



2010 – a milestone on the journey towards Great Nordea

Christian Clausen
President and Group CEO

Annual General Meeting, Stockholm
March 2011

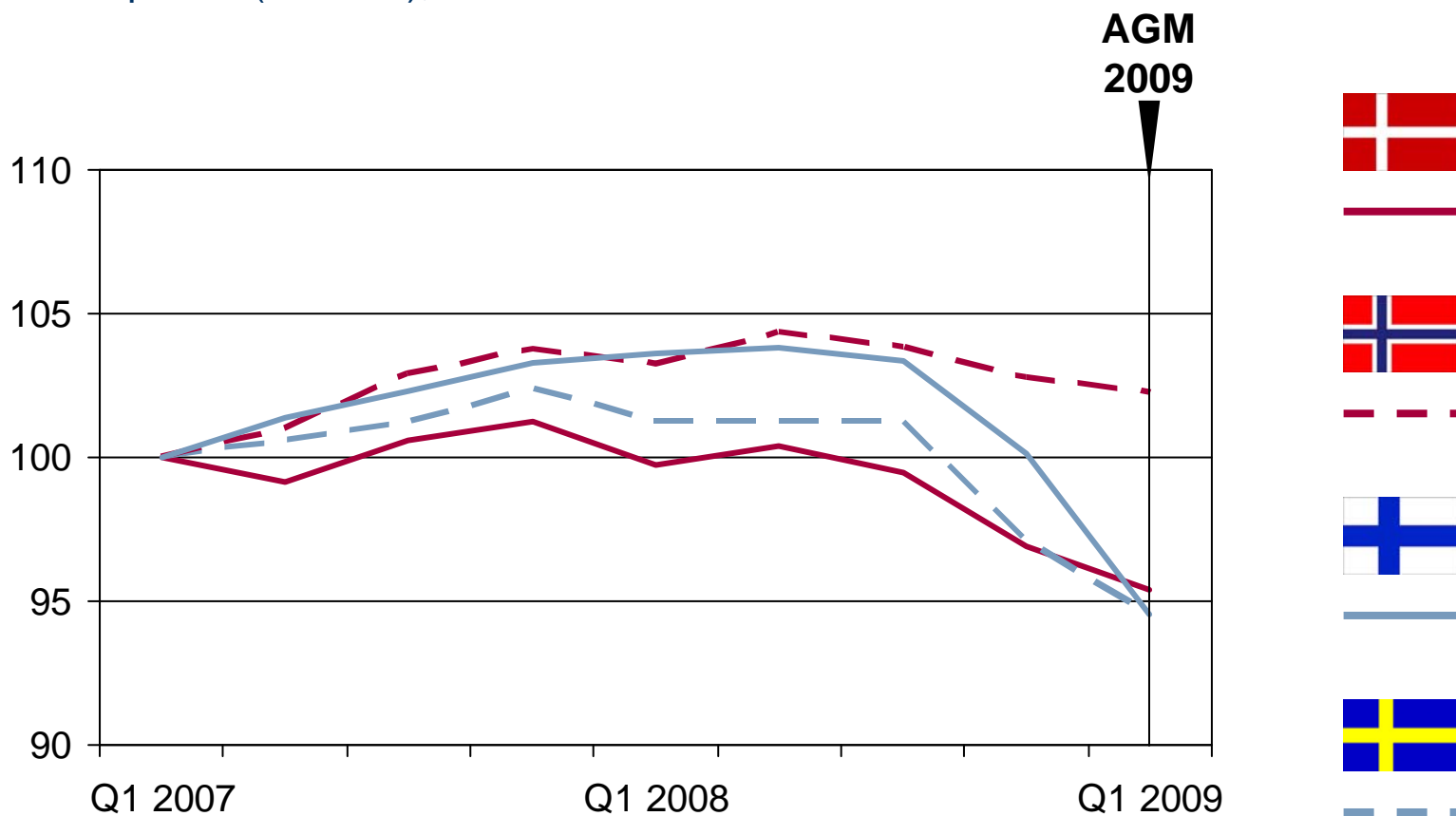


Key messages

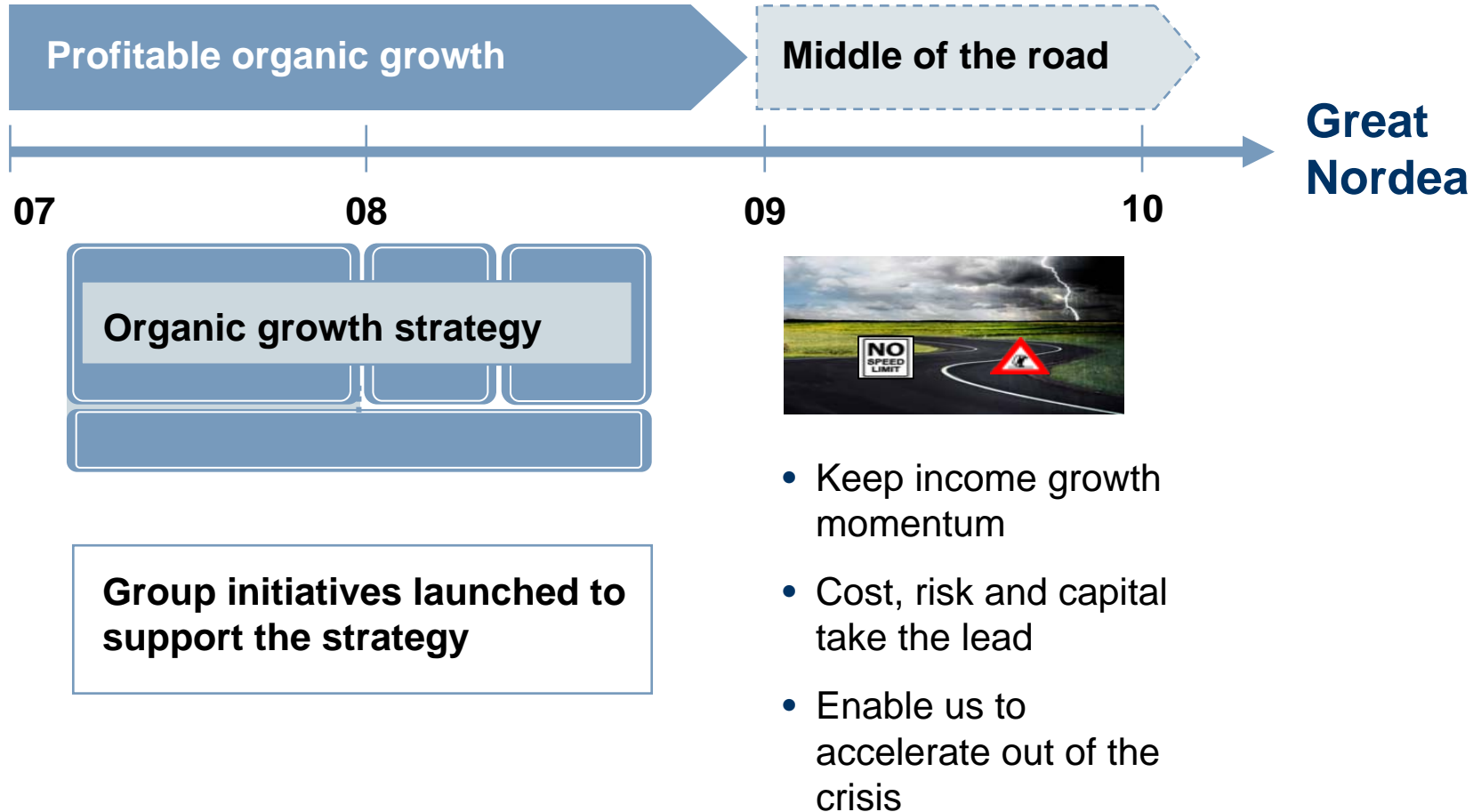
- **2010 – important milestone on the journey towards Great Nordea**
 - Came out stronger from the financial crisis
 - Embarked on prudent growth strategy with nine initiatives
- **The prudent growth strategy is now delivering**
 - More customers, stronger relationships and more satisfied customers
 - Higher customer activity
 - Record level of income
 - Lower loan losses

