

# President and Group CEO Christian Clausen

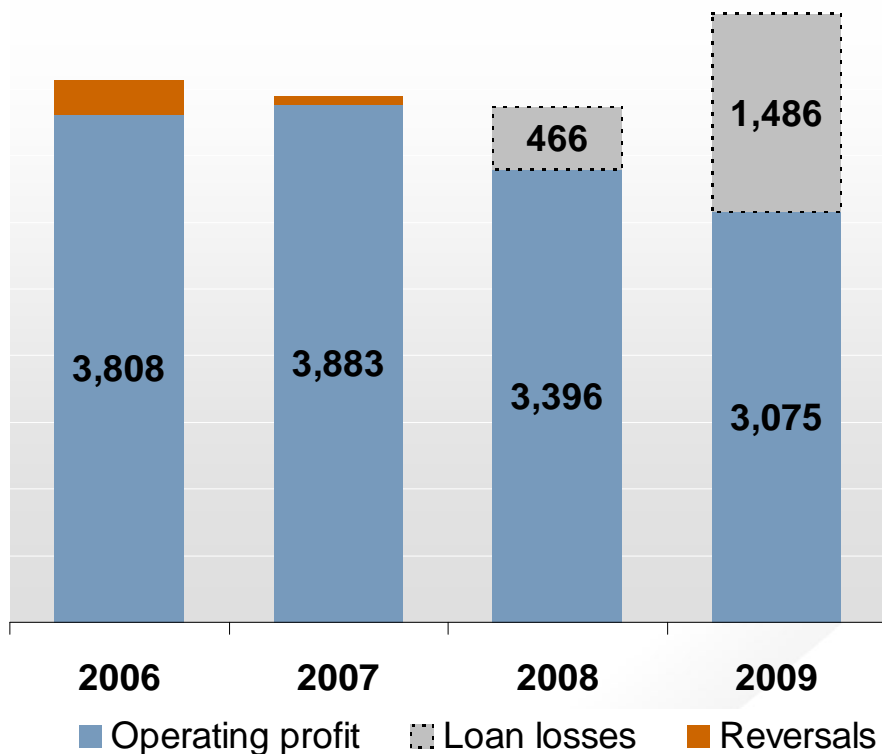
Annual General Meeting  
Stockholm, 25 March 2010



# Income growth and stable results despite crisis

## Operating profit

before and after loan losses (EURm)



# Results

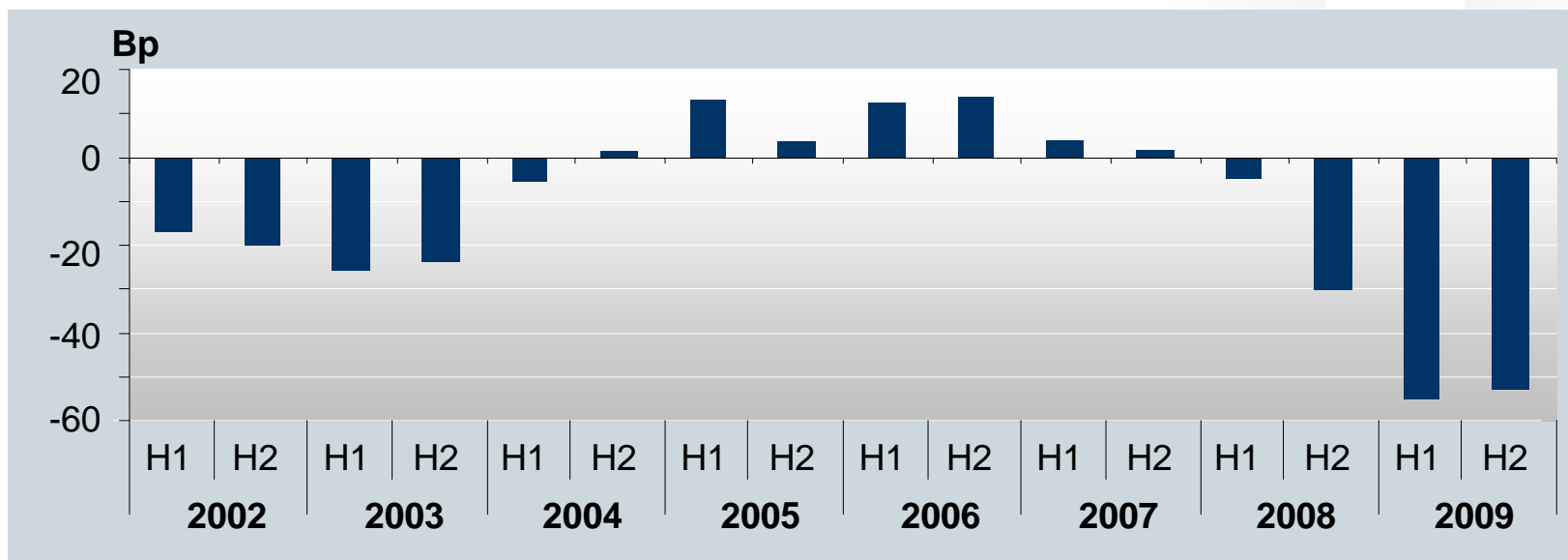
EURm	2008	2009	2008-2009 %
<b>Net interest income</b>	<b>5,093</b>	<b>5,281</b>	<b>4</b>
<b>Net commissions</b>	<b>1,883</b>	<b>1,693</b>	<b>-10</b>
<b>Net gains/losses</b>	<b>1,028</b>	<b>1,946</b>	<b>89</b>
Other income	196	153	-22
<b>Operating income</b>	<b>8,200</b>	<b>9,073</b>	<b>11</b>
Staff costs	-2,568	-2,724	6
<b>Operating expenses</b>	<b>-4,338</b>	<b>-4,512</b>	<b>4</b>
<b>Profit before loan losses</b>	<b>3,862</b>	<b>4,561</b>	<b>18</b>
Loan losses	-466	-1,486	
<b>Operating profit</b>	<b>3,396</b>	<b>3,075</b>	<b>-9</b>
<b>Net profit</b>	<b>2,672</b>	<b>2,318</b>	<b>-13</b>
<b>Risk-adjusted profit</b>	<b>2,279</b>	<b>2,786</b>	<b>22</b>



