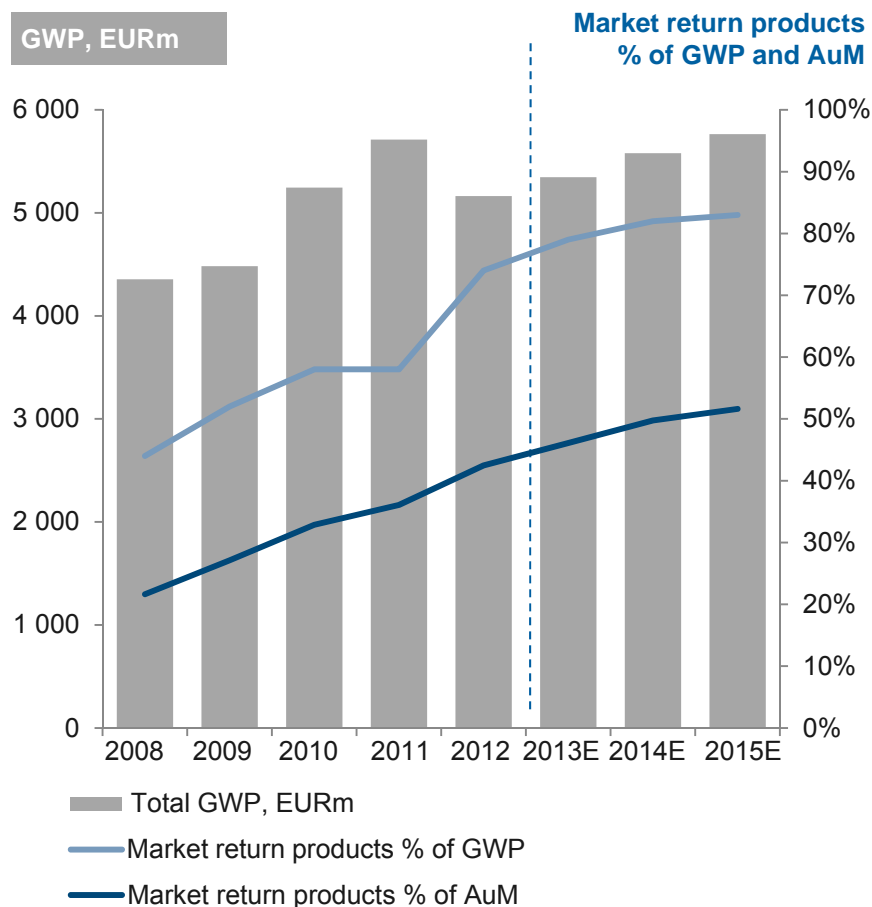
Prioritisation initiatives 2013-2015

- Private Banking customer acquisition focus on higher AuM clients
- Private Banking customers with less complex needs referred to Retail
- Focus on bancassurance, deselection of traditional life
- Institutional sales measured on value of flow, not AuM

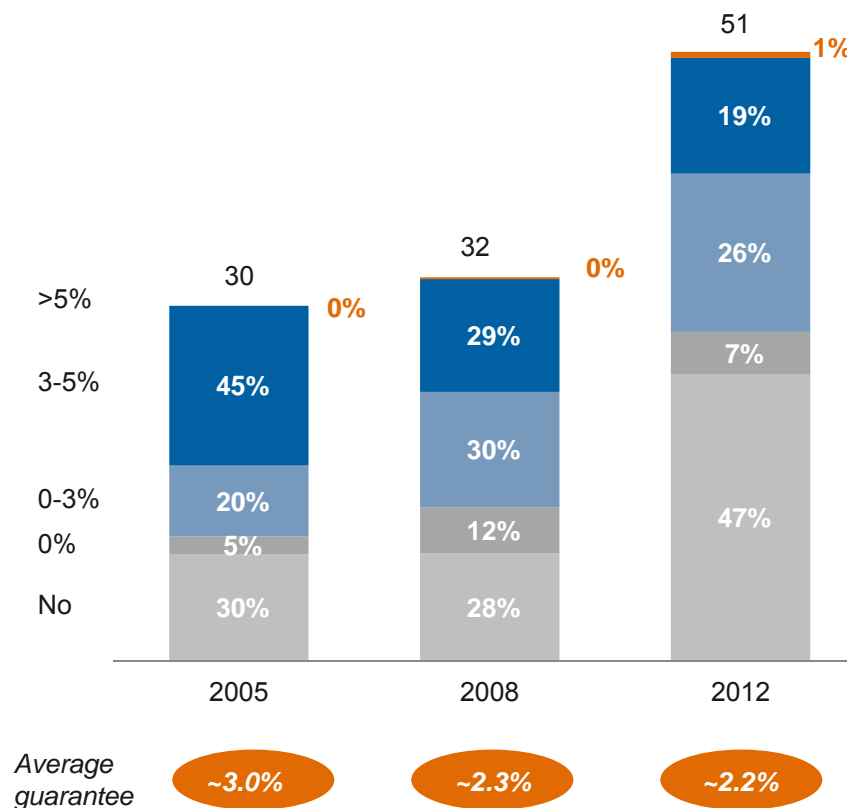
Shift from traditional life to market return products is a key capital efficiency driver



Premium and AuM composition



AuM by customer guarantee level, EURbn



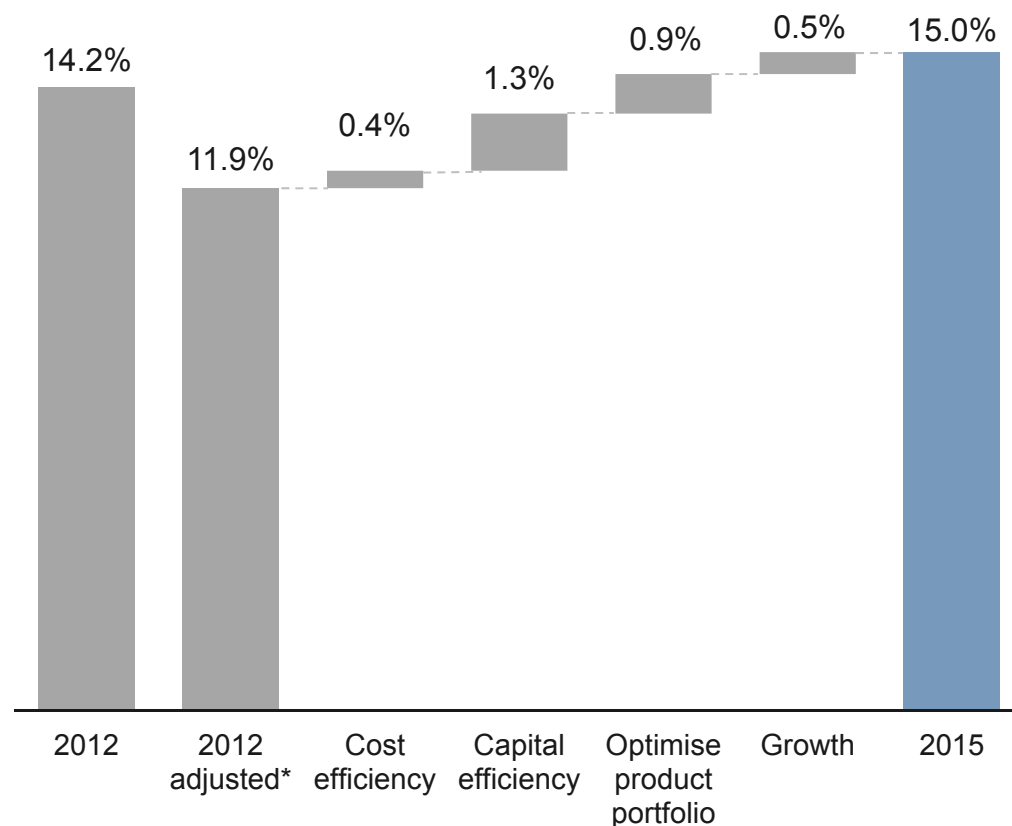
¹Assets exceeding the liabilities to policyholders are reported as non-guaranteed.

²The guarantees above 5% in 2012 includes EUR309 m of technical provision for the Polish Business. The guarantee is provided on a short term basis only and is backed by deposit with the corresponding level of interest.