Where we were in 2009 – two years ago

GDP development (indexed), 2007 = 100

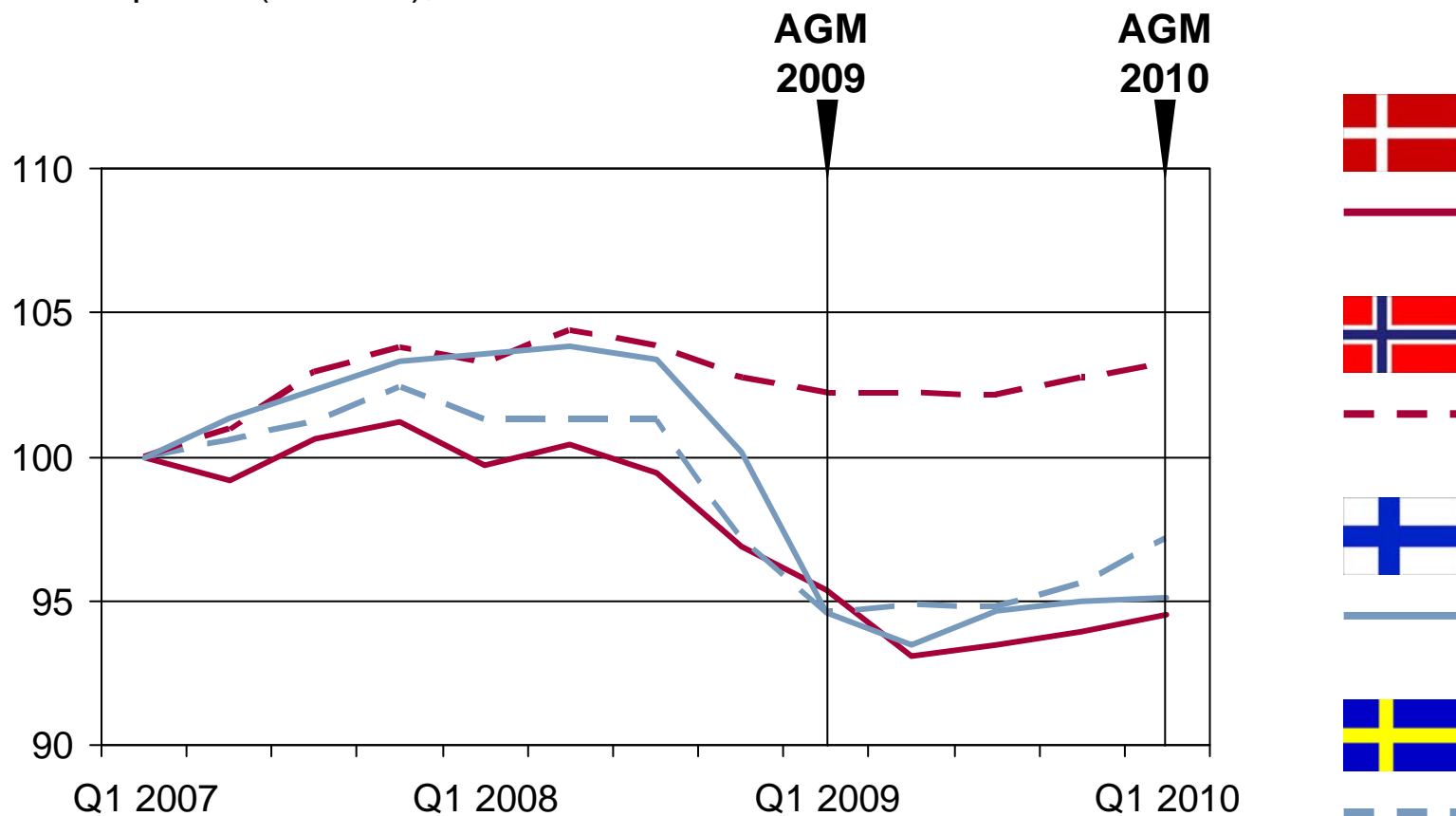


Where we were in 2009 – two years ago

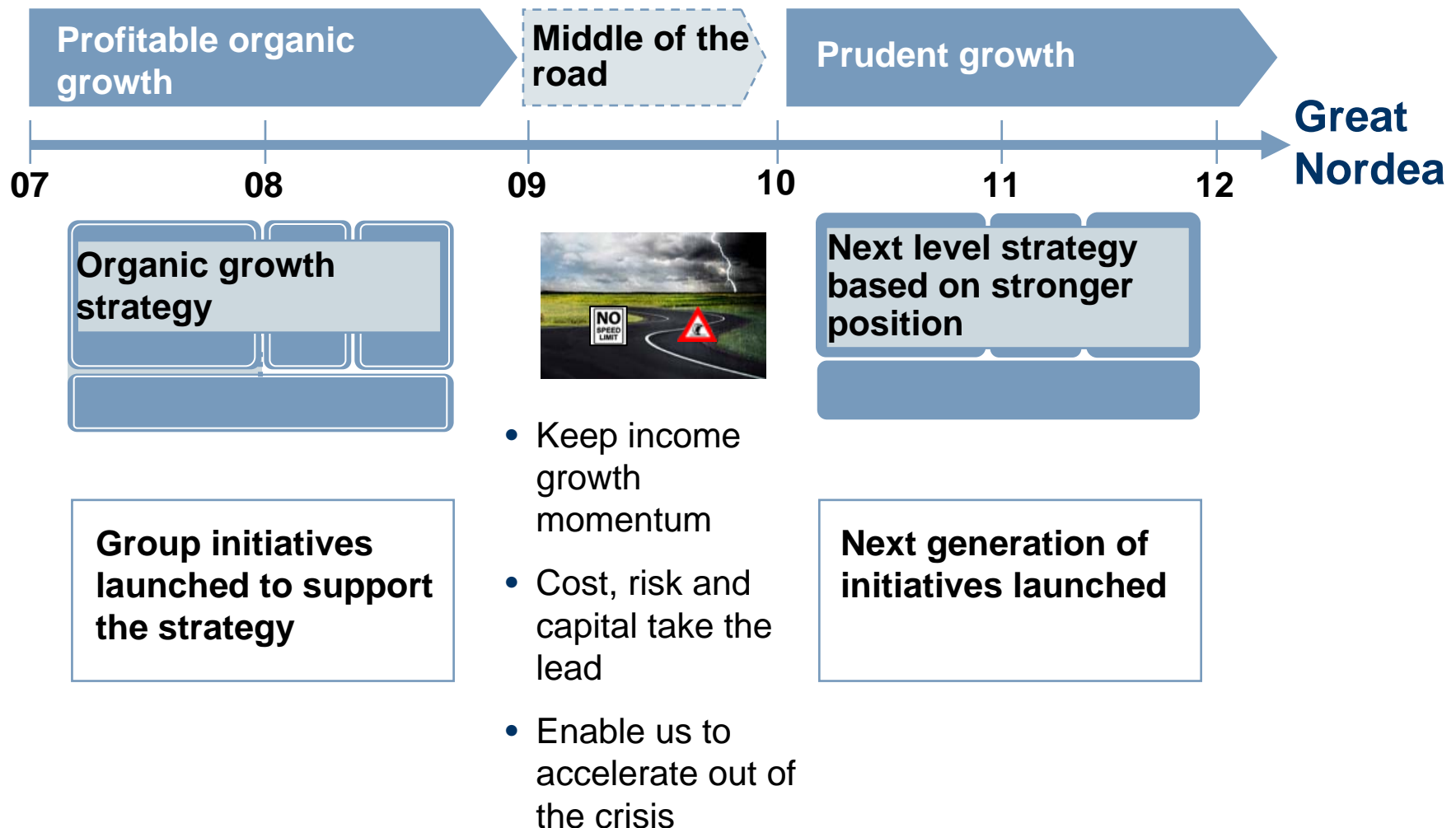


Where we were in 2010 – one year ago

GDP development (indexed), 2007 = 100

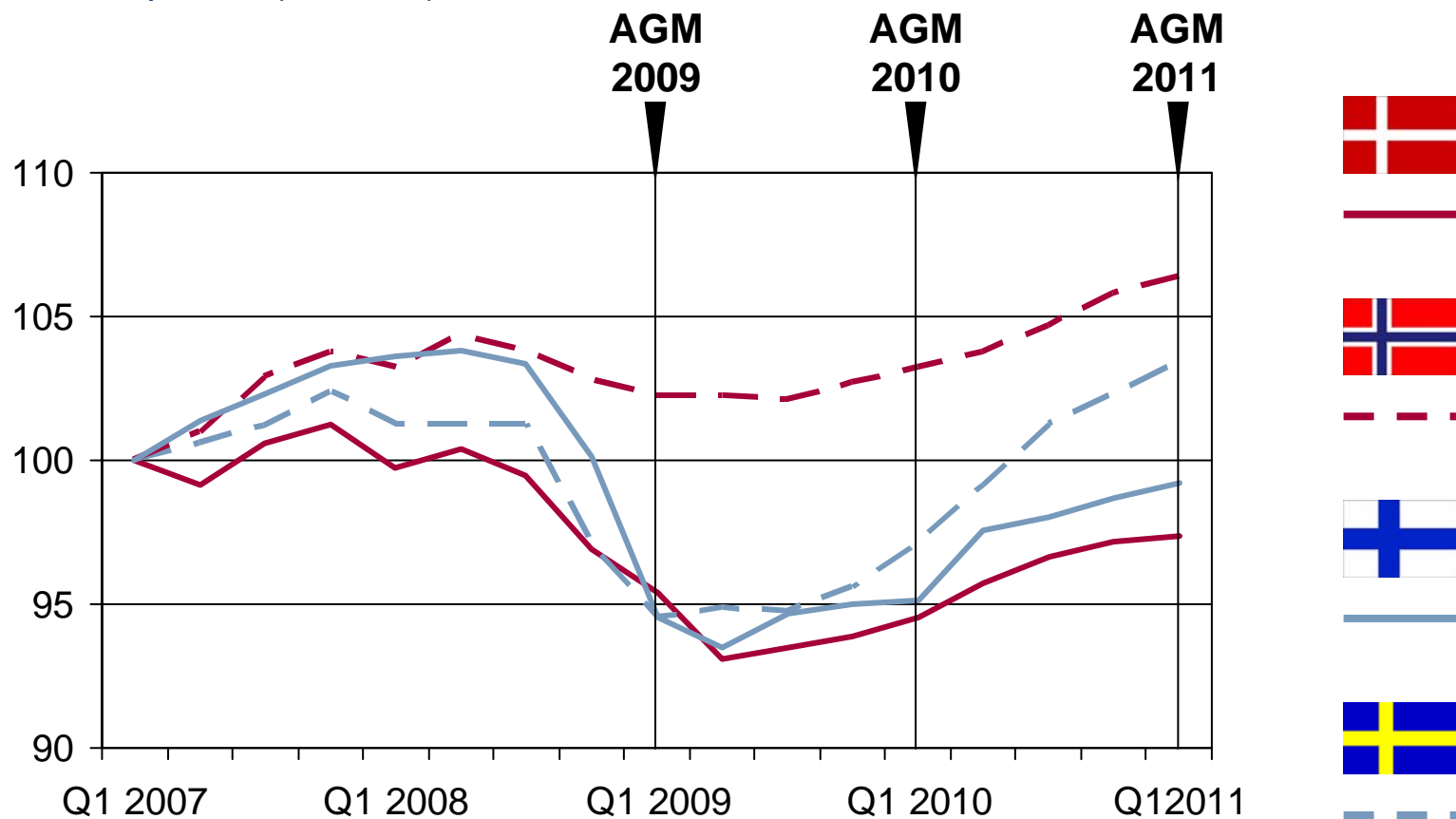


Where we were in 2010 – one year ago



Where we are today

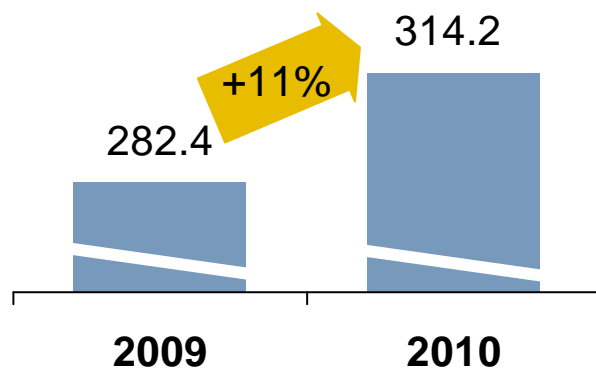
GDP development (indexed), 2007 = 100



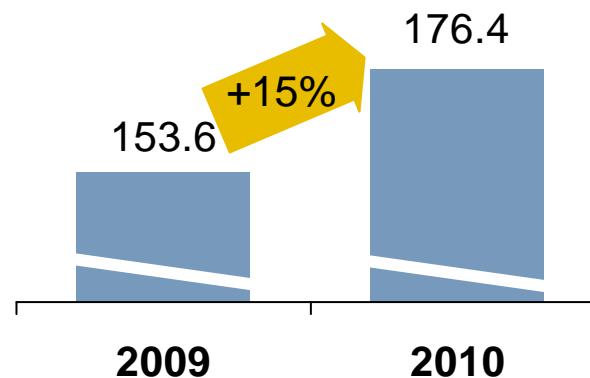
Strong volume growth

EUR billion, year end

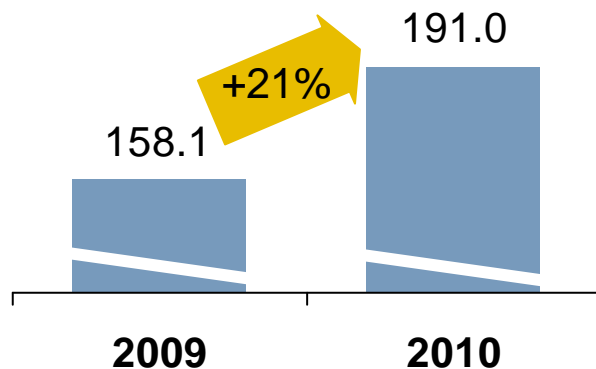
Lending



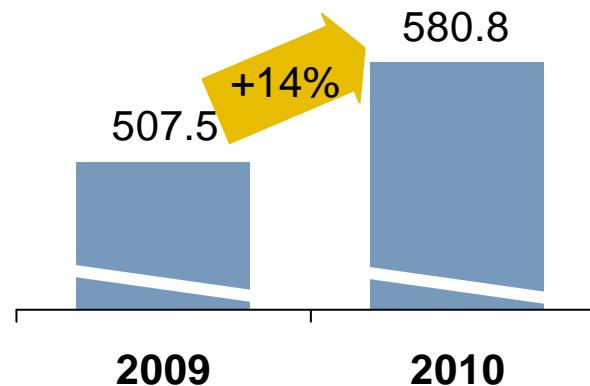
Deposits



Assets under management