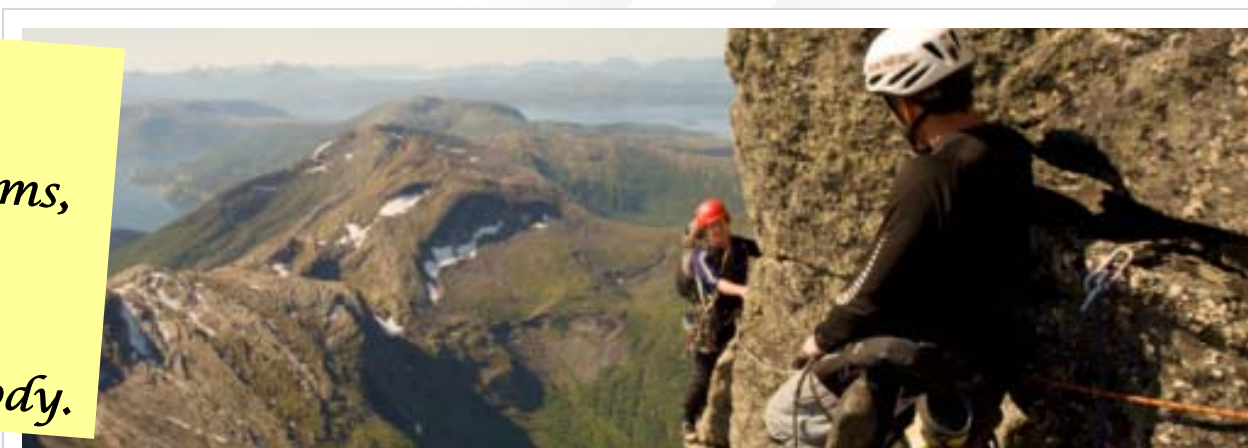
*Avoid unnecessary risks  
2009 was a year when  
Nordea combined income  
growth with focus on  
avoiding unnecessary risks.*

<sup>1</sup> Including restructuring costs of EUR 64m.

# Loan losses are moderate and in line with expectations

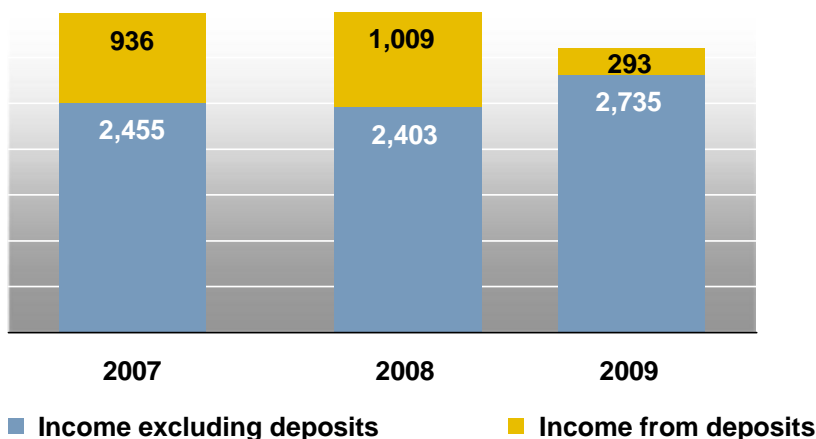


*Cooperation  
When customers  
encounter problems,  
we team up with  
them to find  
solutions - to the  
benefit of everybody.*



