

Nordea



Half-year Financial Report 2025
Nordea Hypotek AB (publ)

Alternative Performance Measures

Definitions are available on page 27 of this report.

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year	2023 Full year
Return on average shareholders equity, %	4,9	4,5	5,4	3,6
Cost/income ratio, %	59,8	58,5	53,0	65,8
Loan loss ratio, basis points ¹	-2,4	1,2	1,7	0,9
- of which stage 1	-0,3	0,0	1,5	-0,3
- of which stage 2	-1,4	0,4	-0,2	0,5
- of which stage 3	-0,7	0,8	0,4	0,7
Impairment rate (stage 3), gross, bps ¹	14,0	12,4	15,9	10,6
Impairment rate (stage 3), net, bps ¹	12,5	10,5	14,0	9,1
Total allowance ratio (stage 1, 2 and 3), bps ¹	4,5	4,9	5,9	4,4
Allowances in relation to credit impaired loans (stage 3), % ¹	10,4	15,6	11,8	15,0
Common Equity Tier 1 capital ratio, % ²	19,2	18,5	19,6	17,3
Tier 1 capital ratio, % ²	19,2	18,5	19,6	17,3
Total capital ratio, % ²	19,2	19,5	19,6	18,3

1) Based on IFRS 9.

2) Including profit for the year for the full years. For the half-year periods, the calculation has been made excluding the profit for the period.

Half-year Financial Report

January – June 2025

Operations

The Company operates on the Swedish market and grants loans, primarily of a long-term nature, to households, sole business proprietors, municipalities and other legal entities through the distribution network of the parent bank's Swedish branch. The main purpose of the lending is to finance properties, tenant-owned apartments, condominiums, agriculture and forestry, and municipal operations. The key emphasis is on financing homes. Collateral consists mainly of liens on residential properties and tenant-owned apartments, or municipal guarantees.

The housing market in Sweden

In the first six months, the price index for private homes in Sweden, HOXSWE, gained 0.8%. The price index is however down by -0.1% since June last year. The price progression for apartments in the same period was 0.5% and -0.5% for houses as a national average. Price progression was negative in the second quarter, with HOXSWE at -1.6%. Overall, transaction volumes for houses increased but fell for apartments, compared to the same period last year.

The index outcomes at the end of the second quarter, over a one-year period, remained largely unchanged, while the volume of homes for sale ads in 2025 was generally 10–20% higher year on year, advertising periods longer and bid premiums moderate. Compared to the last three years, transaction volumes have been higher in percentage terms for houses, but slightly more volatile for apartments. By comparison, the current volume of apartments for sale ads is more than 50% higher than for houses.

Results

Operating profit was SEK 1,092m (938), an increase of 16% compared to the first half of 2024.

The outcome has mainly been affected by the following factors compared to the same period of the previous year:

- Net interest income increased by SEK 205m to SEK 2,568m – a 9% improvement. The change is mainly driven by higher margins on the lending portfolio and higher lending volumes.
- Net fee and commission income deteriorated by SEK -11m to SEK -117m.

- Net result from financial items at fair value declined, amounting to SEK 39m (SEK 104m). This is chiefly attributable to realised and unrealised value changes for financial instruments under hedge accounting and gains on repurchases of issued bonds.
- Total operating expenses amounted to SEK -1,489m (-1,381); an increase of SEK 108m. The increase is mainly due to higher sales and distribution costs for Nordea Bank Abp. Besides, regulatory fees increased by 6m and amounted to SEK -374m (-368m), due to a higher resolution fee.
- Loan losses decreased by 134m and amounted to +92m for the period (-42m).

Lending

At the end of the period, lending to the public was at SEK 762,189m (739,158), exceeding the year-end volume by 3.1%. Lending to the retail market rose by 1.8%, and to legal entities by 8.3%, compared with the end of the year, amounting at the close of the period to SEK 602,448m and 159,741m, respectively.

The strong growth during the period helped to increase Nordea's market share for mortgages, which amounted to 13.91% at the end of June 2025 (13.83% at the beginning of the year), according to Statistics Sweden's published data on lending to Swedish households collateralised by a home. This puts Nordea in second place in terms of mortgage growth in the first half of 2025 and affirms the already strong growth trend experienced by the Company in recent years.

Credit quality and loan losses

The credit quality of Nordea Hypotek's loan portfolio remains strong. In addition, there has been some improvement during the period in terms of reducing the share of customers with late payments, driven by factors such as a lower policy rate. The loan-to-value ratio for properties pledged as collateral for mortgages remains at stable levels, with the majority of the portfolio below 50%, putting Nordea in a good position in the event of any reposessions. It is always the customer's ability to repay, including headroom for rising interest rates, that forms the basis for the credit decision. This ensures strong credit quality over time.

Net loan losses remain at low levels, amounting during the period to SEK +92m (SEK -42m in the same period last year). This is among other

things driven by a reduction in model-based commissions according to the IFRS 9 model.

Provisions as judged by management

In the first half of 2025, Nordea Hypotek reduced its provisions slightly in line with management's judgement (-56m) based on an improved risk scenario for the housing market with lower interest rates and lower inflation. The Company holds a cyclical reserve aimed at allowing for expected loan losses ensuing from rating downgrades not yet captured by the IFRS 9 model. Besides, there is a structural reserve, which has the purpose of covering the identified development need in the IFRS 9 model.

Total loan provisions amounted to SEK 356m at the end of June, compared with SEK 450m at the beginning of the year. Management is of the opinion that the Company has a stable reserve for covering expected loan losses in the current macroeconomic climate, and also planned improvements to provisioning models and processes.

Funding

Long-term funding is mainly secured by means of covered bonds issued on the Swedish market. A covered bond is a funding instrument, regulated under the Covered Bonds (Issuance) Act (SFS 2003:1223), which gives investors special precedence in the event of the borrower's bankruptcy. Covered bonds are issued by special permission from the Financial Supervisory Authority and on the basis of high-quality assets.

In the first half of 2025 covered bonds equalling SEK 50bn were issued in total, compared with SEK 60bn in the first half of 2024. The outstanding bond volume (nominal amount) at 30 June 2025 was SEK 390bn, of which SEK 4bn was issued in currencies other than SEK.

The Company also had other long-term funding in the form of MREL-eligible loans, which amounted to SEK 25bn at the end of the first half of 2025.

Besides long-term funding as described above, the Company regularly received short-term funding from the Parent Company. At 30 June 2025 the outstanding amount from such funding was SEK 336bn.

Rating

Since June 2006, Nordea Hypotek has been rated Aaa by Moody's Investor Service for the covered bonds that make up the Company's main long-term funding.