Total assets



2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

Highest net interest income ever in Q4 – 2010 only down slightly

2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

All types of provision and fee income is up

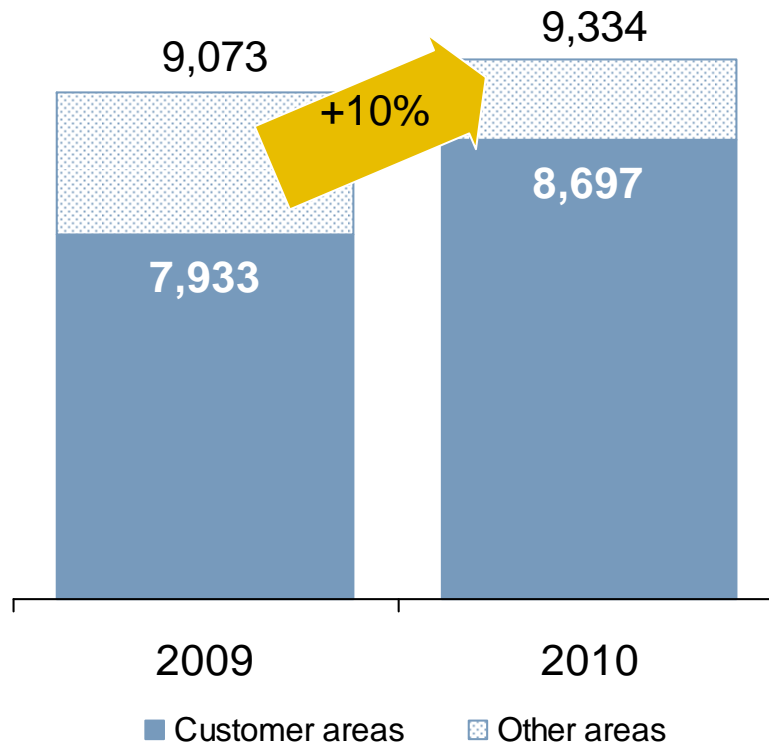
2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

Down due to strong 2009 Nordea Markets results

Total income at record level due to strong underlying customer activity

Total income, EUR million



2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

Cost increase of 3% (before currency effects)

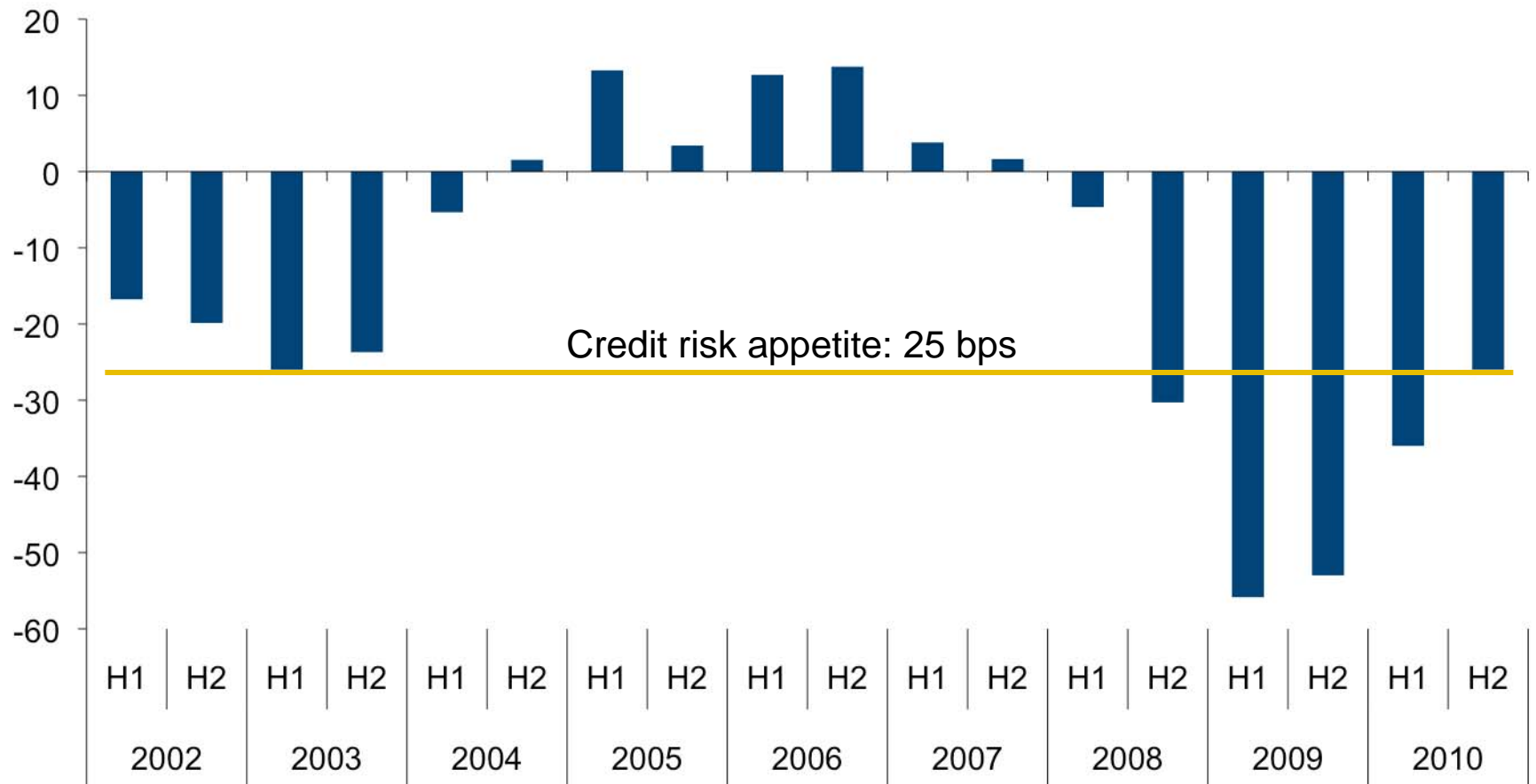
2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