15% ROE ambition in Life & Pension in 2015



ROE progression



Comments

- **Cost efficiency** achieved through increased straight-through-processing and other levers
- **Capital efficiency** through continued customer migration from traditional products to market return products, and ALM actions to reduce capital consumption
- **Product portfolio optimised** to further increase GWP share of market return products
- **Growth** focused on lower-cost, profitable bancassurance
- We plan to manage the transition to Solvency II without any equity capital injections

Re-Cap of Wealth Management initiatives

	Key ambitions and initiatives	Group key initiatives and levers
Capitalise growth momentum	<ul style="list-style-type: none"> ■ Leverage diversified business model and broad distribution ■ Elevate Retail Banking customers to Private Banking ■ Accelerate external customer acquisition Private Banking ■ Leverage the strong momentum in AM institutional sales 	Income generation
Enhanced value propositions	<ul style="list-style-type: none"> ■ Enhance online and multichannel access ■ Roll-out new wealth planning concepts and advisory skills ■ Develop advisory concepts and tools ■ Develop and launch new products and solutions 	Income generation
Efficiency & prioritisation	<ul style="list-style-type: none"> ■ Extract benefits of an integrated wealth value chain ■ Improve IT efficiency by offshoring and reducing complexity ■ Increase number of right clients per advisor ■ Migrate to market return products in Life & Pension 	Flat costs 2013-14



