

Nordea



**Third-Quarter
Financial Report
2024**

Third-quarter results 2024

Summary of the quarter:

- **Continued income growth.** Total income was up 2%. Net interest income was 1% lower, following policy rate reductions. Net fee and commission income continued to grow, up 4%. Net insurance result remained solid and net fair value result improved by 26%. Costs rose by 9%, excluding a EUR 32m item related to the settlement of a regulatory investigation in the US. More than half of this increase was attributable to higher investment in growth, technology and risk management. Operating profit amounted to EUR 1.6bn.
- **Return on equity 16.7% – earnings per share EUR 0.36.** Nordea's return on equity remained very strong at 16.7% in the third quarter, reflecting Nordea's resilience and continued high performance. For the third quarter, our cost-to-income ratio with amortised resolution fees and excluding the US settlement was 43.4%, compared with 42.4% a year ago. Earnings per share were EUR 0.36, compared to EUR 0.38 a year ago.
- **Mortgage lending stable, deposit volumes up.** The Nordic mortgage and corporate lending markets remained slow, though demand for new loan promises again increased, indicating that the housing markets are improving. Retail and corporate deposit volumes increased by 2% and 9%, respectively, year on year. Assets under management increased by 15% and Nordic net flows amounted to EUR 4.2bn in the quarter.
- **Solid credit quality, net loan losses increase mainly driven by a couple of corporate exposures.** Net loan losses and similar net result amounted to EUR 51m or 6bp. EUR 30m was released from the management judgement buffer reflecting lower provisioning requirements. The total management judgement buffer now stands at EUR 435m.
- **Continued strong capital generation, share buy-backs to be resumed.** We maintain a strong capital position and continue to generate capital. Our CET1 ratio was 15.8% at the end of the quarter, 2.3 percentage points above our capital requirement. The decrease from 17.5% in the previous quarter was as expected due to the implementation of new capital models for retail exposures during the third quarter. Following the successful implementation we are now ready to resume share buy-backs. During October, we will launch a new share buy-back programme of EUR 250m, which will be completed by the end of February 2025.
- **Outlook for 2024 updated: return on equity above 16%.** Nordea has a strong and resilient business model with a very well-diversified loan portfolio across the Nordic region. This enables the bank to support its customers and deliver high-quality earnings, with high profitability and low volatility, through the economic cycle.

(For further viewpoints, see the CEO comment on page 2. For definitions, see page 54.)

Group quarterly results and key ratios Q3 2024

	Q3 2024	Q3 2023	Chg %	Q2 2024	Chg %	Jan-Sep 2024	Jan-Sep 2023	Chg %
EURm								
Net interest income	1,882	1,909	-1	1,904	-1	5,740	5,505	4
Net fee and commission income	774	742	4	795	-3	2,332	2,258	3
Net insurance result	60	63	-5	63	-5	184	177	4
Net fair value result	284	225	26	247	15	822	860	-4
Other income	14	13	8	21	-33	51	28	82
Total operating income	3,014	2,952	2	3,030	-1	9,129	8,828	3
Total operating expenses excluding regulatory fees	-1,311	-1,174	12	-1,260	4	-3,797	-3,525	8
Total operating expenses	-1,329	-1,194	11	-1,278	4	-3,896	-3,821	2
Profit before loan losses	1,685	1,758	-4	1,752	-4	5,233	5,007	5
Net loan losses and similar net result	-51	-33	-68	-152	-84			
Operating profit	1,634	1,725	-5	1,684	-3	5,081	4,923	3
Cost-to-income ratio excluding regulatory fees, %	43.5	39.8		41.6		41.6	39.9	
Cost-to-income ratio with amortised resolution fees, %	44.5	42.4		42.6		42.6	42.6	
Return on equity with amortised resolution fees, %	16.7	17.9		17.9		17.6	17.8	
Diluted earnings per share, EUR	0.36	0.38	-5	0.37	-3	1.11	1.06	5

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We are a universal bank with a 200-year history of supporting and growing the Nordic economies – enabling dreams and aspirations for a greater good. Every day, we work to support our customers' financial development, delivering best-in-class omnichannel customer experiences and driving sustainable change. The Nordea share is listed on the Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm exchanges. Read more about us at nordea.com.

CEO comment

We continued to perform well in the third quarter. Profitability was again at a good level, and our return on equity has clearly exceeded 15% for the past eight quarters. Business volumes were stable and customer activity was good, supporting a year-on-year increase in income.

Nordea's performance demonstrates a sustainable improvement in profitability, which in turn has strengthened our ability to serve our customers. We have been by our customers' side during the more challenging times for the Nordic economies, and we will continue to take a leading role in supporting them as the outlook brightens. Lower inflation and the prospect of lower interest rates have boosted consumer confidence, and we have seen signs of that in both household and corporate activity.

During the quarter, customers increased their savings and investment activity, which drove strong demand for our deposit products. Retail and corporate deposit volumes increased by 2% and 9%, respectively, year on year in highly competitive markets. Debt capital markets activity also continued at a good pace, despite this typically being a seasonally weaker quarter.

Lending volumes were relatively stable in what continued to be slow markets. We actively engaged with our corporate customers who were focused more on refinancing loans rather than increasing borrowing to invest in new growth, and thereby maintained solid corporate lending volumes. Mortgage lending remained stable in subdued housing markets. On a positive note, demand for new loan promises, a leading indicator for higher future home sales, grew for the second straight quarter.

Total income grew 2% year on year to EUR 3.0bn. The increase included 4% growth in net fee and commission income, reflecting customers' increased savings activity. Net interest income was resilient, down 1%, driven by lower deposit margins, as expected. Operating profit amounted to EUR 1.6bn, down from EUR 1.7bn. Our return on equity was 16.7%, or 17.1% excluding the US settlement.

Our financial performance has given us a strong capacity to invest for the future. To drive our strategy forward, we have made significant investments into technology, data and AI and other key capabilities. These will enable us to tap into the benefits of our unique Nordic scale, providing differentiation that cannot easily be copied. We are also growing our position in Norway, including through the acquisition of Danske Bank's personal customer and private banking business there. Together, these investments were the main driver of our 9% year-on-year increase in costs during the third quarter. Cost growth for the full year 2025 will be significantly lower than this. Our investments have allowed us to take significant steps forward, and we will continue to invest for our customers. The cost-to-income ratio with amortised resolution fees and excluding the US settlement was 43.4% in the third quarter, compared with 42.4% a year ago.

Our credit performance remains solid, with strong asset quality. Net loan losses and similar net result amounted to EUR 51m, or 6bp, for the quarter. Reflecting the positive macroeconomic outlook, we released a further EUR 30 million from our management judgement buffer, which now stands at EUR 435 million. Our risk position is sound, and credit quality continues to be strong and in line with our long-term expectations.

In Personal Banking, the higher demand for new loan promises signalled that Nordic housing markets are in a recovery phase. Increased customer investment activity also indicates improved macroeconomic sentiment. Customers continued to enjoy using our digital services, with the number of private app users and logins both up 5% year on year. In September, we won in six categories in Global Finance Magazine's 2024 World's Best Digital Bank Awards, including the award for Best Consumer Digital Bank in Western Europe.

In Business Banking, we continued to engage with customers, supporting them as activity levels remained high and demand for interest rate and foreign exchange hedging was especially strong. Deposit volumes grew by 3% year on year in local currencies, and lending volumes remained stable. We also further strengthened service quality, including increasing adviser availability, building on our Nordic scale benefits.

Large Corporates & Institutions maintained the good momentum from the first half of the year, actively supporting our Nordic customers with their investment plans. This year, we have arranged more than 500 debt capital markets transactions for our customers, as we helped them continue to make the most of favourable funding markets. Furthermore, we are one of the lead banks supporting DSV in its planned acquisition of Schenker, one of the largest ever deals by a Nordic company.

In Asset & Wealth Management, we continued to grow our private banking business with sustained high activity in customer acquisition and secured positive net flows of EUR 3.6bn. Assets under management increased by 15% year on year to EUR 412bn. Our sustainability efforts were rewarded with the 2024 PRI Award "Recognition for Action – Climate" from the United Nations Principles for Responsible Investments (UNPRI). Momentum remained strong in our life insurance and pension business. Gross written premiums increased to EUR 2.6bn from EUR 1.8bn a year ago.

We maintain a strong capital position and continue to generate capital. Our CET1 ratio stood at 15.8% at the end of the quarter, 2.3 percentage points above our capital requirement. The decrease from 17.5% in the previous quarter was expected after we implemented our new capital models for retail exposures during the third quarter.

Our strong results show how we are on a good path to making Nordea the best bank for customers and employees. In addition, having successfully implemented our new retail capital models, we are resuming share buybacks, with our next program beginning this month.

Given our strong performance through this year, we have updated our outlook and now expect full-year 2024 return on equity to be above 16%. Since our repositioning in 2019, we have lifted Nordea to a new level through lasting efficiencies and focused, profitable growth. We believe our structurally improved profitability will help us sustain our position as one of the best-performing universal banks in Europe. Accordingly, we remain confident in our ability to deliver a return on equity of above 15% for 2025.

Our ambition remains unchanged – to be the preferred financial partner for customers in need of a broad range of financial services.

Frank Vang-Jensen
President and Group CEO

Outlook (updated)

Financial target for 2025

Nordea's financial target for 2025 is a return on equity of above 15%.

The target will be supported by a cost-to-income ratio of 44–46%, an annual net loan loss ratio of around 10bp and the continuation of Nordea's well-established capital and dividend policies.

Financial outlook for 2024 (updated)

Nordea expects a return on equity of above 16%.

Capital policy

A management buffer of 150bp above the regulatory CET1 requirement.

Dividend policy

Nordea's dividend policy stipulates a dividend payout ratio of 60–70%, applicable to profit for the financial year. Nordea will continuously assess the opportunity to use share buy-backs as a tool to distribute excess capital.

Outlook (previous)

Financial target for 2025

Nordea's financial target for 2025 is a return on equity of above 15%.

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Income statement

	Q3 2024	Q3 2023	Chg %	Local curr. %	Q2 2024	Chg %	Local curr. %	Jan-Sep 2024	Jan-Sep 2023	Chg %	Local curr. %
EURm											
Net interest income	1,882	1,909	-1	-1	1,904	-1	-1	5,740	5,505	4	5
Net fee and commission income	774	742	4	4	795	-3	-2	2,332	2,258	3	3
Net insurance result	60	63	-5	-3	63	-5	-3	184	177	4	5
Net result from items at fair value	284	225	26	19	247	15	13	822	860	-4	-6
Profit or loss from associated undertakings and joint ventures accounted for under the equity method	4	4	0	0	2	100	100	13	-5		
Other operating income	10	9	11	11	19	-47	-47	38	33	15	15
Total operating income	3,014	2,952	2	2	3,030	-1	0	9,129	8,828	3	4
Staff costs	-779	-729	7	6	-761	2	2	-2,289	-2,173	5	5
Other expenses	-380	-292	30	31	-361	5	6	-1,079	-883	22	25
Regulatory fees	-18	-20	-10	-10	-18	0	0	-99	-296	-67	-67
Depreciation, amortisation and impairment charges of tangible and intangible assets	-152	-153	-1	-1	-138	10	10	-429	-469	-9	-8
Total operating expenses	-1,329	-1,194	11	11	-1,278	4	4	-3,896	-3,821	2	2
Profit before loan losses	1,685	1,758	-4	-4	1,752	-4	-4	5,233	5,007	5	5
Net loan losses and similar net result	-51	-33	55	50	-68	-25	-25	-152	-84	81	81
Operating profit	1,634	1,725	-5	-5	1,684	-3	-3	5,081	4,923	3	3
Income tax expense	-368	-380	-3	-3	-381	-3	-3	-1,151	-1,095	5	5
Net profit for the period	1,266	1,345	-6	-6	1,303	-3	-3	3,930	3,828	3	3

Business volumes, key items¹

	30 Sep 2024	30 Sep 2023	Chg %	Local curr. %	30 Jun 2024	Chg %	Local curr. %
EURbn							
Loans to the public	348.9	343.3	2	2	346.9	1	1
Loans to the public, excl. repos/securities borrowing	319.3	320.3	0	0	319.7	0	0
Deposits and borrowings from the public	222.1	213.9	4	4	223.8	-1	0
Deposits from the public, excl. repos/securities lending	206.9	202.4	2	2	208.1	-1	0
Total assets	617.4	609.8	1		606.8	2	
Assets under management	412.4	359.7	15		400.3	3	

¹ End of period.

Ratios and key figures¹

	Q3 2024	Q3 2023	Chg %	Q2 2024	Chg %	Jan-Sep 2024	Jan-Sep 2023	Chg %
EURm								
Diluted earnings per share (DEPS), EUR	0.36	0.38	-5	0.37	-3	1.11	1.06	5
EPS, rolling 12 months up to period end, EUR	1.42	1.41	1	1.44	-1	1.42	1.41	1
Share price ² , EUR	10.59	10.41	2	11.12	-5	10.59	10.41	2
Equity per share ² , EUR	8.98	8.56	5	8.67	4	8.98	8.56	5
Potential shares outstanding ² , million	3,506	3,557	-1	3,506	0	3,506	3,557	-1
Weighted average number of diluted shares, million	3,503	3,566	-2	3,502	0	3,508	3,593	-2
Return on equity with amortised resolution fees, %	16.7	17.9		17.9		17.6	17.8	
Return on equity, %	16.8	18.5		18.0		17.5	17.6	
Return on tangible equity, %	19.2	21.4		20.8		20.1	20.4	
Return on risk exposure amount, %	3.3	3.8		3.7		3.4	3.6	
Cost-to-income ratio excluding regulatory fees, %	43.5	39.8		41.6		41.6	39.9	
Cost-to-income ratio with amortised resolution fees, %	44.5	42.4		42.6		42.6	42.6	
Cost-to-income ratio, %	44.1	40.4		42.2		42.7	43.3	
Net loan loss ratio, incl. loans held at fair value, bp	6	4		8		6	3	
Common Equity Tier 1 capital ratio ^{2,3} , %	15.8	16.3		17.5		15.8	16.3	
Tier 1 capital ratio ^{2,3} , %	18.4	18.7		19.8		18.4	18.7	
Total capital ratio ^{2,3} , %	20.9	20.7		23.0		20.9	20.7	
Tier 1 capital ^{2,3} , EURbn	28.2	26.3	7	27.6	2	28.2	26.3	7
Risk exposure amount ² , EURbn	153.7	140.9	9	139.3	10	153.7	140.9	9
Net interest margin, %	1.77	1.77		1.83		1.79	1.68	
Number of employees (FTEs) ²	29,895	29,266	2	29,680	1	29,895	29,266	2
Equity ² , EURbn	31.5	30.4	4	30.4	4	31.5	30.4	4

¹ For more detailed information regarding ratios and key figures defined as alternative performance measures, see <https://www.nordea.com/en/investor-relations/reports-and-presentations/group-interim-reports>.

² End of period.

³ Including the result for the period.

Macroeconomy and financial markets¹

Global

The global economy grew by 0.7% quarter on quarter in the second quarter of 2024 according to the World Bank. Economic growth in the US picked up, while it decreased slightly in China and Europe. Labour markets remained strong. Activity indicators point to moderate growth in the third quarter of 2024 driven by the service sector, while the outlook for the manufacturing sector remains weak owing to a low order intake and generally subdued development in world trade. The outlook remains uncertain amid geopolitical risks and tight monetary conditions.

After several years of high inflation and monetary policy tightening, inflation has now fallen considerably and most central banks have begun a cycle of monetary policy easing. The European Central Bank cut interest rates by 0.25 percentage points in June and September. The deposit facility rate now stands at 3.50%. The Federal Reserve cut interest rates by 0.5 percentage points in September to 5%.

Risk sentiment in the financial markets improved during the third quarter on the back of easing monetary policy. The S&P 500 index was up 5.5%, the STOXX Europe 600 was up 2.2%, while the NASDAQ OMX Nordic 120 was down 3.8%. The global aggregate bond index was up 6.6%.

Economic development differed from country to country in the Nordics.

Denmark

Danish GDP increased by 1.1% quarter on quarter in the second quarter of 2024, primarily due to a rebound in exports and higher investment activity. Household consumption, on the other hand, fell for the second consecutive quarter. During the third quarter consumer confidence stayed broadly unchanged while business sentiment improved, reaching the highest level since mid-2022. Since the start of the year, the unemployment rate has remained unchanged at 2.9%. House and apartment prices were up 4.5% and 2.8%, respectively, year on year in the second quarter of 2024. Year-on-year consumer price inflation stood at 1.3% in September. Danmarks Nationalbank cut its monetary policy interest rate by 0.25 percentage points to 3.10% in September, following a similar move by the European Central Bank.

Finland

Finnish GDP increased by 0.1% quarter on quarter in the second quarter of 2024. Growth was driven by public consumption and net exports, which improved following political strikes in the spring. While construction investments were still declining, new housing have started to pick up. Households' purchasing power has started to improve backed by low inflation and declining interest rates. The housing market is also showing the first steps of recovery. Housing transactions were higher than a year ago, although at a low level compared with the long-term average. Housing prices have been stable since January but were still 1.5% lower in August than in the same month last year. The unemployment rate was 8.3% in August. Year-on-year harmonised consumer price inflation was 0.9% in September.

Norway

Norwegian mainland GDP increased by 0.1% quarter on quarter during the second quarter of 2024. Unemployment was 2.1% on a seasonally adjusted basis in September. Housing prices were up 4.1% year on year in September. Consumer price inflation has decreased. Headline consumer price inflation stood at 3.0% in September and underlying inflation, excluding energy and taxes, was 3.1%. Norges Bank policy rate has remained at 4.5% since December 2023. The central bank's latest forecast is that the rate will be kept at that level until the end of 2024. The Norwegian krone weakened somewhat against most currencies during the third quarter.

Sweden

Swedish GDP fell by 0.3% quarter on quarter during the second quarter of 2024. Domestic demand declined while exports and inventories rose. Demand for labour continued to be modest and the unemployment rate remained elevated at 8.3% in August. House and apartment prices have started to pick up and were 2.5% higher in September compared to the previous year. Year-on-year consumer price inflation stood at 1.2% in August. Sveriges Riksbank lowered its policy rate by 0.25 percentage points to 3.25% in September and continued to scale back its balance sheet. The trade-weighted Swedish krona strengthened by 0.8% in the course of the third quarter.

¹Source: Nordea Economic Research

Group results and performance

Third quarter 2024

Net interest income

Q3/Q3: Net interest income decreased by 1% driven by lower deposit margins, partly offset by higher household lending margins and higher deposit volumes. Exchange rate effects had a negative impact of approximately EUR 7m.

Q3/Q2: Net interest income decreased by 1% driven by lower deposit margins, partly offset by higher deposit volumes and higher day count. Exchange rate effects had a negative impact of approximately EUR 8m.

Lending volumes

Q3/Q3: Loans to the public excluding repurchase agreements and securities borrowing were stable (0% in local currencies). Lending volumes decreased in Personal Banking (-1% in local currencies) and Large Corporates & Institutions (-3% in EUR), and were stable in Business Banking (0% in local currencies).

Q3/Q2: Loans to the public excluding repurchase agreements and securities borrowing were stable (0% in local currencies). Lending volumes were stable in Personal Banking (0% in local currencies), in Business Banking (0% in local currencies), and in Large Corporates & Institutions (0% in EUR).

Deposit volumes

Q3/Q3: Total deposits from the public excluding repurchase agreements and securities lending were up 2% in local currencies. Deposit volumes increased in Personal Banking (2% in local currencies), in Business Banking (3% in local currencies) and in Large Corporates & Institutions (14% in EUR).

Q3/Q2: Total deposits from the public excluding repurchase agreements and securities lending were stable (0% in local currencies). Deposit volumes decreased in Personal Banking (-1% in local currencies), and increased in Business Banking (1% in local currencies) as well as in Large Corporates & Institutions (8% in EUR).

Net interest income per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency Q3/Q3	Q3/Q2
EURm									
Personal Banking	845	849	869	870	852	-1%	0%	-1%	0%
Business Banking	589	603	613	613	610	-3%	-2%	-3%	-2%
Large Corporates & Institutions	360	355	368	372	360	0%	1%		
Asset & Wealth Management	77	82	85	77	78	-1%	-6%	0%	-4%
Group functions	11	15	19	14	9				
Total Group	1,882	1,904	1,954	1,946	1,909	-1%	-1%	-1%	-1%

Change in net interest income (NII)

	Q3/Q2	Q3/Q3	Jan-Sep 24/23
EURm			
NII beginning of period	1,904	1,909	5,505
Margin-driven NII	-58	-75	224
Lending margin	-3	42	39
Deposit margin	-50	-122	50
Cost of funds	-6	-7	-16
Equity margin	1	12	151
Volume-driven NII	5	7	1
Lending volume	-3	-11	-12
Deposit volume	8	18	13
Day count	21	0	21
Other ^{1,2}	10	41	-11
NII end of period	1,882	1,882	5,740
¹ of which foreign exchange	-8	-7	-31
² of which deposit hedge	22	32	-73

Net fee and commission income

Q3/Q3: Net fee and commission income was up by 4%, driven by higher net income from savings as well as payments and cards. Exchange rate effects had a positive impact of approximately EUR 3m.

Q3/Q2: Net fee and commission income was down by 3%, due to seasonally lower business activity in brokerage and advisory. Exchange rate effects had a negative impact of approximately EUR 1m.