Marginally down – but historically high in last two quarters of 2010

Loan losses in line with average cycle level

Loan losses, bps



2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

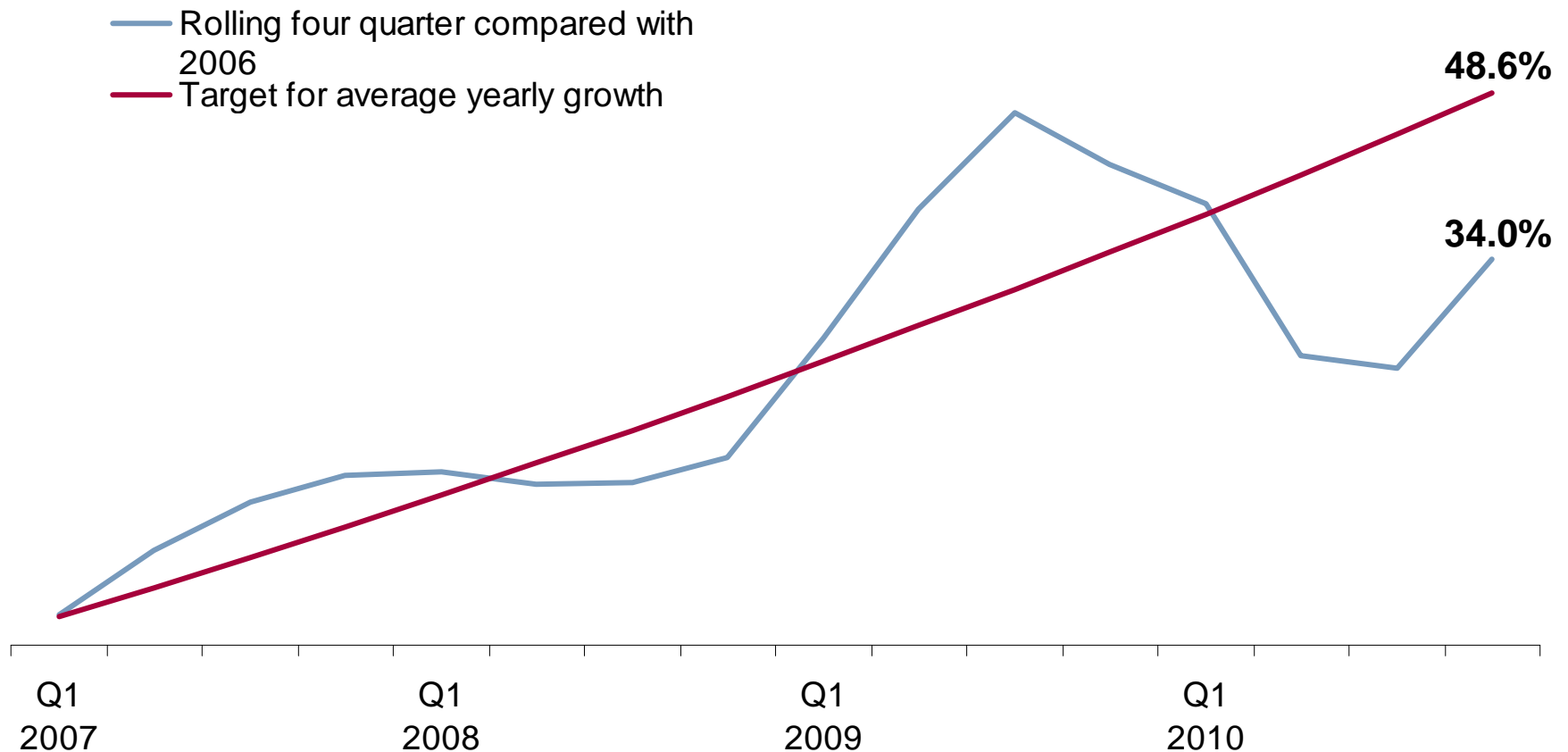
Up 18%

2010 results – strong business momentum

EUR million	2009	2010	2009-2010, %
Net interest income	5,281	5,159	-2
Net fee and commission income	1,693	2,156	27
Net result from items at fair value	1,946	1,837	-6
Other operating income	153	182	19
Total operating income	9,073	9,334	3
Total costs	-4,512	-4,816	7
Profit before loan losses	4,561	4,518	-1
Net loan losses	-1,486	-879	
Operating profit	3,075	3,639	18
Income tax expense	-757	-976	29
Net profit for the year	2,318	2,663	15