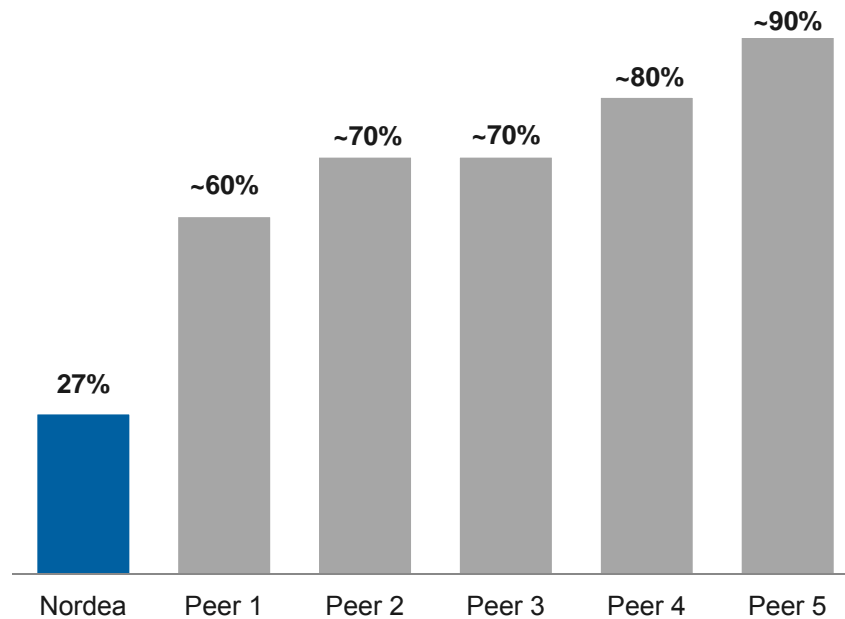
Credit risk management

Ari Kaperi, Group CRO

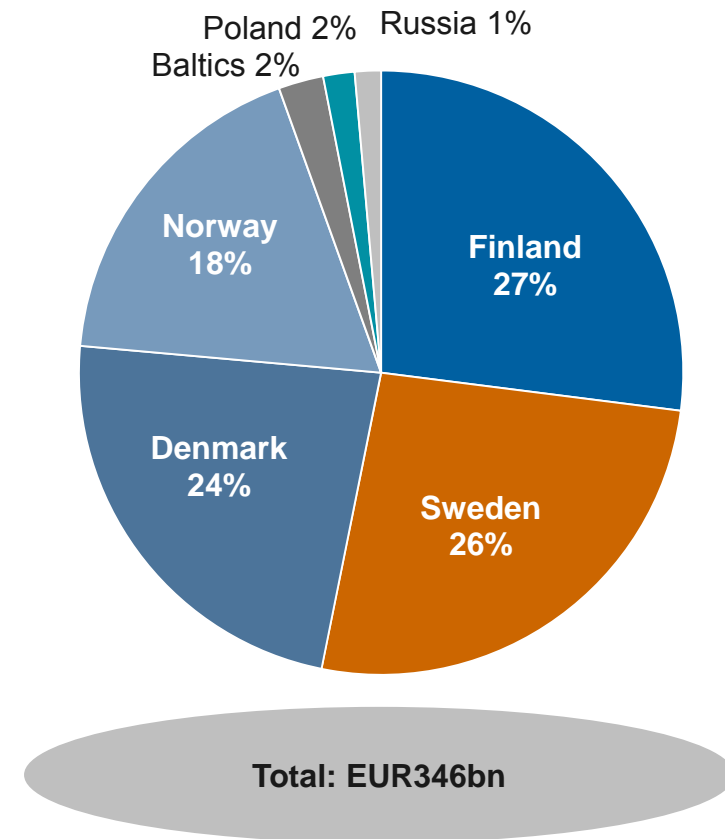
The most diversified Nordic bank

Geographic exposure vs. Nordic peers¹, %

Largest market contribution

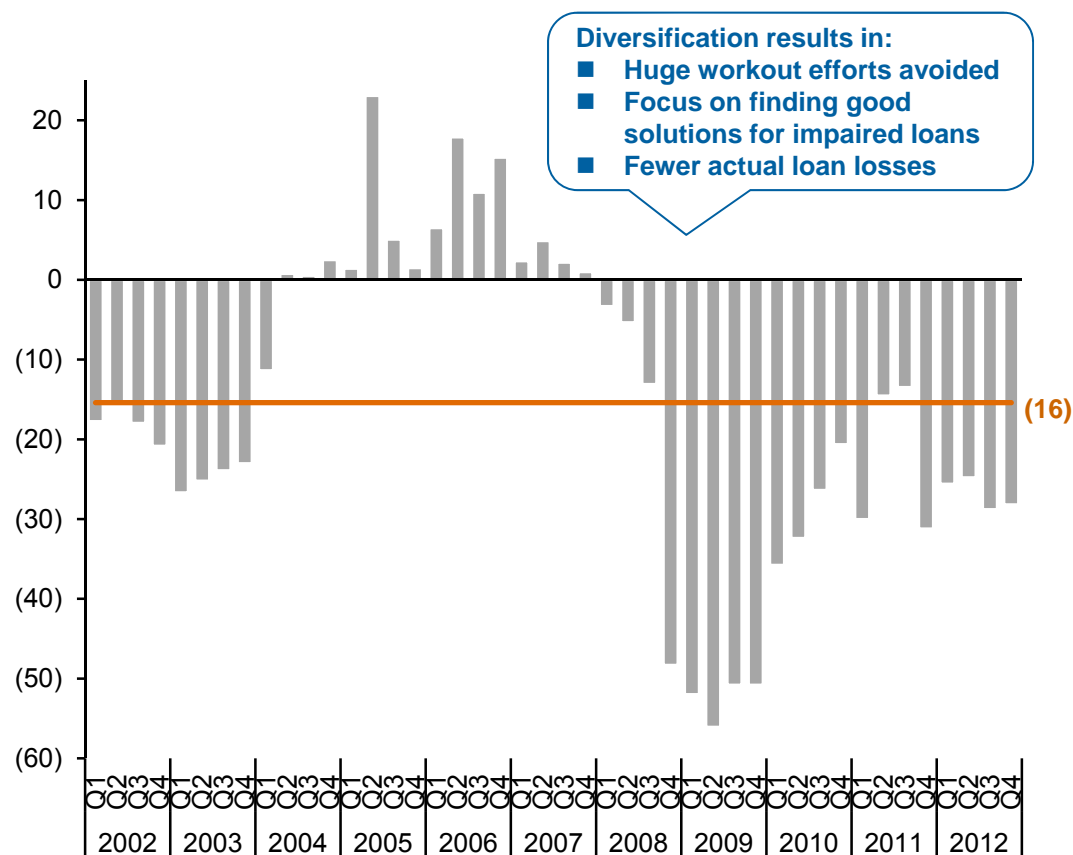


Total loans to public by geography, %

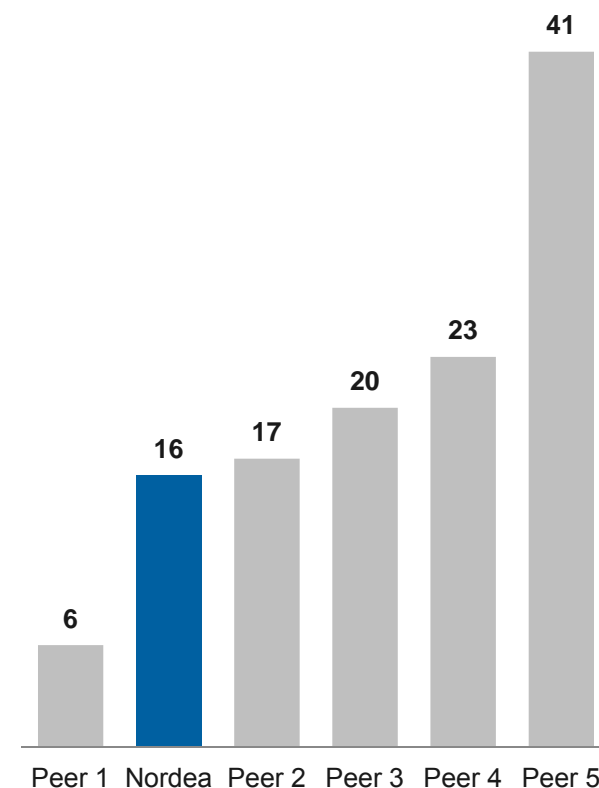


Sound risk profile with low loan losses over the cycle

Actual loan losses, bps

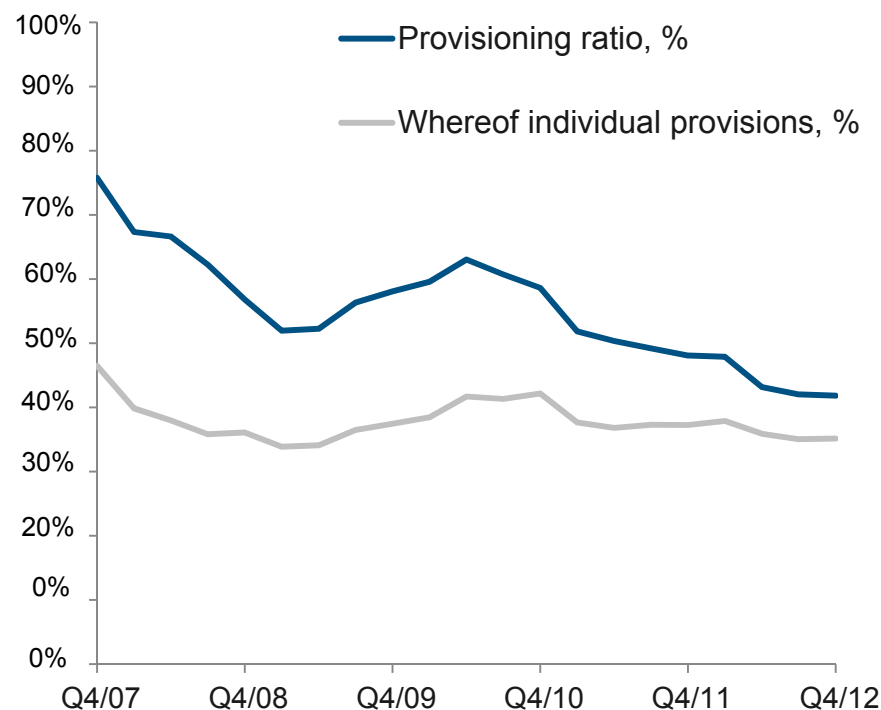


Low over the cycle loan losses, 10Y avg., bps



Adequate provisioning levels

Provisioning level Nordea Group, %

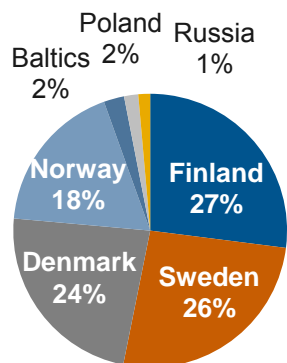


Comments

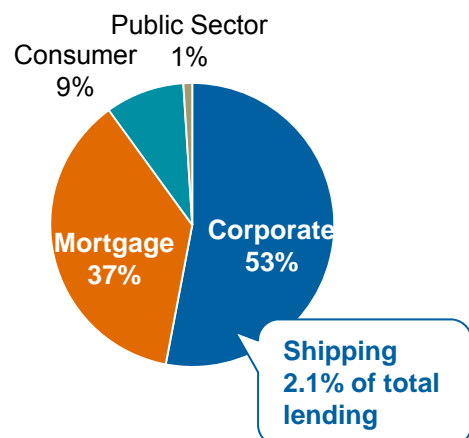
- Nordea's overall provisioning level considered to be adequate
- Stable individual provisions over time
- Collective provisions reduced
- Loan loss provisions in Denmark and Shipping have been elevated for some quarters
- Credit quality remains solid in Finland, Norway, Sweden, Poland and the Baltic countries

Overall sound portfolio across geographies and sectors with limited problems

Lending by geography, %



Lending by sector, %



2012 Net loan losses by geography

Country	EURm	Ratio, bps
Finland	142	16
Sweden	35	4
Denmark	581	71
Norway	128	21
Baltics	3	4
Poland	38	68
Russia	6	13
Total	933	28

1

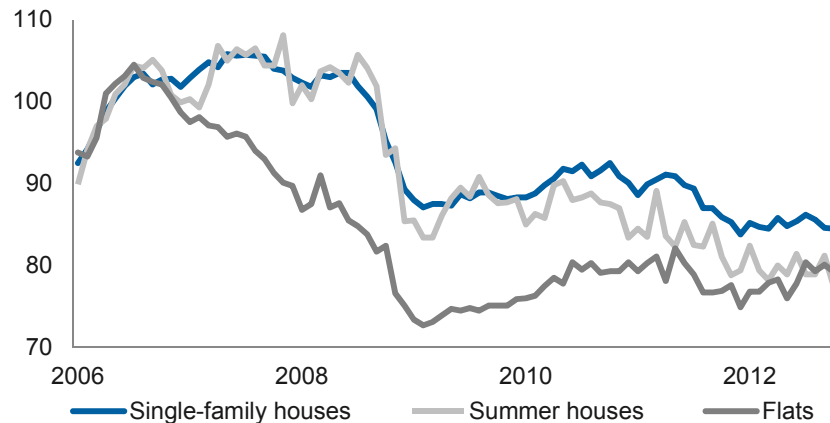
2012 Net loan losses by industry

Sector	EURm	Ratio, bps
Household	253	16
Shipping and offshore	240	204
Consumer staples	87	71
Other, public and organisations	69	22
Real estate management and investment	48	11
Other materials	35	59
Construction and engineering	28	58
Industrial commercial services etc	28	19
Transportation	25	54
Metals and mining materials	22	109
Other	98	18
Total	933	28