Capital adequacy

Nordea Hypotek uses the Internal Ratings-based (IRB) approach (internal risk classification) for calculating credit risk in the exposure classes corporate, institution and retail. At the end of June, the Company's risk-weighted assets amounted to SEK 177,961m (SEK 175,114m) with Common Equity Tier 1 (CET 1) capital of SEK 34,178m. The calculated CET 1 capital ratio and capital ratio were 19.2%, compared with 19.6% at the beginning of 2025. The change is mainly explained by increased lending volumes, which cause a rise in risk-weighted assets, and reduced capital ratios.

Changes in management and the Board of Directors

In the first half of 2025 Anders Nicander took office as new Chairman of the Board and Jessica Didrikson took office as new Board member. At the same time, the following three left the Board: Per Långsved (former Chairman), Maria Sahlén (former member) and Emma Henriksson (former member). In the first half of the year, there were no changes in the executive management.

Material events after the balance sheet date

No material events have occurred since the balance sheet date.

Income statement

		2025 Jan-Jun	2024 Jan-Jun	2024 Full year
SEK (000s)	Note			
Operating income				
Interest income calculated using the effective interest method		12 310 389	17 344 975	33 221 287
Other interest income		129 803	219 340	422 642
Interest expense		-9 871 907	-15 201 457	-28 398 935
Net interest income		2 568 285	2 362 858	5 244 994
Fee and commission income		15 358	14 606	29 986
Fee and commission expense		-132 624	-120 626	-238 594
Net fee and commission income		-117 266	-106 020	-208 608
Net result from items at fair value		38 641	103 967	118 069
Total operating income		2 489 660	2 360 805	5 154 455
Operating expenses				
<i>General administrative expenses:</i>				
Staff costs		-20 509	-23 590	-42 207
Other expenses	3	-1 094 486	-989 725	-2 206 248
Regulatory fees	4	-373 939	-367 661	-480 867
Total operating expenses		-1 488 934	-1 380 976	-2 729 322
Profit before loan losses		1 000 726	979 829	2 425 133
Net loan losses	5	91 750	-41 837	-129 003
Operating profit		1 092 476	937 992	2 296 129
Income tax expense		-224 951	-202 465	-491 696
Net profit for the period		867 525	735 527	1 804 433

Statement of comprehensive income

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year
SEK (000s)			
Net profit for the period	867 525	735 527	1 804 433
Items that may be reclassified subsequently to the income statement			
<i>Cash flow hedges:</i>			
Valuation gains/losses, net of tax	-97 981	107 535	434 175
Transferred to the income statement, net of tax	95 376	-107 661	-439 354
<i>Available for sale investments¹</i>			
Valuation gains/losses, net of tax	3 384	13 925	-1 327
Other comprehensive income, net of tax	779	13 799	-6 506
Total comprehensive income	868 304	749 326	1 797 927

1) Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet

		2025 30 Jun	2024 31 Dec	2024 30 Jun
SEK (000s)	Note			
Assets				
Loans to credit institutions	6	6 759 288	8 722 812	6 904 987
Loans to the public	6	762 189 271	739 157 568	723 059 911
Interest-bearing securities		19 289 646	20 048 614	19 918 333
Derivatives		9 498 777	5 633 936	7 860 081
Fair value changes of the hedged items in portfolio hedge of interest rate risk		734 741	-315 506	-2 206 849
Deferred tax assets		1 968	944	-
Current tax assets		38 074	68 091	67 476
Other assets		3 577 850	1 162 698	2 750 223
Prepaid expenses and accrued income		-	1 218	16 833
Total assets		802 089 615	774 480 375	758 370 995
Liabilities				
Deposits by credit institutions		336 232 559	321 845 275	288 734 803
Debt securities in issue		421 922 301	409 927 170	425 346 727
Derivatives		3 382 073	4 310 996	5 863 981
Current tax liabilities		203 954	36 692	241 846
Other liabilities		4 624 182	3 424 219	3 139 221
Accrued expenses and prepaid income		260 739	341 329	256 868
Deferred tax liabilities		-	-	367
Provisions		6 264	5 455	5 461
Subordinated liabilities		-	-	1 650 703
Total liabilities		766 632 072	739 891 136	725 239 977
Equity				
Share capital		110 000	110 000	110 000
Fair value reserves		10 513	9 734	30 039
Retained earnings		34 469 505	32 665 072	32 255 452
Net profit for the year		867 525	1 804 433	735 527
Total equity		35 457 543	34 589 239	33 131 018
Total liabilities and equity		802 089 615	774 480 375	758 370 995

Statement of changes in equity

	Restricted equity	Unrestricted equity			
			Fair value through other comprehensive income	Retained earnings	
30 Jun 2025	Share capital ¹	Cash flow hedges			Total equity
SEK (000s)					
Balance at 1 Jan 2025	110 000	- 3 638	13 372	34 469 505	34 589 239
Net profit for the period	-	-	-	867 525	867 525
Items that may be reclassified subsequently to the income statement					
<i>Fair value through other comprehensive income:</i>					
Valuation gains/losses, net of tax	-	-	3 384	-	3 384
<i>Cash flow hedges:</i>					
Tax on valuation gains/losses, net of tax	-	- 97 981	-	-	- 97 981
Transferred to the income statement	-	120 121	-	-	120 121
Tax on transfers to the income statement	-	- 24 745	-	-	- 24 745
Other comprehensive income, net of tax	-	- 2 605	3 384	-	779
Total comprehensive income	-	- 2 605	3 384	867 525	868 304
Shareholders' contribution received	-	-	-	-	-
Share-based payments	-	-	-	-	-
Dividend	-	-	-	-	-
Balance at 30 Jun 2025	110 000	- 6 243	16 756	35 337 030	35 457 543

1) Total number of shares registered were 100,000.

	Restricted equity	Unrestricted equity			
			Fair value through other comprehensive income	Retained earnings	
31 Dec 2024	Share capital ¹	Cash flow hedges			Total equity
SEK (000s)					
Balance at 1 Jan 2024	110 000	1 541	14 699	32 544 685	32 670 925
Net profit for the period	-	-	-	1 804 433	1 804 433
Items that may be reclassified subsequently to the income statement					
<i>Fair value through other comprehensive income:</i>					
Valuation gains/losses, net of tax	-	-	- 1 327	-	- 1 327
<i>Cash flow hedges:</i>					
Valuation gains/losses, net of tax	-	434 175	-	-	434 175
Transferred to the income statement	-	- 553 343	-	-	- 553 343
Tax on transfers to the income statement	-	113 989	-	-	113 989
Other comprehensive income, net of tax	-	- 5 179	- 1 327	-	- 6 506
Total comprehensive income	-	- 5 179	- 1 327	1 804 433	1 797 927
Shareholders' contribution received	-	-	-	2 300 000	2 300 000
Group contribution paid	-	-	-	- 2 380 723	- 2 380 723
Tax on Group contribution paid	-	-	-	490 429	490 429
Share-based payments	-	-	-	- 85	- 85
Dividend	-	-	-	- 289 234	- 289 234
Balance at 31 Dec 2024	110 000	- 3 638	13 372	34 469 505	34 589 239

1) Total number of shares registered were 100,000.