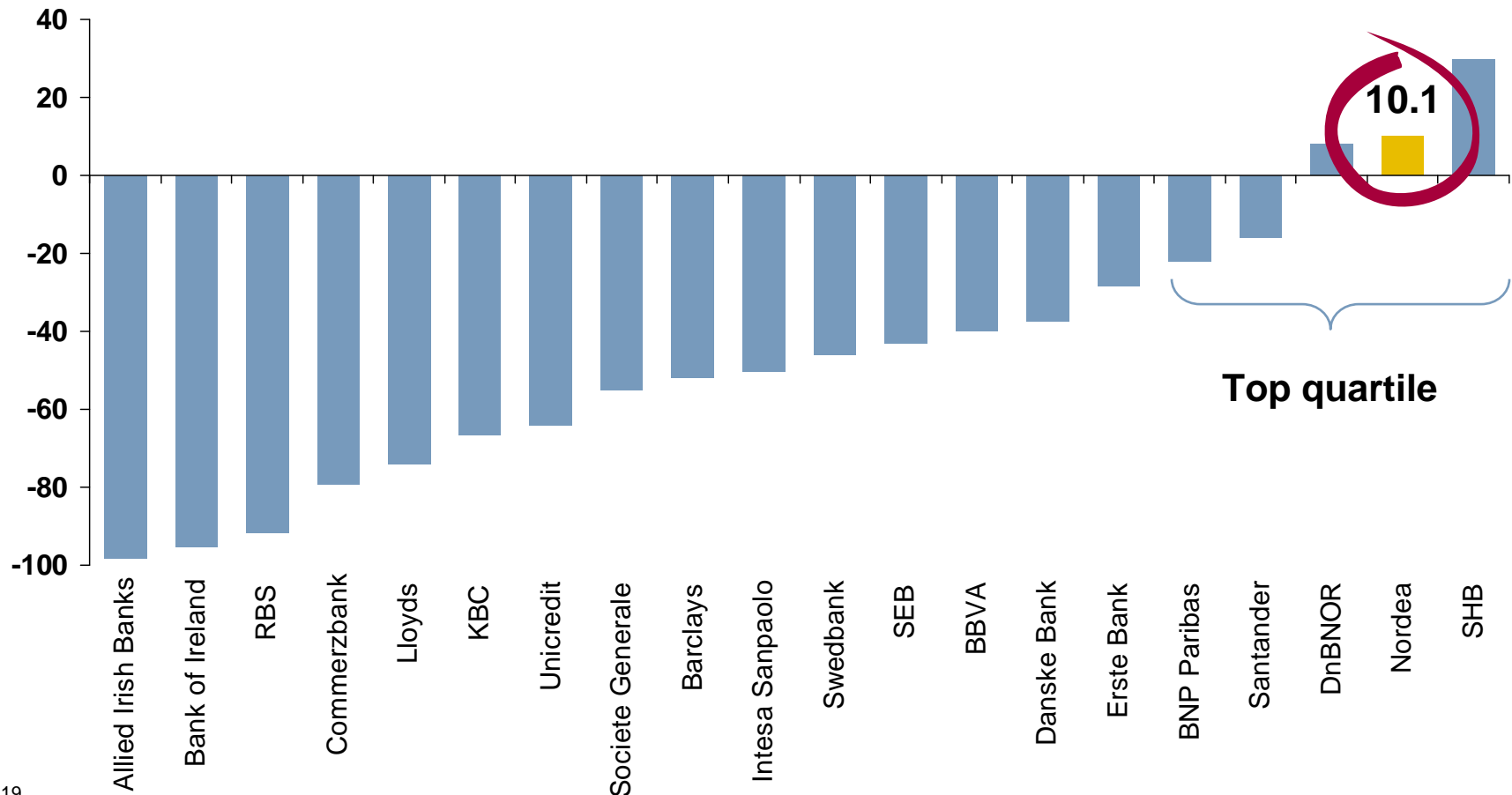
Up 15 %

Ambitious long-term targets remain: Risk-adjusted profit



Ambitious long-term targets remain: Total shareholder return

2007 – 1 February 2011



Group initiatives are on track in all areas

Household relationship strategy

1.Future distribution

2.New customer acquisition

3.Growth plan Finland

Corporate relationship strategy

4.Growth plan CMB

5.Customer-driven Markets business

New European Markets

6.Growth plan Poland

Efficiency initiatives

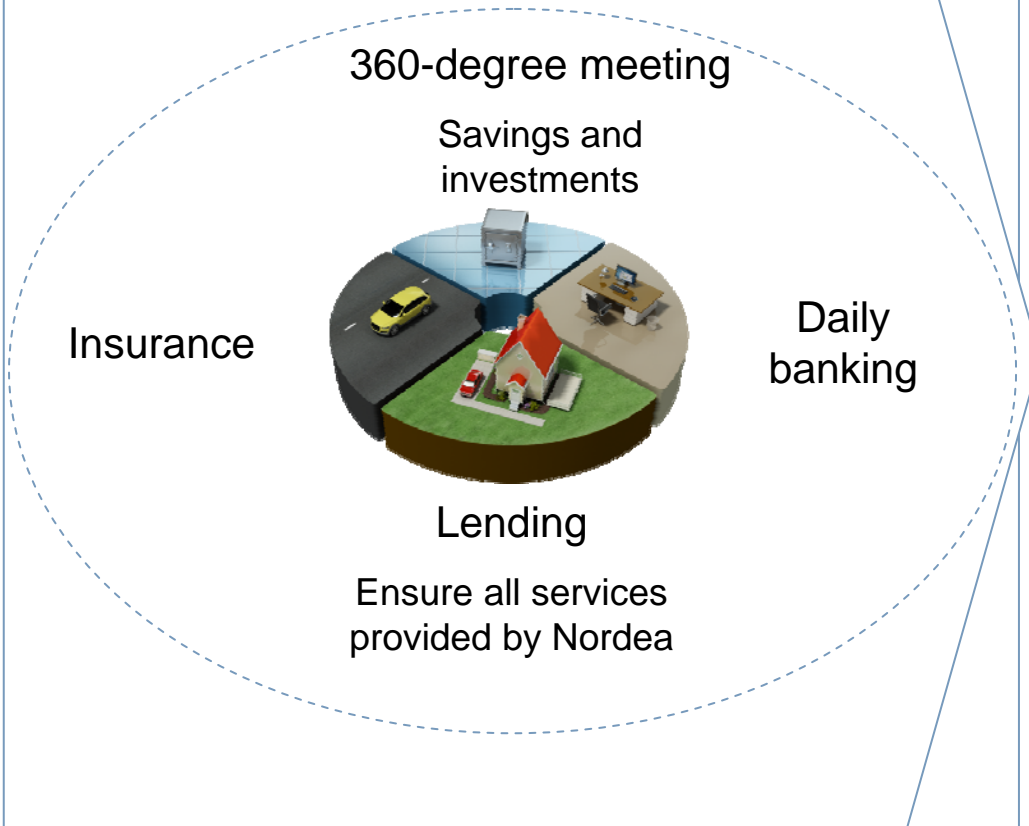
7.Top-league IT and operations

8.Product platforms

9.Infrastructure upgrade

Specialising our branches

Specialised branches support the 360-degree meeting



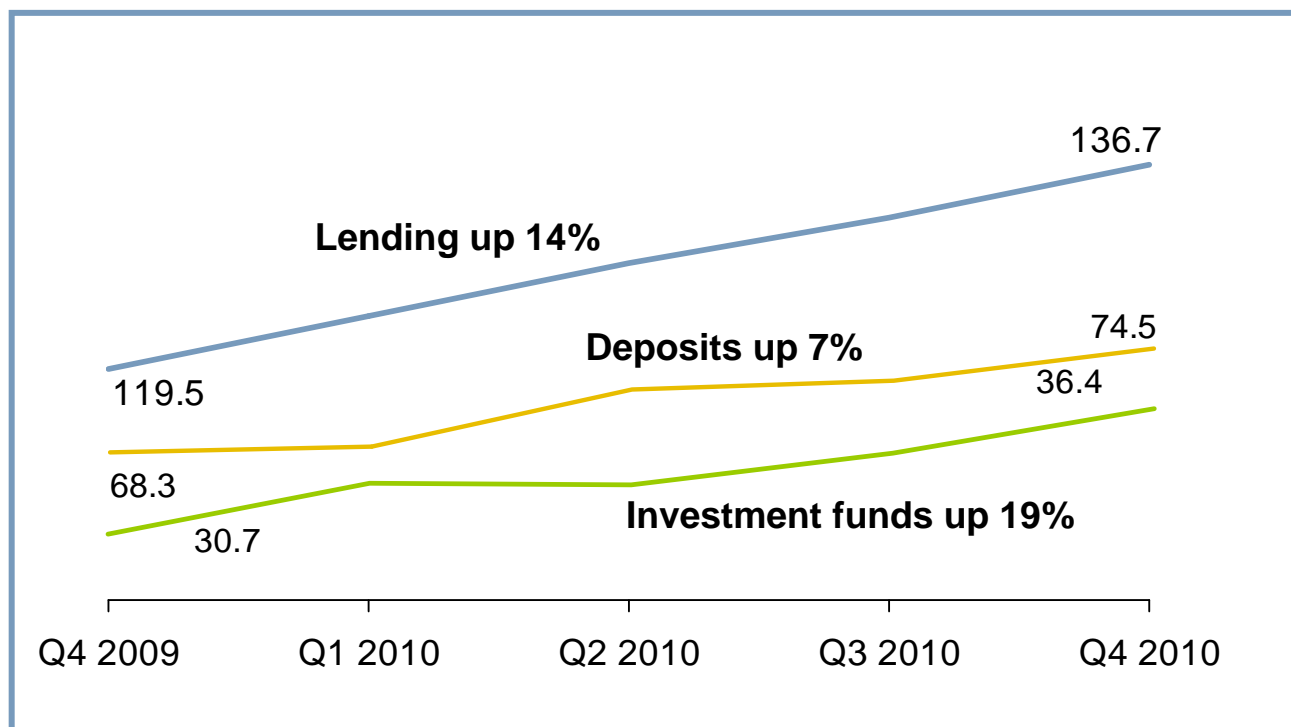
- **82 branches operating in new formats**
- **Customers like it**
 - Better service
 - Better advice
- **We like it**
 - More customer meetings
 - More service transactions per PBA