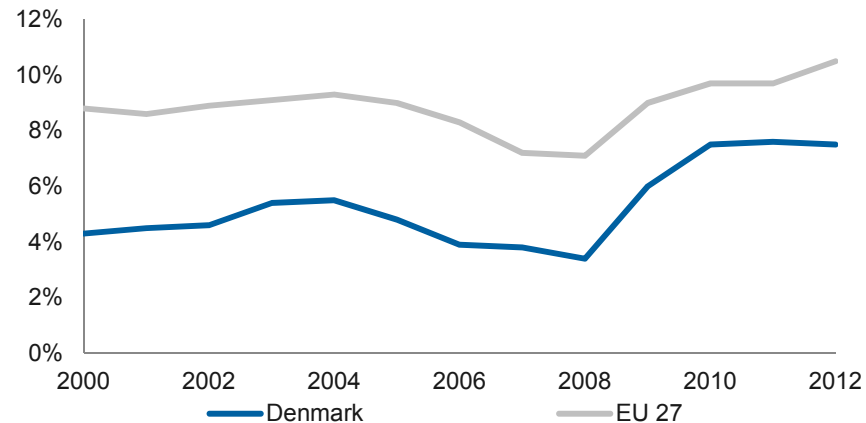
2

1 Danish macro environment improving

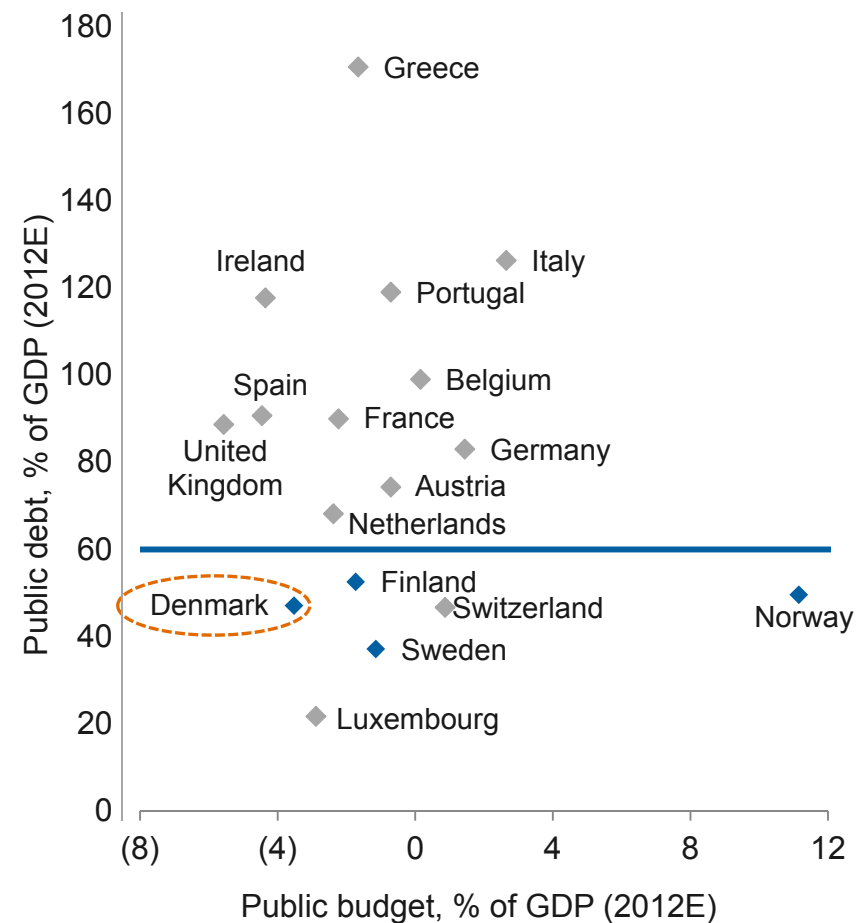
House price index¹



Unemployment², %

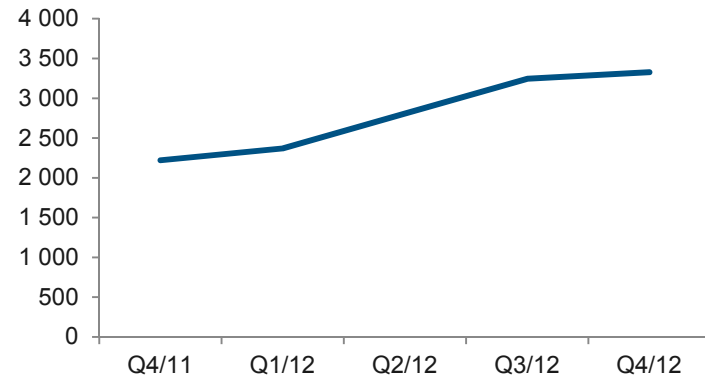


State of public finances – Europe vs. Nordics

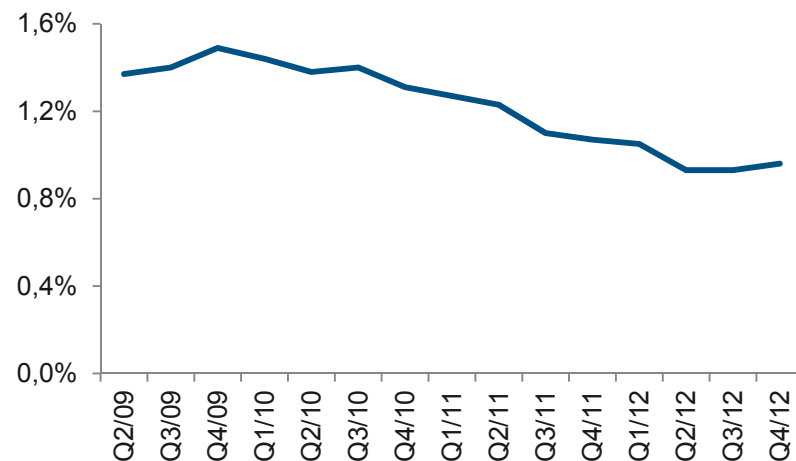


1 Signs of impaired loans levelling off in Denmark

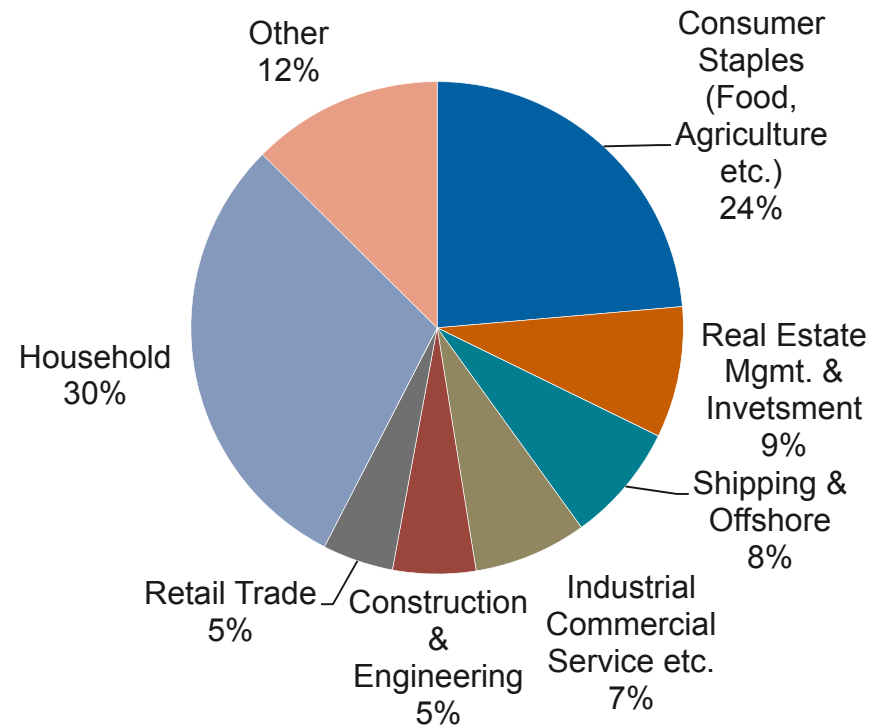
Retail banking Denmark, impaired loans, EURm