Savings income

Q3/Q3: Net fee and commission income from savings increased by 6%, driven by higher assets under management.

Q3/Q2: Net fee and commission income from savings was stable as higher assets under management were offset by lower margins in institutional and wholesale distribution. End-of-period assets under management increased by EUR 12.1bn, to EUR 412.4bn, driven by continued positive stock market development and net flows. In Nordic channels good momentum was maintained in Private Banking and Life & Pension, with net flows totalling EUR 4.2bn. Net flows in international channels were negative at EUR -1.8bn, driven by both wholesale distribution and institutional sales.

Brokerage and advisory income

Q3/Q3: Net fee and commission income from brokerage and advisory increased by 9%, mainly driven by higher fee income from debt capital markets.

Q3/Q2: Net fee and commission income from brokerage and advisory decreased by 43%, mainly due to seasonally lower business activity. The second quarter also had exceptionally high fee income from debt capital markets and corporate finance.

Payments and cards income

Q3/Q3: Net fee and commission income from payments and cards increased by 8% driven by higher customer activity.

Q3/Q2: Net fee and commission income from payments and cards increased by 3%, mainly due to seasonally higher customer activity.

Lending and guarantees income

Q3/Q3: Net fee and commission income from lending and guarantees decreased by 4%, due to lower income from mortgage refinancing fees.

Q3/Q2: Net fee and commission income from lending and guarantees increased by 5%.

Net fee and commission income per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency	
								Q3/Q3	Q3/Q2
EURm									
Personal Banking	287	275	268	264	274	5%	4%	4%	5%
Business Banking	145	151	143	146	137	6%	-4%	5%	-4%
Large Corporates & Institutions	107	125	126	130	105	2%	-14%		
Asset & Wealth Management	243	248	237	244	242	0%	-2%	0%	-2%
Group functions	-8	-4	-11	-21	-16				
Total Group	774	795	763	763	742	4%	-3%	4%	-2%

Net fee and commission income per category

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency	
								Q3/Q3	Q3/Q2
EURm									
Savings	476	474	454	454	448	6%	0%	6%	0%
Brokerage and advisory	37	65	51	56	34	9%	-43%	9%	-42%
Payments and cards	150	146	140	133	139	8%	3%	8%	3%
Lending and guarantees	117	111	117	121	122	-4%	5%	-4%	6%
Other	-6	-1	1	-1	-1				
Total Group	774	795	763	763	742	4%	-3%	4%	-2%

Assets under management (AuM), volumes and net flow

	Q324	Q224	Q124	Q423	Q323	Net flow
						Q324
EURbn						
Nordic Retail funds	88.6	86.0	83.1	80.0	74.4	0.3
Private Banking	132.5	126.0	120.4	116.1	108.9	3.6
Life & Pension	90.1	87.5	84.1	79.6	74.5	1.0
Institutional sales Nordic	46.4	46.0	47.0	46.1	43.5	-0.7
Total Nordic channels	357.6	345.5	334.6	321.8	301.3	4.2
Wholesale distribution	36.6	36.4	37.9	38.3	39.9	-0.8
Institutional sales international	18.2	18.4	18.7	18.4	18.5	-1.0
Total International channels	54.8	54.8	56.6	56.7	58.4	-1.8
Total	412.4	400.3	391.2	378.5	359.7	2.4

Net insurance result

Q3/Q3: Net insurance result decreased by 5% primarily driven by negative effects from interest rate movements.

Q3/Q2: Net insurance result decreased by 5% primarily driven by negative effects from interest rate movements.

Net insurance result per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2
EURm							
Personal Banking	33	27	29	36	29	14%	22%
Business Banking	13	6	7	6	5		
Large Corporates & Institutions	1	0	0	0	0		
Asset & Wealth Management	14	30	24	-1	28	-50%	-53%
Group functions	-1	0	1	-1	1		
Total Group	60	63	61	40	63	-5%	-5%

Net result from items at fair value

Q3/Q3: Net result from items at fair value increased by 26%, mainly driven by higher customer activity in foreign exchange and interest rate hedging.

Q3/Q2: Net result from items at fair value increased by 15%, driven by higher result in Treasury and higher market-making result in Markets.

Net result from items at fair value per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2
EURm							
Personal Banking	20	18	21	13	20	0%	11%
Business Banking	97	108	98	95	83	17%	-10%
Large Corporates & Institutions	114	107	131	87	95	20%	7%
Asset & Wealth Management	22	8	12	3	-1		
Group functions	31	6	29	-44	28		
Total Group	284	247	291	154	225	26%	15%

Equity method

Q3/Q3: Income from companies accounted for under the equity method was unchanged at EUR 4m.

Q3/Q2: Income from companies accounted for under the equity method was EUR 4m, up from EUR 2m.

Other operating income

Q3/Q3: Other operating income was EUR 10m, up from EUR 9m.

Q3/Q2: Other operating income was EUR 10m, down from EUR 19m.

Total operating income per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency	
								Q3/Q3	Q3/Q2
EURm									
Personal Banking	1,187	1,176	1,189	1,183	1,176	1%	1%	0%	1%
Business Banking	853	879	873	870	844	1%	-3%	1%	-3%
Large Corporates & Institutions	583	587	623	590	561	4%	-1%		
Asset & Wealth Management	356	368	358	321	347	3%	-3%	3%	-3%
Group functions	35	20	42	-49	24				
Total Group	3,014	3,030	3,085	2,915	2,952	2%	-1%	2%	0%

Total operating expenses

Q3/Q3: Total operating expenses were up 9%, excluding a EUR 32m item related to the settlement of a regulatory investigation in the US. The increase was mainly driven by continued investments into technology, data and AI and other key capabilities. The increase was also driven by integration costs related to the acquisition of Danske Bank's Norwegian personal customer and private banking business, higher business activity and salary inflation. Exchange rate effects had a negative impact of approximately EUR 5m.

Q3/Q2: Total operating expenses were up 1%, excluding the US settlement. The increase was driven by continued investments into technology and risk management and salary inflation. Exchange rate effects had a positive impact of approximately EUR 1m.

Staff costs

Q3/Q3: Staff costs were up 7%, due to additional risk management resources and salary increases.

Q3/Q2: Staff costs were up 2%, due to additional risk management resources and salary increases.

Other expenses

Q3/Q3: Other expenses increased by 30%, mainly due to the US settlement, increased technology investments, integration costs related to the acquisition of Danske Bank's Norwegian personal customer and private banking business as well as higher business activity.

Q3/Q2: Other expenses increased by 5%, mainly due to the US settlement, partly offset by seasonally lower business activity.

Regulatory fees

Q3/Q3: Regulatory fees amounted to EUR 18m, down from EUR 20m.

Q3/Q2: Regulatory fees were stable at EUR 18m.

Depreciation and amortisation

Q3/Q3: Depreciation and amortisation was stable at EUR 152m.

Q3/Q2: Depreciation and amortisation increased by EUR 14m mainly due to increased impairments and amortisations.

FTEs

Q3/Q3: The number of employees (FTEs) was 29,895 at the end of the third quarter, an increase of 2%, mainly due to additional investments in technology and risk management, and investments to drive growth.

Q3/Q2: The number of FTEs increased 1% compared to the previous quarter.

Total operating expenses

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency	
								Q3/Q3	Q3/Q2
EURm									
Staff costs	-779	-761	-749	-735	-729	7%	2%	6%	2%
Other expenses	-380	-361	-338	-323	-292	30%	5%	31%	6%
Regulatory fees	-18	-18	-63	-20	-20	-10%	0%	-10%	0%
Depreciation and amortisation	-152	-138	-139	-339	-153	-1%	10%	-1%	10%
Total Group	-1,329	-1,278	-1,289	-1,417	-1,194	11%	4%	11%	4%

Total operating expenses per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency	
								Q3/Q3	Q3/Q2
EURm									
Personal Banking	-563	-557	-579	-657	-511	10%	1%	10%	1%
Business Banking	-350	-351	-353	-376	-318	10%	0%	10%	1%
Large Corporates & Institutions	-218	-222	-218	-216	-200	9%	-2%		
Asset & Wealth Management	-150	-149	-151	-178	-147	2%	1%	2%	1%
Group functions	-48	1	12	10	-18				
Total Group	-1,329	-1,278	-1,289	-1,417	-1,194	11%	4%	11%	4%

Exchange rate effects

	Q3/Q3	Q3/Q2	Jan-Sep 24/23
Percentage points			
Income	0	0	0
Expenses	0	0	0
Operating profit	0	0	0
Loan and deposit volumes	0	0	0

Net loan losses and similar net result

Credit quality remained solid in the third quarter, with underlying risk developing in line with expectations. Loan losses for the quarter were largely driven by new provisions for small and medium-sized corporate exposures. These were partly offset by reduced management judgement allowances reflecting improved macroeconomic conditions and outlook.

While some corporate exposures continue to be affected by lagging effects of higher interest rates and inflation, the credit cycle shows signs of improvement, with increasing GDP and recovering house prices.

Net loan losses and similar net result amounted to EUR 51m (6bp), or EUR 52m excluding changes in fair value of Danish mortgage loans.

Main drivers of loan losses and similar net result

Net loan losses relating to individually assessed exposures amounted to EUR 44m. These mainly consisted of new provisions for a few corporate customers in the Business Banking portfolio affected by specific circumstances, rather than a wider deterioration in the corporate portfolio quality. For the total corporate portfolio, new provisions and write-offs remained at the same level as in previous quarters. Losses on retail exposures remained low and stable.

Collectively calculated provisions increased by EUR 8m.

The revaluation of the portfolio reported at fair value, including Nordea Kredit's mortgage portfolio, resulted in a EUR 1m reversal.

Net of the EUR 30m release of management judgement allowances, net loan losses and similar net result amounted to EUR 26m in Personal Banking, EUR 29m in Business Banking and EUR 0m in Large Corporates & Institutions. In Asset & Wealth Management there were net reversals of EUR 4m.

Management judgement allowances

Management judgement allowances were increased significantly in 2020 in connection with the COVID-19 pandemic, and were kept at a high level to address risks relating to the deteriorating macroeconomic environment with increasing interest rates and inflation. Since then, management judgement allowances have been reduced a number of times, while still remaining at a high level, in line with updated assessments of the credit risk outlook for the corporate portfolio.

During the quarter, management judgement allowances were reassessed and EUR 30m was released for the corporate portfolio due to the improved macroeconomic outlook with lower inflation and interest rates. After the release, total management judgement allowances amounted to EUR 435m at the end of the quarter.

See Note 10 and 11 for further details.

Credit portfolio

Lending to the public excluding reverse repurchase agreements and securities borrowing amounted to EUR 319bn at the end of the quarter, stable from previous quarter.

Loans to the public measured at fair value excluding reverse repurchase agreements and securities borrowing, mainly comprising Danish mortgage lending, amounted to EUR 53bn, up EUR 1bn from the previous quarter.

Lending to the public measured at amortised cost before allowances was down by EUR 1bn from the previous quarter and amounted to EUR 268bn. Of this, 92% was classified as stage 1, 7% as stage 2 and 1% as stage 3, all unchanged from the previous quarter. Quarter on quarter, stage 1 loan amount was stable, stage 2 loans decreased by 3% and stage 3 loans increased by 11%.

The coverage ratio for stage 2 was 1.9% down from 2.2%. The coverage ratio for stage 3 was 38%, down from 40% in the previous quarter as the newly impaired exposures have lower than average provisioning needs, due to collateralisation and still servicing defaults. The fair value impairment rate increased to 0.52% from 0.50% in the previous quarter.

Net loan loss ratio

	Q324	Q224	Q124	Q423	Q323
Basis points of loans, amortised cost¹					
Net loan loss ratios, annualised, Group	8	9	4	14	5
of which stages 1 and 2	-8	-1	0	-1	-1
of which stage 3	16	10	4	15	6
Basis points of loans, total^{1,2}					
Net loan loss ratio, including loans held at fair value, annualised, Group	6	8	4	10	4
Personal Banking total	6	8	7	8	6
PeB Denmark	5	7	6	5	3
PeB Finland	15	13	11	15	12
PeB Norway	0	0	7	3	5
PeB Sweden	3	9	5	9	6
Business Banking total	12	12	9	11	5
BB Denmark	25	15	2	2	-5
BB Finland	30	18	12	4	10
BB Norway	-4	3	0	15	3
BB Sweden	0	14	18	18	15
Large Corporates & Institutions total	0	0	-6	11	-2
LC&I Denmark	-4	-32	-71	22	0
LC&I Finland	4	5	-9	5	4
LC&I Norway	0	18	48	-81	-3
LC&I Sweden	2	2	-4	75	2

¹ Negative amounts are net reversals.

² Net loan losses and net result on loans in hold portfolios mandatorily held at fair value divided by total lending at amortised cost and at fair value, basis points.

Profit

Operating profit

Q3/Q3: Operating profit decreased by 5% to EUR 1,634m, mainly driven by higher expenses and higher net loan losses, partly offset by higher income.

Q3/Q2: Operating profit decreased by 3% to EUR 1,634m, mainly driven by lower income and higher expenses.

Taxes

Q3/Q3: Income tax expense amounted to EUR 368m, down from EUR 380m, corresponding to a tax rate of 22.5%, up from 22.0% a year ago.

Q3/Q2: Income tax expense amounted to EUR 368m, down from EUR 381m, corresponding to a tax rate of 22.5%, down from 22.6% in the previous quarter.

Net profit

Q3/Q3: Net profit decreased by 6% to EUR 1,266m. Return on equity was 16.8%, down from 18.5%. Return on equity with amortised resolution fees was 16.7%, down from 17.9%.

Q3/Q2: Net profit decreased by 3% to EUR 1,266m. Return on equity was 16.8%, down from 18.0%. Return on equity with amortised resolution fees was 16.7%, down from 17.9%.

Q3/Q3: Diluted earnings per share were EUR 0.36, compared with EUR 0.38.

Q3/Q2: Diluted earnings per share were EUR 0.36, compared with EUR 0.37.

Operating profit per business area

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local currency	
EURm								Q3/Q3	Q3/Q2
Personal Banking	598	587	583	492	639	-6%	2%	-7%	2%
Business Banking	474	500	500	468	514	-8%	-5%	-8%	-5%
Large Corporates & Institutions	365	365	417	354	364	0%	0%		
Asset & Wealth Management	210	216	205	144	200	5%	-3%	6%	-2%
Group functions	-13	16	58	-43	8				
Total Group	1,634	1,684	1,763	1,415	1,725	-5%	-3%	-5%	-3%

Capital position and risk exposure amount

The Nordea Group's common equity tier 1 (CET1) capital ratio decreased to 15.8% in the third quarter of 2024 from 17.5% in the second quarter. The decrease was as expected following the implementation of new capital models for retail exposures during the third quarter.

CET1 capital remained stable, mainly driven by profit generation net of dividend offset by an increased shortfall deduction. The Group's CET1 capital requirement increased to 13.5% in the third quarter from 13.1% in the second quarter of 2024 following the activation of the Norwegian systemic risk buffer from 1 July 2024.

The risk exposure amount (REA) increased by EUR 14bn mainly driven by implementation of new retail models. The increase was partially offset by capital management activities and exchange rate effects from depreciating NOK and USD.

The Group's Tier 1 capital ratio decreased to 18.4% at the end of the third quarter from 19.8% in the second quarter of 2024. The total capital ratio decreased to 20.9% from 23.0%.

At the end of the third quarter CET1 capital amounted to EUR 24.3bn, Tier 1 capital amounted to EUR 28.2bn, and own funds amounted to EUR 32.1bn.

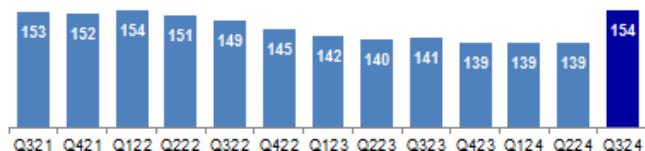
The Group's subordinated minimum requirements for own funds and eligible liabilities (MREL) ratio was 29.5% of the REA and 8.0% of the leverage ratio exposure (LRE), compared with the capped requirement of 27.0% of the REA and 7.14% of the LRE. The total MREL ratio was 34.7% of the REA and 9.4% of the LRE, compared with the requirements of 31.3% of the REA and 7.14% of the LRE.

The leverage ratio remained stable at 5.0% at the end of the third quarter, with increased Tier 1 capital offset by increased leverage exposure.

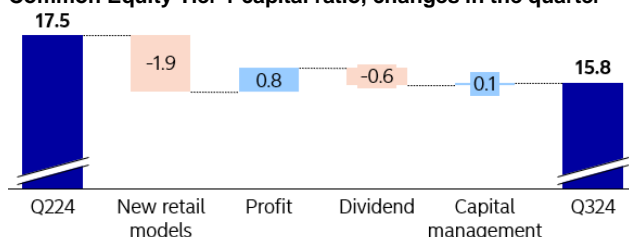
Capital ratios

%	Q324	Q224	Q124	Q423	Q323
CRR/CRD IV					
CET1 capital ratio	15.8	17.5	17.2	17.0	16.3
Tier 1 capital ratio	18.4	19.8	19.5	19.4	18.7
Total capital ratio	20.9	23.0	22.4	22.2	20.7

Risk exposure amount, EURbn, quarterly



Common Equity Tier 1 capital ratio, changes in the quarter



Capital and dividend policies

Nordea maintains a strong capital position in line with its capital policy. Nordea targets a management buffer of 150bp above the regulatory CET1 requirement. This reflects Nordea's strong capital generation and enables efficient capital management while still maintaining a prudent buffer to requirements. Nordea's policy is to distribute 60–70% of the net profit for the year to shareholders. Excess capital will be used for strategic business acquisitions, as well as being subject to buy-back considerations.

Share buy-backs

With the continued strong capital generation and with the focus on maintaining an efficient capital structure, Nordea is now launching a new share buy-back programme of EUR 250 million, for which Nordea has received approval from the ECB. The programme will end by 28 February 2025 at the latest.

Regulatory developments

On 9 July Nordea received ECB approval for new retail capital models which were implemented in the third quarter this year. With the new approved models, the Norwegian FSA decided to remove the floor for loss given default values (LGD floor) for Nordea from 30 September. The Norwegian FSA proposal to increase the risk-weight floors for mortgage and commercial residential real estate exposure has not yet been decided. However, before removal of current regulatory additions there would be no impact on Nordea of such an increase of the risk-weight floors.

On 30 September, the Finnish FSA decided to reciprocate the Danish sector-specific systemic risk buffer on commercial real estate companies in Denmark. The measure is applicable from 1 January 2025 and will increase the CET1 requirement for Nordea by approximately 10bp.

Risk exposure amount

	30 Sep 2024	30 Jun 2024	30 Sep 2023
EURm			
Credit risk	124,574	105,599	108,403
IRB	113,810	94,827	95,708
- sovereign			
- corporate	58,156	59,361	62,008
- advanced	51,443	52,940	55,686
- foundation	6,713	6,421	6,322
- institutions	4,234	4,149	3,941
- retail	44,849	25,780	25,080
- items representing securitisation positions	3,538	2,620	1,638
- other	3,033	2,917	3,041
Standardised	10,764	10,772	12,695
- sovereign	188	204	270
- retail	3,340	3,631	4,161
- other	7,236	6,937	8,264
Credit valuation adjustment risk	379	602	654
Market risk	5,016	5,586	4,470
- trading book, internal approach	4,323	4,837	3,707
- trading book, standardised approach	693	749	763
- banking book, standardised approach			
Settlement risk	0	0	
Operational risk	17,874	17,874	16,048
Additional risk exposure amount related to Finnish RW floor due to Article 458 of the CRR			
Additional risk exposure amount related to Swedish RW floor due to Article 458 of the CRR¹	5,848	9,672	11,350
Additional risk exposure amount due to Article 3 of the CRR			
Total	153,691	139,333	140,925

Summary of items included in own funds including result (Banking Group)

	30 Sep 2024	30 Jun 2024	30 Sep 2023
EURm			
Calculation of own funds			
Equity in the consolidated situation	26,773	26,920	25,797
Profit for the period	3,930	2,663	3,818
Proposed/actual dividend	-2,751	-1,865	-2,680
Common Equity Tier 1 capital before regulatory adjustments	27,952	27,718	26,935
Deferred tax assets	-26	-29	-28
Intangible assets	-2,632	-2,674	-2,723
IRB provisions shortfall (-)	-294		
Pension assets in excess of related liabilities	-240	-214	-187
Other items including buy-back deduction, net ¹	-444	-486	-993
Total regulatory adjustments to Common Equity Tier 1 capital	-3,636	-3,403	-3,931
Common Equity Tier 1 capital (net after deduction)	24,316	24,315	23,004
Additional Tier 1 capital before regulatory adjustments	3,934	3,312	3,336
Total regulatory adjustments to Additional Tier 1 capital	-25	-25	-22
Additional Tier 1 capital	3,909	3,287	3,314
Tier 1 capital (net after deduction)	28,225	27,602	26,318
Tier 2 capital before regulatory adjustments	3,908	3,903	2,979
IRB provisions excess (+)		553	564
Deductions for investments in insurance companies			-650
Other items, net	-50	-50	-47
Total regulatory adjustments to Tier 2 capital	-50	503	-133
Tier 2 capital	3,858	4,406	2,846
Own funds (net after deduction)	32,083	32,008	29,164
¹ Other items, net if reported excluding profit.	-444	-486	-993

Own funds reported to ECB

	30 Sep ² 2024	30 Jun 2024	30 Sep 2023
EURm			
Common Equity Tier 1 capital	23,136	24,315	23,004
Tier 1 capital (net after deduction)	27,046	27,602	26,318
Total own funds	30,904	32,008	29,164

² Excluding third-quarter profit (pending application).