Continued strong demand in household segment

New customer acquisition

Growth plan Finland

Household volumes 2010, EUR billion

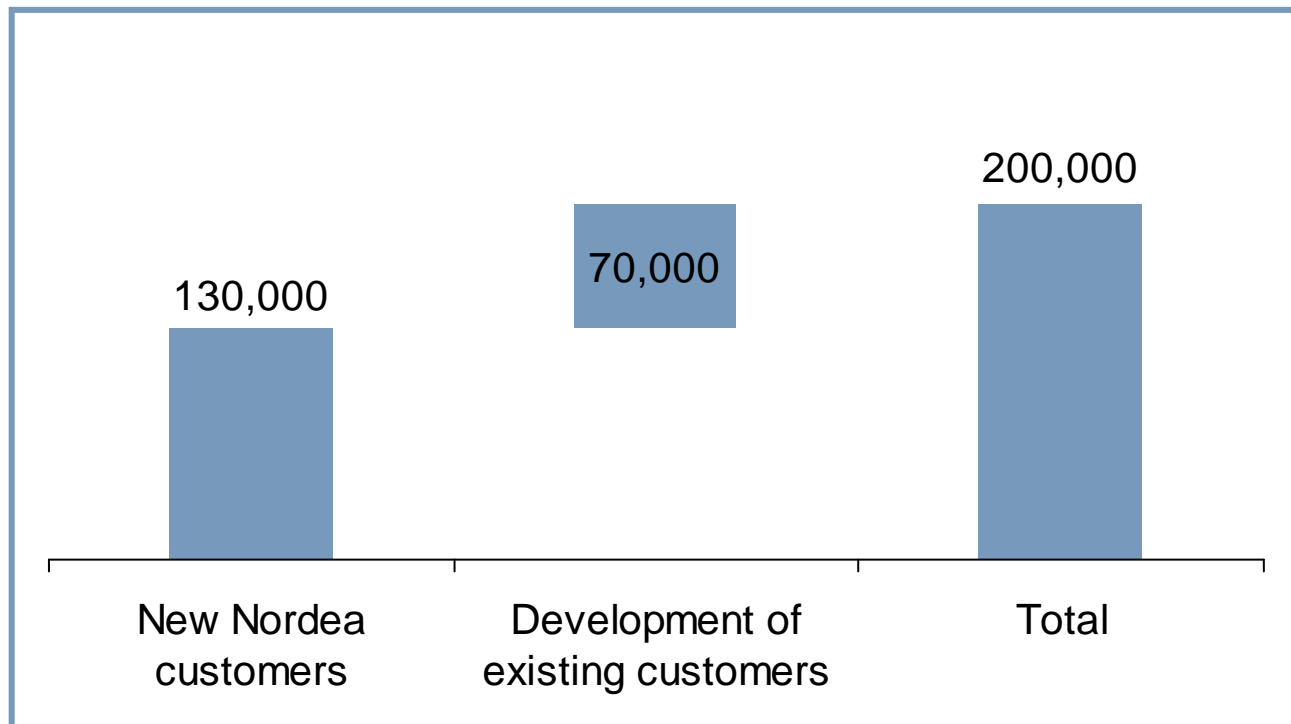


Record inflow of new customers

New customer
acquisition

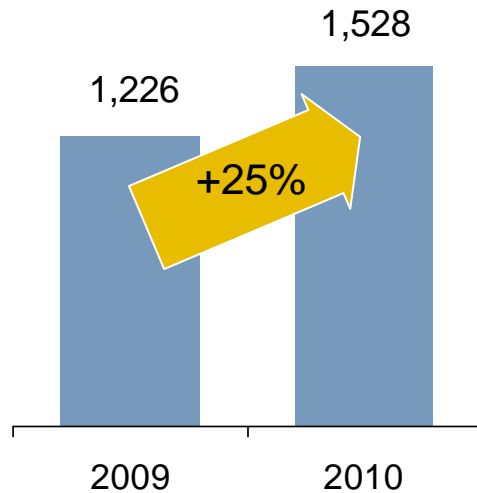
Growth plan
Finland

New Private Banking and Gold customers, 2010

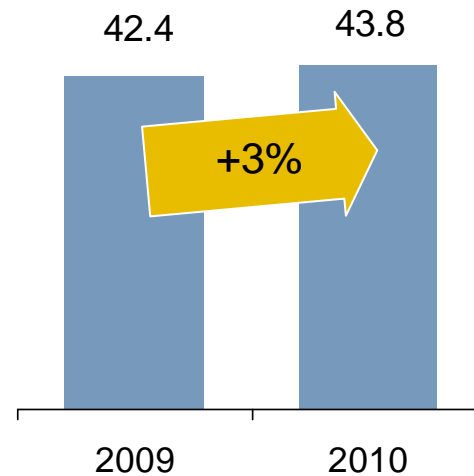


Strong income growth within CMB

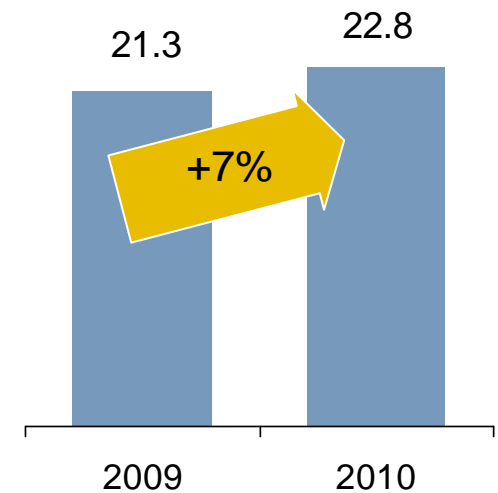
Total income
EUR million



Lending
EUR billion



Deposits
EUR billion



High ranking in equity and bond markets

Nordic Corporate Eurobond benchmark league table 2009 – 2010

Bookrunner

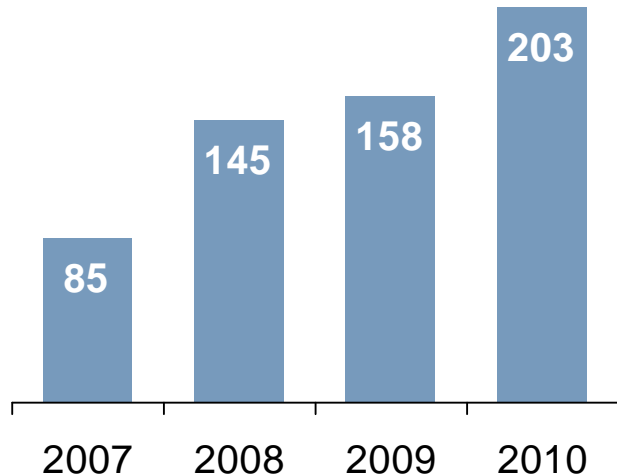
Pos.	Bank name	Deal value EURm	No.	% share
1	Deutsche Bank	3,792	19	16%
2	BNP Paribas	3,371	18	14%
3	Nordea Markets	2,667	16	11%
4	RBS	2,004	11	8%
5	Barclays Capital	1,900	11	8%
6	Citi	1,879	10	8%
7	Soc Gen	1,875	8	8%
8	JPMorgan	1,600	10	7%
9	Calyon	900	5	4%
10	Danske Bank	850	6	4%

New European Markets – a growth area

Poland numbers

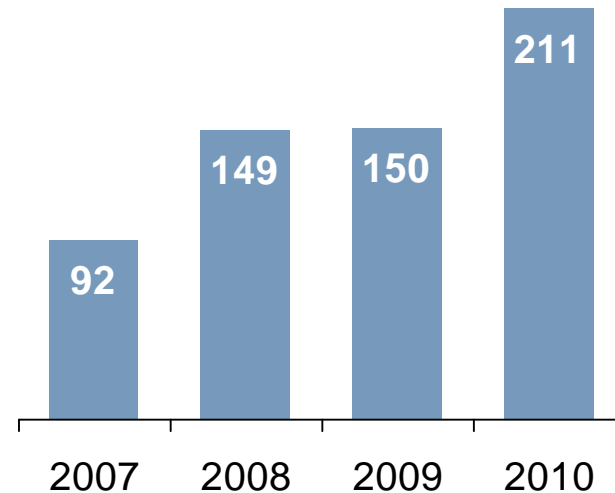
Investments in new branches ...

Number of branches



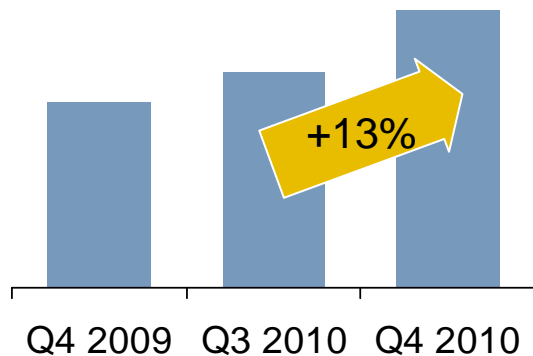
... deliver strong results

Income, EUR million

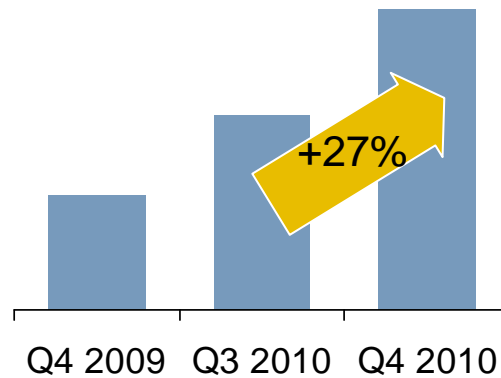


Strong efficiency improvements in customer areas

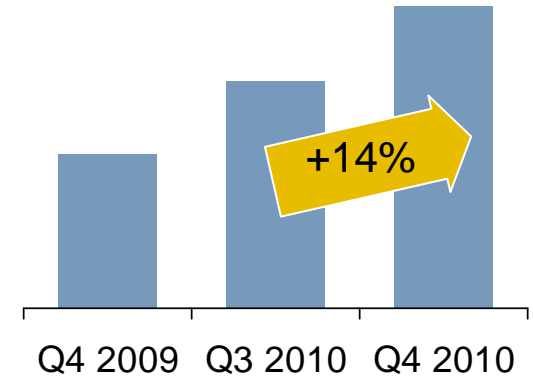
Income per FTE
Nordic Banking



360 meetings/PBA
Nordic Banking

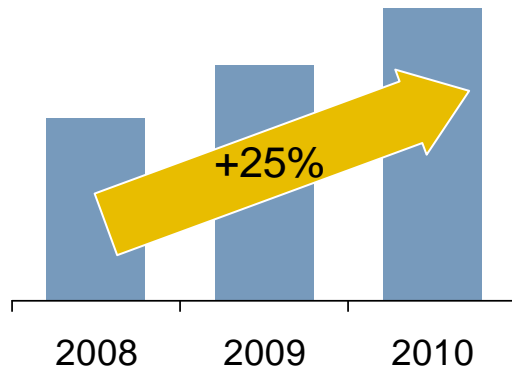


New Nordea customers
Nordic Banking

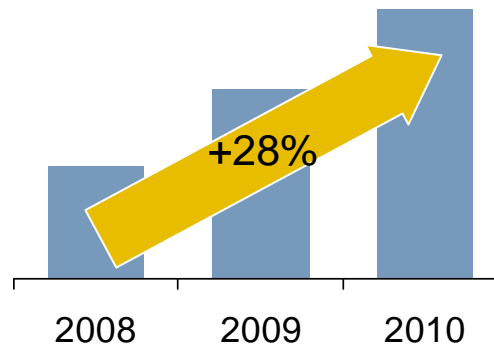


Strong productivity improvements

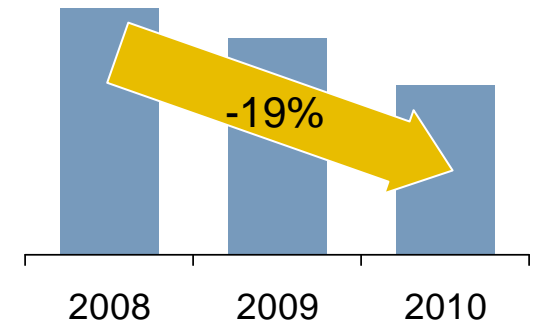
**#contracts/loans/cards/
invoices / FTE**
Nordea Finance