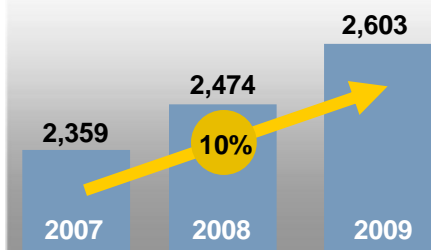
# Strong position in household segment

Income from household customers, EURm

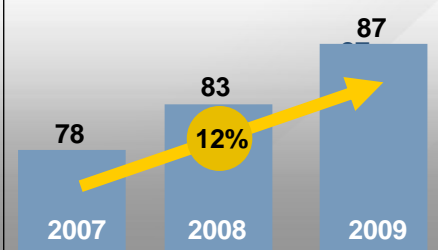


- Lending and deposits up 13% and 8%, respectively, in 2009
- Increased share of lending in all Nordic countries
- Strong net inflow to investment funds
- Income down 11% due to lower income from deposits
- Sales activities and customer contacts at all-time high
- 129,000 new Gold customers and 4,000 new Private Banking customers

Gold customers, '000s

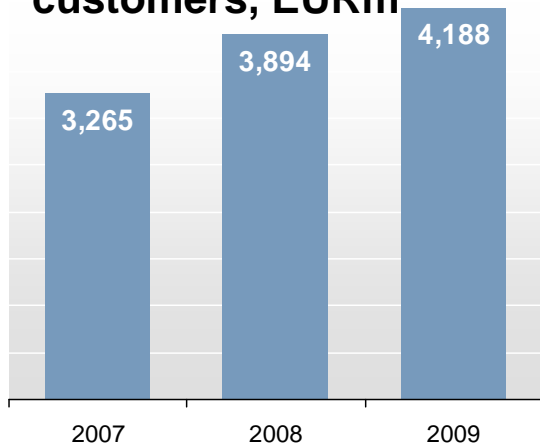


PB customers, 000s



# Continuing strong trend in corporate business

## Income from corporate customers, EURm



- Lending and deposits somewhat down
- Increased share of wallet with large corporates and Corporate Merchant Banking customers
- Income up 8%
- Capital markets products and securities issuance continue to contribute strongly to income

### Nordic Equity Market league table FY 2009

#### Bookrunner

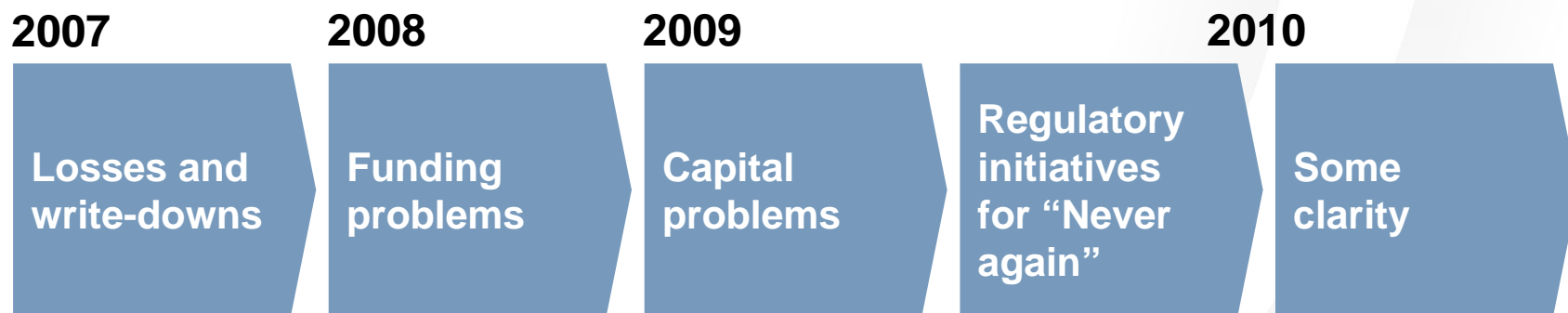
Pos.	Bank name	Deal value EURm	No.
1	Nordea	7,136	15
2	SEB	5,650	33
3	Bank of America Merrill Lynch	5,558	5
4	JPMorgan	4,367	8
5	Morgan Stanley	4,096	6
6	DnB NOR Bank ASA	2,515	7
7	Citi	2,197	2
8	RBS	1,699	4
9	UBS	1,590	2
10	Credit Suisse	1,463	1