Balance sheet

Balance sheet data

	Q324	Q224	Q124	Q423	Q323
EURbn					
Loans to credit institutions	7	7	3	2	7
Loans to the public	349	347	346	345	343
Derivatives	22	23	26	27	34
Interest-bearing securities	70	77	76	68	70
Other assets	169	153	154	143	156
Total assets	617	607	605	585	610
Deposits from credit institutions	35	33	33	30	37
Deposits from the public	222	224	216	210	214
Debt securities in issue	189	185	190	183	191
Derivatives	23	24	26	31	36
Other liabilities	117	111	111	100	102
Total equity	31	30	29	31	30
Total liabilities and equity	617	607	605	585	610

Funding and liquidity operations

Nordea issued approximately EUR 3.8bn in long-term funding in the third quarter of 2024 (excluding Danish covered bonds and long-dated certificates of deposit), of which approximately EUR 0.9bn was issued as covered bonds, EUR 1.7bn was issued as senior debt and EUR 1.2bn was issued as subordinated debt. Notable transactions during the quarter included a USD 800m Additional Tier 1 (AT1) perpetual non-call 7.5-year, a SEK 3.75bn AT1 perpetual non-call 5.5-year and a NOK 1.6bn AT1 perpetual non-call 5.5-year notes. Furthermore, Nordea issued a SEK 2.4bn 3-year senior preferred bond and a NOK 2.5bn 5.5-year senior preferred bond under our sustainability-linked loan funding framework.

At the end of the third quarter long-term funding accounted for approximately 77% of Nordea's total wholesale funding.

Short-term liquidity risk is measured using several metrics, including the liquidity coverage ratio (LCR). The Nordea Group's combined LCR was 151% at the end of the third quarter. The liquidity buffer is composed of highly liquid central bank eligible securities and cash, as defined in the LCR regulation. At the end of the third quarter the liquidity buffer amounted to EUR 116bn, compared with EUR 108bn at the end of the second quarter. The net stable funding ratio (NSFR) measures long-term liquidity risk. At the end of the third quarter Nordea's NSFR was 122.4%, compared with 121.9% at the end of the second quarter.

Nordea maintained a strong liquidity position throughout the third quarter amid continued volatility in global markets driven by geopolitical and macroeconomic uncertainty.

Funding and liquidity data

	Q324	Q224	Q124	Q423	Q323
Long-term funding portion	77%	79%	76%	76%	70%
LCR total	151%	160%	157%	165%	162%
LCR EUR	165%	255%	257%	231%	188%
LCR USD	211%	172%	193%	207%	226%

Market risk

Market risk in the trading book measured by value at risk (VaR) was EUR 32.1m. Quarter on quarter, VaR decreased by EUR 8.5m, primarily as a result of lower interest rates. Interest rate risk remains the main driver of VaR at the end of the third quarter of 2024. Trading book VaR continues to be driven by market risk related to Nordic and other Northern European exposures.

Trading book

	Q324	Q224	Q124	Q423	Q323
EURm					
Total risk, VaR	32	41	39	33	31
Interest rate risk, VaR	31	39	38	33	32
Equity risk, VaR	3	4	2	3	4
Foreign exchange risk, VaR	2	2	2	1	2
Credit spread risk, VaR	6	3	6	5	4
Inflation risk, VaR	3	3	3	4	5
Diversification effect	28%	21%	25%	30%	32%

Nordea share and credit ratings

Nordea's share price and credit ratings as at the end of the third quarter of 2024.

	Nasdaq STO (SEK)	Nasdaq COP (DKK)	Nasdaq HEL (EUR)
9/30/2022	95.67	65.33	8.80
12/31/2022	111.68	75.12	10.03
3/31/2023	110.64	73.37	9.84
6/30/2023	117.30	74.51	9.97
9/30/2023	120.12	77.41	10.41
12/31/2023	124.72	83.99	11.23
3/31/2024	119.20	78.11	10.47
6/30/2024	126.10	83.06	11.12
9/30/2024	119.60	78.84	10.59

Moody's*		Standard & Poor's		Fitch	
Short	Long	Short	Long	Short	Long
P-1	Aa3	A-1+	AA-	F1+	AA-

* Positive outlook

Other information

Issuance of Additional Tier 1 conversion notes

On 6 September 2024, Nordea issued SEK 3.75bn and NOK 1.6bn in Floating Rate Additional Tier 1 (AT1) Conversion Notes and, on 25 September 2024, USD 0.8bn in Perpetual Reset AT1 Conversion Notes under its Global Medium-Term Note Programme. The notes constitute AT1 capital and were issued by Nordea to maintain Nordea's strong capital position and take advantage of favourable market conditions. If the CET1 capital ratio of either Nordea Bank Abp on a solo basis or the Nordea Group on a consolidated basis falls below 5.125%, the notes are automatically converted into ordinary shares in Nordea in accordance with the terms and conditions.

For further information see "Funding and liquidity operations" on page 15.

Court proceedings against Nordea to commence in Denmark in old and previously disclosed anti-money laundering matter

Following investigations conducted by the authorities into anti-money laundering controls in 2015 and earlier, the Danish National Special Crime Unit announced on 5 July 2024 that it will commence court proceedings and filed a formal charge against Nordea. Based on Nordea's interpretation of Danish law, Nordea does not agree with the content of the charges nor the legal assessment made by the authorities, a position supported by three separate external legal assessments.

As previously disclosed, Nordea expects to be fined in Denmark for weak anti-money laundering processes and procedures in the past and has made a provision for ongoing anti-money laundering matters. The Danish Financial Supervisory Authority investigated in 2015 whether Nordea Bank Danmark A/S had complied with applicable anti-money laundering regulations in terms of having adequate processes to identify and combat money laundering.

The investigation led to orders by the Danish Financial Supervisory Authority with no mention of specific money laundering, nor any findings related to intentional breaches of the applicable legislation, and no individuals were accused of any wrongdoing.

In June 2016 the matter was referred to the Danish Prosecution Service for further investigation in accordance with Danish practice.

In the first quarter of 2019, Nordea made a provision for anti-money laundering-related matters and has reviewed the provision level on an ongoing basis. Based on current circumstances, and supported by three separate external legal assessments, Nordea believes that the current provision is adequate to cover these matters.

Nordea reaches resolution with US authority regarding old AML procedures

Nordea has reached a final resolution with the New York State Department of Financial Services (DFS) following an investigation related to the adequacy of Nordea's anti-money laundering programme during the period 2008 to 2019.

Under the resolution with DFS, Nordea has agreed to accept a settlement totalling USD 35 million (EUR 32 million). The amount payable to the US authority has no material impact on the financial position of Nordea, and the charge has been included as a cost in Nordea's Q3 2024 results.

The historical investigations by DFS concerned Nordea's former processes, policies and controls to prevent money laundering and the former compliance framework, including those of the closed Vesterport International Branch in Denmark and Nordea's former operations in the Baltics. Nordea has taken significant measures to improve its financial crime processes and procedures since the period covered by DFS's investigation.

Nordea accepted the terms of the resolution and has cooperated fully with DFS regarding this matter. Nordea understands this resolution concludes DFS's investigation, and Nordea is not aware of any other pending or active investigation by US authorities related to such historical financial crime prevention matters.

Impacts from continued geopolitical uncertainty

During the third quarter of 2024 Nordea continued to closely monitor and assess its direct exposure to Russian counterparties, due to Russia's invasion of Ukraine. At the end of the quarter the direct credit exposure after provisions was less than EUR 50m.

Nordea also further assessed the impact of continued geopolitical uncertainty on the global and Nordic economies. The assessment informed the regular update of the bank's macroeconomic scenarios, which are used to update its financial forecasts and model IFRS 9 expected credit losses. Nordea will continue to follow developments closely.

For more information, see also Note 11 "Loans and impairment".

Closure of Nordea's operations in Russia

In accordance with its strategy, Nordea is focusing on its business in the Nordic region. This has entailed the Group winding down its operations in Russia. The liquidation of the remaining Russian subsidiary is pending finalisation.

Acquisition of Danske Bank's personal customer and private banking business in Norway

Nordea has entered into an agreement with Danske Bank to acquire its Norwegian personal customer and private banking business and associated asset management portfolios. The Norwegian Competition Authority announced its approval of the acquisition on 15 December 2023. On 7 February 2024, Nordea announced that the Norwegian Financial Supervisory Authority had approved Nordea's acquisition of the personal customer and private banking business of Danske Bank. The transaction is expected to close during November 2024. The acquired business will be integrated into Nordea after the closing of the transaction.

The expectation is that the transaction will have a marginal impact on the cost-to-income ratio and return on allocated equity of Nordea's Personal Banking business in Norway and on the Group level. The gross impact on the CET1 ratio resulting from the increase in risk exposure amount is currently expected to amount to approximately 40bp.

Joint venture with OP Financial Group to improve payment services in Finland

Nordea is establishing a joint venture with OP Financial Group to support payment-related needs in Finland. The joint venture will develop solutions for paying with phone numbers and managing e-invoices that benefit both consumers and businesses. The solutions will be designed so as to be open to other market participants as well.

Nordea and OP plan to move the existing merchant services of Siirto to Siirto Brand Oy, in which they already own equal shares, and to expand the operations of the latter. The planned changes are scheduled to be implemented later in 2024, pending the approval of the relevant competition authorities.

Update of internal allocation framework affecting business area results and allocation of equity

As communicated in March, as of 2024, Nordea has updated its internal allocation framework. The updated framework further aligns business area and Group profitability metrics and allocates a significant part of previously unallocated capital and costs to business areas. This update does not impact the consolidated financial statements of the Nordea Group, but it affects the income and costs recognised by the business areas. In addition, due to the updated capital allocation framework, Nordea has introduced a revised profitability metric for its business areas which is better aligned with the Group's return on equity. As of Q1 2024, business area profitability is measured as return on allocated equity and business area use of capital is measured as allocated equity.

Comparative information has been updated accordingly.

Quarterly development, Group

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Jan-Sep 2024	Jan-Sep 2023
EURm							
Net interest income	1,882	1,904	1,954	1,946	1,909	5,740	5,505
Net fee and commission income	774	795	763	763	742	2,332	2,258
Net insurance result	60	63	61	40	63	184	177
Net result from items at fair value	284	247	291	154	225	822	860
Profit from associated undertakings and joint ventures accounted for under the equity method	4	2	7	2	4	13	-5
Other operating income	10	19	9	10	9	38	33
Total operating income	3,014	3,030	3,085	2,915	2,952	9,129	8,828
General administrative expenses:							
Staff costs	-779	-761	-749	-735	-729	-2,289	-2,173
Other expenses	-380	-361	-338	-323	-292	-1,079	-883
Regulatory fees	-18	-18	-63	-20	-20	-99	-296
Depreciation, amortisation and impairment charges of tangible and intangible assets	-152	-138	-139	-339	-153	-429	-469
Total operating expenses	-1,329	-1,278	-1,289	-1,417	-1,194	-3,896	-3,821
Profit before loan losses	1,685	1,752	1,796	1,498	1,758	5,233	5,007
Net loan losses and similar net result	-51	-68	-33	-83	-33	-152	-84
Operating profit	1,634	1,684	1,763	1,415	1,725	5,081	4,923
Income tax expense	-368	-381	-402	-309	-380	-1,151	-1,095
Net profit for the period	1,266	1,303	1,361	1,106	1,345	3,930	3,828
Diluted earnings per share (DEPS), EUR	0.36	0.37	0.38	0.31	0.38	1.11	1.06
DEPS, rolling 12 months up to period end, EUR	1.42	1.44	1.44	1.37	1.41	1.42	1.41

Business areas

	Personal Banking		Business Banking		Large Corporates & Institutions		Asset & Wealth Management		Group functions		Nordea Group		
	Q3 2024	Q2 2024	Q3 2024	Q2 2024	Q3 2024	Q2 2024	Q3 2024	Q2 2024	Q3 2024	Q2 2024	Q3 2024	Q2 2024	Chg
EURm													
Net interest income	845	849	589	603	360	355	77	82	11	15	1,882	1,904	-1%
Net fee and commission income	287	275	145	151	107	125	243	248	-8	-4	774	795	-3%
Net insurance result	33	27	13	6	1	0	14	30	-1	0	60	63	-5%
Net result from items at fair value	20	18	97	108	114	107	22	8	31	6	284	247	15%
Other income	2	7	9	11	1	0	0	0	2	3	14	21	-33%
Total operating income	1,187	1,176	853	879	583	587	356	368	35	20	3,014	3,030	-1%
Total operating expenses	-563	-557	-350	-351	-218	-222	-150	-149	-48	1	-1,329	-1,278	4%
Net loan losses and similar net result	-26	-32	-29	-28	0	0	4	-3	0	-5	-51	-68	
Operating profit	598	587	474	500	365	365	210	216	-13	16	1,634	1,684	-3%
Cost-to-income ratio ¹ , %	48	48	41	40	37	38	42	41			44	43	
Return on allocated equity (RoAE) ^{1,2} , %	18	19	17	18	17	17	34	36			17	18	
Allocated Equity	10,846	9,604	8,710	8,814	6,659	6,743	1,904	1,849	3,335	3,346	31,454	30,356	4%
Risk exposure amount (REA)	57,799	44,053	43,081	42,758	39,841	40,502	7,054	6,171	5,916	5,849	153,691	139,333	10%
Number of employees (FTEs)	6,920	6,850	3,930	3,965	1,250	1,246	3,147	3,135	14,648	14,484	29,895	29,680	1%
Volumes, EURbn³:													
Total lending	164.5	165.3	93.7	94.2	52.2	52.1	11.7	11.6	-2.8	-3.5	319.3	319.7	0%
Total deposits	87.4	88.2	51.7	51.2	51.5	47.7	12.1	12.0	4.2	9.0	206.9	208.1	-1%

Restatement due to organisational changes.

¹ With amortised resolution fees.

² Equal to Return on equity (RoE) for the Nordea Group.

³ Excluding repurchase agreements and security lending/borrowing agreements.

	Personal Banking		Business Banking		Large Corporates & Institutions		Asset & Wealth Management		Group functions		Nordea Group		
	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Chg
EURm													
Net interest income	2,563	2,471	1,805	1,755	1,083	1,057	244	219	45	3	5,740	5,505	4%
Net fee and commission income	830	795	439	434	358	329	728	731	-23	-31	2,332	2,258	3%
Net insurance result	89	87	26	15	1	0	68	73	0	2	184	177	4%
Net result from items at fair value	59	57	303	285	352	387	42	33	66	98	822	860	-4%
Other income	11	4	32	19	-1	1	0	0	9	4	51	28	82%
Total operating income	3,552	3,414	2,605	2,508	1,793	1,774	1,082	1,056	97	76	9,129	8,828	3%
Total operating expenses	-1,699	-1,623	-1,054	-1,037	-658	-694	-450	-442	-35	-25	-3,896	-3,821	2%
Net loan losses and similar net result	-85	-78	-77	-54	12	42	-1	-2	-1	8	-152	-84	
Operating profit	1,768	1,713	1,474	1,417	1,147	1,122	631	612	61	59	5,081	4,923	3%
Cost-to-income ratio ¹ , %	48	47	40	41	37	38	42	42			43	43	
Return on allocated equity (RoAE) ^{1,2} , %	19	20	18	18	18	17	35	39			18	18	
Allocated Equity	10,846	9,046	8,710	8,278	6,659	6,719	1,904	1,620	3,335	4,707	31,454	30,370	4%
Risk exposure amount (REA)	57,799	41,759	43,081	41,625	39,841	40,692	7,054	7,452	5,916	9,396	153,691	140,924	9%
Number of employees (FTEs)	6,920	6,795	3,930	3,980	1,250	1,272	3,147	3,139	14,648	14,080	29,895	29,266	2%
Volumes, EURbn³:													
Total lending	164.5	166.3	93.7	94.5	52.2	53.6	11.7	11.5	-2.8	-5.6	319.3	320.3	0%
Total deposits	87.4	85.4	51.7	50.0	51.5	45.2	12.1	11.9	4.2	9.9	206.9	202.4	2%

Restatement primarily due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

¹ With amortised resolution fees.

² Equal to Return on equity (RoE) for the Nordea Group.

³ Excluding repurchase agreements and security lending/borrowing agreements.

Personal Banking

Introduction

In Personal Banking we offer household customers easy and convenient everyday banking and advice for all stages of life.

We strive to create great omnichannel experiences by providing a full range of financial services and products through a combination of digital channels and in-person interactions.

Business development

This quarter mortgage lending volumes remained stable. Total lending volumes decreased by 1% in local currencies year on year, driven by non-mortgage lending. Deposit volumes increased by 2%.

During the quarter we saw increased customer investment activity and demand for new loan promises compared to the same quarter last year, indicating increased demand for home loans.

Activity levels within digital channels and meetings with advisers remain high. We continued to see an increase in the number of mobile users and logins, both up 5%, year on year. Supporting our advisers to secure great customer experiences, we delivered a 52% year-on-year increase in digitally generated leads for mortgage and savings advisers in Sweden and a 47% increase for mortgage advisers in Denmark.

In September, we won six of Global Finance Magazine's 2024 World's Best Digital Bank Awards, including the award for Best Consumer Digital Bank in Western Europe. During the quarter, we further enhanced our digital services and launched new features in the app for even better digital customer experiences. For example, we launched an improved pension overview in Norway and an enhanced savings and investments overview in Sweden.

In Sweden, we have now taken the next step in making the home buying journey even smoother and faster for our customers. Our online mortgage portal is now offering more transparency on customers' ongoing and approved loan promises and they can now follow the home buying steps in real time. For example, once a customer wins a bid round, the housing information is pre-filled for the customer without any lead time. This makes us unique in the market.

Customers continue to show strong interest in making a positive ESG impact through their savings. The ESG share of gross inflows to funds remained high at 36%.

Financial outcome

Total income in the third quarter increased by 1% year on year due to higher savings income, net insurance result and deposit volumes. This was partly offset by lower deposit margins and lower lending volume.

Net interest income decreased by 1%, driven by lower deposit margins and lower lending volumes, partly offset by increased deposit volumes.

Net fee and commission income increased by 5% year on year, mainly driven by higher savings income. This was partly offset by lower lending fee income. Net insurance result increased by 14% year on year.

Total expenses increased by 10% year on year, in line with our business plan. The increase was mainly driven by increased investments in technology infrastructure, data and AI and risk management capabilities. The increase was also driven by integration costs related to the acquisition of Danske Bank's Norwegian personal customer business and salary inflation. The cost-to-income ratio with amortised resolution fees increased to 48% from 45% in the same quarter last year.

Total net loan losses and similar net result amounted to EUR 26m (6bp) as expected, stable compared to the same quarter last year.

Operating profit decreased by 6% year on year to EUR 598m due to higher total expenses. Return on allocated equity was 18%.

Personal Banking Denmark

Total income decreased by 3% in local currency year on year.

Net interest income decreased by 4% in local currency year on year, primarily driven by lower lending volumes and margins. This was partly offset by higher deposit volumes and margins.

Lending volumes decreased by 4% in local currency year on year due to continued low demand for mortgage lending. Deposit volumes increased by 3%, driven by higher demand for savings products.

Net fee and commission income decreased by 5% in local currency year on year, mainly driven by lower lending fee income. This was partly offset by higher savings income.

Net loan losses and similar net result amounted to EUR 5m (5bp).

Personal Banking Finland

Total income decreased by 7% year on year.

Net interest income decreased by 12% year on year, driven by lower deposit and lending margins. This was partly offset by increased deposit volumes.

Lending volumes remained stable and deposit volumes increased by 1% year on year.

Net fee and commission income increased by 1% year on year, driven by higher savings income. This was partly offset by lower payments and cards income.

Net loan losses and similar net result amounted to EUR 14m (15bp).

Personal Banking Norway

Total income increased by 16% in local currency year on year.

Net interest income increased by 17% in local currency year on year, primarily driven by higher deposit volumes and higher mortgage margins. This was partly offset by lower deposit margins.

Lending volumes remained stable in local currency year on year. Deposit volumes increased by 10%, driven by higher savings deposit volumes.

Net fee and commission income increased by 19% in local currency year on year, driven by higher savings income.

Net loan losses and similar net result amounted to EUR 0m (0bp).

Personal Banking Sweden

Total income increased by 4% in local currency year on year.

Net interest income increased by 2% in local currency year on year due to higher mortgage volumes.

Lending volumes increased by 1% in local currency year on year, driven by higher mortgage volumes. Deposit volumes remained stable year on year.

Net fee and commission income increased by 8% year on year, driven by higher savings income and payments and card income.

Net loan losses and similar net result amounted to EUR 4m (3bp).