**Corporate payment
transactions / FTE**
Transaction Products

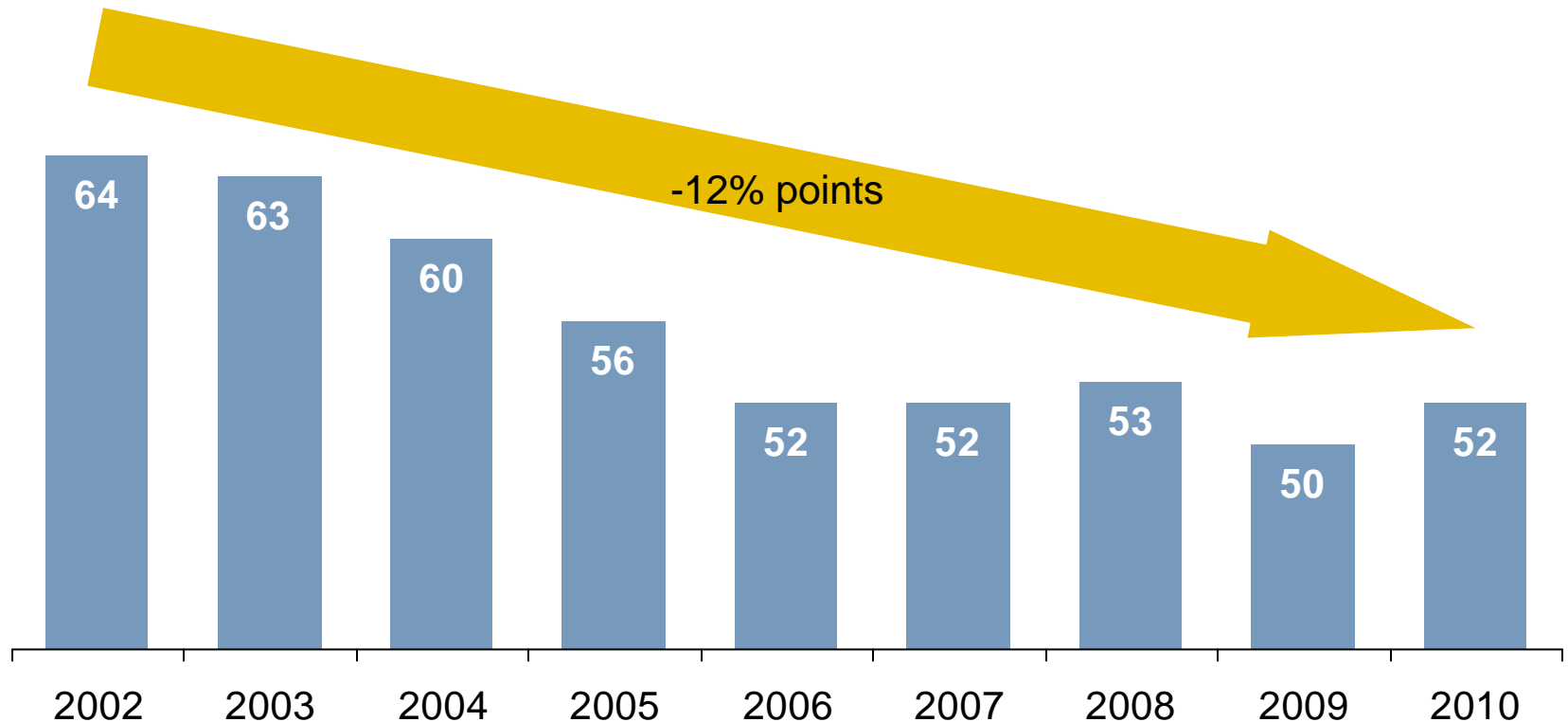


**IT production costs /
production volumes**



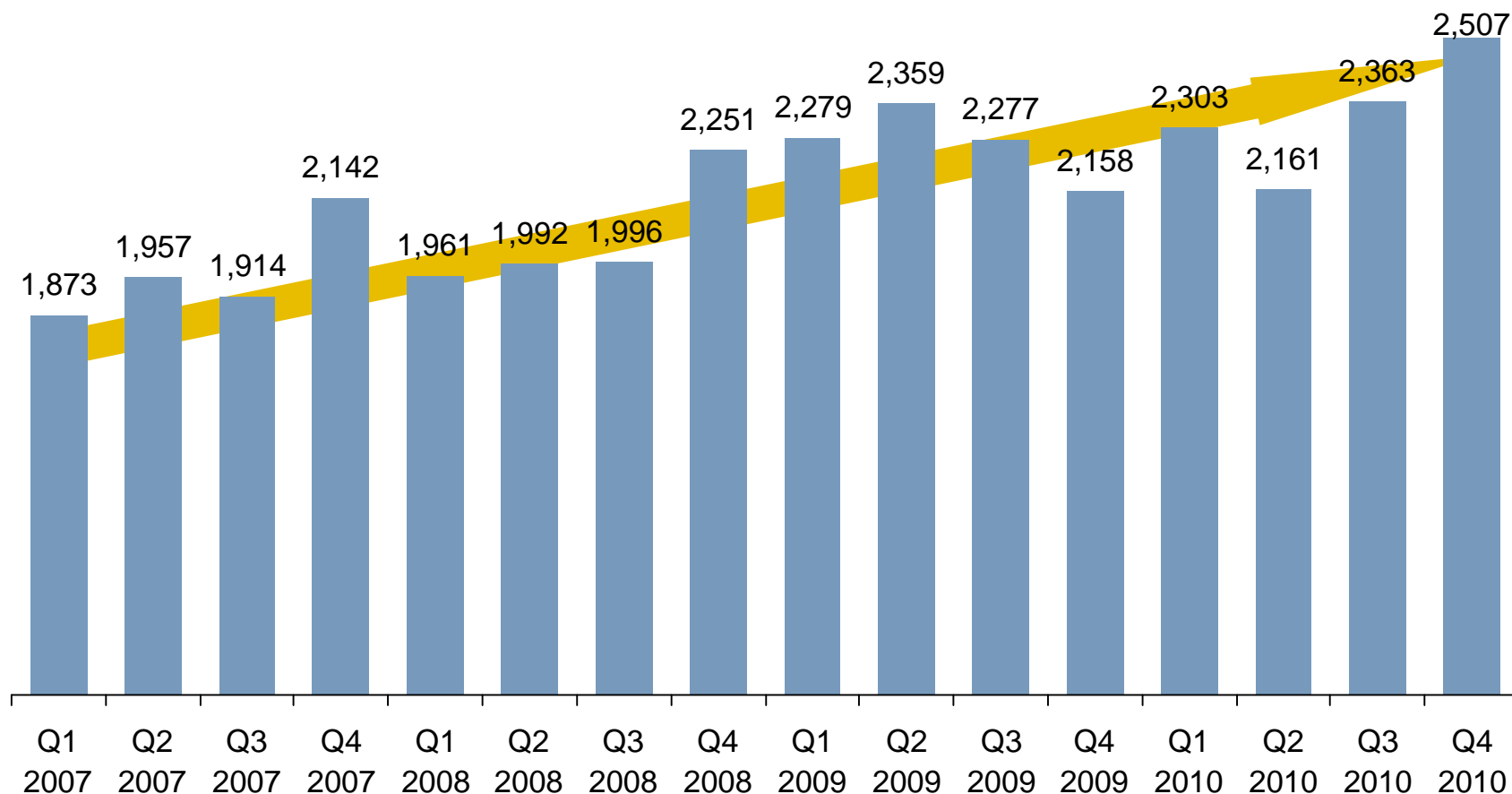
Significant improvement in C/I ratio

Per cent



Consistent income growth

Income, EUR million

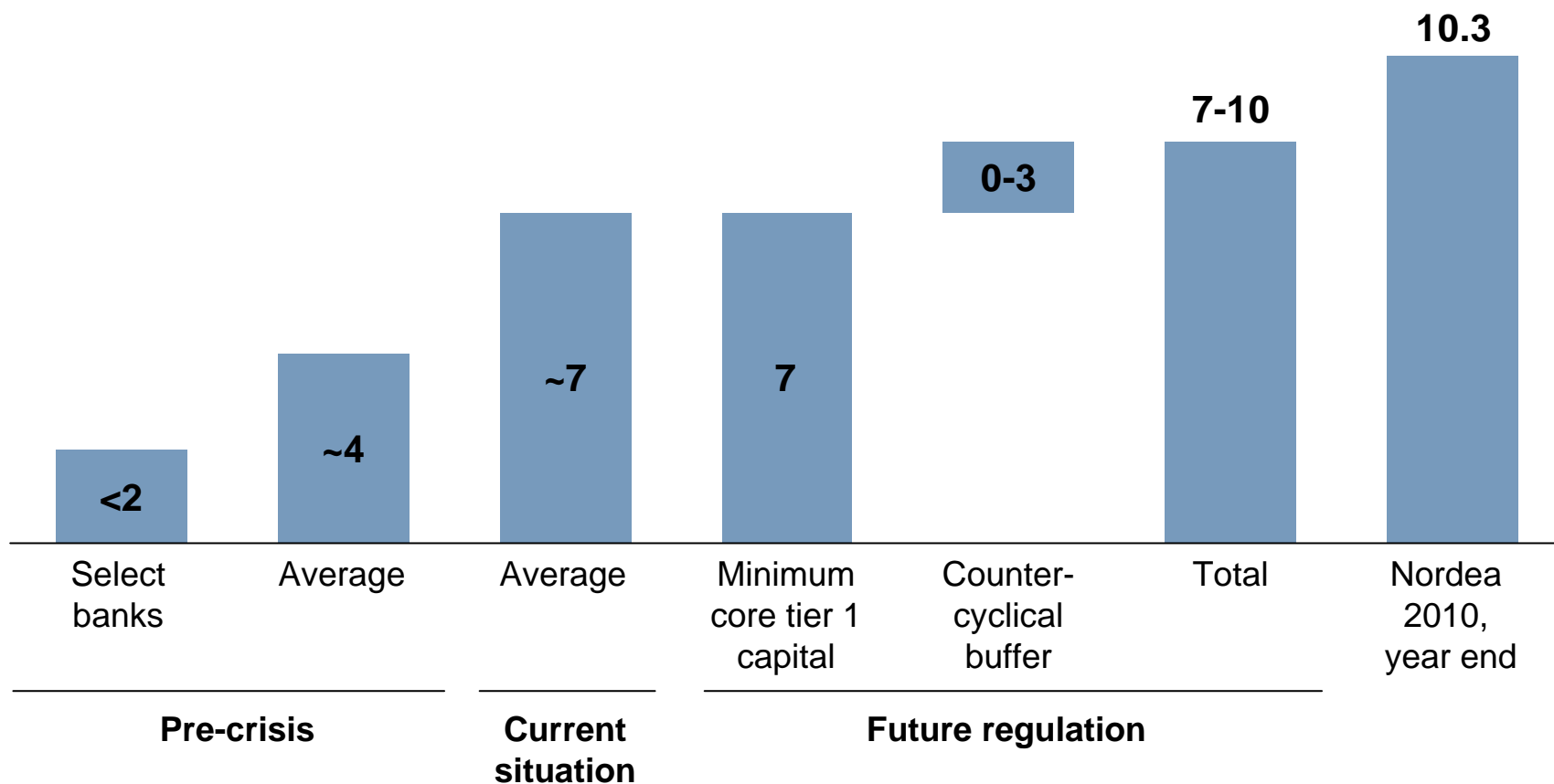


The new regulation falls in three categories

	<u>Proposed changes</u>	<u>Implications</u>
Capital	<ul style="list-style-type: none"> • Higher capital levels – incl. leverage ratio and systemic risk • Higher quality of capital – more equity • Higher RWAs 	<ul style="list-style-type: none"> • More equity
Liquidity	<ul style="list-style-type: none"> • Generally larger liquidity buffer of higher quality • Substantial part of liquidity buffer needs to be invested in government bonds 	<ul style="list-style-type: none"> • Lower returns
