Nordea

Third-quarter results 2026

Disclaimer

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Nordea believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Nordea include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that Nordea has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

Executive summary

Solid performance amid seasonally more subdued activity levels

- Return on equity[1] 15.1% and earnings per share EUR 0.35, broadly stable y/y

Continued strong lending and deposit growth; assets under management at record EUR 509bn

- Corporate lending up 8% y/y, corporate deposits up 7%. Mortgage lending up 2% y/y, retail deposits up 4%. AuM up 13% y/y

Total income up 2% y/y

- Net interest income up 1% y/y and q/q, net fee and commission income up 9% y/y and net fair value result down 19% y/y

Strong cost performance with continued investment in strategic initiatives to drive efficiency and productivity gains

- Total expenses[2] flat y/y excluding FX effects

Strong credit quality

- Net loan losses and similar net result EUR 74m (7bp) – well within long term expectation of around 10bp

Continued strong capital generation supporting growth

- CET1 ratio[3] 15.8% – 1.9pp above current regulatory requirement
- Strong capital position and capital generation supporting strategic priority to deploy capital for profitable growth

2026 outlook: return on equity greater than 15% and cost-to-income ratio[2] of 44–45%

1. With amortised regulatory fees
2. Excluding regulatory fees
3. CET1 ratio includes interim profit, net of a dividend deduction of 70% (the upper range under Nordea's dividend policy), subject to ECB approval. Further details on capital ratios are presented in the interim report's capital section.

Key financials

Third-quarter results 2026

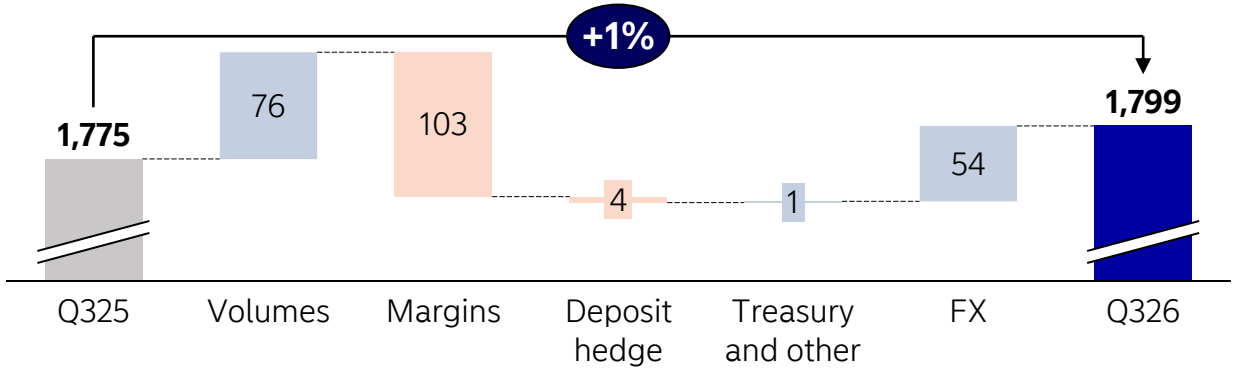
Income statement and key ratios EURm	Q326	Q325	Q3/Q3	Q226	Q3/Q2
Net interest income	1,799	1,775	1%	1,779	1%
Net fee and commission income	880	811	9%	880	0%
Net insurance result	79	66	20%	78	1%
Net fair value result	198	245	-19%	281	-30%
Other income	12	13	-8%	14	-14%
Total operating income	**2,968**	**2,910**	**2%**	**3,032**	**-2%**
Total operating expenses excluding regulatory fees	-1,335	-1,313	2%	-1,335	0%
Total operating expenses	-1,353	-1,332	2%	-1,363	-1%
Profit before loan losses	**1,615**	**1,578**	**2%**	**1,669**	**-3%**
Net loan losses and similar net result	-74	19		-61	
Operating profit	**1,541**	**1,597**	**-4%**	**1,608**	**-4%**
Cost-to-income ratio[1], %	45.0	45.1		44.0	
Return on equity with amortised regulatory fees, %	15.1	15.8		15.9	
Return on tangible equity, %	17.6	18.3		18.4	
Diluted earnings per share, EUR	0.35	0.36	-3%	0.36	-3%