Statement of changes in equity, continued

30 Jun 2024	Restricted equity	Unrestricted equity			Total equity
	Share capital ¹	Cash flow hedges	Fair value through other comprehensive income	Retained earnings	
SEK (000s)					
Balance at 1 Jan 2024	110 000	1 542	14 699	32 544 685	32 670 926
Net profit for the period	-	-	-	735 527	735 527
Items that may be reclassified subsequently to the income statement					
<i>Fair value through other comprehensive income:</i>					
Valuation gains/losses, net of tax	-	-	13 925	-	13 925
<i>Cash flow hedges:</i>					
Valuation gains/losses, net of tax	-	107 535	-	-	107 535
Transferred to the income statement	-	- 135 594	-	-	- 135 594
Tax on transfers to the income statement	-	27 933	-	-	27 933
Other comprehensive income, net of tax	-	- 126	13 925	-	13 799
Total comprehensive income	-	- 126	13 925	735 527	749 326
Shareholders' contribution received	-	-	-	-	-
Share-based payments	-	-	-	-	-
Dividend	-	-	-	- 289 234	- 289 234
Balance at 30 Jun 2024	110 000	1 416	28 624	32 990 978	33 131 018

1) Total number of shares registered were 100,000.

Cash Flow statement

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year
SEK (000s)			
Operating activities			
Operating profit	1 092 476	937 992	2 296 129
Adjustment for items not included in cash flow	2 744 538	2 042 950	423 549
Income taxes paid	-28 021	-61 877	-66 450
Cash flow from operating activities before changes in operating assets and liabilities	3 808 993	2 919 065	2 653 228
Changes in operating assets			
Change in loans to the public	-23 013 331	-6 534 539	-22 747 290
Change in interest-bearing securities	828 164	-68 022	-191 074
Change in derivatives, net	-2 021 454	283 259	2 389 705
Change in other assets	-2 415 152	-722 418	865 107
Change in operating liabilities			
Change in deposits by credit institutions	14 498 000	-4 975 001	27 704 000
Change in debt securities in issue	5 067 966	5 407 788	-10 932 713
Change in other liabilities	1 199 963	-70 894	-2 166 619
Cash flow from operating activities	-5 855 844	-6 679 827	-5 078 884
Financing activities			
Shareholder contribution	-	-	2 300 000
Paid dividend	-	-289 234	-289 234
Amortised subordinated liabilities	-	-	-1 650 000
Cash flow from financing activities	-	-289 234	360 766
Cash flow for the period	-2 046 851	-4 049 996	-2 064 889
Cash and cash equivalents at beginning of period	8 722 812	10 787 701	10 787 701
Cash and cash equivalents at end of period	6 675 961	6 737 705	8 722 812
Change	-2 046 851	-4 049 996	-2 064 889

Notes to the financial statements

Notes

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Note 1. Accounting policies

The half-year interim report for Nordea Hypotek AB (publ) is prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Investment Firms (1995:1559), the regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25 including amendments), IAS 34 "Interim Financial Reporting", and the accounting recommendation "RFR 2 Accounting for legal entities" issued by the Swedish Sustainability and Financial Reporting Board. This means that Nordea Hypotek AB (publ) applies International Financial Reporting Standards (IFRS) as endorsed by the European Commission to the extent possible within the framework of Swedish accounting legislation and with due consideration for the close tie between financial reporting and taxation.

The supplementary disclosures, required in the standards and legislation above, have been included in the notes or in other parts of this half-year report.

The report includes a condensed set of financial statements and is to be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2024. The accounting policies and methods of computation are unchanged from the Annual Report 2024, except for the changes concerning the items presented in the section "Changed accounting policies and presentation" below. For more information, see the accounting policies in the Annual Report 2024.

Changed accounting policies and presentation

Amendments to IFRS

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, issued by the International Accounting Standards Board (IASB) were implemented by Nordea Hypotek on 1 January 2025, but have not had any significant impact on Nordea Hypotek's financial statements.

Changes in IFRSs not yet applied

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB published the new standard, IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of and disclosures in financial statements. In addition, IFRS 18 introduces requirements for aggregation and disaggregation of financial information in financial statements. It is currently unclear to what extent RFR 2 and FFFS 2008:25 will derogate from these rules and thus how they will affect Nordea Hypotek. However, as the standard format for the profit and loss account and balance sheet is governed by the Swedish Annual Accounts Act for Credit Institutions and Investment Firms, no significant impact on the financial statements or capital adequacy is anticipated.

Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB published amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7).

The amendments clarify whether contractual cash flows from financial instruments with contractual terms, linked to the achievement of environment, social and governance (ESG) targets, for example, meet the solely payments of principal and interest (SPPI) criterion, which is a condition for measurement at amortised cost. The amendments allow certain financial assets, including those linked to the achievement of ESG targets, to meet the solely payments of principal and interest (SPPI) criterion at initial recognition, provided that cash flows do not deviate substantially from cash flows from identical financial assets without such terms. In addition, further disclosures on financial assets and financial liabilities with contractual terms are required. The new requirements are not expected to have any significant impact on Nordea Hypotek's financial statements or capital adequacy upon initial application, apart from the supplementary disclosures.

The amendments also clarify the characteristics of contractually-linked instruments (CLIs) and non-recourse features. The current assessment is that these clarifications will not have any significant impact on the classification of financial assets or capital adequacy upon initial application. However, this will be analysed further and, of course, will be affected by the instruments that are held by Nordea Hypotek in its balance sheet at transition.

The amendments also include the recognition and derecognition of financial assets and financial liabilities, including an optional discharge regarding derecognition of financial liabilities settled through an electronic payment system. The current assessment is that this amendment will not have any significant impact on Nordea Hypotek's financial statements or capital adequacy upon initial application, although this will be analysed further.

The new standard is effective for annual periods beginning on or after 1 January 2026. Earlier application is permitted. The amendments are endorsed by the EU.

Other amendments

The following changes in IFRSs not yet applied by Nordea Hypotek are not assessed to have any significant impact on its financial statements or capital adequacy in the period of their initial application.

- Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7)
- Annual improvements – Volume 11.