Exposure weighted probability of default¹



Impaired loans by sector, 2012, EURm¹

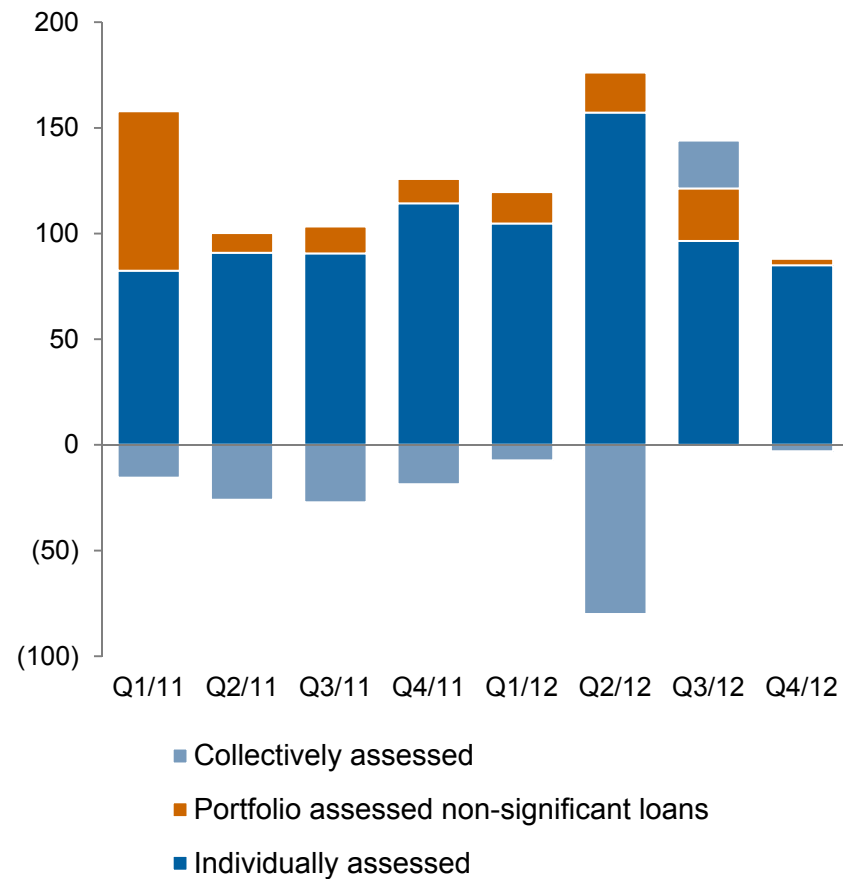


Comments

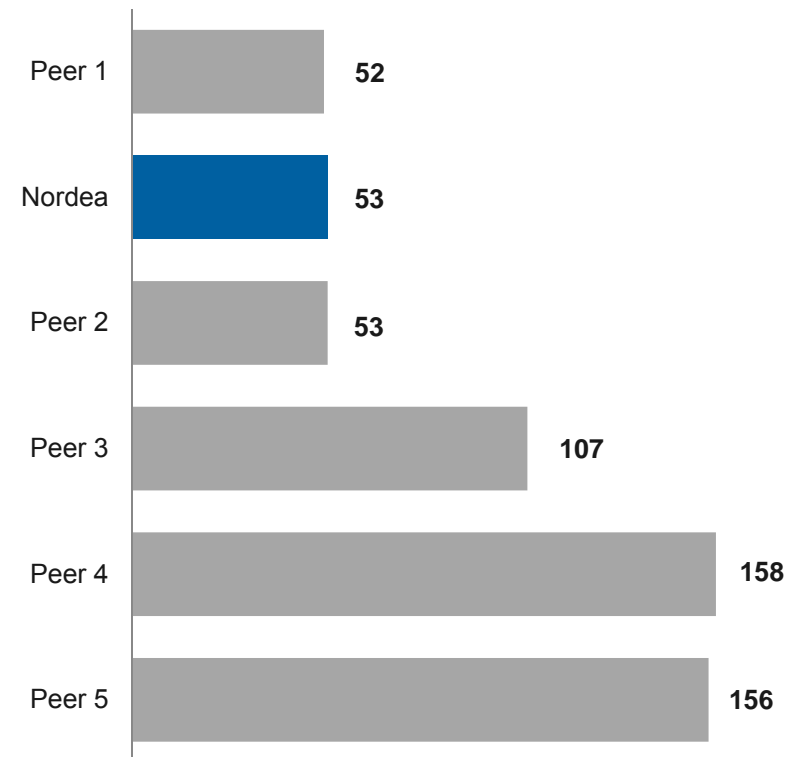
- Nordea holds low relative market share within commercial real estate in Denmark

1 Loan losses in Denmark decreasing

Loan losses net, Retail Banking Denmark

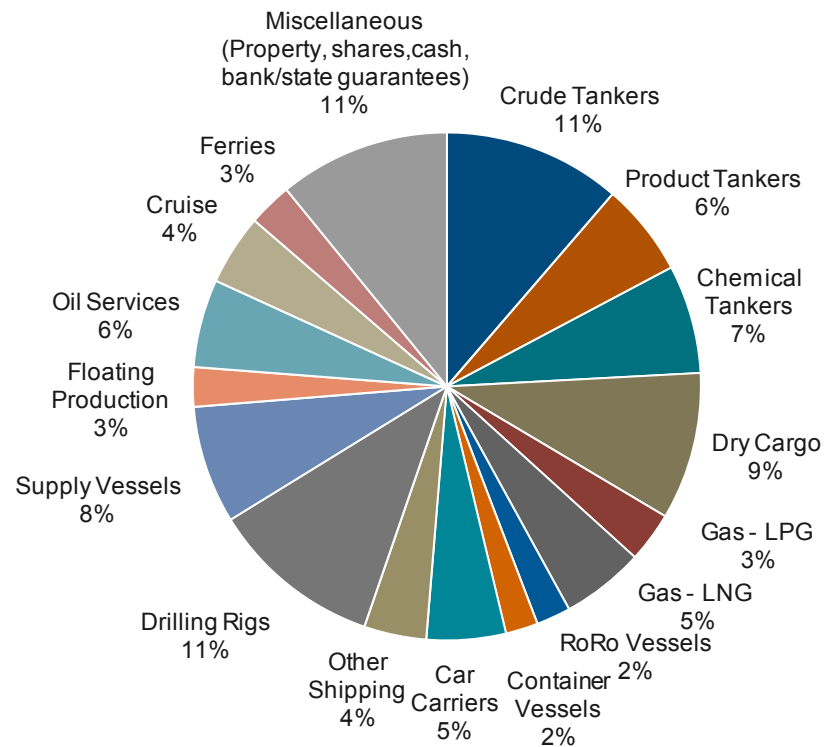


Nordea loan losses in Denmark vs. peers, 5Y avg., bps



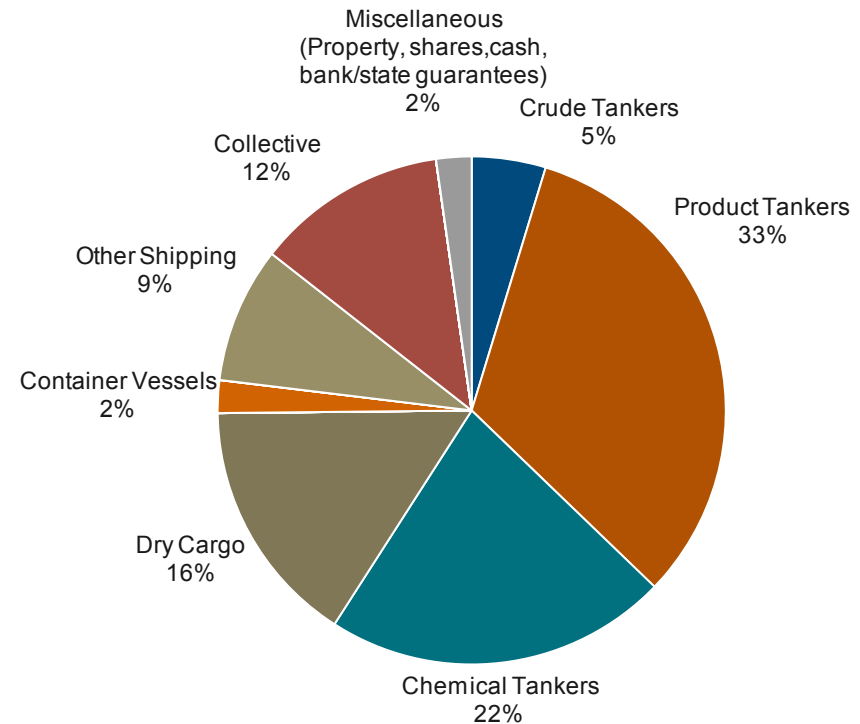
2 Nordea's diversified shipping portfolio will recover in line with market

Shipping portfolio breakdown as at 31/12/12



Total: EUR12,997m

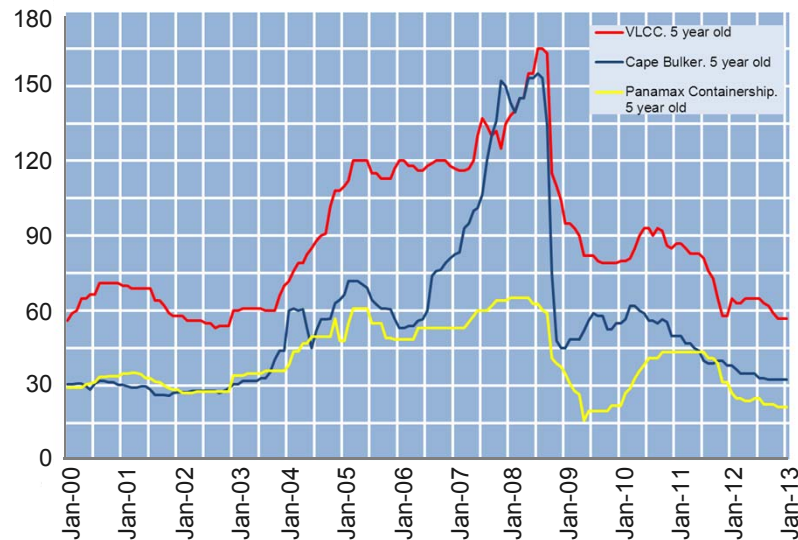
Shipping loan losses 2012, per segment, %