Personal Banking total

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local curr. Q3/Q3	Q3/Q2	Jan- Sep 24	Jan- Sep 23	Jan-Sep 24/23 EUR	Local
EURm													
Net interest income	845	849	869	870	852	-1%	0%	-1%	0%	2,563	2,471	4%	4%
Net fee and commission income	287	275	268	264	274	5%	4%	4%	5%	830	795	4%	4%
Net insurance result	33	27	29	36	29	14%	22%	14%	27%	89	87	2%	2%
Net result from items at fair value	20	18	21	13	20	0%	11%	-5%	-5%	59	57	4%	4%
Other income	2	7	2	0	1					11	4		
Total income incl. allocations	1,187	1,176	1,189	1,183	1,176	1%	1%	0%	1%	3,552	3,414	4%	4%
Total expenses incl. allocations	-563	-557	-579	-657	-511	10%	1%	10%	1%	-1,699	-1,623	5%	5%
Profit before loan losses	624	619	610	526	665	-6%	1%	-7%	1%	1,853	1,791	3%	3%
Net loan losses and similar net result	-26	-32	-27	-34	-26					-85	-78		
Operating profit	598	587	583	492	639	-6%	2%	-7%	2%	1,768	1,713	3%	3%
Cost-to-income ratio ¹ , %	48	48	47	57	45					48	47		
Return on allocated equity ¹ , %	18	19	20	16	21					19	20		
Allocated equity	10,846	9,604	9,512	9,244	9,046	20%	13%			10,846	9,046	20%	
Risk exposure amount (REA)	57,799	44,053	43,527	42,262	41,759	38%	31%			57,799	41,759	38%	
Number of employees (FTEs)	6,920	6,850	6,716	6,716	6,795	2%	1%			6,920	6,795	2%	
Volumes, EURbn:													
Mortgage lending	149.8	150.5	148.8	152.3	150.5	0%	0%	0%	0%	149.8	150.5	0%	0%
Other lending	14.7	14.8	14.9	15.6	15.8	-7%	-1%	-8%	-1%	14.7	15.8	-7%	-8%
Total lending	164.5	165.3	163.7	167.9	166.3	-1%	0%	-1%	0%	164.5	166.3	-1%	-1%
Total deposits	87.4	88.2	85.3	86.2	85.4	2%	-1%	2%	-1%	87.4	85.4	2%	2%

¹ With amortised resolution fees.

Personal Banking

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local curr.		Jan- Sep 24	Jan- Sep 23	Jan-Sep 24/23	
								Q3/Q3	Q3/Q2			EUR	Local
Net interest income, EURm													
PeB Denmark	220	219	224	224	230	-4%	0%	-4%	0%	663	631	5%	5%
PeB Finland	244	246	253	273	276	-12%	-1%	-12%	-1%	743	753	-1%	-1%
PeB Norway	118	127	122	103	105	12%	-7%	17%	-5%	367	339	8%	10%
PeB Sweden	260	256	263	269	246	6%	2%	2%	0%	779	753	3%	3%
Other	3	1	7	1	-5					11	-5		
Net fee and commission income, EURm													
PeB Denmark	73	76	71	79	77	-5%	-4%	-5%	-4%	220	224	-2%	-2%
PeB Finland	78	77	76	73	77	1%	1%	1%	1%	231	229	1%	1%
PeB Norway	31	28	25	22	27	15%	11%	19%	15%	84	69	22%	24%
PeB Sweden	105	98	99	90	95	11%	7%	8%	7%	302	277	9%	8%
Other	0	-4	-3	0	-2					-7	-4		
Net loan losses and similar net result, EURm													
PeB Denmark	-5	-8	-6	-6	-3					-19	-8		
PeB Finland	-14	-12	-10	-14	-11					-36	-35		
PeB Norway	0	0	-6	-3	-4					-6	-10		
PeB Sweden	-4	-11	-6	-12	-7					-21	-22		
Other	-3	-1	1	1	-1					-3	-3		
Volumes, EURbn													
Personal Banking Denmark													
Mortgage lending	38.9	39.2	39.4	39.7	39.9	-3%	-1%	-3%	-1%	38.9	39.9	-3%	-3%
Other lending	3.9	4.0	4.2	4.5	4.6	-15%	-3%	-15%	-3%	3.9	4.6	-15%	-15%
Total lending	42.8	43.2	43.6	44.2	44.5	-4%	-1%	-4%	-1%	42.8	44.5	-4%	-4%
Total deposits	23.5	23.5	23.1	23.1	22.8	3%	0%	3%	0%	23.5	22.8	3%	3%
Personal Banking Finland													
Mortgage lending	30.6	30.5	30.5	30.7	30.6	0%	0%	0%	0%	30.6	30.6	0%	0%
Other lending	6.1	6.1	6.1	6.0	6.1	0%	0%	0%	0%	6.1	6.1	0%	0%
Total lending	36.7	36.6	36.6	36.7	36.7	0%	0%	0%	0%	36.7	36.7	0%	0%
Total deposits	26.3	26.3	25.8	25.6	26.0	1%	0%	1%	0%	26.3	26.0	1%	1%
Personal Banking Norway													
Mortgage lending	31.2	32.0	31.0	32.4	32.3	-3%	-2%	1%	1%	31.2	32.3	-3%	1%
Other lending	1.7	1.8	1.8	2.0	2.1	-19%	-6%	-20%	-6%	1.7	2.1	-19%	-20%
Total lending	32.9	33.8	32.8	34.4	34.4	-4%	-3%	0%	0%	32.9	34.4	-4%	0%
Total deposits	10.9	11.5	10.6	10.7	10.3	6%	-5%	10%	-2%	10.9	10.3	6%	10%
Personal Banking Sweden													
Mortgage lending	49.1	48.8	47.9	49.5	47.6	3%	1%	1%	0%	49.1	47.6	3%	1%
Other lending	3.0	2.9	2.9	3.1	3.0	0%	3%	-7%	0%	3.0	3.0	0%	-7%
Total lending	52.1	51.7	50.8	52.6	50.6	3%	1%	1%	0%	52.1	50.6	3%	1%
Total deposits	26.7	26.9	25.8	26.7	26.2	2%	-1%	0%	-1%	26.7	26.2	2%	0%

Business Banking

Introduction

In Business Banking we provide small and medium-sized enterprises (SMEs) with banking and advisory products and services both online and in person.

Business Banking also includes the product and specialist units Transaction Banking and Nordea Finance, which provide payment and transaction services and asset-based lending and receivables finance, respectively.

We are a trusted financial partner, providing competent advice and developing digital solutions to support sustainable growth for our customers.

Business development

In the third quarter we continued to deliver full-service banking to our customers, supporting them in for example managing interest rate and foreign exchange risks with higher demand year on year. Deposit volumes grew by 3% year on year in local currencies, and lending volumes remained stable.

We continued to improve our service quality and reduced average message response times, which has positively impacted our net promoter scores. Additionally, we have increased the availability of advisers for our small corporate customers at Nordea Business Centre, ensuring efficient and timely support. These efforts resulted in an overall increase in customer satisfaction, especially in Sweden where we significantly improved our EPSI Rating (Extended Performance Satisfaction Index), demonstrating our dedication to continuously improve service quality.

We continued to also improve the service quality in our digital channels by developing the Nordea Business internet bank and mobile app. In Norway, we are progressing with the customer migration to Nordea Business with approximately 75% of the customers migrated. In addition, we have improved the self-service options in key product areas. In three countries, we launched the possibility to apply for invoice financing service. We have also made a broad range of account products available in our digital channels. In several countries over 50% of account opening requests are done through Nordea Business.

As a testimony of our development we were recognised as the best SME banking platform and mobile bank in the Nordics by winning Global Finance Magazine's Best Digital Banks Awards. This is the second consecutive year we were awarded in Denmark, Finland and Sweden, and this year also in Norway following the launch of Nordea Business.

We also remain focused on supporting our customers in the transition to a more sustainable economy. During the third quarter our green asset portfolio remained stable at 12% of total lending compared to the previous quarter. We have increased our sustainability-linked lending (SLL) portfolio in all countries year on year. SLL is a product that encourages borrowers to improve their sustainability performance through achievement of ambitious predetermined annual sustainability performance targets that are measured based on selected key performance indicators.

Financial outcome

Total income in the third quarter increased by 1% year on year. Lower net interest income following declining interest rates was more than offset by higher income from interest rate hedging, savings and payment business.

Net interest income decreased by 3% year on year, mainly due to lower deposit margins following decreasing policy rates in all countries, except Norway, compared to the same quarter last year.

Net fee and commission income increased by 6% year on year, driven by higher payment and savings fee income. This was partly offset by slightly lower lending fee income.

Net result from items at fair value increased by 17%, compared to the same quarter last year, driven by higher demand for both interest rate derivatives and foreign exchange products.

Total expenses were up 10% year on year, driven by increased investments in our technology infrastructure, data and AI, digital offering and risk management capabilities in line with our business plan. The cost-to-income ratio with amortised resolution fees was 41% in the third quarter.

Net loan losses and similar net result amounted to EUR 29m (12bp), net of a 25m release of management judgement allowances, compared with EUR 12m in the same quarter last year. Net loan losses were primarily driven by a small number of specific exposures. Underlying credit quality remains good.

Operating profit decreased by 8% year on year to EUR 474m, mainly due to higher expenses. Return on allocated equity with amortised resolution fees was 17%.

Business Banking Denmark

Net interest income decreased by 1% in local currency year on year, driven by lower deposit margins.

Lending volumes decreased by 2% in local currency year on year while deposit volumes remained unchanged.

Net fee and commission income increased by 15% year on year in local currency with improvements in all key products compared to the same quarter last year.

Net loan losses and similar net result amounted to EUR 15m (25bp), compared with net reversals of EUR 3m in the same quarter last year. Net loan losses were driven by a small number of specific exposures.

Business Banking Finland

Net interest income decreased by 4% year on year, mainly due to lower deposit margins and volumes.

Lending volumes remained unchanged year on year, while deposit volumes decreased by 1%.

Net fee and commission income decreased by 2% year on year, mainly due to lower fee income from payments.

Net loan losses and similar net result amounted to EUR 15m (30bp), compared with EUR 5m in the same quarter last year. Net loan losses were driven by a small number of specific exposures.

Business Banking Norway

Net interest income increased by 4% in local currency year on year, driven by higher deposit volumes and lending margins.

Lending volumes remained unchanged in local currency year on year and deposit volumes increased by 20%.

Net fee and commission income decreased by 16% in local currency year on year, driven by lower fees from corporate finance transactions.

Net loan losses and similar net result amounted to net reversals of EUR 2m, compared with net losses of EUR 2m in the same quarter last year.

Business Banking Sweden

Net interest income decreased by 4% in local currency year on year. The decrease was driven by lower deposit margins.

Lending volumes remained unchanged in local currency year on year, while deposit volumes increased by 1%.

Net fee and commission income increased by 9% year on year in local currency, driven by higher fee income from corporate finance transactions and payments

Net loan losses and similar net result amounted to EUR 0m, compared with net losses of EUR 10m in the same quarter last year.

Business Banking total

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local curr.		Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23	
								Q3/Q3	Q3/Q2			EUR	Local
EURm													
Net interest income	589	603	613	613	610	-3%	-2%	-3%	-2%	1,805	1,755	3%	3%
Net fee and commission income	145	151	143	146	137	6%	-4%	5%	-4%	439	434	1%	1%
Net insurance result	13	6	7	6	5					26	15	73%	73%
Net result from items at fair value	97	108	98	95	83	17%	-10%	20%	-8%	303	285	6%	6%
Other income	9	11	12	10	9					32	19		
Total income incl. allocations	853	879	873	870	844	1%	-3%	1%	-3%	2,605	2,508	4%	4%
Total expenses incl. allocations	-350	-351	-353	-376	-318	10%	0%	10%	1%	-1,054	-1,037	2%	2%
Profit before loan losses	503	528	520	494	526	-4%	-5%	-4%	-5%	1,551	1,471	5%	6%
Net loan losses and similar net result	-29	-28	-20	-26	-12					-77	-54		
Operating profit	474	500	500	468	514	-8%	-5%	-8%	-5%	1,474	1,417	4%	4%
Cost-to-income ratio ¹ , %	41	40	40	45	40					40	41		
Return on allocated equity ¹ , %	17	18	18	17	19					18	18		
Allocated equity	8,710	8,814	8,683	8,340	8,278	5%	-1%			8,710	8,278	5%	
Risk exposure amount (REA)	43,081	42,758	42,093	41,294	41,625	3%	1%			43,081	41,625	3%	
Number of employees (FTEs)	3,930	3,965	3,993	3,970	3,980	-1%	-1%			3,930	3,980	-1%	
Volumes, EURbn:													
Total lending	93.7	94.2	93.6	94.9	94.5	-1%	-1%	0%	0%	93.7	94.5	-1%	0%
Total deposits	51.7	51.2	50.3	52.5	50.0	3%	1%	3%	1%	51.7	50.0	3%	3%

¹ With amortised resolution fees.

Business Banking

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local curr.		Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23	24/23
								Q3/Q3	Q3/Q2	EUR	Local		
Net interest income, EURm													
Business Banking Denmark	127	127	128	132	129	-2%	0%	-1%	1%	382	364	5%	5%
Business Banking Finland	159	162	163	171	166	-4%	-2%	-4%	-2%	484	477	1%	1%
Business Banking Norway	148	150	153	147	147	1%	-1%	4%	0%	451	416	8%	11%
Business Banking Sweden	159	164	170	166	162	-2%	-3%	-4%	-3%	493	480	3%	2%
Other	-4	0	-1	-3	6					-5	18		
Net fee and commission income, EURm													
Business Banking Denmark	30	31	28	27	26	15%	-3%	15%	-3%	89	86	3%	3%
Business Banking Finland	47	51	49	52	48	-2%	-8%	-2%	-8%	147	154	-5%	-5%
Business Banking Norway	21	26	25	26	26	-19%	-19%	-16%	-16%	72	77	-6%	-5%
Business Banking Sweden	49	46	46	44	44	11%	7%	9%	7%	141	137	3%	2%
Other	-2	-3	-5	-3	-7					-10	-20		
Net loan losses and similar net result, EURm													
Business Banking Denmark	-15	-9	-1	-1	3					-25	10		
Business Banking Finland	-15	-9	-6	-2	-5					-30	-34		
Business Banking Norway	2	-2	0	-9	-2					0	-10		
Business Banking Sweden	0	-9	-12	-12	-10					-21	-24		
Other	-1	1	-1	-2	2					-1	4		
Lending, EURbn													
Business Banking Denmark	24.0	24.1	24.2	24.4	24.4	-2%	0%	-2%	0%	24.0	24.4	-2%	-2%
Business Banking Finland	20.1	20.1	19.8	19.7	20.2	0%	0%	0%	1%	20.1	20.2	0%	0%
Business Banking Norway	22.8	23.5	23.5	24.0	23.8	-4%	-3%	0%	0%	22.8	23.8	-4%	0%
Business Banking Sweden	26.8	26.5	26.1	26.7	26.1	3%	1%	0%	0%	26.8	26.1	3%	0%
Other	0	0	0	0.1	0					0	0		
Deposits, EURbn													
Business Banking Denmark	11.0	10.6	10.5	11.0	10.9	1%	4%	0%	3%	11.0	10.9	1%	0%
Business Banking Finland	14.2	14.1	14.0	15.0	14.3	-1%	1%	-1%	1%	14.2	14.3	-1%	-1%
Business Banking Norway	10.0	9.9	9.2	9.5	8.7	15%	1%	20%	5%	10.0	8.7	15%	20%
Business Banking Sweden	16.5	16.6	16.5	17.0	16.0	3%	-1%	1%	-1%	16.5	16.0	3%	1%
Other	0	0	0.1	0	0.1					0	0.1		

Large Corporates & Institutions

Introduction

In Large Corporates & Institutions (LC&I) we provide financial solutions to large Nordic corporate and institutional customers. We also provide services to customers across the Nordea Group through the product and specialist units Markets and Investment Banking & Equities and our international corporate branches.

We are a leading player within sustainable finance and a leading bank for large corporate and institutional customers in the Nordics.

We offer a focused and dedicated range of products and services covering financing, cash management and payments, as well as investment banking and capital markets solutions.

Business development

In the third quarter we made further solid progress with our strategy execution and towards our financial targets.

The macroeconomic environment continued to recover with low inflation rates and further rate cuts creating a more positive economic landscape in the third quarter. Market sentiment was strong across capital markets, while loan volumes were still mostly focused on refinancings. We continued to actively support our Nordic customers with their financing needs. Lending volumes decreased by 3% year on year while deposit volumes increased by 14%.

Debt Capital Markets activity continued at high levels across the entire franchise. This year, we have arranged more than 500 transactions for our customers, as we helped them continue to make the most of favourable funding markets. In Equity Capital Markets and Mergers & Acquisitions we continued to see improved sentiment and momentum in the market, with increased deal activity supported by broad investor appetite. Transaction highlights of the quarter included a new issue for Aker BioMarine, the primary accelerated book building for Vitec Software Group and advising Sampo in the public offer for TopDanmark. Nordea also acted as a joint underwriter, bookrunner and mandated lead arranger and facility agent in DSV's planned EUR 14.3bn acquisition of DB Schenker, one of the largest ever deals by a Nordic company.

Nordea Markets delivered solid results in a quarter characterised by uncertainty and volatile markets. We maintained our intense focus on cost control and capital footprint optimisation, enabling continued customer support and solid results.

We remain a leading platform for sustainable advisory services and are on track to facilitate EUR 200bn in sustainable financing by 2025 with EUR 162bn facilitated to date. By the end of the third quarter we regained the number one position for Nordic sustainable bonds overall. We also continue to improve our staff training, operating processes and data foundation supported by further development of our strategic data collection tool for emissions and climate transition plans.

Financial outcome

Total income was up 4% year on year, mainly driven by increased net result from items at fair value.

Net interest income was stable year on year, with positive deposit volume development.

Net fee and commission income was up 2% year on year, primarily driven by increased bond issuance.

Net result from items at fair value increased by 20%, due to solid customer activity and strong risk management, reflecting our pan-Nordic diversification.

Total expenses increased by 9% year on year, mainly driven by investments in both technology and stronger risk management. The cost-to-income ratio with amortised resolution fees was 37%, compared with 39% a year ago.

Net loan losses and similar net result amounted to EUR 0m, net of a EUR 5m release of management judgement allowances, compared with net reversals of EUR 3m in the same quarter last year.

Operating profit amounted to EUR 365m, in line with the same quarter last year.

We continued to exercise solid capital discipline. Return on allocated equity was 17%, up 1 percentage point on same quarter last year.

Large Corporates & Institutions total

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
EURm										
Net interest income	360	355	368	372	360	0%	1%	1,083	1,057	2%
Net fee and commission income	107	125	126	130	105	2%	-14%	358	329	9%
Net insurance result	1	0	0	0	0			1	0	
Net result from items at fair value	114	107	131	87	95	20%	7%	352	387	-9%
Other income	1	0	-2	1	1			-1	1	
Total income incl. allocations	583	587	623	590	561	4%	-1%	1,793	1,774	1%
Total expenses incl. allocations	-218	-222	-218	-216	-200	9%	-2%	-658	-694	-5%
Profit before loan losses	365	365	405	374	361	1%	0%	1,135	1,080	5%
Net loan losses and similar net result	0	0	12	-20	3			12	42	
Operating profit	365	365	417	354	364	0%	0%	1,147	1,122	2%
Cost-to-income ratio ¹ , %	37	38	35	40	39			37	38	
Return on allocated equity ¹ , %	17	17	19	16	16			18	17	
Allocated equity	6,659	6,743	6,777	6,562	6,719	-1%	-1%	6,659	6,719	-1%
Risk exposure amount (REA)	39,841	40,502	40,415	39,695	40,692	-2%	-2%	39,841	40,692	-2%
Number of employees (FTEs)	1,250	1,246	1,254	1,240	1,272	-2%	0%	1,250	1,272	-2%
Volumes, EURbn²:										
Total lending	52.2	52.1	53.6	52.1	53.6	-3%	0%	52.2	53.6	-3%
Total deposits	51.5	47.7	46.3	47.0	45.2	14%	8%	51.5	45.2	14%

¹ With amortised resolution fees.² Excluding repurchase agreements and security lending/borrowing agreements.

Large Corporates & Institutions

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
Net interest income, EURm										
Denmark	69	70	71	74	71	-3%	-1%	210	208	1%
Finland	61	62	64	64	62	-2%	-2%	187	180	4%
Norway	87	82	92	94	89	-2%	6%	261	267	-2%
Sweden	125	126	123	124	123	2%	-1%	374	357	5%
Other	18	15	18	16	15			51	45	
Net fee and commission income, EURm										
Denmark	27	29	28	27	30	-10%	-7%	84	86	-2%
Finland	28	32	39	43	24	17%	-13%	99	86	15%
Norway	24	30	27	28	22	9%	-20%	81	72	13%
Sweden	31	38	34	33	30	3%	-18%	103	105	-2%
Other	-3	-4	-2	-1	-1			-9	-20	
Net loan losses and similar net result, EURm										
Denmark	1	9	21	-6	0			31	14	
Finland	-1	-1	2	-1	-1			0	11	
Norway	0	-5	-14	24	1			-19	17	
Sweden	-1	-1	2	-35	-1			0	-3	
Other	1	-2	1	-2	4			0	3	
Lending, EURbn¹										
Denmark	10.7	11.3	11.9	10.7	10.8	-1%	-5%	10.7	10.8	-1%
Finland	9.5	8.8	8.5	8.8	9.1	4%	8%	9.5	9.1	4%
Norway	10.7	11.1	11.6	11.8	12.1	-12%	-4%	10.7	12.1	-12%
Sweden	19.0	18.5	19.2	18.6	19.5	-3%	3%	19.0	19.5	-3%
Other	2.3	2.4	2.4	2.2	2.1			2.3	2.1	
Deposits, EURbn¹										
Denmark	11.3	10.8	9.0	8.7	8.6	31%	5%	11.3	8.6	31%
Finland	13.2	11.4	11.7	12.8	10.4	27%	16%	13.2	10.4	27%
Norway	13.2	12.6	12.5	13.0	14.0	-6%	5%	13.2	14.0	-6%
Sweden	13.6	12.6	13.1	12.5	12.2	11%	8%	13.6	12.2	11%
Other	0.2	0.3	0	0	0			0.2	0	

¹ Excluding repurchase agreements and security lending/borrowing agreements.