### Nordic Eurobond benchmark league table FY 2009

#### Bookrunner

Pos.	Bank name	Deal value EURm	No.	% share
1	Deutsche Bank	3,192	16	16%
2	BNP Paribas	2,796	14	14%
3	Nordea	2,417	14	12%
4	Barclays Capital	1,800	10	9%
5	Citi	1,754	9	9%
6	RBS	1,729	11	9%
7	SG CIB	1,725	7	9%
8	JPMorgan	1,475	7	7%
9	Calyon	650	4	3%
10	SEB	600	2	3%

# The financial crisis – impact and political response



## Response

- |  |   |  |   |
|--|---|--|---|
| <ul style="list-style-type: none"> <li>• Rescue packages</li> <li>• Bail-outs</li> </ul> | <ul style="list-style-type: none"> <li>• Funding guarantees</li> <li>• Rate cuts</li> <li>• Liquidity injections</li> </ul> | <ul style="list-style-type: none"> <li>• Capital injections</li> <li>• State-sponsored hybrid capital</li> <li>• Fiscal stimulus packages</li> </ul> | <ul style="list-style-type: none"> <li>• Capital</li> <li>• Liquidity</li> <li>• Systemic risk</li> <li>• Remuneration</li> </ul> |
|--|---|--|---|

## Some clarity – further impact analysis needed

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### Capital

- Permanently higher capital ratios
- Emphasis on core Tier 1 capital

### Liquidity

- Emphasis on customer deposits and long-term wholesale funding
- Emphasis on size and quality of liquidity buffers
- Pricing and allocation of liquidity risk

### Remuneration

- Senior management and material risk takers
  - Part of variable remuneration to be linked to the bank's future performance
  - Part of variable remuneration to be deferred and subject to claw back
-



# Nordea's business model

Stress test  
passed



Diversification

Strong management of liquidity  
risk, funding and capital

Sustainable and transparent risk  
profile

Strong customer relationships

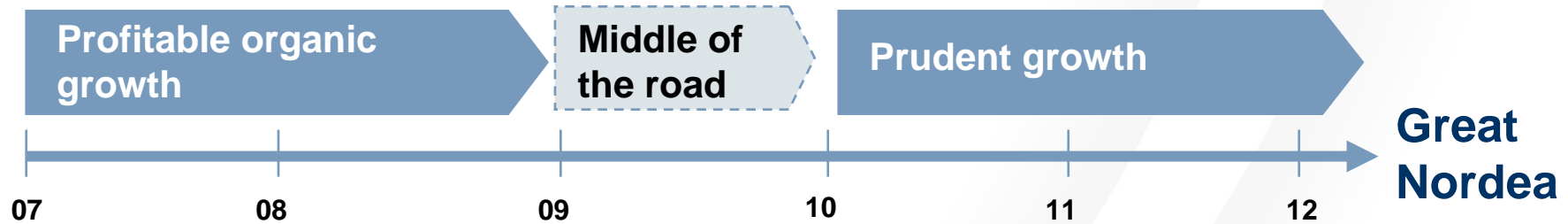
Customer-oriented people, values  
and culture



*Strong values:*

- Great customer experiences
- One Nordea team
- It's all about people

# Moving from profitable organic growth via middle of the road to prudent growth



**Organic growth strategy**



**Next level strategy based on stronger position**

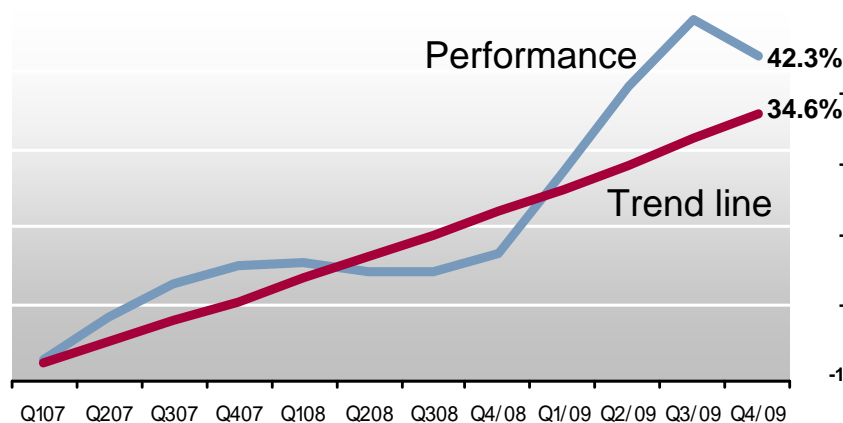
**Group initiatives to support the strategy**

- Keep income growth momentum
- Cost, risk and capital take the lead
- Enable us to accelerate out of the crisis