Note 2. Segment reporting

Operating segments

	Personal Banking		Business Banking		Group Treasury & Asset & Liability management		Other operating segments		Total operating segments		Reconciliation		Total	
	Jan-jun		Jan-jun		Jan-jun		Jan-jun		Jan-jun		Jan-jun		Jan-jun	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
SEKm														
Income statement														
Total operating income	8 872	11 039	2 337	2 643	-9 194	-11 928	407	541	2 422	2 295	68	66	2 490	2 361
Operating profit	8 190	10 296	2 131	2 442	-9 193	-11 928	-104	62	1 024	872	68	66	1 092	938
Balance sheet														
Loans to the public	567 393	553 953	159 585	137 135	-	-	35 211	31 972	762 189	723 060	-	-	762 189	723 060

Reconciliation between total operating segments and financial statements

	Jan-jun 2025		Jan-jun 2024	
	Operating profit	Loans to the public	Operating profit	Loans to the public
SEKm				
Total operating segments	1 024	762 189	872	723 060
Group functions and unallocated items	68	-	66	-
Total	1 092	762 189	938	723 060

Note 3. Other expenses

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year
SEK (000s)			
Postage, telephone and office expenses	-161	-205	-362
Distribution costs to Nordea	-1 070 837	-965 671	-2 146 406
Professional services ¹	-2 252	-2 207	-4 152
Market data services	-8 302	-11 906	-27 454
Other	-12 934	-9 736	-27 874
Total	-1 094 486	-989 725	-2 206 248

1) Including fees and remuneration to auditors.

Note 4. Regulatory fees

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year
SEK (000s)			
Resolution fees	-266 654	-254 455	-254 456
Bank tax	-107 285	-113 206	-226 411
Total	-373 939	-367 661	-480 867

Note 5. Net loan losses

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year
SEK (000s)			
Net loan losses, stage 1	11 450	1 601	- 110 817
Net loan losses, stage 2	54 800	- 13 940	13 344
Net loan losses, non-defaulted	66 250	- 12 339	- 97 473
Stage 3, defaulted			
Net loan losses, individually assessed, collectively calculated	27 963	- 25 899	- 27 398
Realised loan losses	- 3 859	- 5 114	- 8 712
Decrease of provisions to cover realised loan losses	-	2 289	2 289
Recoveries on previously realised loan losses	491	497	679
Reimbursement right	905	-	901
Increase in provisions	-	- 1 983	-
Reversals of provisions	-	711	711
Net loan losses, defaulted	25 500	- 29 498	- 31 530
Net loan losses	91 750	- 41 837	- 129 003

	2025 Jan-Jun	2024 Jan-Jun	2024 Full year
Key ratios			
Loan loss ratio, basis points ¹	-2,4	1,2	1,7
-of which stage 1	-0,3	0,0	1,5
-of which stage 2	-1,4	0,4	-0,2
-of which stage 3	-0,7	0,8	0,4

1) Based on IFRS 9.

Note 6. Loans and impairment

	2025 30 Jun	2024 31 Dec	2024 30 Jun
SEKm			
Loans measured to amortised cost, not impaired (stage 1 and 2)	768 221	747 133	729 415
Impaired loans (stage 3)	1 077	1 191	905
- of which servicing	148	204	153
- of which non-servicing	929	987	752
Loans before allowances	769 298	748 324	730 320
-of which credit institutions	6 759	8 723	6 905
Allowances for individually assessed loans (stage 3)	-112	-140	-141
- of which servicing	-37	-58	-46
- of which non-servicing	-75	-82	-95
Allowances for collectively assessed loans (stage 1 and 2)	-237	-304	-214
Allowances	-349	-444	-355
Loans carrying amount	768 949	747 880	729 965

Carrying amount of loans measured at amortised cost, before allowances

	30 Jun 2025		
SEKm	Stage 1	Stage 2	Stage 3
Loans to the public	757 720	10 501	1 077
Interest-bearing securities	9 704	-	-
Total	767 424	10 501	1 077

	30 Jun 2024		
SEKm	Stage 1	Stage 2	Stage 3
Loans to the public	705 019	24 396	905
Interest-bearing securities	9 518	-	-
Total	714 537	24 396	905

Allowances and provisions

	30 Jun 2025		
SEKm	Stage 1	Stage 2	Stage 3
Loans to the public	- 154	- 83	- 112
Interest-bearing securities	-	-	-
Provisions for off-balance sheet items	- 6	-	-
Total	- 160	- 83	- 112

	30 Jun 2024		
SEKm	Stage 1	Stage 2	Stage 3
Loans to the public	- 49	- 164	- 141
Interest-bearing securities	-	-	-
Provisions for off-balance sheet items	- 5	-	-
Total	- 54	- 164	- 141

Note 6. Continued

Movement of allowance accounts for loans measured at amortised cost

SEKm	Stage 1	Stage 2	Stage 3	Total
Balance at 1 Jan 2025	-165	-139	-140	-444
Changes due to origination and acquisition	-27	-1	0	-28
Changes due to transfers from stage 1 to stage 2	6	-29	0	-23
Changes due to transfers from stage 1 to stage 3	0	0	-6	-6
Changes due to transfers from stage 2 to stage 1	-3	41	0	38
Changes due to transfers from stage 2 to stage 3	0	6	-8	-2
Changes due to transfers from stage 3 to stage 1	0	0	6	6
Changes due to transfers from stage 3 to stage 2	0	-2	12	10
Changes due to credit risk without stage transfer	18	26	-15	29
Changes due to repayments and disposals	17	15	39	71
Write-off through decrease in allowance account	-	-	-	-
Closing balance at 30 Jun 2025	-154	-83	-112	-349

SEKm	Stage 1	Stage 2	Stage 3	Total
Balance at 1 Jan 2024	-52	-150	-116	-318
Changes due to origination and acquisition	-12	-8	-1	-21
Changes due to transfers from stage 1 to stage 2	5	-66	-	-61
Changes due to transfers from stage 1 to stage 3	-	-	-8	-8
Changes due to transfers from stage 2 to stage 1	-2	39	-	37
Changes due to transfers from stage 2 to stage 3	-	5	-29	-24
Changes due to transfers from stage 3 to stage 1	-	-	-	-
Changes due to transfers from stage 3 to stage 2	-	-2	18	16
Changes due to credit risk without stage transfer	6	-	-30	-24
Changes due to repayments and disposals	6	17	23	46
Write-off through decrease in allowance account	-	-	2	2
Closing balance at 30 Jun 2024	-49	-165	-141	-355

Key ratios	2025 30 Jun	2024 30 Jun	2024 31 Dec
Impairment rate, (stage 3), gross ¹ , basis points	14,0	12,4	15,9
Impairment rate, (stage 3), net ² , basis points	12,5	10,5	14,0
Total allowance rate (stage 1, 2 and 3) ³ , basis points	4,5	4,9	5,9
Allowances in relation to impaired loans (stage 3) ⁴ , %	10,4	15,6	11,8
Allowances in relation to loans stage 1 and 2 ⁵ , basis points	3,1	2,9	4,1

1) Impaired loans (stage 3) before allowances divided by total loans, measured at amortised cost, before allowances.