Asset & Wealth Management

Introduction

In Asset & Wealth Management we offer an extensive range of award-winning savings products through internal and external distribution channels and provide financial advice to high net worth individuals and corporate and institutional investors.

We are the leading Nordic private bank, asset manager and life and pensions business, with extensive reach and a competitive sustainability offering.

Business development

In the third quarter we continued to grow our private banking business with sustained high activity in customer acquisition. We grew in all our home markets and onboarded a high number of new customers. We secured strong net flows of EUR 3.6bn, Sweden and Finland being the main contributors.

In International channels, clients continued to favour traditional banking products and direct government bond investments. Wholesale distribution clients also still prefer fixed term or money market funds. As a result, net flows were negative at EUR 1.8bn.

In Asset Management, investment performance stood at 68% of aggregated composites providing excess return on a three-year basis. During the quarter Asset Management and its business partners won the PRI Award "Recognition for Action – Climate" 2024 from the United Nations Principles for Responsible Investments (UNPRI). The win was attributed to Nordea's efforts within methane engagement, highlighting its "successful corporate engagements and collaborations with other stakeholders" that "lead to positive environmental outcomes". In addition to the award, we continue to see strong interest from international institutional investors for Nordea's climate/sustainable strategies. By the end of the quarter 73% of total AuM was in ESG products.

In Life & Pension, we continued to implement our growth plans with 23 consecutive quarters of positive net flow. In Sweden, the ITP collective agreements business continued to contribute to overall net flows. In Norway, we signed an agreement with the Norwegian Society of Engineers and Technologists (NITO) selecting NLP as the pension savings provider for its 100,000 members, bringing EUR 80m in assets under management (AuM). This presents significant potential for future growth in both sales and market share. In Denmark, we continued to have a strong business momentum growing our bancassurance pension sales. NLP Denmark

continued to have the best investment performance amongst commercial pension providers in Denmark.

In Finland, customer activity was strong and net flows positive. In total, gross written premiums in the quarter amounted to EUR 2.6bn, up from EUR 1.8bn a year ago.

We continued to deliver on our strategic objective to be a digital leader within savings and investments. During the quarter we launched additional new features, as well as enhancing the private banking digital experience through engaging content and insights.

Financial outcome

Total income in the third quarter was up 3% year on year, driven by higher net fair value result.

Net interest income was down 1% year on year, driven by lower interest rates.

Net fee and commission income was unchanged year on year, as higher assets under management were offset by lower margins in institutional and wholesale distribution.

Net insurance result amounted to EUR 14m, compared to EUR 28m a year ago. The decrease is driven by decreasing forward rates negatively impacting insurance product returns in Life & Pensions Norway coupled with adjusted allocation principles between business areas.

Net result from items at fair value amounted to EUR 22m, compared to EUR -1m a year ago. The increase is driven by higher return on shareholders' equity portfolios in Life & Pension.

Total expenses increased by 2% year on year, driven by inflation and integration costs related to the acquisition of Danske Bank's Norwegian personal customer and private banking business. The cost-to-income ratio with amortised resolution fees improved by 1 percentage point, to 42%.

Net loan losses and similar net result amounted to net reversals of EUR 4m, compared with EUR 0m in the same quarter last year.

Operating profit in the third quarter was EUR 210m, a year-on-year increase of 5%. Return on allocated equity was 34%; a year-on-year decrease of 4 percentage points, driven by increased capital allocations.

Asset & Wealth Management total

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Local curr.		Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23	
								Q3/Q3	Q3/Q2			EUR	Local
EURm													
Net interest income	77	82	85	77	78	-1%	-6%	0%	-4%	244	219	11%	11%
Net fee and commission income	243	248	237	244	242	0%	-2%	0%	-2%	728	731	0%	0%
Net insurance result	14	30	24	-1	28	-50%	-53%	-44%	-48%	68	73	-7%	-6%
Net result from items at fair value	22	8	12	3	-1					42	33	27%	37%
Other income	0	0	0	-2	0					0	0		
Total income incl. allocations	356	368	358	321	347	3%	-3%	3%	-3%	1,082	1,056	2%	3%
Total expenses incl. allocations	-150	-149	-151	-178	-147	2%	1%	2%	1%	-450	-442	2%	2%
Profit before loan losses	206	219	207	143	200	3%	-6%	4%	-6%	632	614	3%	3%
Net loan losses and similar net result	4	-3	-2	1	0					-1	-2		
Operating profit	210	216	205	144	200	5%	-3%	6%	-2%	631	612	3%	4%
Cost-to-income ratio ¹ , %	42	41	42	56	43					42	42		
Return on allocated equity ¹ , %	34	36	36	27	38					35	39		
Allocated equity	1,904	1,849	1,831	1,608	1,620	18%	3%			1,904	1,620	18%	
Risk exposure amount (REA)	7,054	6,171	6,269	6,072	7,452	-5%	14%			7,054	7,452	-5%	
Number of employees (FTEs)	3,147	3,135	3,136	3,098	3,139	0%	0%			3,147	3,139	0%	
Volumes, EURbn:													
AuM	412.4	400.3	391.2	378.5	359.7	15%	3%			412.4	359.7	15%	
Total lending	11.7	11.6	11.5	11.7	11.5	2%	1%	2%	1%	11.7	11.5	2%	2%
Total deposits	12.1	12.0	11.4	12.2	11.9	2%	1%	1%	1%	12.1	11.9	2%	1%

¹ With amortised resolution fees.

Assets under Management (AuM), volumes and net flow

	Q324	Q224	Q124	Q423	Q323	Net flow Q324
EURbn						
Nordic retail funds	88.6	86.0	83.1	80.0	74.4	0.3
Private Banking	132.5	126.0	120.4	116.1	108.9	3.6
Life & Pension	90.1	87.5	84.1	79.6	74.5	1.0
Institutional sales Nordic	46.4	46.0	47.0	46.1	43.5	-0.7
Total Nordic channels	357.6	345.5	334.6	321.8	301.3	4.2
Wholesale distribution	36.6	36.4	37.9	38.3	39.9	-0.8
Institutional sales international	18.2	18.4	18.7	18.4	18.5	-1.0
Total international channels	54.8	54.8	56.6	56.7	58.4	-1.8
Total	412.4	400.3	391.2	378.5	359.7	2.4

Net interest income	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
EURm										
PB Denmark	24	24	23	24	24	0%	0%	71	67	6%
PB Finland	22	23	22	24	25	-12%	-4%	67	72	-7%
PB Norway	8	10	9	8	8	0%	-20%	27	24	13%
PB Sweden	17	17	17	16	16	6%	0%	51	50	2%
Other	6	8	14	5	5	20%	-25%	28	6	
Total	77	82	85	77	78	-1%	-6%	244	219	11%

Net fee and commission income	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
EURm										
PB Denmark	49	50	45	47	43	14%	-2%	144	129	12%
PB Finland	45	43	41	41	39	15%	5%	129	116	11%
PB Norway	12	12	14	11	10	20%	0%	38	34	12%
PB Sweden	34	33	32	29	29	17%	3%	99	85	16%
Institutional and wholesale distribution	94	98	100	112	112	-16%	-4%	292	345	-15%
Other	9	12	5	4	9	0%	-25%	26	22	18%
Total	243	248	237	244	242	0%	-2%	728	731	0%

Private Banking	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
AuM, EURbn										
PB Denmark	39.9	38.8	36.7	34.7	33.6	19%	3%	39.9	33.6	19%
PB Finland	39.4	38.2	37.2	36.5	34.9	13%	3%	39.4	34.9	13%
PB Norway	12.8	12.5	11.7	11.1	10.1	27%	2%	12.8	10.1	26%
PB Sweden	40.4	36.5	34.8	33.8	30.3	33%	11%	40.4	30.3	33%
Private Banking	132.5	126.0	120.4	116.1	108.9	22%	5%	132.5	108.9	22%

Lending, EURbn	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
PB Denmark	4.1	4.1	4.2	4.2	4.2	-2%	0%	4.1	4.2	-2%
PB Finland	2.5	2.5	2.5	2.5	2.6	-4%	0%	2.5	2.6	-4%
PB Norway	2.0	1.9	1.9	2.0	1.8	11%	5%	2.0	1.8	11%
PB Sweden	3.1	3.1	2.9	3.0	2.9	7%	0%	3.1	2.9	7%
Private Banking	11.7	11.6	11.5	11.7	11.5	2%	1%	11.7	11.5	2%

Asset Management - AuM and net flow¹

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
EURbn										
AuM, Nordic channels	218.2	213.0	205.3	197.4	185.0	18%	2%	218.2	185.0	18%
AuM, international channels	51.4	51.5	53.4	53.5	55.3	-7%	0%	51.4	55.3	-7%
AuM, total	269.6	264.5	258.7	250.9	240.3	12%	2%	269.6	240.3	12%
- whereof ESG AuM ²	195.9	188.2	180.0	174.0	164.9	19%	4%	195.9	164.9	19%
Net inflow, Nordic channels	0.3	2.3	0.1	0.5	2.8			2.7	1.7	
Net inflow, international channels	-1.8	-1.5	-2.0	-3.7	-2.1			-5.3	-5.9	
Net inflow, total	-1.5	0.8	-1.9	-3.2	0.7			-2.6	-4.2	
- whereof ESG net inflow ²	0.1	1.1	-1.2	-1.5	2.4			0	1.1	

¹ International channels include "Institutional sales international" and "Wholesale distribution", while Nordic channels include all other assets managed by Asset Management.

² Articles 8 and 9 of the Sustainable Finance Disclosure Regulation.

Life & Pension

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23	Jan-Sep 24/23
EURm										
AuM, EURbn	85.9	83.3	79.9	75.4	70.4	22%	3%	85.9	70.4	22%
Premiums	2,555	2,883	3,069	2,328	1,773	44%	-11%	8,506	6,215	37%
Profit drivers										
Profit traditional products	5	15	12	6	11	-55%	-67%	32	38	-16%
Profit market return products	73	81	71	68	70	4%	-10%	225	213	6%
Profit risk products	34	18	25	7	22	55%	89%	77	56	38%
Total product result	112	114	108	81	103	9%	-2%	334	307	9%

Group functions

Introduction

Our Group functions provide the four business areas with the services, subject matter expertise, data and technology infrastructure needed for Nordea to be the preferred financial partner in the Nordics. The Group functions consist of Group Business Support; Chief of Staff Office; Group Brand, Communication and Marketing; Group Risk; Group Compliance; Group People; Group Legal; Group Finance and Group Internal Audit.

Together with the results of the business areas, the results of the Group functions add up to the reported result for the Group. The income primarily originates from Group Treasury. The majority of costs as well as income is distributed to the business areas.

Business development

During the third quarter we remained focused on investing in initiatives to combat financial crime, limit operational risks and advancing our business technology strategy.

While strict cost control remains a priority, we also made significant investments to secure a robust operating model and deliver on regulatory requirements.

Financial outcome

Total operating income in the third quarter amounted to EUR 35m, up from EUR 24m in the same quarter last year. The increase was mainly driven by higher net fee and commission income.

Net result from items at fair value amounted to EUR 31m; a year-on-year increase of EUR 3m.

Total operating expenses amounted to EUR 48m; a year-on-year increase of EUR 30m. The increase was driven by the settlement of a regulatory investigation in the US.

Group functions

	Q324	Q224	Q124	Q423	Q323	Q3/Q3	Q3/Q2	Jan-Sep 24	Jan-Sep 23
EURm									
Net interest income	11	15	19	14	9			45	3
Net fee and commission income	-8	-4	-11	-21	-16			-23	-31
Net insurance result	-1	0	1	-1	1			0	2
Net result from items at fair value	31	6	29	-44	28			66	98
Other income	2	3	4	3	2			9	4
Total operating income	35	20	42	-49	24			97	76
Total operating expenses	-48	1	12	10	-18			-35	-25
Profit before loan losses	-13	21	54	-39	6			62	51
Net loan losses and similar net result	0	-5	4	-4	2			-1	8
Operating profit	-13	16	58	-43	8			61	59
Allocated Equity	3,335	3,346	2,091	5,471	4,707			3,335	4,707
Risk exposure amount (REA)	5,916	5,849	6,275	9,396	9,396			5,916	9,396
Number of employees (FTEs)	14,648	14,484	14,379	14,129	14,080	4%	1%	14,648	14,080

Income statement

	Note	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Operating income						
Interest income calculated using the effective interest rate method		4,598	4,642	14,274	12,498	17,303
Other interest income		622	640	1,912	1,783	2,426
Interest expense		-3,338	-3,373	-10,446	-8,776	-12,278
Net interest income	3	1,882	1,909	5,740	5,505	7,451
Fee and commission income		998	956	3,006	2,922	3,923
Fee and commission expense		-224	-214	-674	-664	-902
Net fee and commission income	4	774	742	2,332	2,258	3,021
Return on assets backing insurance liabilities		627	-203	2,235	968	2,224
Insurance result		-567	266	-2,051	-791	-2,007
Net insurance result	5	60	63	184	177	217
Net result from items at fair value	6	284	225	822	860	1,014
Profit or loss from associated undertakings and joint ventures accounted for under the equity method		4	4	13	-5	-3
Other operating income		10	9	38	33	43
Total operating income		3,014	2,952	9,129	8,828	11,743
Operating expenses						
General administrative expenses:						
Staff costs		-779	-729	-2,289	-2,173	-2,908
Other expenses	7	-380	-292	-1,079	-883	-1,206
Regulatory fees	8	-18	-20	-99	-296	-316
Depreciation, amortisation and impairment charges of tangible and intangible assets	9	-152	-153	-429	-469	-808
Total operating expenses		-1,329	-1,194	-3,896	-3,821	-5,238
Profit before loan losses		1,685	1,758	5,233	5,007	6,505
Net result on loans in hold portfolios mandatorily held at fair value		1	0	-10	8	20
Net loan losses	10	-52	-33	-142	-92	-187
Operating profit		1,634	1,725	5,081	4,923	6,338
Income tax expense		-368	-380	-1,151	-1,095	-1,404
Net profit for the period		1,266	1,345	3,930	3,828	4,934
Attributable to:						
Shareholders of Nordea Bank Abp		1,266	1,345	3,904	3,802	4,908
Additional Tier 1 capital holders		-	-	26	26	26
Total		1,266	1,345	3,930	3,828	4,934
Basic earnings per share, EUR		0.36	0.38	1.11	1.06	1.37
Diluted earnings per share, EUR		0.36	0.38	1.11	1.06	1.37

Statement of comprehensive income

	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm					
Net profit for the period	1,266	1,345	3,930	3,828	4,934
Items that may be reclassified subsequently to the income statement					
<i>Currency translation:</i>					
Currency translation differences	-236	381	-459	-676	-436
Tax on currency translation differences	-	-	-	-	0
<i>Hedging of net investments in foreign operations:</i>					
Valuation gains/losses	83	-137	159	145	55
<i>Fair value through other comprehensive income:¹</i>					
Valuation gains/losses, net of recycling	-27	18	14	32	19
Tax on valuation gains/losses	6	-4	-3	-7	-5
<i>Cash flow hedges:</i>					
Valuation gains/losses, net of recycling	-23	-26	-10	14	2
Tax on valuation gains/losses	5	5	2	-3	0
Items that may not be reclassified subsequently to the income statement					
<i>Changes in own credit risk related to liabilities classified as fair value option:</i>					
Valuation gains/losses	1	-4	-7	11	13
Tax on valuation gains/losses	0	3	2	-2	-3
<i>Defined benefit plans:</i>					
Remeasurement of defined benefit plans	24	-14	87	100	-36
Tax on remeasurement of defined benefit plans	-6	2	-21	-23	9
<i>Companies accounted for under the equity method:</i>					
Other comprehensive income from companies accounted for under the equity method	0	-1	5	-2	-4
Tax on other comprehensive income from companies accounted for under the equity method	0	0	-1	0	1
Other comprehensive income, net of tax	-173	223	-232	-411	-385
Total comprehensive income	1,093	1,568	3,698	3,417	4,549
Attributable to:					
Shareholders of Nordea Bank Abp	1,093	1,568	3,672	3,391	4,523
Additional Tier 1 capital holders	-	-	26	26	26
Total	1,093	1,568	3,698	3,417	4,549

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

Balance sheet

	Note	30 Sep 2024	31 Dec 2023	30 Sep 2023
EURm				
Assets	12			
Cash and balances with central banks		51,232	50,622	59,759
Loans to central banks	11	2,079	1,909	2,647
Loans to credit institutions	11	6,511	2,363	6,860
Loans to the public	11	348,896	344,828	343,292
Interest-bearing securities		69,809	68,000	70,225
Shares		37,779	22,158	27,272
Assets in pooled schemes and unit-linked investment contracts		58,696	50,531	46,744
Derivatives		22,210	26,525	33,677
Fair value changes of hedged items in portfolio hedges of interest rate risk		-265	-871	-1,590
Investments in associated undertakings and joint ventures		477	481	478
Intangible assets		3,840	3,826	3,958
Properties and equipment		1,580	1,653	1,623
Investment properties		2,122	2,199	2,211
Deferred tax assets		220	254	310
Current tax assets		302	217	179
Retirement benefit assets		329	225	264
Other assets		10,265	8,921	11,006
Prepaid expenses and accrued income		1,209	755	909
Assets held for sale		124	106	-
Total assets		617,415	584,702	609,824
Liabilities	12			
Deposits by credit institutions		34,630	29,504	37,298
Deposits and borrowings from the public		222,064	210,062	213,893
Deposits in pooled schemes and unit-linked investment contracts		59,450	51,573	47,662
Insurance contract liabilities		29,878	27,568	26,139
Debt securities in issue		188,943	182,548	191,180
Derivatives		23,004	30,794	35,607
Fair value changes of hedged items in portfolio hedges of interest rate risk		-356	-869	-2,076
Current tax liabilities		432	413	601
Other liabilities		17,975	13,727	21,543
Accrued expenses and prepaid income		1,644	1,274	1,164
Deferred tax liabilities		729	505	728
Provisions		330	371	373
Retirement benefit obligations		247	287	239
Subordinated liabilities		6,991	5,720	5,103
Total liabilities		585,961	553,477	579,454
Equity				
Additional Tier 1 capital holders		750	750	750
Share capital		4,050	4,050	4,050
Invested unrestricted equity		1,053	1,063	1,070
Other reserves		-2,581	-2,345	-2,372
Retained earnings		28,182	27,707	26,872
Total equity		31,454	31,225	30,370
Total liabilities and equity		617,415	584,702	609,824
Off-balance sheet items				
Assets pledged as security for own liabilities		212,898	185,339	179,116
Other assets pledged ¹		236	236	236
Contingent liabilities		20,197	20,489	20,636
Credit commitments ²		87,117	82,773	83,734
Other commitments		2,636	2,611	2,551

¹ Includes interest-bearing securities pledged as security for payment settlements with central banks and clearing institutions.

² Including unutilised portion of approved overdraft facilities of EUR 27,437m (31 December 2023: EUR 27,411m; 30 September 2023: EUR 26,272m).

Statement of changes in equity

EURm	Attributable to shareholders of Nordea Bank Abp										Additional Tier 1 capital holders	Total equity
	Other reserves:							Retained earnings	Total			
	Share capital ¹	Invested un-restricted equity	Trans-lation of foreign operations	Cash flow hedges	Fair value through other comprehensive income	Defined benefit plans	Changes in own credit risk related to liabilities classified as fair value option					
Balance as at 1 Jan 2024	4,050	1,063	-2,272	66	-6	-136	3	27,707	30,475	750	31,225	
Net profit for the period	-	-	-	-	-	-	-	3,904	3,904	26	3,930	
Other comprehensive income, net of tax	-	-	-300	-8	11	66	-5	4	-232	-	-232	
Total comprehensive income	-	-	-300	-8	11	66	-5	3,908	3,672	26	3,698	
Paid interest on Additional Tier 1 capital, net of tax	-	-	-	-	-	-	-	5	5	-26	-21	
Share-based payments	-	-	-	-	-	-	-	8	8	-	8	
Dividend	-	-	-	-	-	-	-	-3,218	-3,218	-	-3,218	
Purchase of own shares ²	-	-10	-	-	-	-	-	-228	-238	-	-238	
Balance as at 30 Sep 2024	4,050	1,053	-2,572	58	5	-70	-2	28,182	30,704	750	31,454	
Balance as at 1 Jan 2023	4,050	1,082	-1,891	64	-20	-109	-7	26,927	30,096	748	30,844	
Net profit for the period	-	-	-	-	-	-	-	4,908	4,908	26	4,934	
Other comprehensive income, net of tax	-	-	-381	2	14	-27	10	-3	-385	-	-385	
Total comprehensive income	-	-	-381	2	14	-27	10	4,905	4,523	26	4,549	
Paid interest on Additional Tier 1 capital, net of tax	-	-	-	-	-	-	-	5	5	-26	-21	
Change in Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	2	2	
Share-based payments	-	-	-	-	-	-	-	19	19	-	19	
Dividend	-	-	-	-	-	-	-	-2,876	-2,876	-	-2,876	
Purchase of own shares ²	-	-19	-	-	-	-	-	-1,264	-1,283	-	-1,283	
Other changes	-	-	-	-	-	-	-	-9	-9	-	-9	
Balance as at 31 Dec 2023	4,050	1,063	-2,272	66	-6	-136	3	27,707	30,475	750	31,225	
Balance as at 1 Jan 2023	4,050	1,082	-1,891	64	-20	-109	-7	26,927	30,096	748	30,844	
Net profit for the period	-	-	-	-	-	-	-	3,802	3,802	26	3,828	
Other comprehensive income, net of tax	-	-	-531	11	25	77	9	-2	-411	-	-411	
Total comprehensive income	-	-	-531	11	25	77	9	3,800	3,391	26	3,417	
Paid interest on Additional Tier 1 capital, net of tax	-	-	-	-	-	-	-	5	5	-26	-21	
Change in Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	2	2	
Share-based payments	-	-	-	-	-	-	-	12	12	-	12	
Dividend	-	-	-	-	-	-	-	-2,876	-2,876	-	-2,876	
Purchase of own shares ²	-	-12	-	-	-	-	-	-987	-999	-	-999	
Other changes	-	-	-	-	-	-	-	-9	-9	-	-9	
Balance as at 30 Sep 2023	4,050	1,070	-2,422	75	5	-32	2	26,872	29,620	750	30,370	

¹ Total shares registered were 3,506 million (31 December 2023: 3,528 million; 30 September 2023: 3,557 million). The number of own shares was 6.7 million (31 December 2023: 9.1 million; 30 September 2023: 10.7 million), which represents 0.2% (31 December 2023: 0.3%; 30 September 2023: 0.3%) of the total shares in Nordea. Each share represents one voting right.