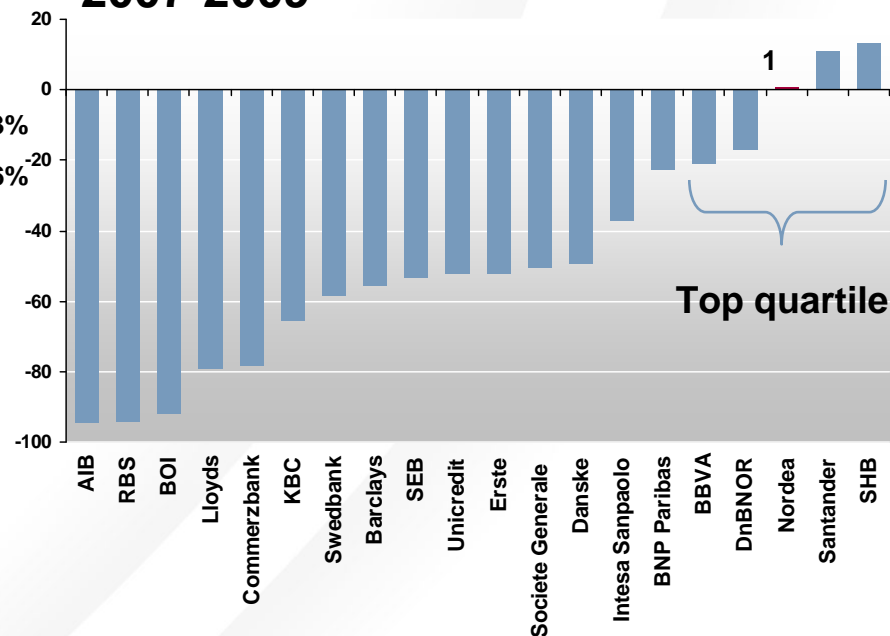
**Next generation of initiatives launched**

# We deliver on our long-term targets

**Risk-adjusted profit – clearly on track to reach 2013 target**



**Total shareholder return, 2007-2009**



## Best in class RoE 2007-2009

Nordea has reported the highest average return on equity (RoE) of Nordic peers from 2007 to 2009: 15.1%

<sup>1</sup> Nordic peer group: Danske Bank, DnB NOR, SEB, SHB, Swedbank.

# Customer satisfaction improving

CSI index (aggregate) 2007-2009\*

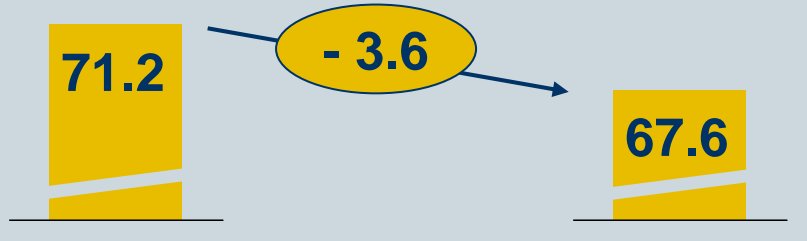
Nordea

2007

2009



Peer group



-0.6

3.9

*Trust  
During the financial crisis  
relationships have been  
tested. Never before has  
Nordea had so many satisfied  
customers.*



\*Corporate and relationship customers in retail segment.

# Why relationship banking?

**Satisfying customer needs ...**

**... while focusing on the most attractive customer groups**

**Capital efficiency through full customer wallet ...**

**... at a low risk**

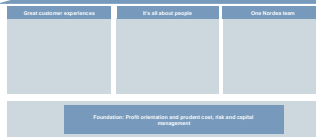
# Values – the core



## Customer-oriented values

*Making it possible*

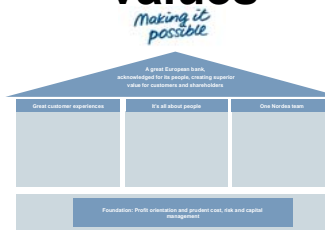
A great European bank,  
microfinance for its people, creating superior  
value for customers and shareholders