2) Impaired loans (stage 3) after allowances divided by total loans, measured at amortised cost, before allowances.

3) Total allowances divided by total loans, measured at amortised cost, before allowances.

4) Allowances for impaired loans (stage 3) divided by impaired loans measured at amortised cost (stage 3), before allowances.

5) Allowances for not impaired loans (stage 1 and 2) divided by not impaired loans measured at amortised cost (stage 1 and 2) before allowances.

Note 6. Continued

Sensitivities

The provisions are sensitive to rating migration even if staging triggers are not reached. The table below shows the impact on provisions of a one-notch downgrade of all exposures in the bank. It includes both the impact of the higher risk for all exposures and the impact of transferring exposures that reach the trigger from stage 1 to stage 2.

SEKm	30 Jun 2025		30 Jun 2024	
	Recognised provisions	Provisions if one notch downgrade	Recognised provisions	Provisions if one notch downgrade
Personal Banking	114	164	184	281
Business Banking	10	19	14	24
Large Corporates & Institutions	0	0	0	0
Other	13	18	18	27
Total	137	201	216	332

Forward-looking information

Forward-looking information is used for both assessing significant increases in credit risk and calculating expected credit losses. Nordea Hypotek uses three macroeconomic scenarios: a baseline scenario, a favourable scenario and an adverse scenario. In the first quarter Nordea had responded to the potentially worsening macroeconomic outlook by applying a 100% weighting to the adverse scenario due to escalated trade tensions. This weighting was maintained in the second quarter. The macroeconomic scenarios are provided by Group Risk in Nordea, based on the Oxford Economics Model. The forecast is a combination of modelling and expert judgement, subject to thorough checks and quality control processes. The model has been built to give a good description of the historical relationships between economic variables and to capture the key linkages between those variables. The forecast period in the model is ten years. For periods beyond, a long-term average is used in the ECL calculations.

The macroeconomic scenarios reflect Nordea Hypotek's view of how the Nordic economies might develop in the light of continued geopolitical uncertainty, trade conflicts and weak growth in major European economies. When developing the scenarios and determining the relative weighting between them, Nordea Hypotek took into account projections made by Nordic central banks, Nordea Research and the European Central Bank.

The baseline scenario is influenced by continued uncertainty over US trade policy, which has dampened the growth outlook for the Nordic economies. Denmark will see relatively high growth in 2025, driven by the pharmaceutical sector and the reopening of North Sea oil and gas fields. Finland and Sweden will see higher growth in 2025, supported by lower interest rates. The exception is Norway, where overall economic growth in the coming years is expected to be near zero due to falling investment in the offshore sector. Growth in the Norwegian mainland economy will continue at a modest pace.

Unemployment will be largely stable in the coming years. A modest recovery in home prices is expected to continue in the coming years, supported by rising household purchasing power. The risks around the baseline forecast are tilted to the downside, with the upside scenario deviating less from the baseline than the adverse.

Nordea Hypotek's two alternative macroeconomic scenarios cover a range of plausible risk factors which may cause growth to deviate from the baseline scenario. An escalation of the trade conflict between the US and several countries could trigger a European and Nordic recession as firms postpone investments, exports slow down and households cut spending due to weakening labour markets. Central banks may in addition regard the inflationary impulse from higher tariffs as temporary and continue cutting interest rates, with rates moving lower than in the baseline scenario.

Lower tariffs and an unwinding of trade policy uncertainty, on the other hand, may lead to a stronger recovery than assumed in the baseline scenario.

At the end of the second quarter of 2025 adjustments to model-based allowances/provisions amounted to SEK 356m, including management judgements.

The management judgement allowances cover expected credit losses not yet adequately captured by the IFRS 9 modelled outcomes. The management judgement allowances remain at high levels due to continued elevated macroeconomic uncertainty and evolving geopolitical risks. Total management judgement allowances amounted to SEK 232m at the end of the quarter.

Note 6. Continued

Scenarios and provisions

30 Jun 2025

		2025	2026	2027	Un-weighted ECL SEKm	Probability weight	Model based provisions SEKm	Individual provisions SEKm	Total provisions SEKm
Favourable scenario	GDP growth, %	1,2	3,2	2,2					
	Unemployment, %	8,1	7,7	7,6	119	0%			
	Change in household consumption, %	2,2	3,2	3,0					
	Change in house prices, %	1,4	3,3	3,4					
Base scenario	GDP growth, %	0,3	2,1	2,2					
	Unemployment, %	8,3	8,2	8,0	122	0%	137	219	356
	Change in household consumption, %	2,0	2,7	2,6					
	Change in house prices, %	0,5	2,5	3,3					
Adverse scenario	GDP growth, %	-1,5	-0,6	1,6					
	Unemployment, %	9,6	10,6	10,4	137	100%			
	Change in household consumption, %	1,1	0,7	0,3					
	Change in house prices, %	-2,2	-2,4	1,7					

Scenarios and provisions

31 Dec 2024

		2025	2026	2027	Un-weighted ECL SEKm	Probability weight	Model based provisions SEKm	Individual provisions SEKm	Total provisions SEKm
Favourable scenario	GDP growth, %	3,5	2,6	1,8					
	Unemployment, %	8,0	7,6	7,6					
	Change in household consumption, %	3,1	3,2	3,0	139	20%			
	Change in house prices, %	5,1	2,9	2,0					
Base scenario	GDP growth, %	2,1	2,3	1,8					
	Unemployment, %	8,4	8,0	8,0					
	Change in household consumption, %	2,8	2,9	2,9	142	60%	144	306	450
	Change in house prices, %	3,6	2,6	2,0					
Adverse scenario	GDP growth, %	-1,8	1,3	1,8					
	Unemployment, %	10,7	10,6	10,4					
	Change in household consumption, %	1,1	1,5	2,3	158	20%			
	Change in house prices, %	-3,2	0,6	2,0					

Note 7. Classification of financial instruments

		Financial assets at fair value through profit or loss (FVPL)		Fair value through other comprehensive income (FVOCI)	Non-financial assets	
SEKm	Amortised cost (AC)	Mandatorily				Total
Assets						
Loans to credit institutions	6 759	-		-	-	6 759
Loans to the public	762 189	-		-	-	762 189
Interest-bearing securities	-	9 586		9 704	-	19 290
Derivatives	-	9 499		-	-	9 499
Fair value changes of the hedged items in portfolio hedge of interest rate risk	735	-		-	-	735
Deferred tax assets	-	-		-	2	2
Current tax assets	-	-		-	38	38
Other assets	3 570	-		-	8	3 578
Prepaid expenses and accrued income	-	-		-	-	-
Total 30 Jun 2025	773 253	19 085		9 704	48	802 090
Total 31 Dec 2024	748 721	16 059		9 624	76	774 480