² The change in the holding of own shares related to treasury shares held for remuneration purposes and to the trading portfolio was accounted for as a decrease/increase in "Invested unrestricted equity". The number of treasury shares held for remuneration purposes was 3.5 million (31 December 2023: 4.8 million; 30 September 2023: 4.8 million). The share buy-back amounted to EUR 228m (31 December 2023: EUR 1,263m; 30 September 2023: EUR 986m) and was accounted for as a reduction in "Retained earnings". The transaction cost in relation to the share buy-back amounted to EUR 0m (31 December 2023: EUR 1m; 30 September 2023: EUR 1m).

Cash flow statement, condensed

	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm			
Operating activities			
Operating profit	5,081	4,923	6,338
Adjustments for items not included in cash flow	681	68	5,899
Income taxes paid	-951	-663	-1,480
Cash flow from operating activities before changes in operating assets and liabilities	4,811	4,328	10,757
Changes in operating assets and liabilities	-490	-1,914	-17,229
Cash flow from operating activities	4,321	2,414	-6,472
Investing activities			
Acquisition/sale of business operations	-	-37	-37
Acquisition/sale of associated undertakings and joint ventures	-	0	-1
Acquisition/sale of property and equipment	-32	-46	-53
Acquisition/sale of intangible assets	-345	-324	-444
Cash flow from investing activities	-377	-407	-535
Financing activities			
Issued/amortised subordinated liabilities	1,193	-205	295
Sale/repurchase of own shares, including change in trading portfolio	-239	-999	-1,283
Dividend paid	-3,218	-2,876	-2,876
Paid interest on Additional Tier 1 capital	-26	-26	-26
Amortisation of the principal part of lease liabilities	-85	-90	-118
Cash flow from financing activities	-2,375	-4,196	-4,008
Cash flow for the period	1,569	-2,189	-11,015
Cash and cash equivalents	30 Sep 2024	30 Sep 2023	31 Dec 2023
EURm			
Cash and cash equivalents at beginning of the period	51,362	62,877	62,877
Translation differences	-295	-250	-500
Cash and cash equivalents at end of the period	52,636	60,438	51,362
Change	1,569	-2,189	-11,015
The following items are included in cash and cash equivalents:			
Cash and balances with central banks	51,232	59,759	50,622
Loans to central banks	4	3	3
Loans to credit institutions	1,400	676	737
Total cash and cash equivalents	52,636	60,438	51,362

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority where the following conditions are fulfilled:

- the central bank or postal giro system is domiciled in the country where the institution is established,
- the balance on the account is readily available at any time.

Loans to credit institutions payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Notes to the financial statements

Note 1 Accounting policies

The consolidated interim financial statements are prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting, as endorsed by the European Union (EU).

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 2023. The accounting policies and methods of computation are unchanged from the 2023 Annual Report, except for those relating to the items presented in the section "Changed accounting policies and presentation" below. For more information, see the accounting policies in the 2023 Annual Report.

Changed accounting policies and presentation

Changed presentation of net fee and commission income

As from 1 January 2024 the lines "Payments" and "Cards" in Note 4 "Net fee and commission income" are combined into one line labelled "Payments and cards". Payment and card services are often offered as a package which makes it difficult to split commission income for these services. In addition, minor changes have been made to the labelling of the other lines in the note, but the content remains the same.

Comparative figures have been restated accordingly and the impacts on the third quarter and the first three quarters 2024 can be found in the table below.

Q3 2024			
EURm	Old policy	Change	New policy
Payments	72	-72	-
Cards	78	-78	-
Payments and cards	-	150	150

Jan-Sep 2024			
EURm	Old policy	Change	New policy
Payments	211	-211	-
Cards	225	-225	-
Payments and cards	-	436	436

Other amendments

The following amended standards issued by the IASB were implemented by Nordea on 1 January 2024 but have not had any significant impact on its financial statements.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current as well as Classification of Liabilities as Current or Non-current – Deferral of Effective Date; and Non-current Liabilities with Covenants.
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.

Changes in IFRSs not yet applied

IFRS 18 Presentation and Disclosures 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 sets out the requirements for presentation and disclosures in financial statements with focus on the income statement and reporting of financial performance.

The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The standard is not yet endorsed by the EU. Nordea does not currently intend to adopt these amendments before the effective date.

It is not yet possible to conclude how IFRS 18 will impact the presentation of Nordea's income statement and disclosures of management-defined performance measures. As IFRS 18 will not change Nordea's recognition and measurement it is not expected to have any significant impact on other financial statements or capital adequacy in the period of initial application.

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 of financial assets with contingent features, e.g. ESG-linked features, represent Solely Payment of Principal and Interest (SPPI), which is a condition for measurement at amortised cost. Under the amendments certain financial assets, including those with ESG-linked features, can meet the SPPI criterion at initial recognition, provided that their cash flows are not significantly different from the cash flows from identical financial assets without such features. Additional disclosures on financial assets and financial liabilities with contingent features will also be required. The new requirements are expected to support Nordea's current accounting treatment of loans with ESG-linked features and are consequently not expected to have any significant impact on Nordea's financial statements or capital adequacy in the period of initial application, other than disclosures.

The amendments also clarify the characteristics of contractually-linked instruments and non-recourse features. The current assessment is that these clarifications will not significantly impact the current classification of financial assets or capital adequacy in the period of initial application, but this remains subject to further analysis and is naturally dependent on the instruments on Nordea's balance sheet at the time of transition.

The amendments address the recognition and derecognition of financial assets and financial liabilities, including an optional exception relating to the derecognition of financial liabilities that are settled using an electronic payment system. The current assessment is that this amendment will not significantly impact Nordea's financial statements or capital adequacy in the period of initial application, but this remains subject to further analysis.

The new standard is effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The standard is not yet endorsed by the EU.

Other amendments

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

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

Exchange rates

	Jan-Sep 2024	Jan-Dec 2023	Jan-Sep 2023
EUR 1 = SEK			
Income statement (average)	11.4161	11.4740	11.4779
Balance sheet (at end of period)	11.3065	11.1275	11.5375
EUR 1 = DKK			
Income statement (average)	7.4587	7.4509	7.4485
Balance sheet (at end of period)	7.4559	7.4527	7.4578
EUR 1 = NOK			
Income statement (average)	11.5858	11.4238	11.3507
Balance sheet (at end of period)	11.7615	11.2120	11.2780

Note 2

Segment reporting

Jan-Sep 2024	Personal Banking	Business Banking	Large Corporates & Institutions	Asset & Wealth Management	Other operating segments	Total operating segments	Reconciliation	Total Group
Total operating income, EURm	3,511	2,572	1,774	1,075	37	8,969	160	9,129
– of which internal transactions ¹	-1,168	-409	-34	188	1,423	0	-	-
Operating profit, EURm	1,748	1,454	1,135	628	-4	4,961	120	5,081
Loans to the public ² , EURbn	162	91	51	12	0	316	33	349
Deposits and borrowings from the public, EURbn	85	52	48	12	0	197	25	222

Jan-Sep 2023³

Total operating income, EURm	3,371	2,467	1,750	1,047	16	8,651	177	8,828
– of which internal transactions ¹	-732	-292	-54	163	915	0	-	-
Operating profit, EURm	1,693	1,394	1,104	607	32	4,830	93	4,923
Loans to the public ² , EURbn	164	92	53	11	0	320	23	343
Deposits and borrowings from the public, EURbn	83	50	45	12	0	190	24	214

¹ IFRS 8 requires information on revenues from transactions between operating segments. Nordea has defined intersegment revenues as internal interest related to the funding of the reportable operating segments by the internal bank in Group Finance, included in "Other operating segments".

² The volumes are only disclosed separately for operating segments if separately reported to the Chief Operating Decision-Maker (CODM).

³ Comparable figures have been restated to reflect updated plan exchange rates in the reporting to the CODM. See Note G2.1 in the 2023 Annual Report for further information. Restatements have in addition been made due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

Reconciliation between total operating segments and financial statements

	Operating profit, EURm		Loans to the public, EURbn		Deposits and borrowings from the public, EURbn	
	Jan-Sep		30 Sep		30 Sep	
	2024	2023	2024	2023	2024	2023
Total operating segments	4,961	4,830	316	320	197	190
Group functions ¹	11	7	-	-	-	-
Unallocated items	51	16	29	18	23	21
Differences in accounting policies ²	58	70	4	5	2	3
Total	5,081	4,923	349	343	222	214

¹ Consists of Group Business Support, Group Internal Audit, Chief of Staff Office, Group People, Group Legal, Group Risk, Group Compliance and Group Brand, Communication and Marketing.

² Impact from plan exchange rates used in the segment reporting.

Measurement of operating segments' performance

The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision-Maker (CODM), as required by IFRS 8. In Nordea the CODM has been defined as the Chief Executive Officer, who is supported by the other members of the Group Leadership Team. The main difference compared with the section "Business areas" in this report is that the information in Note 2 is prepared using plan exchange rates, as this is the basis used in the reporting to the CODM.

Financial results are presented for the main business areas Personal Banking, Business Banking, Large Corporates & Institutions and Asset & Wealth Management. These are identified as reportable operating segments and are reported separately, as they are above the quantitative thresholds in IFRS 8. Other operating segments below the thresholds are included in "Other operating segments". Group functions (and eliminations), as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

There have been no changes in the basis of segmentation during the year.

Note 3 Net interest income

Net interest income	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Interest income calculated using the effective interest rate method	4,598	4,704	4,642	14,274	12,498	17,303
Other interest income	622	643	640	1,912	1,783	2,426
Interest expense	-3,338	-3,443	-3,373	-10,446	-8,776	-12,278
Net interest income	1,882	1,904	1,909	5,740	5,505	7,451

Interest income calculated using the effective interest rate method	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Loans to credit institutions	568	561	693	1,874	2,039	2,642
Loans to the public	3,420	3,481	3,240	10,410	8,640	12,095
Interest-bearing securities	309	307	250	917	651	931
Yield fees	62	62	47	167	144	201
Net interest paid or received on derivatives in accounting hedges of assets	239	293	412	906	1,024	1,434
Interest income calculated using the effective interest rate method	4,598	4,704	4,642	14,274	12,498	17,303

Other interest income	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Loans at fair value to the public	426	434	425	1,293	1,179	1,608
Interest-bearing securities measured at fair value	140	146	122	431	315	442
Net interest paid or received on derivatives in economic hedges of assets	56	63	93	188	289	376
Other interest income	622	643	640	1,912	1,783	2,426

Interest expense	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Deposits by credit institutions	-176	-178	-179	-710	-670	-865
Deposits and borrowings from the public	-1,297	-1,313	-1,102	-3,912	-2,830	-4,079
Deposit guarantee fees	-20	-19	-20	-59	-60	-80
Debt securities in issue	-1,292	-1,297	-1,417	-3,911	-3,755	-5,118
Subordinated liabilities	-67	-63	-57	-190	-167	-222
Other interest expense	-12	-4	-4	-21	-11	-15
Net interest paid or received on derivatives in hedges of liabilities	-474	-569	-594	-1,643	-1,283	-1,899
Interest expense	-3,338	-3,443	-3,373	-10,446	-8,776	-12,278

Note 4 Net fee and commission income

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Asset management	432	424	410	1,269	1,219	1,631
Life and pension	37	38	35	115	107	138
Deposit products	5	5	5	16	17	23
Custody and issuer services	2	7	-2	4	1	6
Brokerage and advisory	37	65	34	153	138	194
Payments and cards	150	146	139	436	411	544
Lending	105	107	109	319	324	437
Guarantees	12	4	13	26	48	56
Other	-6	-1	-1	-6	-7	-8
Total	774	795	742	2,332	2,258	3,021

Breakdown

	Personal Banking	Business Banking	Large Corporates & Institutions	Asset & Wealth Manage- ment	Other operating segments	Other and elimination	Nordea Group
Jan-Sep 2024							
EURm							
Asset management	419	59	5	786	0	0	1,269
Life and pension	138	52	2	-69	0	-8	115
Deposit products	2	13	1	0	0	0	16
Custody and issuer services	1	2	9	3	-9	-2	4
Brokerage and advisory	7	24	101	24	-1	-2	153
Payments and cards	182	172	71	0	0	11	436
Lending	60	117	139	3	0	0	319
Guarantees	0	2	36	0	3	-15	26
Other	21	-2	-6	-19	-1	1	-6
Total	830	439	358	728	-8	-15	2,332

Jan-Sep 2023

EURm							
Asset management	388	55	4	772	0	0	1,219
Life and pension	113	46	2	-50	0	-4	107
Deposit products	2	14	1	0	0	0	17
Custody and issuer services	1	3	6	2	-11	0	1
Brokerage and advisory	10	24	89	21	-4	-2	138
Payments and cards	193	154	67	0	0	-3	411
Lending	70	122	130	3	0	-1	324
Guarantees	4	13	35	0	-5	1	48
Other	14	3	-5	-17	-2	0	-7
Total	795	434	329	731	-22	-9	2,258

Note 5 Net insurance result

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Insurance revenue	161	164	166	482	461	613
Insurance service expenses	-106	-99	-103	-298	-273	-392
Net reinsurance result	-1	-4	-2	-6	-7	-6
Net insurance revenue	54	61	61	178	181	215
Insurance finance income or expenses	-621	-467	205	-2,229	-972	-2,222
Return on assets backing insurance liabilities	627	469	-203	2,235	968	2,224
Net insurance finance income or expenses	6	2	2	6	-4	2
Total	60	63	63	184	177	217

Note 6 Net result from items at fair value

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Equity-related instruments	272	42	33	383	150	243
Interest-related instruments and foreign exchange gains/losses	48	185	155	440	545	521
Other financial instruments (including credit and commodities)	-55	17	39	-27	149	235
Nordea Life & Pension ¹	19	3	-2	26	16	15
Total	284	247	225	822	860	1,014

¹ Internal transactions not eliminated against other lines in the Note. The line item "Nordea Life & Pension" consequently provides the true impact from the life insurance operations.

Note 7 Other expenses

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Information technology ¹	-188	-193	-162	-557	-477	-658
Marketing and representation	-18	-20	-13	-52	-41	-66
Postage, transportation, telephone and office expenses	-10	-13	-11	-37	-34	-46
Rents, premises and real estate	-26	-27	-31	-80	-81	-109
Professional services	-51	-44	-37	-134	-111	-178
Market data services	-23	-23	-23	-69	-66	-89
Other ²	-64	-41	-15	-150	-73	-60
Total	-380	-361	-292	-1,079	-883	-1,206

¹ Includes IT consultancy fees.

² Includes the transfer of expenses to fulfil insurance contracts within the scope of IFRS 17 to "Net insurance result" and the capitalisation of IT development expenses accounted for as intangible assets.

Note 8 Regulatory fees

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Resolution fees	-	-	-	-45	-234	-234
Bank tax	-18	-18	-20	-54	-62	-82
Total	-18	-18	-20	-99	-296	-316

Note 9 Depreciation, amortisation and impairment charges of tangible and intangible assets

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Depreciation/amortisation						
Properties and equipment	-56	-53	-53	-163	-165	-225
Intangible assets	-86	-85	-100	-256	-290	-384
Total	-142	-138	-153	-419	-455	-609
Impairment charges, net						
Properties and equipment	-	-	1	-	-5	-6
Intangible assets	-10	-	-1	-10	-9	-193
Total	-10	-	0	-10	-14	-199
Total	-152	-138	-153	-429	-469	-808

Note 10 Net loan losses

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
EURm						
Net loan losses, stage 1	4	-13	-9	22	-14	5
Net loan losses, stage 2	46	19	13	30	36	24
Net loan losses, non-credit-impaired assets	50	6	4	52	22	29
Stage 3, credit-impaired assets						
Net loan losses, individually assessed, collectively calculated	-60	10	7	-60	-33	-27
Realised loan losses	-55	-65	-55	-159	-177	-246
Decrease in provisions to cover realised loan losses	21	20	25	52	72	89
Recoveries on previous realised loan losses	10	8	6	31	25	35
Reimbursement right	2	5	-1	5	2	2
New/increase in provisions	-49	-103	-45	-204	-155	-253
Reversals of provisions	29	58	26	141	152	184
Net loan losses, credit-impaired assets	-102	-67	-37	-194	-114	-216
Net loan losses	-52	-61	-33	-142	-92	-187

Key ratios

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Net loan loss ratio, amortised cost, bp	8	9	5	7	5	7
- of which stage 1	-1	2	1	-1	1	0
- of which stage 2	-7	-3	-2	-2	-2	-1
- of which stage 3	16	10	6	10	6	8

Note 11 Loans and impairment

	Total		
	30 Sep 2024	31 Dec 2023	30 Sep 2023
EURm			
Loans measured at fair value	87,722	74,728	80,835
Loans measured at amortised cost, not impaired (stages 1 and 2)	268,542	273,568	271,321
Impaired loans (stage 3)	2,857	2,457	2,234
- of which servicing	1,351	1,091	959
- of which non-servicing	1,506	1,366	1,275
Loans before allowances	359,121	350,753	354,390
- of which central banks and credit institutions	8,601	4,293	9,528
Allowances for individually assessed impaired loans (stage 3)	-1,090	-1,037	-991
- of which servicing	-468	-453	-437
- of which non-servicing	-622	-584	-554
Allowances for collectively assessed loans (stages 1 and 2)	-545	-616	-600
Allowances	-1,635	-1,653	-1,591
- of which central banks and credit institutions	-11	-21	-21
Loans, carrying amount	357,486	349,100	352,799

Exposures measured at amortised cost and fair value through OCI, before allowances

	30 Sep 2024			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	250,001	18,541	2,857	271,399
Interest-bearing securities	38,011	-	-	38,011
Total	288,012	18,541	2,857	309,410

	30 Sep 2023			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	257,333	13,988	2,234	273,555
Interest-bearing securities	34,432	-	-	34,432
Total	291,765	13,988	2,234	307,987

Allowances and provisions

	30 Sep 2024			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	-184	-361	-1,090	-1,635
Interest-bearing securities	-2	-	-	-2
Provisions for off-balance sheet items	-46	-99	-20	-165
Total allowances and provisions	-232	-460	-1,110	-1,802

	30 Sep 2023			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	-224	-376	-991	-1,591
Interest-bearing securities	-2	-	-	-2
Provisions for off-balance sheet items	-55	-104	-19	-178
Total allowances and provisions	-281	-480	-1,010	-1,771

Movements of allowance accounts for loans measured at amortised cost

	Stage 1	Stage 2	Stage 3	Total
EURm				
Balance as at 1 Jan 2024	-206	-410	-1,037	-1,653
Changes due to origination and acquisition	-44	-20	-10	-74
Transfer from stage 1 to stage 2	8	-122	-	-114
Transfer from stage 1 to stage 3	1	-	-101	-100
Transfer from stage 2 to stage 1	-5	52	-	47
Transfer from stage 2 to stage 3	-	22	-137	-115
Transfer from stage 3 to stage 1	0	-	5	5
Transfer from stage 3 to stage 2	-	-5	31	26
Changes due to change in credit risk (net)	19	33	12	64
Changes due to repayments and disposals	42	87	86	215
Write-off through decrease in allowance account	-	-	53	53
Translation differences	1	2	8	11
Balance as at 30 Sep 2024	-184	-361	-1,090	-1,635

Note 11 Continued

	Stage 1	Stage 2	Stage 3	Total
EURm				
Balance as at 1 Jan 2023	-220	-408	-1,045	-1,673
Changes due to origination and acquisition	-63	-18	-6	-87
Transfer from stage 1 to stage 2	6	-124	-	-118
Transfer from stage 1 to stage 3	0	-	-57	-57
Transfer from stage 2 to stage 1	-7	64	-	57
Transfer from stage 2 to stage 3	-	17	-103	-86
Transfer from stage 3 to stage 1	-1	-	9	8
Transfer from stage 3 to stage 2	-	-4	22	18
Changes due to change in credit risk (net)	13	37	34	84
Changes due to repayments and disposals	42	56	70	168
Write-off through decrease in allowance account	-	-	71	71
Translation differences	6	4	14	24
Balance as at 30 Sep 2023	-224	-376	-991	-1,591

Key ratios¹

	30 Sep 2024	31 Dec 2023	30 Sep 2023
Impairment rate (stage 3), gross, basis points	105	89	82
Impairment rate (stage 3), net, basis points	65	51	45
Total allowance rate (stages 1, 2 and 3), basis points	60	60	58
Allowances in relation to impaired loans (stage 3), %	38	42	44
Allowances in relation to loans in stages 1 and 2, basis points	20	23	22

¹ For definitions, see Glossary.