# How do you deliver

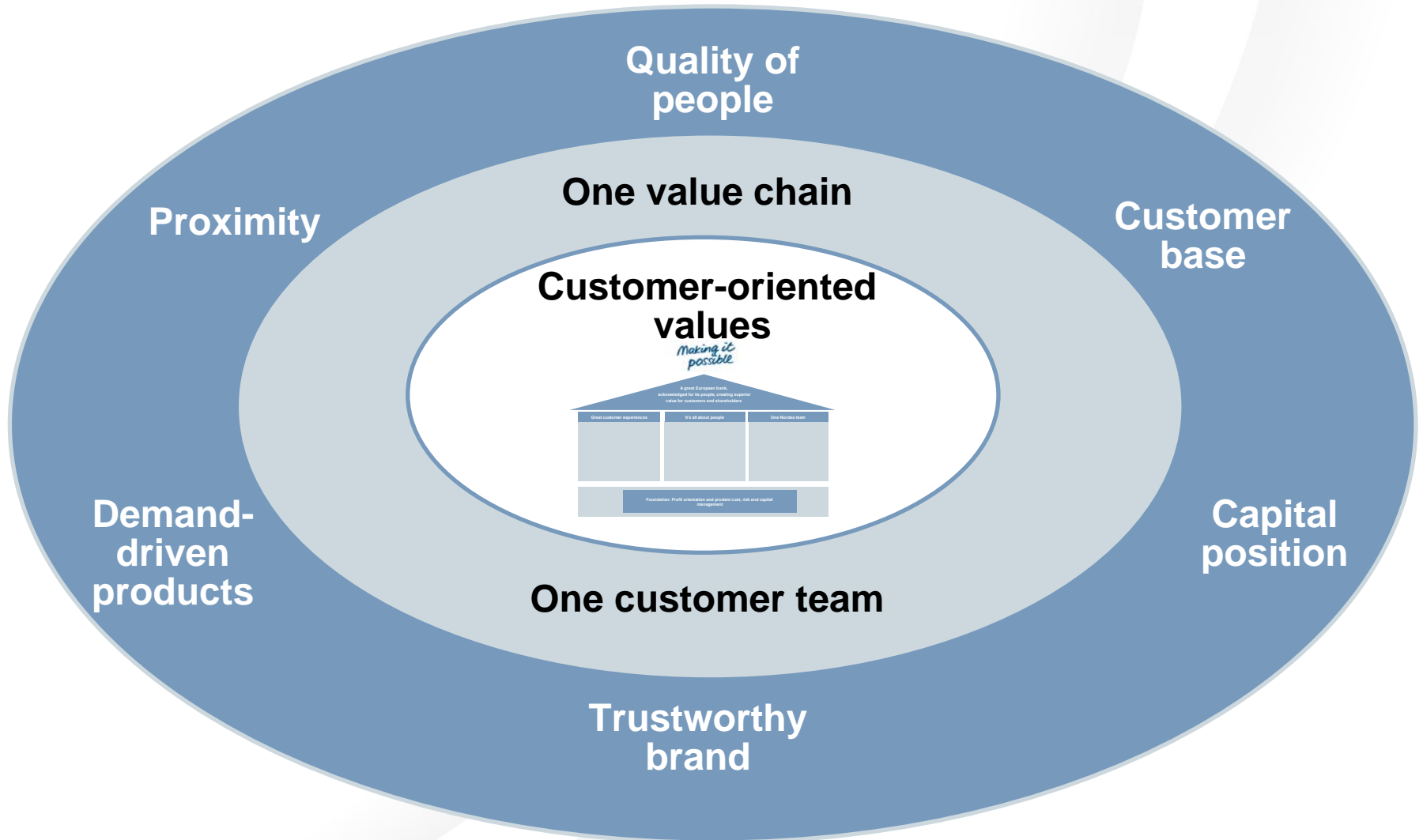
One value chain

Customer-oriented  
values



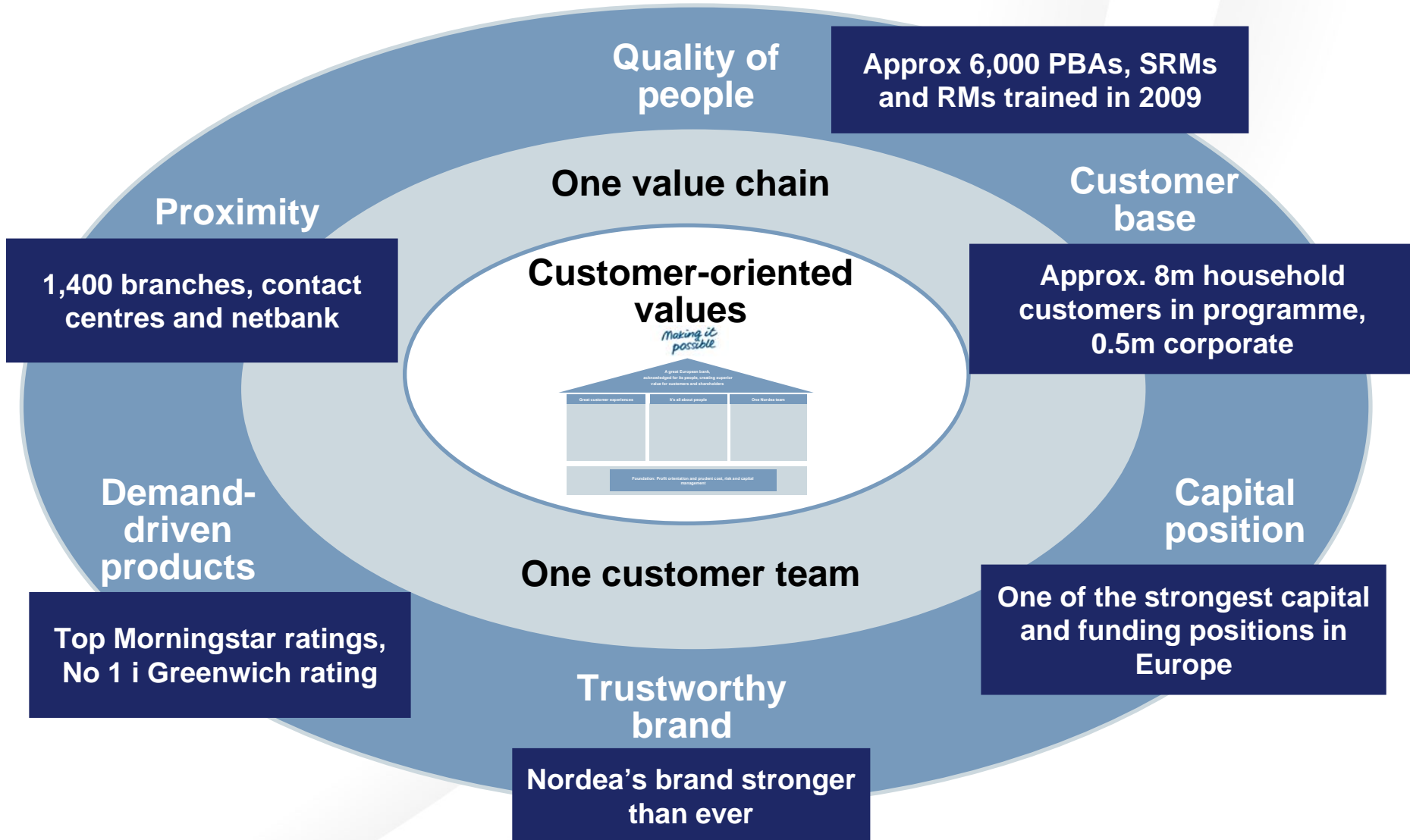
One customer team

# The right platform





# Nordea has built its platform



# Prudent growth is next level of Nordea's organic growth strategy

Increase business with existing Nordic customers and attract new customers

Exploit global and European business lines

Supplement Nordic growth through investments in New European Markets

Take Nordea to the next level of operational efficiency, support sustained growth

# Initiatives to increase business with customers and exploit global position

**Increase business with existing Nordic customers and attract new customers**

1. Future distribution