		Financial liabilities at fair value through profit or loss (FVPL)		
SEKm	Amortised cost (AC)	Mandatorily	Non-financial liabilities	Total
Liabilities				
Deposits by credit institutions	336 233	-	-	336 233
Debt securities in issue	421 922	-	-	421 922
Derivatives	-	3 382	-	3 382
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	-
Current tax liabilities	-	-	204	204
Other liabilities	4 623	-	1	4 624
Accrued expenses and prepaid income	0	-	261	261
Deferred tax liabilities	-	-	-	-
Provisions	6	-	-	6
Retirement benefit obligations	-	-	-	-
Subordinated liabilities	-	-	-	-
Total 30 Jun 2025	762 784	3 382	466	766 632
Total 31 Dec 2024	735 199	4 311	381	739 891

Note 8. Fair value of financial assets and liabilities

	30 Jun 2025		30 Dec 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
SEKm				
Financial assets				
Loans	769 683	778 510	747 565	755 363
Interest-bearing securities	19 290	19 290	20 049	20 049
Derivatives	9 499	9 499	5 634	5 634
Other assets	3 570	3 570	1 155	1 155
Prepaid expenses and accrued income	-	-	1	1
Total	802 042	810 869	774 404	782 202
Financial liabilities				
Deposits and debt instruments	758 155	759 614	731 773	732 423
Derivatives	3 382	3 382	4 311	4 311
Other liabilities	4 623	4 623	3 420	3 420
Provisions	6	6	5	5
Accrued expenses and prepaid income	-	0	1	1
Total	766 166	767 625	739 510	740 160

The determination of fair value is described in the Annual Report 2024, Note 26, "Assets and liabilities at fair value".

Note 9. Financial assets and liabilities held at fair value on the balance sheet

	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
30 Jun 2025, SEKm				
Assets at fair value on the balance sheet¹				
Interest-bearing securities	-	19 290	-	19 290
Derivatives	-	9 499	-	9 499
Total	-	28 789	-	28 789

	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
30 Jun 2025, SEKm				
Liabilities at fair value on the balance sheet¹				
Derivatives	-	3 382	-	3 382
Total	-	3 382	-	3 382

1) All items are measured at fair value on a recurring basis at the end of each reporting period.

Note 9. Continued

	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
31 Dec 2024, SEKm				
Assets at fair value on the balance sheet¹				
Interest-bearing securities	-	20 049	-	20 049
Derivatives	-	5 634	-	5 634
Total	-	25 683	-	25 683

	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
31 Dec 2024, SEKm				
Liabilities at fair value on the balance sheet¹				
Derivatives	-	4 311	-	4 311
Total	-	4 311	-	4 311

1) All items are measured at fair value on a recurring basis at the end of each reporting period.

Note 10. Commitments

	30 Jun 2025	31 Dec 2024	30 Jun 2024
SEK (000s) (Nom. amount)			
Credit commitments ¹	53 101 781	47 049 967	50 942 476
Other commitments ²	4 652 524	3 248 331	4 217 537
Total	57 754 305	50 298 298	55 160 013

1) Credit commitments consist of new credit commitments, and credit commitments that increase the customer's existing borrowings in connection with homebuying.

2) Refers to loans granted yet unpaid.

Note 11. Capital adequacy

These disclosures have been prepared in accordance with Part 8 of the CRR and applicable national regulations.

Key metrics

Total Own Funds in Q2 2025 was 34,179 SEKm, an increase of 36 SEKm compared to Q2 2024. REA increased 2,673 SEKm and the Leverage ratio was unchanged at 4.2% compared to Q2 2024.

	2025	2024	2024
	30 Jun	31 Dec	30 Jun
Available own funds (amounts), SEKm			
Common Equity Tier 1 (CET1) capital	34 178	34 299	32 354
Tier 1 capital	34 178	34 299	32 354
Total capital	34 179	34 338	34 143
Risk-weighted exposures amounts (REA), SEKm			
Total risk-weighted exposure amount	177 961	175 114	175 288
Capital ratios (as a percentage of risk-weighted exposure amount)			
Common Equity Tier 1 ratio (%)	19,2	19,6	18,5
Tier 1 ratio (%)	19,2	19,6	18,5
Total capital ratio (%)	19,2	19,6	19,5
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1,6	1,6	1,6
of which: to be made up of CET1 capital (percentage points)	0,9	0,9	0,9
of which: to be made up of Tier 1 capital (percentage points)	1,2	1,2	1,2
Total SREP own funds requirements (%)	9,6	9,6	9,6
Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
Capital conservation buffer (%)	2,5	2,5	2,5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0,0	0,0	0,0
Institution specific countercyclical capital buffer (%)	2,0	2,0	2,0
Systemic risk buffer (%)	-	-	-
Global Systemically Important Institution buffer (%)	-	-	-
Other Systemically Important Institution buffer	1,0	1,0	1,0
Combined buffer requirement (%)	5,5	5,5	5,5
Overall capital requirements (%)	15,1	15,1	15,1
CET1 available after meeting the total SREP own funds requirements (%)	9,6	10,0	9,9
Leverage ratio			
Leverage ratio total exposure measure, SEKm	811 951	785 353	771 281
Leverage ratio (%)	4,2	4,4	4,2
Additional own funds requirements to address risks of excessive leverage			
(as a percentage of leverage ratio total exposure amount)			
Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-
of which: to be made up of CET1 capital (percentage points)	-	-	-
Total SREP leverage ratio requirements (%)	3,0	3,0	3,0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
Leverage ratio buffer requirement (%)	-	-	-
Overall leverage ratio requirements (%)	3,0	3,0	3,0

Note 11. Continued

	2025	2024	2024
	30 Jun	31 Dec	30 Jun
Liquidity Coverage Ratio			
Total high-quality liquid assets (HQLA) (Weighted value - average)	18 779	19 472	19 343
Cash outflows - Total weighted value	5 302	3 934	4 291
Cash inflows - Total weighted value	3 977	2 950	3 218
Total net cash outflows (adjusted value)	1 326	983	1 073
Liquidity coverage ratio (%)	1 417	1 980	1 803
Net Stable Funding Ratio			
Total available stable funding	608 453	579 450	587 532
Total required stable funding	562 476	529 889	534 496
NSFR ratio (%)	108	109	110

Summary of items included in own funds

	2025	2024	2024
	30 Jun	31 Dec	30 Jun
SEKm			
Equity in the consolidated situation	34 590	34 675	32 395
Proposed/actual dividend	-	-	-
Common Equity Tier 1 capital before regulatory adjustments	34 590	34 675	32 395
Deferred tax assets	-	-	-
Intangible assets	-	-	-
IRB provisions shortfall (-)	-385	-349	-19
Pension assets in excess of related liabilities ¹	-11	-12	-7
Other items, net	-15	-15	-15
Total regulatory adjustments to Common Equity Tier 1 capital	-412	-376	-41
Common Equity Tier 1 capital (net after deduction)	34 178	34 299	32 354
Additional Tier 1 capital before regulatory adjustments	-	-	-
Total regulatory adjustments to Additional Tier 1 capital	-	-	-
Additional Tier 1 capital	-	-	-
Tier 1 capital (net after deduction)	34 178	34 299	32 354
Tier 2 capital before regulatory adjustments	-	-	1 650
IRB provisions excess (+)	1	39	139
Pension assets in excess of related liabilities	-	-	-
Other items, net	-	-	-
Total regulatory adjustments to Tier 2 capital	1	39	139
Tier 2 capital	1	39	1 789
Own funds (net after deduction)¹	34 179	34 338	34 143

1) Based on conditional FSA approval.