Total: EUR240m

2 Shipping collateral values in the process of bottoming out

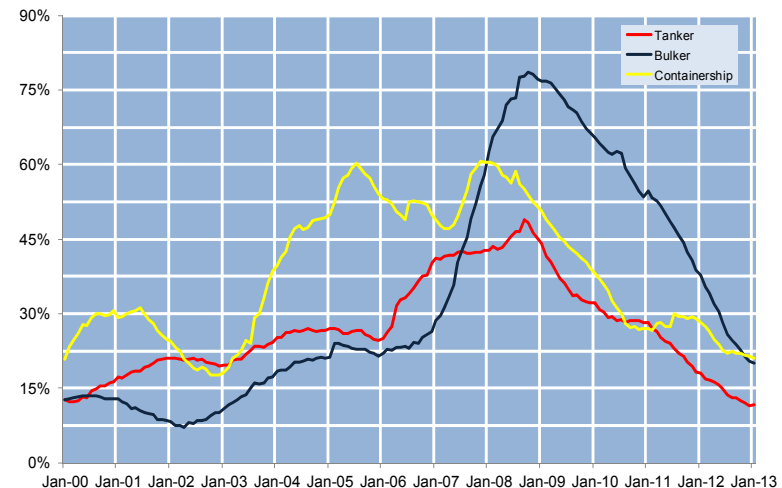
Ship values¹, USDm



Comments

- Ship values have continued to fall since 2008, but seem to be bottoming out

Shipping orderbook as % of existing fleet¹



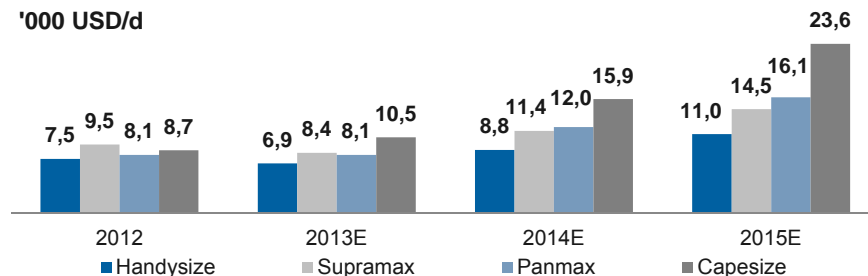
Comments

- Supply of new vessels is coming down rapidly to a more sustainable level
- Scrap prices remain high, encouraging demolition of old vessels

2 Gradual recovery expected in Shipping from early 2014

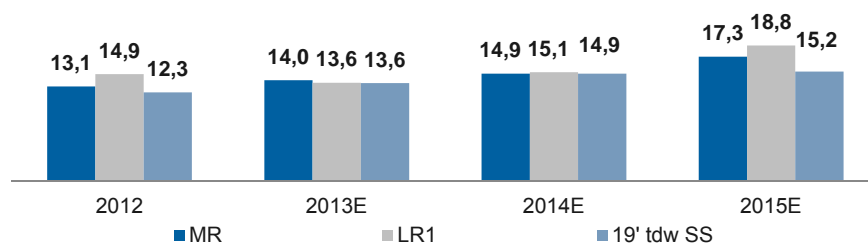
Earning forecasts, dry bulk

'000 USD/d



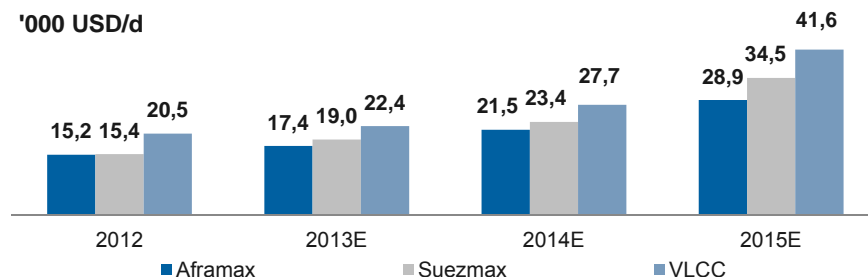
Earning forecasts, product and chemical tankers

'000 USD/d



Earning forecasts, crude tankers

'000 USD/d

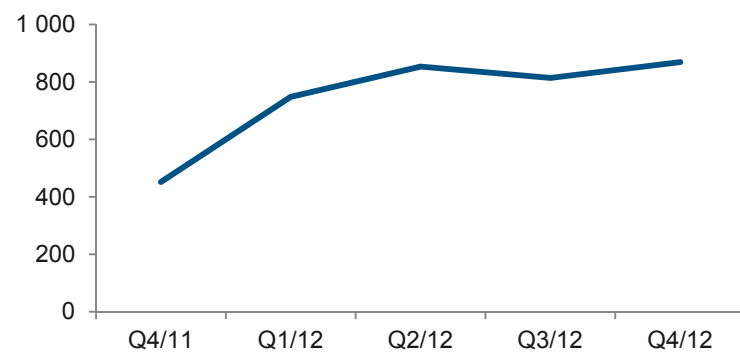


Comments

- Challenges in the broader tanker and bulk segments primarily resulting from oversupply of vessels
- Other shipping segments, including car carriers and gas transportation, performing well
- Nordea's exposure well diversified. Exposure to Crude tankers (EUR2bn), Product and chemical tankers (EUR2.3bn) as well as Dry bulk (EUR1.9bn)
- Troubled segments expected to gradually recover from early 2014 according to external shipping industry analysts
- Gradual improvement in world economy, combined with reduction of new vessel deliveries going forward, provides more positive outlook for the shipping industry

2 Impaired loans likely to decrease in shipping following expected recovery from early 2014

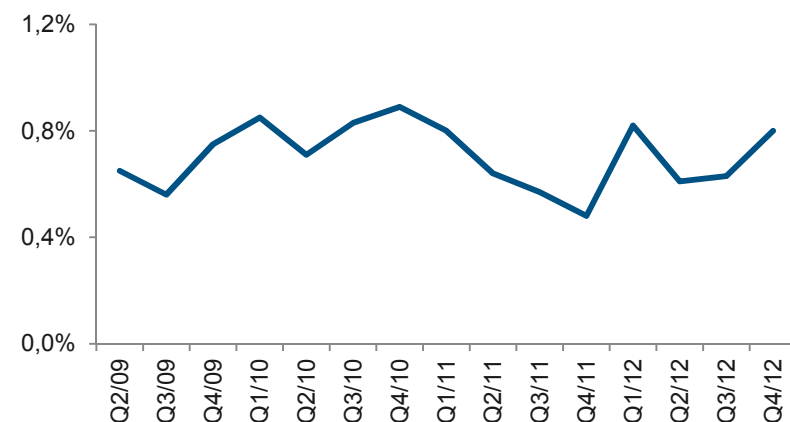
Shipping, impaired loans, EURm



Comments

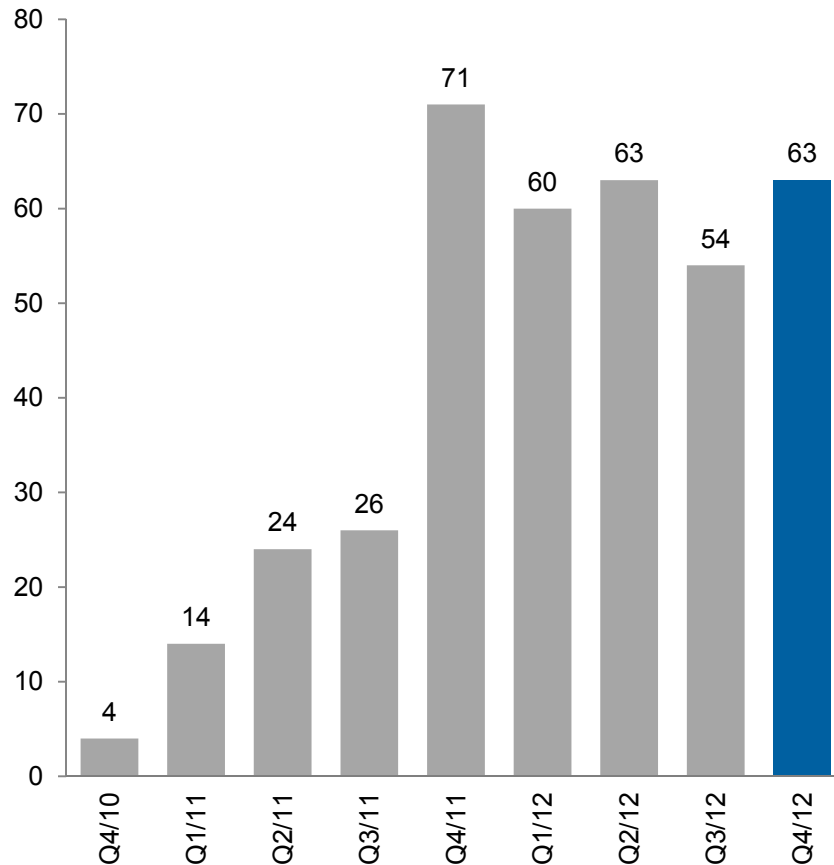
- Impaired loans in Shipping likely to be reduced from 2014
- Stable quality in performing part of portfolio over time
- Active management of the shipping portfolio. Exposures being sold in secondary market, and collateral vessels sold to repay debt
 - Reducing risk (exposure) on balance sheet
 - Freeing up capital
 - Freeing up internal resources