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. It also includes the impact of exposures with one rating grade above default becoming default, which is estimated at EUR 115m (EUR 120m at the end of June 2024). This figure is based on calculations using the statistical model rather than individual estimates as would be the case in reality for material defaulted loans.

	30 Sep 2024		31 Dec 2023	
	Recognised provisions	Provisions if one notch downgrade	Recognised provisions	Provisions if one notch downgrade
EURm				
Personal Banking	428	541	405	526
Business Banking	992	1,108	986	1,114
Large Corporates & Institutions	361	391	396	431
Other	21	34	38	51
Group	1,802	2,074	1,825	2,122

Forward-looking information

Forward-looking information is used for both assessing significant increases in credit risk and calculating expected credit losses. Nordea uses three macroeconomic scenarios: a baseline scenario, a favourable scenario and an adverse scenario. For the third quarter of 2024, the scenarios were weighted into the final expected credit losses (ECL) as follows: baseline 60%, adverse 20% and favourable 20% (baseline 50%, adverse 40% and favourable 10% at the end of the second quarter of 2024).

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's view of how the Nordic economies might develop in light of continued geopolitical uncertainty, weak growth in major European economies and lingering effects of the surge in inflation and energy prices seen in recent years. This includes consideration of continued high inflation, reinforced by a renewed surge in energy prices, and how high interest rates impact financial markets and economic activity. When developing the scenarios and determining the relative weighting between the scenarios Nordea took into account projections made by Nordic central banks, Nordea Research and the European Central Bank.

The baseline scenario foresees soft landings in the Nordic economies with unemployment largely unchanged in the coming years as the pass-through of higher rates and elevated inflation continue to weigh on economic activity. In 2024 growth in Finland remains weak or negative, while Norway and Sweden are expected to see modest growth. Denmark will see relatively high growth driven by the pharmaceutical sector. In subsequent years, growth is projected to continue in the Nordics, as inflation falls and central banks lower interest rates. A modest recovery in home prices is expected to materialise in 2024 and onwards 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's two alternative macroeconomic scenarios cover a range of plausible risk factors which may cause growth to deviate from the baseline scenario. Persistent and high inflation, reinforced by higher energy prices related to renewed geopolitical tensions, may lead central banks to adopt a higher for longer strategy, triggering a deeper recession due to falling private consumption and investments. In addition, home prices may see an even larger decline due to higher interest rates, a squeeze in household purchasing power and weak confidence. Normalising inflation and lower interest rates, on the other hand, may lead to a stronger recovery than assumed in the baseline scenario.

At the end of the third quarter of 2024 adjustments to model-based allowances/provisions amounted to EUR 499m, including management judgements. The management judgement allowances cover expected credit losses not yet adequately captured by the IFRS 9 modelled outcomes. During the quarter, allowance levels were reassessed and EUR 30m was released due to improved macroeconomic outlook, including lower inflation and interest rate levels. The overall amount of management judgement allowances consequently decreased to EUR 435m from EUR 464m in the previous quarter.

Note 11 Continued

Scenarios and allowances/provisions

30 Sep 2024

					Unweighted ECL	Probability	Model-based allowances/ provisions	Adjustments to model-based allowances/ provisions	Individual allowances/ provisions	Total allowances/ provisions
		2025	2026	2027	EURm	weight	EURm	EURm	EURm	EURm
Denmark										
Favourable scenario	GDP growth, %	2.7	1.7	1.5	131	20%				
	Unemployment, %	2.8	2.7	2.7						
	Change in household consumption, %	1.5	1.7	1.1						
	Change in house prices, %	2.7	2.9	2.4						
Baseline scenario	GDP growth, %	1.8	1.3	1.3	133	60%	135	87	215	437
	Unemployment, %	3.1	3.1	3.1						
	Change in household consumption, %	1.0	1.2	0.9						
	Change in house prices, %	1.3	2.3	2.0						
Adverse scenario	GDP growth, %	-0.8	1.0	1.2	145	20%				
	Unemployment, %	4.9	4.9	4.8						
	Change in household consumption, %	-0.2	0.6	0.3						
	Change in house prices, %	-5.0	0.4	1.1						
Finland										
Favourable scenario	GDP growth, %	3.3	1.4	1.3	232	20%				
	Unemployment, %	7.4	7.3	7.3						
	Change in household consumption, %	1.2	1.5	1.3						
	Change in house prices, %	1.6	2.5	2.3						
Baseline scenario	GDP growth, %	1.2	1.7	1.7	239	60%	242	200	193	635
	Unemployment, %	7.8	7.6	7.6						
	Change in household consumption, %	0.7	1.3	1.3						
	Change in house prices, %	1.0	2.2	1.8						
Adverse scenario	GDP growth, %	-1.5	1.1	1.3	263	20%				
	Unemployment, %	8.9	8.9	8.8						
	Change in household consumption, %	-0.2	0.6	0.7						
	Change in house prices, %	-3.3	0.9	1.8						
Norway										
Favourable scenario	GDP growth, %	2.3	1.1	0.8	105	20%				
	Unemployment, %	3.8	3.8	3.6						
	Change in household consumption, %	2.7	2.4	2.1						
	Change in house prices, %	3.6	2.7	2.4						
Baseline scenario	GDP growth, %	1.9	0.4	0.6	107	60%	108	114	93	315
	Unemployment, %	4.0	4.1	4.0						
	Change in household consumption, %	2.7	2.2	2.0						
	Change in house prices, %	2.3	2.6	2.4						
Adverse scenario	GDP growth, %	-1.3	0.4	0.6	116	20%				
	Unemployment, %	5.1	5.2	5.0						
	Change in household consumption, %	2.6	1.7	1.5						
	Change in house prices, %	-5.9	1.6	1.9						
Sweden										
Favourable scenario	GDP growth, %	3.2	2.4	2.0	121	20%				
	Unemployment, %	7.9	7.6	7.7						
	Change in household consumption, %	2.6	2.8	2.6						
	Change in house prices, %	3.4	3.3	2.7						
Baseline scenario	GDP growth, %	1.9	2.1	2.1	124	60%	126	105	181	412
	Unemployment, %	8.3	8.0	8.0						
	Change in household consumption, %	2.3	2.5	2.5						
	Change in house prices, %	2.3	3.1	2.6						
Adverse scenario	GDP growth, %	-1.4	1.3	2.0	135	20%				
	Unemployment, %	10.6	10.5	10.4						
	Change in household consumption, %	0.9	1.3	1.6						
	Change in house prices, %	-3.1	1.1	2.0						
Non-Nordic							10	-7	0	3
Total							621	499	682	1,802

Note 11 Continued

Scenarios and allowances/provisions

31 Dec 2023

					Unweighted ECL	Probability	Model-based allowances/ provisions	Adjustments to model-based allowances/ provisions	Individual allowances/ provisions	Total allowances/ provisions
		2024	2025	2026	EURm	weight	EURm	EURm	EURm	EURm
Denmark										
Favourable scenario	GDP growth, %	2.1	1.7	1.7	135	10%				
	Unemployment, %	2.8	2.8	2.8						
	Change in household consumption, %	1.8	1.5	1.6						
	Change in house prices, %	1.9	2.8	3.2						
Baseline scenario	GDP growth, %	1.0	1.3	1.4	137	50%	142	104	203	449
	Unemployment, %	3.2	3.4	3.4						
	Change in household consumption, %	1.3	1.0	1.0						
	Change in house prices, %	0.7	2.1	2.5						
Adverse scenario	GDP growth, %	-0.9	0.3	0.7	151	40%				
	Unemployment, %	3.9	4.5	4.7						
	Change in household consumption, %	0.1	-0.1	-0.1						
	Change in house prices, %	-2.6	-0.1	0.8						
Finland										
Favourable scenario	GDP growth, %	2.1	1.6	1.2	226	10%				
	Unemployment, %	7.6	7.1	6.8						
	Change in household consumption, %	2.4	1.4	1.1						
	Change in house prices, %	1.1	2.8	2.7						
Baseline scenario	GDP growth, %	0.2	1.4	1.5	233	50%	239	205	179	623
	Unemployment, %	8.0	7.4	7.1						
	Change in household consumption, %	0.8	1.1	1.1						
	Change in house prices, %	1.0	1.8	2.0						
Adverse scenario	GDP growth, %	-3.2	1.0	1.5	250	40%				
	Unemployment, %	8.6	8.3	7.9						
	Change in household consumption, %	-2.2	0.6	0.6						
	Change in house prices, %	-1.5	0.5	0.8						
Norway										
Favourable scenario	GDP growth, %	2.4	1.1	0.8	95	10%				
	Unemployment, %	3.1	3.2	3.4						
	Change in household consumption, %	1.9	2.4	2.7						
	Change in house prices, %	1.2	2.9	3.4						
Baseline scenario	GDP growth, %	0.4	1.0	1.1	99	50%	102	116	94	312
	Unemployment, %	3.6	3.8	3.8						
	Change in household consumption, %	0.1	1.9	2.5						
	Change in house prices, %	0.8	2.2	2.8						
Adverse scenario	GDP growth, %	-1.7	0.2	0.4	107	40%				
	Unemployment, %	4.4	4.8	4.9						
	Change in household consumption, %	-1.2	0.8	1.2						
	Change in house prices, %	-6.7	-1.5	2.0						
Sweden										
Favourable scenario	GDP growth, %	1.1	2.4	2.6	100	10%				
	Unemployment, %	8.0	7.9	7.9						
	Change in household consumption, %	1.7	2.2	2.7						
	Change in house prices, %	1.7	3.9	3.4						
Baseline scenario	GDP growth, %	-0.1	2.1	2.3	103	50%	105	121	211	437
	Unemployment, %	8.3	8.3	8.3						
	Change in household consumption, %	0.8	1.9	2.1						
	Change in house prices, %	0	2.6	3.8						
Adverse scenario	GDP growth, %	-1.5	1.0	1.3	108	40%				
	Unemployment, %	8.9	9.2	9.3						
	Change in household consumption, %	0	0.7	0.1						
	Change in house prices, %	-1.2	1.0	0.4						
Non-Nordic							1	3	0	4
Total							589	549	687	1,825

Note 11 Continued

Loans to the public measured at amortised cost, broken down by sector and industry

30 Sep 2024

EURm	Gross				Allowances				Loans carrying amount	Net loan losses ¹
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Financial institutions	14,707	501	59	15,267	7	11	29	47	15,220	-8
Agriculture	4,316	227	95	4,638	6	6	36	48	4,590	2
Crops, plantations and hunting	914	96	43	1,053	2	3	12	17	1,036	-6
Animal husbandry	622	86	50	758	2	3	24	29	729	7
Fishing and aquaculture	2,780	45	2	2,827	2	0	0	2	2,825	1
Natural resources	2,453	283	23	2,759	2	3	10	15	2,744	-4
Paper and forest products	1,440	252	18	1,710	1	2	9	12	1,698	-3
Mining and supporting activities	406	29	5	440	1	1	1	3	437	0
Oil, gas and offshore	607	2	0	609	0	0	0	0	609	-1
Consumer staples	5,453	353	33	5,839	9	8	13	30	5,809	19
Food processing and beverages	1,521	237	12	1,770	3	4	6	13	1,757	10
Household and personal products	641	38	7	686	1	1	4	6	680	2
Healthcare	3,291	78	14	3,383	5	3	3	11	3,372	7
Consumer discretionary and services	9,485	1,232	471	11,188	12	38	208	258	10,930	-9
Consumer durables	2,034	304	107	2,445	2	5	51	58	2,387	-8
Media and entertainment	1,409	195	79	1,683	2	3	36	41	1,642	-11
Retail trade	3,683	579	233	4,495	6	25	95	126	4,369	3
Air transportation	218	5	6	229	0	0	2	2	227	0
Accommodation and leisure	1,299	144	39	1,482	2	5	18	25	1,457	5
Telecommunication services	842	5	7	854	0	0	6	6	848	2
Industrials	26,483	3,517	665	30,665	42	99	295	436	30,229	-51
Materials	1,753	197	83	2,033	3	5	23	31	2,002	-13
Capital goods	3,272	549	28	3,849	4	17	17	38	3,811	9
Commercial and professional services	5,526	562	62	6,150	9	13	26	48	6,102	-16
Construction	6,568	1,004	219	7,791	13	25	92	130	7,661	-6
Wholesale trade	5,074	710	152	5,936	6	25	59	90	5,846	-24
Land transportation	2,159	271	44	2,474	4	6	26	36	2,438	-1
IT services	2,131	224	77	2,432	3	8	52	63	2,369	0
Maritime	4,626	36	48	4,710	11	5	23	39	4,671	1
Ship building	276	13	0	289	0	0	0	0	289	0
Shipping	3,890	18	48	3,956	11	4	23	38	3,918	1
Maritime services	460	5	0	465	0	1	0	1	464	0
Utilities and public service	6,914	135	110	7,159	6	2	46	54	7,105	-37
Utilities distribution	3,618	60	104	3,782	2	1	44	47	3,735	-38
Power production	2,569	15	2	2,586	1	0	1	2	2,584	1
Public services	727	60	4	791	3	1	1	5	786	0
Real estate	36,303	1,981	246	38,530	20	18	87	125	38,405	26
Other industries and reimbursement rights	1,767	181	11	1,959	2	1	2	5	1,954	-5
Total Corporate	112,507	8,446	1,761	122,714	117	191	749	1,057	121,657	-66
Housing loans	116,578	7,096	615	124,289	17	68	124	209	124,080	-13
Collateralised lending	11,565	1,983	277	13,825	27	30	123	180	13,645	-20
Non-collateralised lending	4,016	985	179	5,180	16	72	88	176	5,004	-43
Household	132,159	10,064	1,071	143,294	60	170	335	565	142,729	-76
Public sector	2,402	8	23	2,433	0	0	2	2	2,431	0
Lending to the public	247,068	18,518	2,855	268,441	177	361	1,086	1,624	266,817	-142
Lending to central banks and credit institutions	2,933	23	2	2,958	7	0	4	11	2,947	0
Total	250,001	18,541	2,857	271,399	184	361	1,090	1,635	269,764	-142

¹ The table shows net loan losses related to on- and off-balance sheet exposures for September 2024 year to date.

Note 11 Continued

Loans to the public measured at amortised cost, broken down by sector and industry

31 Dec 2023

EURm	Gross				Allowances				Loans carrying amount	Net loan losses ¹
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Financial institutions	13,531	253	67	13,851	8	8	38	54	13,797	-7
Agriculture	4,278	192	68	4,538	7	7	35	49	4,489	22
Crops, plantations and hunting	930	92	17	1,039	3	3	7	13	1,026	0
Animal husbandry	619	83	48	750	3	4	28	35	715	22
Fishing and aquaculture	2,729	17	3	2,749	1	0	0	1	2,748	0
Natural resources	2,235	198	18	2,451	3	5	14	22	2,429	-2
Paper and forest products	1,505	161	16	1,682	2	4	13	19	1,663	-5
Mining and supporting activities	405	34	2	441	0	1	1	2	439	0
Oil, gas and offshore	325	3	0	328	1	0	0	1	327	3
Consumer staples	5,013	266	89	5,368	8	10	32	50	5,318	-3
Food processing and beverages	1,685	161	53	1,899	3	5	16	24	1,875	-5
Household and personal products	592	28	8	628	2	1	5	8	620	-1
Healthcare	2,736	77	28	2,841	3	4	11	18	2,823	3
Consumer discretionary and services	10,578	1,141	566	12,285	16	51	220	287	11,998	-46
Consumer durables	2,533	381	104	3,018	2	6	61	69	2,949	-30
Media and entertainment	1,845	100	199	2,144	2	5	29	36	2,108	-21
Retail trade	3,796	480	222	4,498	9	30	105	144	4,354	-4
Air transportation	236	9	9	254	0	0	4	4	250	5
Accommodation and leisure	1,357	163	27	1,547	2	9	16	27	1,520	4
Telecommunication services	811	8	5	824	1	1	5	7	817	0
Industrials	28,990	3,196	414	32,600	53	110	251	414	32,186	-40
Materials	1,700	193	25	1,918	3	4	12	19	1,899	0
Capital goods	3,161	472	42	3,675	5	16	21	42	3,633	2
Commercial and professional services	5,992	408	45	6,445	11	12	18	41	6,404	1
Construction	7,471	1,106	120	8,697	17	38	77	132	8,565	-9
Wholesale trade	6,130	567	82	6,779	7	25	47	79	6,700	-21
Land transportation	2,701	214	35	2,950	5	6	28	39	2,911	19
IT services	1,835	236	65	2,136	5	9	48	62	2,074	-32
Maritime	5,143	67	48	5,258	15	2	23	40	5,218	12
Ship building	164	15	0	179	0	0	0	0	179	3
Shipping	4,612	49	48	4,709	15	2	23	40	4,669	9
Maritime services	367	3	0	370	0	0	0	0	370	0
Utilities and public service	6,471	108	14	6,593	5	3	8	16	6,577	1
Utilities distribution	3,381	60	8	3,449	2	1	4	7	3,442	1
Power production	2,566	12	1	2,579	2	1	1	4	2,575	0
Public services	524	36	5	565	1	1	3	5	560	0
Real estate	36,656	1,860	164	38,680	25	45	83	153	38,527	-35
Other industries and reimbursement rights	1,580	189	8	1,777	3	1	0	4	1,773	15
Total Corporate	114,475	7,470	1,456	123,401	143	242	704	1,089	122,312	-83
Housing loans	113,424	5,734	539	119,697	12	54	114	180	119,517	-20
Collateralised lending	18,163	2,035	277	20,475	31	41	124	196	20,279	-24
Non-collateralised lending	4,277	952	154	5,383	14	73	77	164	5,219	-61
Household	135,864	8,721	970	145,555	57	168	315	540	145,015	-105
Public sector	3,943	8	27	3,978	1	0	2	3	3,975	1
Lending to the public	254,282	16,199	2,453	272,934	201	410	1,021	1,632	271,302	-187
Lending to central banks and credit institutions	3,079	8	4	3,091	5	0	16	21	3,070	0
Total	257,361	16,207	2,457	276,025	206	410	1,037	1,653	274,372	-187

¹ The table shows net loan losses related to on- and off-balance sheet exposures for the full year 2023.

Note 12 Classification of financial instruments

	Fair value through profit or loss (FVPL)			Fair value through other comprehensive income (FVOCI)	Total
	Amortised cost (AC)	Mandatorily	Designated at fair value through profit or loss (fair value option)		
EURm					
Financial assets					
Cash and balances with central banks	51,232	-	-	-	51,232
Loans to central banks	410	1,669	-	-	2,079
Loans to credit institutions	2,537	3,974	-	-	6,511
Loans to the public	266,817	82,079	-	-	348,896
Interest-bearing securities	1,127	23,762	8,038	36,882	69,809
Shares	-	37,779	-	-	37,779
Assets in pooled schemes and unit-linked investment contracts	-	56,979	1,010	-	57,989
Derivatives	-	22,210	-	-	22,210
Fair value changes of hedged items in portfolio hedge of interest rate risk	-265	-	-	-	-265
Other assets	1,284	8,328	-	-	9,612
Prepaid expenses and accrued income	846	-	-	-	846
Total 30 Sep 2024	323,988	236,780	9,048	36,882	606,698
Total 31 Dec 2023	326,154	202,856	9,233	35,869	574,112

	Fair value through profit or loss (FVPL)			
	Amortised cost (AC)	Mandatorily	Designated at fair value through profit or loss (fair value option)	Total
EURm				
Financial liabilities				
Deposits by credit institutions	11,919	22,711	-	34,630
Deposits and borrowings from the public	206,870	15,194	-	222,064
Deposits in pooled schemes and unit-linked investment contracts	-	-	59,450	59,450
Debt securities in issue	134,807	-	54,136	188,943
Derivatives	-	23,004	-	23,004
Fair value changes of hedged items in portfolio hedge of interest rate risk	-356	-	-	-356
Other liabilities ¹	4,476	11,421	-	15,897
Accrued expenses and prepaid income	7	-	-	7
Subordinated liabilities	6,991	-	-	6,991
Total 30 Sep 2024	364,714	72,330	113,586	550,630
Total 31 Dec 2023	352,749	63,814	104,938	521,501

¹ Of which lease liabilities classified in the category "Amortised cost" amount to EUR 1,055m.