Note 11. Continued

Minimum capital requirement and REA

	30 Jun 2025		31 Dec 2024		30 Jun 2024	
SEKm	Minimum Capital requirement	REA	Minimum Capital requirement	REA	Minimum Capital requirement	REA
Credit risk	7 220	90 256	7 882	98 521	4 572	57 147
-of which counterparty credit risk	211	2 642	103	1 289	120	1 505
IRB	6 082	76 021	6 749	84 364	3 384	42 300
- sovereign	-	-	-	-	-	-
- corporate	1 725	21 558	1 696	21 203	1 648	20 594
- advanced	1 568	19 605	1 696	21 203	1 648	20 594
- foundation	156	1 953	-	-	-	-
- institutions	29	388	40	500	41	518
- retail	4 327	54 087	5 012	62 654	1 695	21 187
- secured by immovable property collateral	3 927	49 088	4 641	58 018	1 607	20 092
- other retail	400	4 999	371	4 636	88	1 094
- other	1	8	1	7	0	2
Standardised	1 139	14 236	1 133	14 158	1 188	14 847
- central governments or central banks	0	5	0	2	-	-
- regional governments or local authorities	-	-	-	-	-	-
- public sector entities	-	-	-	-	-	-
- multilateral development banks	-	-	-	-	-	-
- international organisations	-	-	-	-	-	-
- institutions	1 138	14 231	1 133	14 156	1 188	14 844
- corporate	-	-	-	-	-	-
- retail	-	-	-	-	-	-
- secured by mortgages on immovable properties	-	-	-	-	-	-
- in default	-	-	-	-	0	3
- associated with particularly high risk	-	-	-	-	-	-
- covered bonds	-	-	-	-	-	-
- institutions and corporates with a short- term credit assessment	-	-	-	-	-	-
- collective investments undertakings (CIU)	-	-	-	-	-	-
- equity	-	-	-	-	-	-
- other items	-	-	-	-	-	-
Credit Value Adjustment Risk	-	-	-	-	-	-
Market risk	-	-	-	-	-	-
- trading book, Internal Approach	-	-	-	-	-	-
- trading book, Standardised Approach	-	-	-	-	-	-
- banking book, Standardised Approach	-	-	-	-	-	-
Settlement risk	-	-	-	-	-	-
Operational risk	736	9 203	770	9 620	770	9 620
Standardised	736	9 203	770	9 620	770	9 620
Additional risk exposure amount related to Finnish RW floor due to Article 458 CRR	-	-	-	-	-	-
Additional risk exposure amount related to Swedish RW floor due to Article 458 CRR	6 273	78 412	5 358	66 972	8 682	108 521
Additional risk exposure amount due to Article 3 CRR	7	90	-	-	-	-
Total	14 237	177 961	14 009	175 114	14 023	175 288

Note 11. Continued

Minimum Capital Requirements, Pillar 2 Requirements & Capital Buffers

Percentage	Minimum Capital requirement	Pillar 2 requirement ²	Capital buffers				Capital Buffers total ¹	Total
			CCoB	CCyB	O-SII	SRB		
Common Equity Tier 1 capital	4,5	0,9	2,5	2,0	1,0	0,0	5,5	10,9
Tier 1 capital	6	1,2	2,5	2,0	1,0	0,0	5,5	12,7
Own funds	8	1,6	2,5	2,0	1,0	0,0	5,5	15,1
SEKm								
Common Equity Tier 1 capital	8 008	1 602	4 449	3 542	1 780	0	9 771	19 381
Tier 1 capital	10 678	2 136	4 449	3 542	1 780	0	9 771	22 584
Own funds	14 237	2 847	4 449	3 542	1 780	0	9 771	26 855

1. Nordea Hypotek AB is not subject to any SRB capital buffer requirements.

2. In the 2025 SREP, the supervisor has informed Nordea Hypotek AB (publ) of its supervisory capital assessment where Pillar 2 is 1.6% in own funds requirement and 0.9% in CET1 requirement

Credit risk exposures for which internal models are used, split by rating grade

	On-balance exposure, SEKm	Off-balance exposure, SEKm	Exposure value (EAD), SEKm ¹	of which EAD for off- balance, SEKm	Exposure- weighted average risk weight, %
Corporate, foundation IRB:	4 356	-	4 356	-	44,8
<i>of which</i>					
- rating grades 6	-	-	-	-	-
- rating grades 5	-	-	-	-	-
- rating grades 4	4 331	-	4 331	-	44,9
- rating grades 3	24	-	24	-	26,8
- rating grades 2	-	-	-	-	-
- rating grades 1	1	-	1	-	234,3
- unrated	-	-	-	-	-
- defaulted	-	-	-	-	-
Corporate, advanced IRB:	133 441	-	126 039	-	15,6
<i>of which</i>					
- rating grades 6	84 194	-	81 964	-	5,8
- rating grades 5	12 699	-	8 109	-	24,6
- rating grades 4	33 445	-	32 910	-	35,7
- rating grades 3	2 640	-	2 613	-	35,5
- rating grades 2	286	-	284	-	35,5
- rating grades 1	78	-	65	-	35,0
- unrated	36	-	32	-	38,8
- defaulted	63	-	63	-	148,5
Institutions, foundation IRB:	7 300	-	7 300	-	5,0
<i>of which</i>					
- rating grades 6	6 896	-	6 896	-	5,0
- rating grades 5	404	-	404	-	5,2
- rating grades 4	-	-	-	-	-
- rating grades 3	-	-	-	-	-
- rating grades 2	-	-	-	-	-
- rating grades 1	-	-	-	-	-
- unrated	-	-	-	-	-
- defaulted	-	-	-	-	-