Shipping, exposure weighted probability of default



2 Shipping loan losses remain elevated for now

Loan losses, shipping

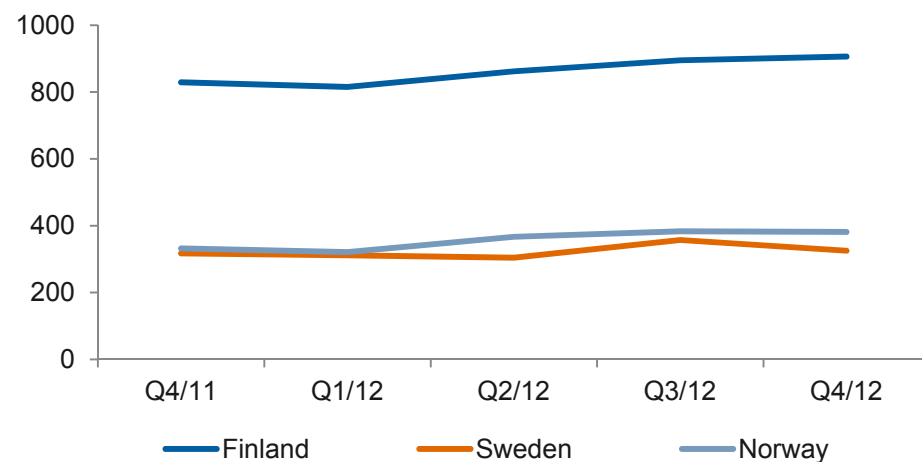


Comments

- Lending to Shipping constitutes 2.1% of total lending, only
 - Offshore, oil services, cruise and ferries excluded
- Low investment appetite for shipping assets and banks' lower willingness to lend to shipping companies has made restructurings more difficult
- Nordea has necessary work-out resources to handle problem customers and early identification of new potential risk customers

Stable outlook in Finland, Norway and Sweden

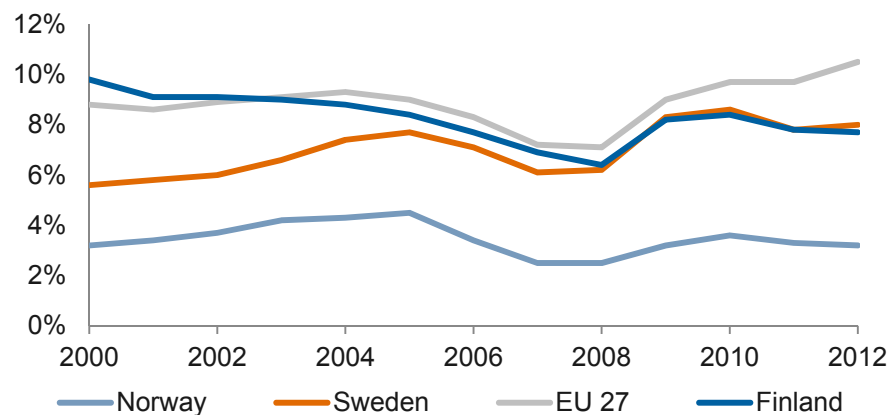
Development in impaired loans, EURm



Comments

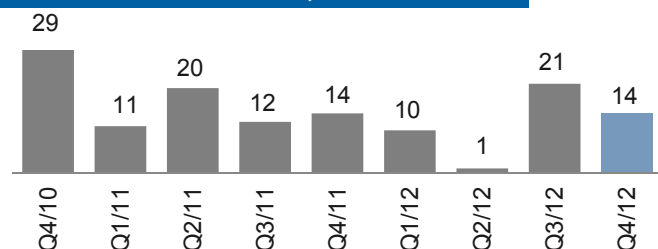
- No early warning signals in Finnish, Norwegian and Swedish household markets
- Stable volumes of impaired loans over time
- Supported by key macro economic indicators such as:
 - GDP growth
 - Unemployment
 - Number of bankruptcies

Low unemployment rates¹, %

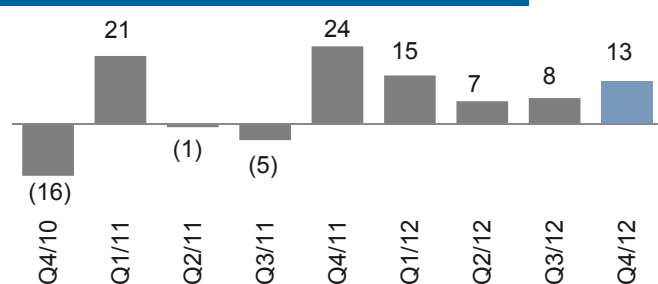


Net loan losses at low level in Finland, Norway and Sweden

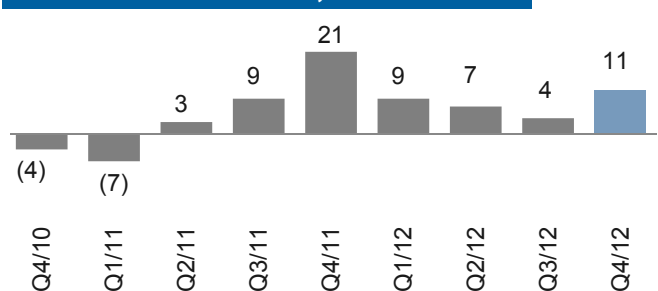
Finland loan losses, EURm



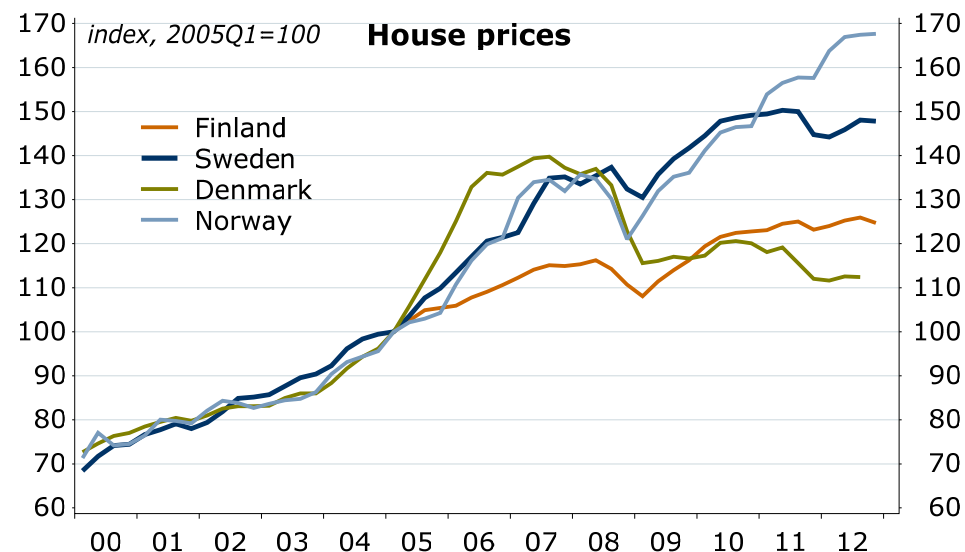
Norway loan losses, EURm



Sweden loan losses, EURm



Fairly stable house prices, %



Comments

- Net loan losses have been low for the last nine quarters
- Maintained good asset quality indicates stable situation going forward