Funding	<ul style="list-style-type: none"> • More long-term funding to avoid short term funding of balance sheet • Net Stable Funding Ratio aims at more match funding 	<ul style="list-style-type: none"> • Higher costs

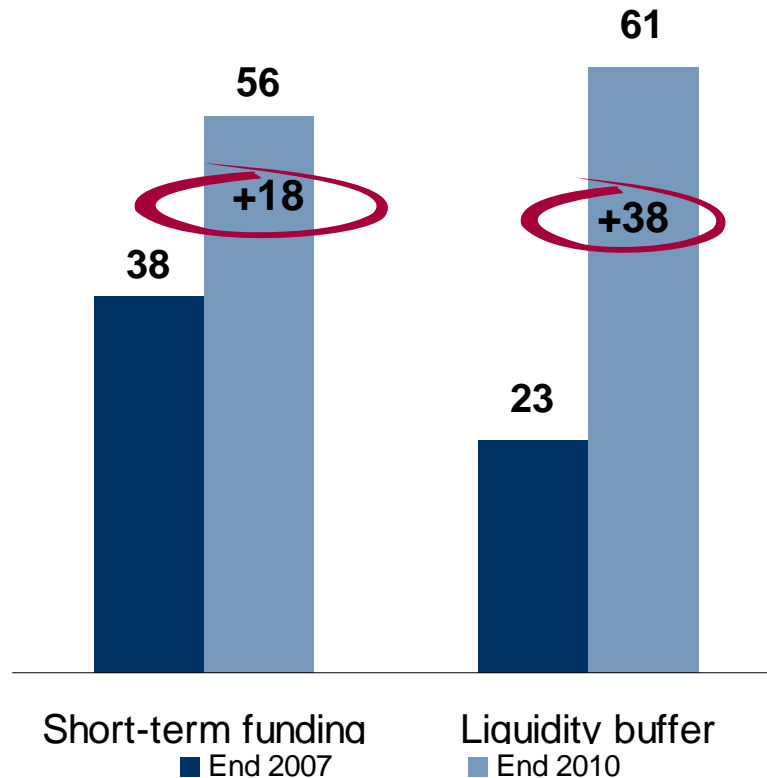
Significantly higher capital requirements: Nordea is compliant

Expected Basel III capital requirements for European banks, per cent



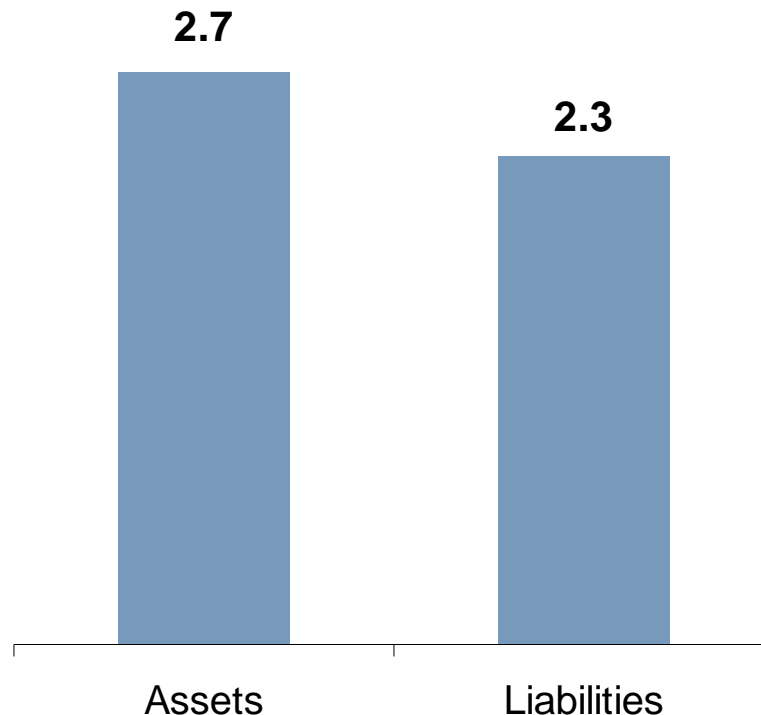
Size and composition of liquidity buffers will change: Nordea in good shape

Nordea liquidity buffer, EUR billion

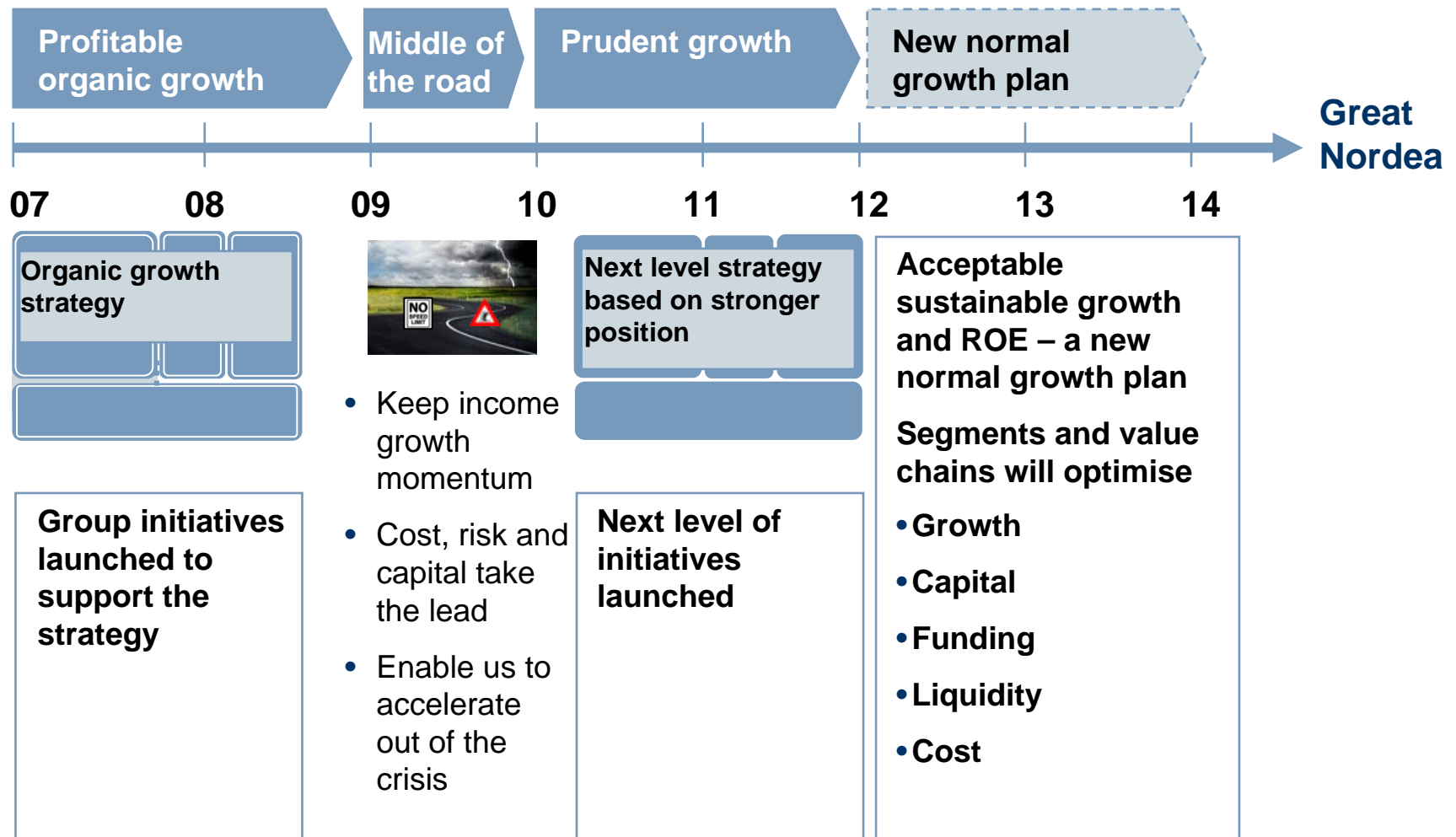


New funding regulation requires longer funding: Nordea close to behavioral match funding

Nordea average behavioural maturity, years



New normal growth plan to be developed in 2011



New normal growth plan to be developed in 2011