Note 11. Continued

Retail, of which secured by real estate:	560 328	57 754	517 367	4 653	9,5
<i>of which</i>					
- scoring grades A	430 567	44 334	390 511	3 571	5,1
- scoring grades B	84 869	8 909	82 239	718	13,2
- scoring grades C	22 083	2 311	21 965	186	25,5
- scoring grades D	15 941	1 663	15 767	134	45,8
- scoring grades E	3 216	284	3 226	23	68,6
- scoring grades F	2 627	252	2 642	20	93,0
- not scored	33	-	33	-	0,4
- defaulted	994	-	985	-	89,3
 Retail, of which other retail:	 43 288	 -	 43 284	 -	 11,5
<i>of which</i>					
- scoring grades A	30 926	-	30 925	-	5,6
- scoring grades B	7 881	-	7 881	-	14,8
- scoring grades C	2 221	-	2 219	-	28,5
- scoring grades D	1 530	-	1 530	-	50,7
- scoring grades E	300	-	300	-	79,7
- scoring grades F	260	-	260	-	99,5
- not scored	2	-	2	-	0,5
- defaulted	167	-	167	-	111,7
 Other non credit-obligation assets:	 8	 -	 8	 -	 100,0

Nordea Hypotek AB does not have the following IRB exposure classes: equity exposures, central governments and central banks, qualifying revolving retail

1. Includes EAD for on-balance, off-balance, derivatives and securities financing

Note 12. Related party transactions

The information below is presented from a Nordea Hypotek perspective, meaning that the information show the effect from related party transactions on the Nordea Hypotek figures.

Balance sheet

SEK (000s)	Nordea Group companies	
	30 June 2025	31 Dec 2024
Assets		
Loans to credit institutions	6 759 288	8 722 812
Loans to the public	-	-
Derivatives	9 506 871	5 642 884
Other assets	3 569 967	1 155 325
Prepaid expenses and accrued income	-	1 218
Total assets	19 836 126	15 522 239
Liabilities		
Deposits by credit institutions	336 232 559	321 845 275
Debt securities in issue	32 951 223	61 175 003
Derivatives	3 382 073	4 311 248
Other liabilities	4 622 206	3 422 951
Prepaid income and accrued expenses	161 844	211 755
Subordinated liabilities	-	-
Total liabilities	377 349 905	390 966 232

Income statement

SEK (000s)	Nordea Group companies	
	Jan-Jun 2025	Jan-Jun 2024
Interest income	481 809	2 960 064
Interest expense	-5 310 520	-11 220 146
Net fee and commission income	-110 598	-102 862
Net gains/losses on item at fair value	2 695 504	-437 786
<i>General administrative expenses:</i>		
Other expenses	-1 070 832	-965 591
Total	-3 314 637	-9 766 321

Note 13. Risks and uncertainties

Credit risk is the most significant risk exposure for the Company. The Company is also exposed to market risk, liquidity risk and operational risk, including legal risks. These risks are inherent in the Company's business operations and are acceptable to a certain level. Risk limits have been set by the Board of Directors in the risk appetite, and cover all material risks to which the Company is exposed. The risk appetite was last updated in February 2025.

There are significant risks linked to macroeconomic developments, including geopolitical uncertainty and tensions in world trade. In June, the Riksbank cut the policy rate by 25 basis points, although uncertainty persists about future inflation and interest rates, which may affect the housing market and demand for mortgages.

Credit risk in the loan portfolio performed positively in the first half of 2025 and losses during the period were meagre. However, there are unfavourable scenarios in which credit losses could increase significantly. More information about the lending portfolio is provided in Note 6 Loans and impairment.

There are no outstanding disputes or legal proceedings in which material claims have been lodged against the Company.

Alternative Performance Measures – Definitions

Nordea Hypotek's Alternative Performance Measures (APMs) are presented to provide users of Nordea Hypotek's financial reporting with relevant information and tools to be able to establish a view on Nordea Hypotek's performance. APMs on capital adequacy are disclosed to give the user a view on Nordea Hypotek's balance between capital and risk, while lending related APMs are disclosed to provide information on Nordea Hypotek's provisions in relation to credit risk. Return on equity (RoE) is intended to provide the user of financial statements with relevant information on Nordea Hypotek's performance in relation to investment measurement. The cost/income (C/I) ratio is finally disclosed to provide the user with information on the correlation between income and expense. The development compared with earlier periods is, in order to better reflect the underlying business performance, generally presented in local currencies.

Return on average shareholders equity

Net profit for the year as percentage of equity, quarterly average.

Cost/income ratio

Total operating expenses divided by total operating income.

Loan loss ratio (IFRS 9)

Net loan losses (annualised) divided by quarterly closing balance of loans to the public (lending) measured at amortised cost.

Impairment rate (Stage 3), gross (IFRS 9)

Impaired loans (Stage 3) before allowances divided by total loans measured at amortised cost before allowances.

Impairment rate (Stage 3), net (IFRS 9)

Impaired loans (Stage 3) after allowances divided by total loans measured at amortised cost before allowances.

Total allowance ratio (Stage 1, 2 and 3) (IFRS 9)

Total allowances divided by total loans measured at amortised cost before allowances.

Allowances in relation to credit impaired loans (stage 3) (IFRS 9)

Allowances for impaired loans (stage 3) divided by impaired loans measured at amortised cost (stage 3) before allowances.

Common Equity Tier 1 capital ratio

The CET 1 ratio is total CET1 Capital divided by total Risk Exposure Amount calculated in accordance to the requirements in the CRR.

Tier 1 capital ratio

Tier 1 ratio is Tier 1 capital as a percentage of risk-weighted amounts. Tier 1 Capital consist of both CET 1 capital and Additional Tier 1 capital.

Total capital ratio

Total capital ratio is total own funds divided by total Risk Exposure Amount. Total own funds is the sum of Tier 1 and Tier 2 capital.

Assurance of the Board of Directors

The half-year interim report provides a fair overview of the Company's activities, its financial position and result, and describes material risks and uncertainties assumed by the Company.

Stockholm, 22 August 2025

Anders Nicander
Chairman of the Board

Peter Dalmalm Jessica Didrikson

Elisabeth Olin Tina Sandvik Adam Wastå

Pia Tverin
Managing Director

Auditor's Report on the Review of Condensed Interim Financial Information (Interim Report)

Nordea Hypotek AB (publ), corporate identity number 556091-5448

Introduction

We have conducted a review of the condensed interim financial information (interim report) of Nordea Hypotek AB (publ) as of 30 June 2025 and for the six-month period then ended. The Board of Directors and the managing director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed based on a review does not provide the level of assurance that would be expressed if an audit had been performed.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared in accordance with IAS 34 and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm on August 22, 2025

BDO MÄLARDALEN AB

Per Fridolin
Auktoriserad revisor [Authorized Public Accountant]

Publication of the annual report 2025

Nordea Hypotek annual report for the financial year 2025 will be published in February or March 2026 in connection with a stock exchange release and will then also be available on nordea.com.

Adresses

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LEI number:	5493000K2HPWIF6MFO29