2. New customers
3. Growth plan Finland
4. Growth plan CMB Sweden
5. Customer-driven Markets business

**Exploit global and European business lines**

**Supplement Nordic growth through investments in New European Markets**

**Take Nordea to the next level of operational efficiency, support sustained growth**

# Investments in New European Markets focus on Poland

Increase business with existing Nordic customers and attract new customers

Exploit global and European business lines

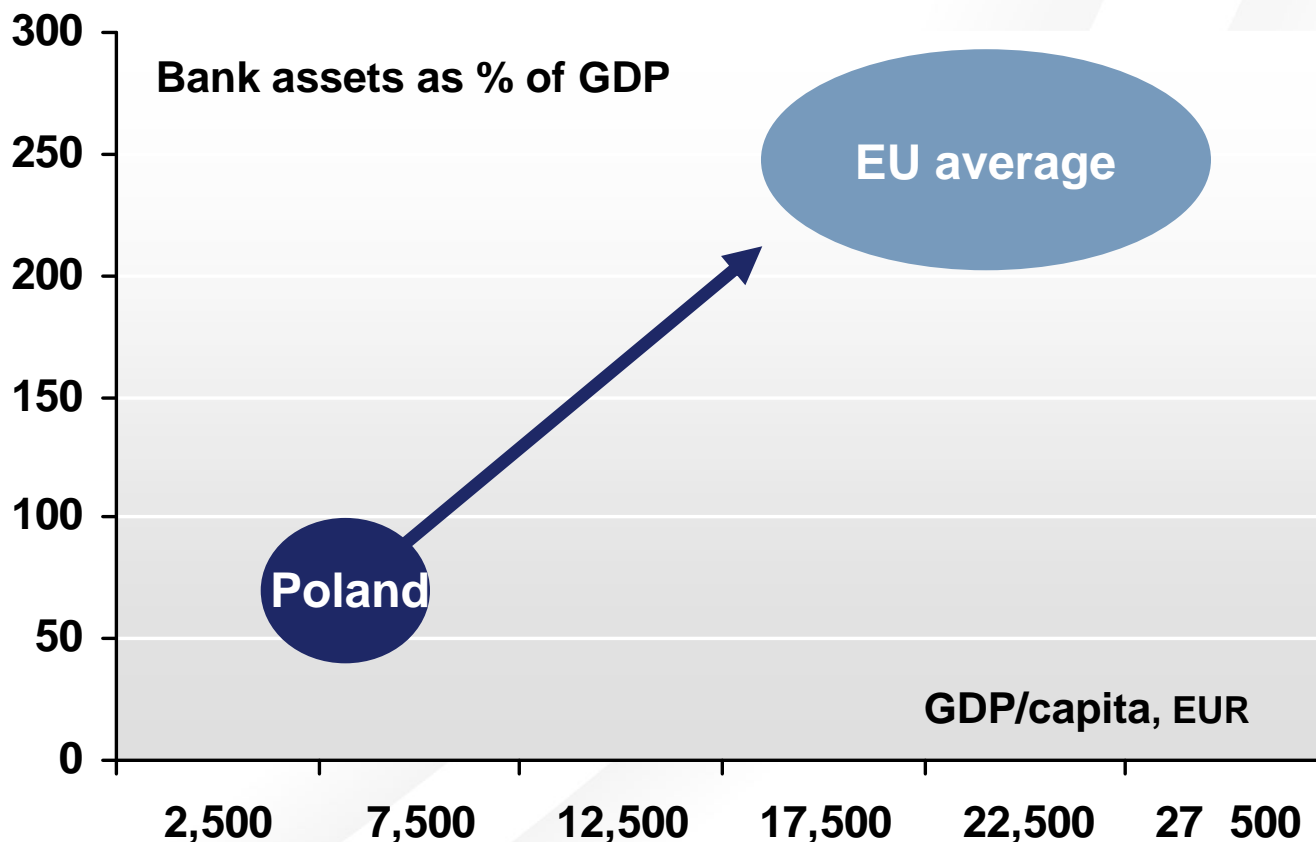
Supplement Nordic growth through investments in New European Markets