Sound credit process and prudent risk framework

Sound credit processes unchanged since 2000

Corporate

Harmonised, streamlined and risk adjusted end to end corporate credit process

- Increased focus on high risk credits
- Accurate and equitable allocation of capital
- Increased transparency in the credit process
- Credit Risk analysts focus on largest customers and highest risks
- Close monitoring of the development of credit risk

Household

Risk driven approach with focus on great customer experience, efficiency, channel independency and straight through processing

- Proactive Credit Process (Pre-approved Limit)
- Light process
- Full process

Risk appetite defines Nordea's risk taking boundaries

Risk appetite framework introduced in 2011

- Ensures holistic approach and increased risk awareness
- 19 specific risk boundaries – across all risk types – defined at Group level
- Clear link between risk boundaries and Nordea's business strategies
- Dynamic framework – annual review
- Quarterly reporting and follow-up
 - Board level
 - Vs. the Business Units

Risk appetite dashboard

Category	Metric
Credit risk	<ul style="list-style-type: none">▪ Single customer concentration▪ Industry concentration▪ Geographic concentration▪ Expected loss▪ Loan loss▪ Probability of default
Market risk	<ul style="list-style-type: none">▪ Market risk share of Economic Capital▪ Maximum reported market risk loss per quarter▪ Total economic loss from markets
Operational risk	<ul style="list-style-type: none">▪ Monitor top risks▪ Operational risk loss▪ Reputational impact
Solvency	<ul style="list-style-type: none">▪ Tier 1 capital ration▪ Leverage ratio▪ Target credit ratio
Liquidity risk	<ul style="list-style-type: none">▪ Survival horizon▪ Net balance of stable funding
Compliance/Non-negotiable risks	<ul style="list-style-type: none">▪ Regulatory requirements▪ Internal policy and external regulatory breaches

Key conclusions

- Risk appetite framework ensures holistic approach and increased risk awareness
- Stable credit strategy and policies unchanged since year 2000 – one Nordea approach ensured
- Diversified credit portfolio provides low loan losses over time
- Loan loss situation has stabilised and is expected to improve during 2013, reflecting improved asset quality
 - A gradual increase in Nordic GDP expected in 2013, including Denmark
 - Gradual improvement in world economy, combined with reduction of new vessel deliveries going forward, provides more positive outlook for the shipping industry
 - Stable credit outlook in Finland, Norway and Sweden



Concluding remarks and Q&A



Nordea is committed to deliver on the 2015 plan

Nordea market commitments

**Strong capital generation
and return of excess capital**
to our shareholders

**ROE target of 15%
at a CT1 ratio >13%**
and with normalised interest rates

Delivering low volatility results
based on a well diversified
and resilient business model

Key initiatives and levers

Capital initiatives to maintain CT1 ratio >13%

Initiatives for income generation

Flat costs 2013-14
Initiatives for cost savings of ~EUR450m

Low risk profile and low volatility

Business Area plans focused on Group initiatives and levers

Group initiatives and levers

Capital initiatives to maintain CT1 ratio >13%

Initiatives for income generation

Flat costs 2013-14 with ~EUR450m of cost savings

Low risk profile and low volatility

Key value drivers in Business Areas

Retail Banking

Coherent business system supporting relationship strategy

Optimised distribution model

Share of wallet and re-pricing to drive income

Cost and capital optimisation

Wholesale Banking

Relationship strategy supported by global product capabilities

Developing the new organisational platform

Micro-optimisation of individual customer relationships

Strict management of resources

Wealth Management

Capitalise growth momentum

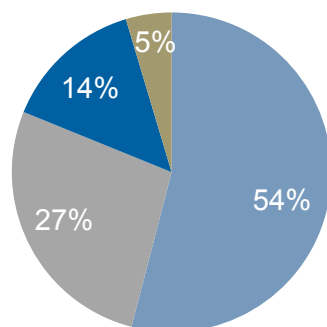
Enhanced value propositions

Efficiency & prioritisation

Business Areas are very well positioned to deliver on the plan

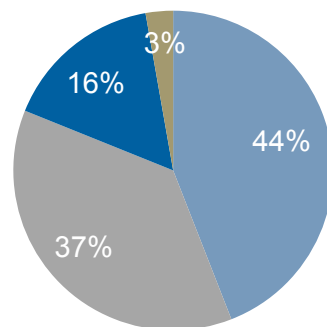
Business Area contribution, 2012

Operating income



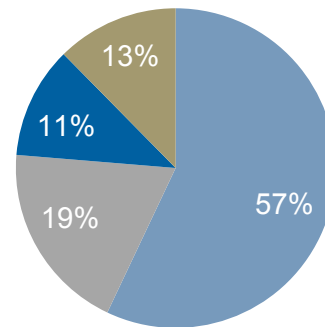
Total: EUR10.2bn

Operating profit



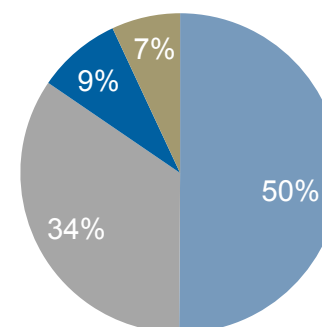
Total: EUR4.1bn

FTEs



Total: 31,466

Economic capital

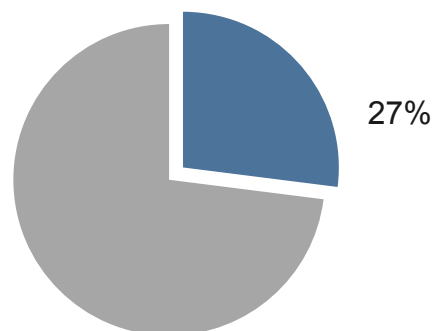


Total: EUR24.3bn

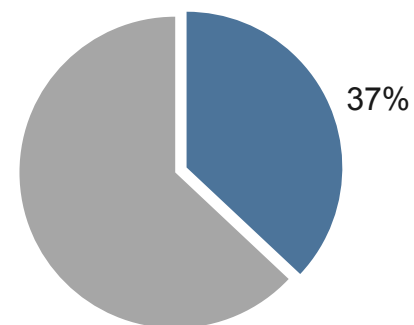
■ Retail Banking ■ Wholesale Banking ■ Wealth Management ■ Other

Wholesale Banking within Nordea

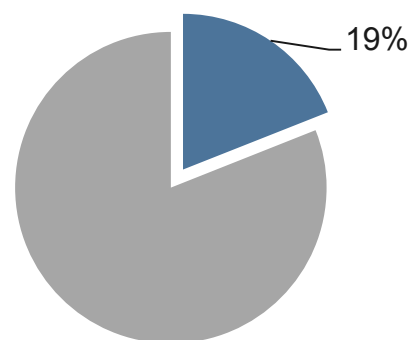
Share of Group total operating income



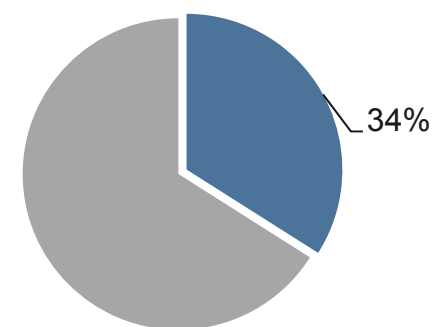
Share of Group total operating profit



Share of total FTEs



Share of economic capital



■ Wholesale Banking ■ Other

Wholesale Banking – result highlights

Key financials

EURm	FY 2011	FY 2012	Chg. 2012/2011
Net Interest Income	1,184	1,155	(2)%
Net Fee and Commission Income	545	541	(1)%
Net result items at fair value	821	1,066	30%
Other operating income	5	11	120%
Total Income	2,555	2,773	9%
Total Operating Expenses	(843)	(934)	11%
Profit Before Loan Losses	1,712	1,839	7%
Loan Losses (Net)	(173)	(314)	82%
Operating Profit	1,539	1,525	(1)%
RaRoCaR, %	13%	15%	2%-pts
RWA, EURbn	78	65	(16)%

Comments

- Strong growth in income 2012, driven by continued re-pricing and strong capital markets activities
 - Underlying increase in customer interest income more than offset by increased liquidity premia
 - Net Fee and Commission income affected by decreasing demand for new bilateral and syndicated loans
- Cost increase explained by increased depreciations, higher variable compensation and FX
- Effective resource management with reduced RWA, fewer FTEs and continued low cost/income ratio
- Loan losses driven by shipping and a few individual exposures
- Increased return on capital



Nordea capital markets day

Shaping the future relationship bank

London, 6 March 2013



Making it possible