Note 13 Fair value of financial assets and liabilities

	30 Sep 2024		31 Dec 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
EURm				
Financial assets				
Cash and balances with central banks	51,232	51,232	50,622	50,622
Loans	357,221	358,688	348,229	350,263
Interest-bearing securities	69,809	69,816	68,000	68,008
Shares	37,779	37,779	22,158	22,158
Assets in pooled schemes and unit-linked investment contracts	57,989	57,989	49,802	49,802
Derivatives	22,210	22,210	26,525	26,525
Other assets	9,612	9,612	8,371	8,371
Prepaid expenses and accrued income	846	846	405	405
Total	606,698	608,172	574,112	576,154
Financial liabilities				
Deposits and debt instruments	452,272	452,924	426,965	427,651
Deposits in pooled schemes and unit-linked investment contracts	59,450	59,450	51,573	51,573
Derivatives	23,004	23,004	30,794	30,794
Other liabilities	14,842	14,842	11,058	11,058
Accrued expenses and prepaid income	7	7	8	8
Total	549,575	550,227	520,398	521,084

The determination of fair value is described in Note G3.4 "Fair value" in the 2023 Annual Report.

Note 14 Financial assets and liabilities held at fair value on the balance sheet

Categorisation in the fair value hierarchy

	Quoted prices in active markets for the same instruments (Level 1)	Of which Life & Pension	Valuation technique using observable data (Level 2)	Of which Life & Pension	Valuation technique using non- observable data (Level 3)	Of which Life & Pension	Total
EURm							
Assets at fair value on the balance sheet¹							
Loans to central banks	-	-	1,669	-	-	-	1,669
Loans to credit institutions	-	-	3,974	-	-	-	3,974
Loans to the public	-	-	82,079	-	-	-	82,079
Interest-bearing securities	21,634	1,572	45,107	6,233	1,941	1,059	68,682
Shares	35,275	17,362	167	77	2,337	976	37,779
Assets in pooled schemes and unit-linked investment contracts	56,361	52,302	1,291	1,291	337	337	57,989
Derivatives	50	-	20,835	25	1,325	-	22,210
Other assets	-	-	8,316	-	12	12	8,328
Total 30 Sep 2024	113,320	71,236	163,438	7,626	5,952	2,384	282,710
Total 31 Dec 2023	83,921	60,219	158,640	7,597	5,397	2,709	247,958
Liabilities at fair value on the balance sheet¹							
Deposits by credit institutions	-	-	22,711	-	-	-	22,711
Deposits and borrowings from the public	-	-	15,194	-	-	-	15,194
Deposits in pooled schemes and unit-linked investment contracts	-	-	59,450	55,459	-	-	59,450
Debt securities in issue	2,648	-	50,284	-	1,204	-	54,136
Derivatives	123	-	22,101	40	780	-	23,004
Other liabilities	2,941	-	8,282	38	198	-	11,421
Total 30 Sep 2024	5,712	-	178,022	55,537	2,182	-	185,916
Total 31 Dec 2023	6,982	-	159,617	47,408	2,153	-	168,752

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

Transfers between Levels 1 and 2

During the period Nordea transferred "Interest-bearing securities" of EUR 1,367m from Level 1 to Level 2 and of EUR 1,429m from Level 2 to Level 1 in the fair value hierarchy. Furthermore, Nordea transferred "Debt securities in issue" of EUR 4,618m from Level 1 to Level 2 and of EUR 2,077m from Level 2 to Level 1. Nordea also transferred "Other liabilities" of EUR 84m from Level 1 to Level 2 and of EUR 57m from Level 2 to Level 1. The transfers from Level 1 to Level 2 were due to the instruments ceasing to be actively traded during the period, which meant that fair values were obtained using valuation techniques with observable market inputs. The transfers from Level 2 to Level 1 were due to the instruments again being actively traded during the period, which meant that reliable quoted prices were obtained in the market. Transfers between levels are considered to have occurred at the end of the period.

Note 14 Continued

Movements in Level 3

		Fair value gains/losses recognised in the income statement during the period										
	1 Jan	Rea- lised	Un- reali- sed	Recog- nised in OCI	Purchases / Issues	Sales	Settle- ments	Transfers into Level 3	Transfers out of Level 3	Reclass- ification ¹	Transla- tion diff- erences	30 Sep
EURm												
Loans to credit institutions	-	-	-	-	16	-	-16	-	-	-	-	0
Loans to the public	2	-	-	-	23	-	-25	-	-	-	-	0
Interest-bearing securities	1,736	17	222	-	210	-209	-43	162	-100	-	-54	1,941
- of which Life & Pension	1,214	30	7	-	26	-138	-31	17	-14	-	-52	1,059
Shares	2,321	45	104	-	164	-183	-44	3	-41	-12	-20	2,337
- of which Life & Pension	1,041	45	19	-	50	-83	-44	-	-35	-	-17	976
Assets in pooled schemes and unit-linked investment contracts	436	17	-43	-	120	-151	-7	1	-32	-	-4	337
- of which Life & Pension	436	17	-43	-	120	-151	-7	1	-32	-	-4	337
Derivatives (net)	167	-22	26	-	-	-	22	303	49	-	-	545
Other assets	19	-	-	-	-	-	-7	-	-	-	-	12
- of which Life & Pension	18	-	-	-	-	-	-6	-	-	-	-	12
Deposits by credit institutions	-	-	-	-	136	-	-136	-	-	-	-	0
Debt securities in issue	1,292	52	-141	5	483	-	-237	-	-250	-	-	1,204
Other liabilities	145	-	-28	-	122	-46	-	5	-	-	-	198
Total 2024, net	3,244	5	478	-5	-208	-497	253	464	126	-12	-78	3,770
Total 2023, net	3,289	124	208	-	290	-609	41	309	-400	-	-167	3,085

¹ Reclassification related to conversion of Visa C-shares to Visa A-shares.

Unrealised gains and losses relate to those assets and liabilities held at the end of the reporting period. The transfers out of Level 3 were due to observable market data becoming available. The transfers into Level 3 were due to observable market data no longer being available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the period are included in "Net result from items at fair value". Assets and liabilities related to derivatives are presented net.

Valuation processes for fair value measurements in Level 3

For information about the valuation processes for fair value measurement in Level 3, see Note G3.4 "Fair value" in the 2023 Annual Report.

Deferred Day 1 profit

The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to the fact that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information, see Note G3.4 "Fair value" in the 2023 Annual Report. The table below shows the aggregated difference yet to be recognised in the income statement at the beginning and end of the period. The table also shows a reconciliation of how this aggregated difference changed during the period (movement of deferred Day 1 profit).

Deferred Day 1 profit – derivatives, net

	2024	2023
EURm		
Opening balance as at 1 Jan	73	84
Deferred profit on new transactions	31	31
Recognised in the income statement during the period ¹	-32	-36
Closing balance as at 30 Sep	72	79

¹ Of which EUR -2m (EUR -7m) is due to transfers of derivatives from Level 3 to Level 2.

Note 14 Continued

Valuation techniques and inputs used in the fair value measurements in Level 3

	Fair value	Of which Life & Pension ¹	Valuation techniques	Unobservable input	Range of fair value ⁴
EURm					
Interest-bearing securities					
Public bodies	203	104	Discounted cash flows	Credit spread	-10/10
Mortgage and other credit institutions	1,303	685	Discounted cash flows	Credit spread	-66/66
Corporates ²	435	270	Discounted cash flows	Credit spread	-19/19
Total 30 Sep 2024	1,941	1,059			-95/95
Total 31 Dec 2023	1,736	1,214			-73/73
Shares					
Private equity funds	1,417	598	Net asset value ³		-157/157
Hedge funds	146	145	Net asset value ³		-13/13
Credit funds	476	44	Net asset value/market consensus ³		-46/46
Other funds	184	174	Net asset value/fund prices ³		-12/12
Other ⁵	451	352	-		-52/51
Total 30 Sep 2024	2,674	1,313			-280/279
Total 31 Dec 2023	2,757	1,477			-288/288
Derivatives, net					
Interest rate derivatives	237	-	Option model	Correlations Volatilities	-8/10
Equity derivatives	-29	-	Option model	Correlations Volatilities Dividends	-6/3
Foreign exchange derivatives	286	-	Option model	Correlations Volatilities	-1/1
Credit derivatives	51	-	Credit derivative model	Correlations Volatilities Recovery rates	-9/10
Total 30 Sep 2024	545	-			-24/24
Total 31 Dec 2023	167	-			-23/24
Debt securities in issue					
Issued structured bonds	-1,204	-	Credit derivative model	Correlations Recovery rates Volatilities	-6/6
Total 30 Sep 2024	-1,204	-			-6/6
Total 31 Dec 2023	-1,292	-			-6/6
Other, net					
Other assets and other liabilities, net	-186	12	-	-	-20/20
Total 30 Sep 2024	-186	12			-20/20
Total 31 Dec 2023	-126	18			-12/12

¹ Investments in financial instruments are a major part of the life insurance business, acquired to fulfil the obligations behind the insurance and investment contracts. The gains or losses on these instruments are almost exclusively allocated to policyholders and consequently do not affect Nordea's equity.

² Of which EUR 150m is priced at a credit spread (the difference between the discount rate and the XIBOR) of 1.45%. A reasonable change in this credit spread would not affect the fair value due to callability features.

³ The fair values are based on prices and net asset values provided by external suppliers/custodians. The prices are fixed by the suppliers/custodians based on the development in the assets behind the investments. For private equity funds, the dominant measurement methodology used by the suppliers/custodians is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by Invest Europe (formerly EVCA). Approximately 60% of the private equity fund investments are internally adjusted/valued based on the IPEV guidelines. These carrying amounts are in a range of 1% to 100% compared with the values received from suppliers/custodians.

⁴ The column "Range of fair value" shows the sensitivity of Level 3 financial instruments to changes in key assumptions. For more information, see Note G3.4 "Fair value" in the 2023 Annual Report.

⁵ Of which EUR 337m relates to assets in pooled schemes and unit-linked investment contracts.

Note 15 Risks and uncertainties

Nordea is subject to various legal regimes and requirements, including but not limited to those of the Nordic countries, the European Union and the United States. The supervisory and governmental authorities administering and enforcing these regimes make regular enquiries and conduct investigations with regard to Nordea's compliance. Areas subject to investigation may include investment advice, anti-money laundering (AML), trade regulation and sanctions adherence, tax rules, competition law, governance, risk management and control. The outcome and timing of these enquiries and investigations are unclear and pending. Accordingly, it cannot be ruled out that these enquiries and investigations could lead to criticism against the bank, reputation loss, fines, sanctions, disputes and/or litigation.

In June 2015 the Danish Financial Supervisory Authority investigated how Nordea Bank Danmark A/S had followed the regulations regarding AML. The outcome resulted in criticism and, in accordance with Danish administrative practice, the matter was handed over to the police for further handling and possible sanctions. On 5 July 2024, the Danish National Special Crime Unit filed a formal charge against Nordea in the matter. As previously stated, Nordea has expected to be fined in Denmark for weak AML processes and procedures in the past and has made a provision for ongoing AML-related matters.

There is a risk that, in the event fines are issued by authorities or by final court decisions, the related costs could be higher (or potentially lower) than the current provision, and this could also impact Nordea's financial performance. Nordea believes that the current provision is adequate to cover these matters.

Within the framework of normal business operations, Nordea faces a number of operational and legal risks that could result in reputational impacts, fines, sanctions, disputes, losses and/or litigation. Specifically, Nordea faces potential claims related to the provision of banking and investment services and other areas in which it operates. Currently, such claims are mainly related to lending and insolvency situations, various investment services, and sub-custody and withholding taxation matters. At present, none of the current claims are considered likely to have any significant adverse effect on Nordea or its financial position.

There are significant risks related to the macroeconomic environment due to geopolitical developments and broader inflationary pressures. Reduced consumer spending and cost increases may particularly impact small and medium-sized enterprises in certain industries. Depending on future developments, there may be increased credit risk in Nordea's portfolio. Furthermore, potential adverse impacts on income could arise due to financial market volatility and reduced banking activity impacting transaction volumes and customer activity. Potential future credit risks are addressed in Note 11 and the section "Net loan losses and similar net result". Depending on the duration and magnitude of the situation, there is a possibility that Nordea will not be able to meet its financial targets in very adverse scenarios. In addition, Nordea recognises an increase in cyber risk as a consequence of the geopolitical situation.

Glossary

Allowances in relation to credit-impaired loans (stage 3)

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

Allowances in relation to loans in stages 1 and 2

Allowances for non-impaired loans (stages 1 and 2) divided by non-impaired loans measured at amortised cost (stages 1 and 2) before allowances.

Allocated equity

Allocated equity (AE) is Nordea's internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. AE uses advanced internal models to provide a consistent measurement for credit risk, market risk, operational risk, business risk and life insurance risk arising from activities in Nordea's business areas. It also takes local capital requirements and tax rates into account. Goodwill and other central deductions are also included.

Impairment rate (stage 3), gross

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

Impairment rate (stage 3), net

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

Net interest margin

Net interest income for the period as a percentage of average interest-earning assets, excluding Life & Pension and Markets where return on assets is reported under Net result from items at fair value.

Net loan loss ratio, amortised cost

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

Return on allocated equity

Return on allocated equity (RoAE) is defined as operating profit after standard tax as a percentage of average allocated equity.

Return on allocated equity with amortised resolution fees

RoAE with amortised resolution fees is defined as operating profit adjusted for the effect of resolution fees on an amortised basis after standard tax as a percentage of average allocated equity.

Return on equity

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest

expense on Additional Tier 1 capital (discretionary interest accrued). Average equity includes net profit for the period and dividend until paid, and excludes non-controlling interests and Additional Tier 1 capital.

Return on equity with amortised resolution fees

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued), and is adjusted for the effect of resolution fees on an amortised basis after tax. Average equity includes net profit for the period and dividend until paid, and excludes non-controlling interests and Additional Tier 1 capital.

Return on risk exposure amount

Net profit for the period as a percentage of average risk exposure amount for the period. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued).

Return on tangible equity

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued). Average equity includes net profit for the period and dividend until paid, excludes non-controlling interests and Additional Tier 1 capital, and is reduced with intangible assets.

Tier 1 capital

The Tier 1 capital of an institution consists of the sum of its Common Equity Tier 1 capital and Additional Tier 1 capital. Common Equity Tier 1 capital includes consolidated shareholders' equity excluding investments in insurance companies, proposed dividend, deferred tax assets, intangible assets in the banking operations, the full expected shortfall deduction (the negative difference between expected losses and provisions) and other deductions, such as cash flow hedges.

Tier 1 capital ratio

Tier 1 capital as a percentage of the risk exposure amount. The Common Equity Tier 1 capital ratio is defined as Common Equity Tier 1 capital as a percentage of the risk exposure amount.

Total allowance rate (stages 1, 2 and 3)

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

For a list of further alternative performance measures and business definitions, see <https://www.nordea.com/en/investor-relations/reports-and-presentations/group-interim-reports/> and the 2023 Annual Report.

Nordea Bank Abp

Income statement

	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
EURm					
Operating income					
Interest income	3,758	4,024	11,786	10,677	14,811
Interest expense	-2,382	-2,571	-7,587	-6,616	-9,254
Net interest income	1,376	1,453	4,199	4,061	5,557
Fee and commission income	581	543	1,780	1,694	2,305
Fee and commission expense	-140	-133	-414	-419	-574
Net fee and commission income	441	410	1,366	1,275	1,731
Net result from securities at fair value through profit or loss	272	292	789	885	1,054
Net result from securities at fair value through fair value reserve	11	-34	5	-38	-39
Income from equity investments	0	-2	782	877	1,747
Other operating income	203	154	589	548	741
Total operating income	2,303	2,273	7,730	7,608	10,791
Operating expenses					
Staff costs	-663	-610	-1,941	-1,803	-2,448
Other administrative expenses	-260	-217	-769	-633	-896
Other operating expenses	-181	-132	-430	-402	-566
Regulatory fees	-13	-15	-39	-207	-223
Depreciation, amortisation and impairment charges	-105	-108	-285	-549	-839
Total operating expenses	-1,222	-1,082	-3,464	-3,594	-4,972
Profit before loan losses	1,081	1,191	4,266	4,014	5,819
Net loan losses	-35	-27	-73	-46	-119
Operating profit	1,046	1,164	4,193	3,968	5,700
Income tax expense	-254	-267	-805	-754	-961
Net profit for the period	792	897	3,388	3,214	4,739

Nordea Bank Abp

Balance sheet

	30 Sep 2024	31 Dec 2023	30 Sep 2023
EURm			
Assets			
Cash and balances with central banks	49,549	49,150	59,538
Debt securities eligible for refinancing with central banks	55,987	59,967	53,033
Loans to credit institutions	76,566	68,589	76,768
Loans to the public	152,141	149,900	152,782
Interest-bearing securities	13,594	13,796	20,047
Shares	22,286	9,437	15,647
Investments in group undertakings	15,507	14,090	13,980
Investments in associated undertakings and joint ventures	76	64	63
Derivatives	23,073	27,832	35,931
Fair value changes of hedged items in portfolio hedges of interest rate risk	-89	-230	-393
Intangible assets	1,533	1,488	1,632
Tangible assets	225	227	223
Deferred tax assets	26	37	50
Current tax assets	169	128	71
Retirement benefit assets	320	220	253
Other assets	9,824	9,299	10,430
Prepaid expenses and accrued income	1,089	776	763
Total assets	421,876	404,770	440,818
Liabilities			
Deposits by credit institutions and central banks	41,386	36,488	45,137
Deposits and borrowings from the public	229,173	217,574	221,075
Debt securities in issue	74,317	71,859	86,012
Derivatives	24,208	32,202	37,067
Fair value changes of hedged items in portfolio hedges of interest rate risk	-356	-869	-2,076
Current tax liabilities	166	254	376
Other liabilities	16,388	12,295	20,018
Accrued expenses and prepaid income	1,286	916	811
Deferred tax liabilities	306	79	269
Provisions	344	381	398
Retirement benefit liabilities	201	237	195
Subordinated liabilities	6,991	5,720	5,103
Total liabilities	394,410	377,136	414,385
Equity			
Share capital	4,050	4,050	4,050
Additional Tier 1 capital holders	750	750	750
Invested unrestricted equity	1,052	1,063	1,070
Other reserves	-66	-198	-43
Retained earnings	18,292	17,230	17,392
Net profit for the period	3,388	4,739	3,214
Total equity	27,466	27,634	26,433
Total liabilities and equity	421,876	404,770	440,818
Off-balance sheet commitments			
Commitments given to a third party on behalf of customers			
Guarantees and pledges	55,012	45,346	45,539
Other	524	647	672
Irrevocable commitments in favour of customers			
Securities repurchase commitments	-	-	-
Other	97,084	92,668	91,777

Nordea Bank Abp

Note 1 Accounting policies

The financial statements for the parent company, Nordea Bank Abp, are prepared in accordance with the Finnish Accounting Act, the Finnish Act on Credit Institutions, the Decree of the Finnish Ministry of Finance on the financial statements and consolidated financial statements of credit institutions and investment firms, and the regulations and guidelines of the Finnish Financial Supervisory Authority.

International Financial Reporting Standards as endorsed by the European Commission have been applied to the extent possible within the framework of Finnish accounting legislation and considering the close tie between financial reporting and taxation.

The accounting policies and methods of computation are unchanged from the 2023 Annual Report. For more information, see the accounting policies in the 2023 Annual Report.

For further information

- A webcast will be held on 17 October at 11.00 EET (10.00 CET). Frank Vang-Jensen, President and Group CEO, will present the results followed by a Q&A audio session for investors and analysts with Frank Vang-Jensen, Ian Smith, Group CFO and Ilkka Ottoila, Head of Investor Relations.
- The event will be webcast live and the recording and presentation slides will be posted on www.nordea.com/ir.
- The Q3 2024 report, investor presentation and factbook are available at www.nordea.com/ir

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Financial calendar

Week 9 2024 – Annual Report published

21 March 2024 – Annual General Meeting

18 April 2024 – First-quarter results 2024

15 July 2024 – Second-quarter and half-year results 2024

17 October 2024 – Third-quarter and January-September results 2024

Helsinki 17 October 2024

Nordea Bank Abp

Board of Directors

This report 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, including, but not limited to (i) macroeconomic developments, (ii) changes in the competitive climate, (iii) regulatory changes and other government actions and (iv) changes in interest rates and foreign exchange rates. This report 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 which may lead to changes compared to the date when these statements were made.

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Auditor's report on review of interim financial information of Nordea Bank Abp for the nine-month-period ended 30 September 2024

To the Board of Directors of Nordea Bank Abp

Introduction

We have reviewed the accompanying condensed interim financial information of Nordea Bank Group, which comprise the balance sheet as of 30 September 2024, income statement, statement of comprehensive income, statement of changes in equity and condensed cash flow statement for the nine-month-period then ended and notes, comprising material accounting policy information and other explanatory notes. The interim financial information also comprises the parent company Nordea Bank Abp's balance sheet as of 30 September 2024, income statement for the nine-month-period then ended and note with accounting policy information. The Board of Directors and the Managing Director are responsible for the preparation and presentation of the condensed interim financial information in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and with regulations governing the preparation of interim financial information in Finland. Our responsibility is to express a conclusion on this condensed interim financial information 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 of interim financial information 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information of Nordea Bank Abp for the nine-month-period ended on 30 September 2024 is not prepared, in all material respects, as regards the Group financial information, in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and other regulation governing the presentation of interim financial information in Finland, and as regards the parent company financial information, in accordance with regulations governing the preparation of interim financial information in Finland.

Helsinki 17 October 2024

PricewaterhouseCoopers Oy

Authorised Public Accountants

Jukka Paunonen
Authorised Public Accountant (KHT)