6. Growth plan Poland

Take Nordea to the next level of operational efficiency, support sustained growth

# Poland is an attractive market with good stability, strong growth and a population of 38m

## Bank penetration



# Operational efficiency required to support growth

Increase business with existing Nordic customers and attract new customers

Exploit global and European business lines

Supplement Nordic growth through investments in New European Markets

7. Top league IT and operations

8. Product platforms

9. Infrastructure upgrade

**Take Nordea to the next level of operational efficiency, support sustained growth**

# Next generation of initiatives to support fulfilment of Nordea's long-term target

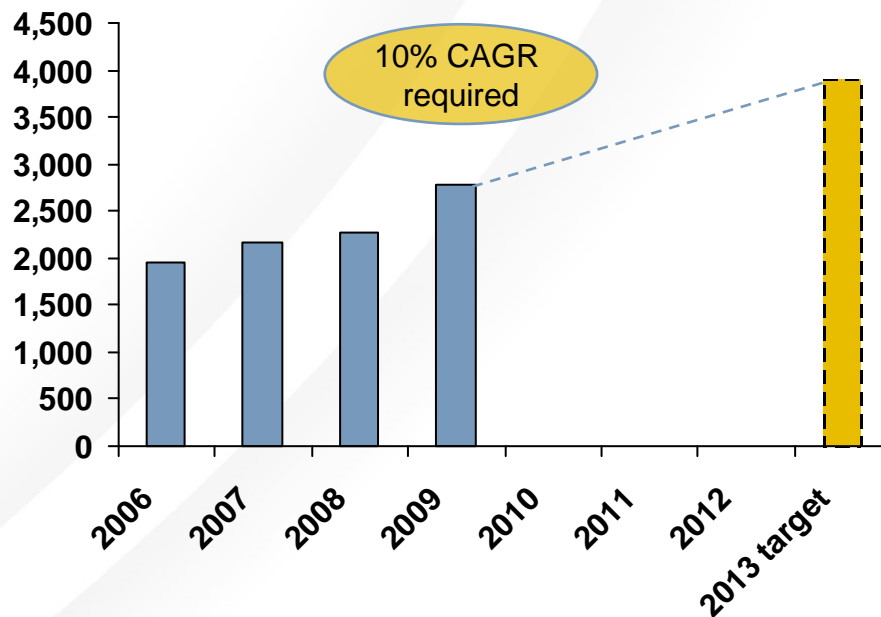
## Growth initiatives

1. Future distribution
2. New customers
3. Growth plan Finland
4. Growth plan CMB Sweden
5. Customer-driven Markets
6. Growth plan Poland

## Efficiency/foundation initiatives

7. Top league IT and operations
8. Product platforms
9. Infrastructure upgrade

Risk-adjusted profit  
EURm



# Our values and the foundation

*Making it possible*

A Great European bank,  
acknowledged for its people, creating  
superior value for customers and shareholders

Great customer  
experiences



It's all about people



One Nordea team



**Foundation:**  
Profit orientation and prudent cost, risk and capital management



# Nordea's Annual General Meeting 2010