1. Excluding regulatory fees

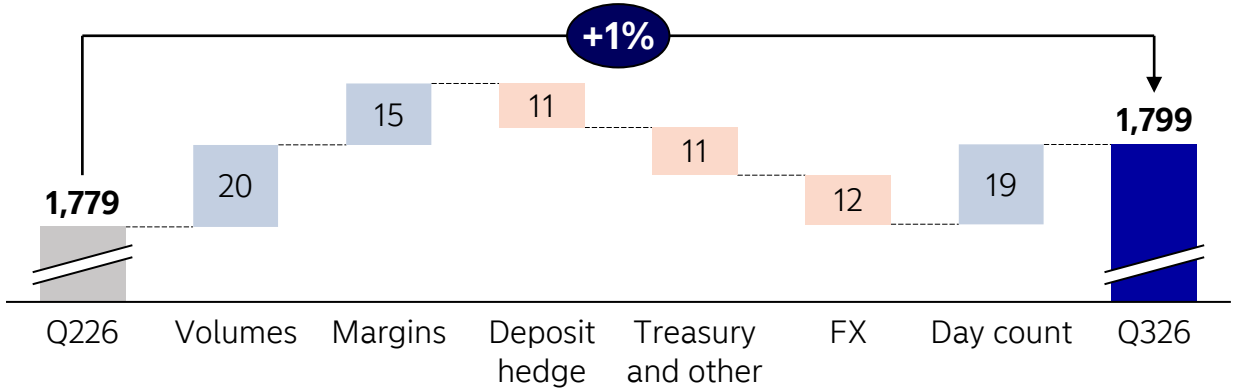
Net interest income

Strong corporate volume growth; lower lending margins

Year-over-year bridge, EURm



Quarter-over-quarter bridge, EURm



- **Net interest income up 1% y/y**
- **Strong lending and deposit growth**
  - Corporate lending up 8%
  - Mortgages up 2%
  - Retail deposits up 4%
  - Corporate deposits up 7%
- **Net interest margin 1.53% (1.59% Q325; 1.54% Q226)**
  - Higher lending and deposit volumes, and higher deposit margins, supported by policy rates – offset by lower lending margins, driven by competitive pressures

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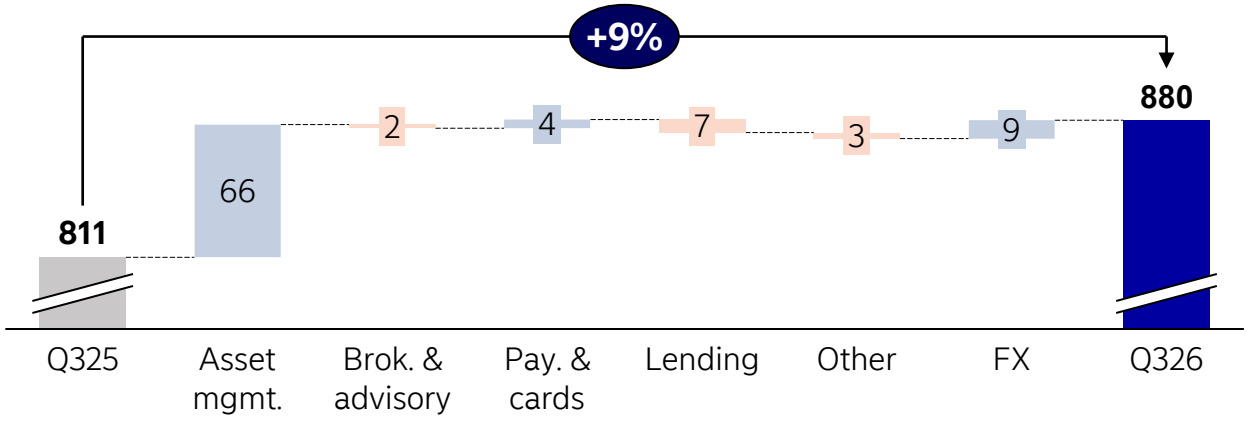
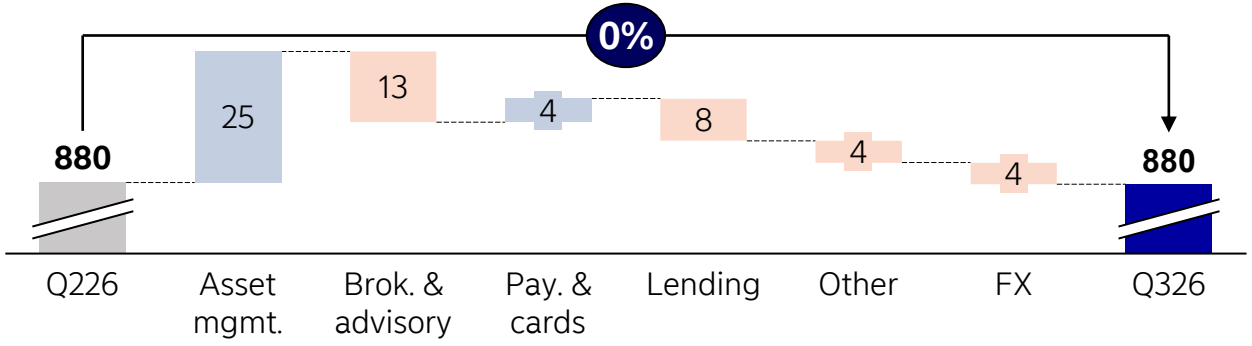
Net fee and commission income

Continued strong growth in savings income

Year-over-year bridge, EURm



Quarter-over-quarter bridge, EURm



- **Net fee and commission income up 9% y/y**
- **Savings fee income up 14%, driven by higher average AuM**
  - Total AuM up 13%, to EUR 509bn – all-time high
  - Investment product AuM up 14%, to EUR 385bn – all-time high
- **Brokerage & advisory fee income down; debt capital markets income down from strong Q325 – partly offset by improved equities and M&A**
- **Higher customer activity driving payment and card fee income**
- **Lending fee income down due to lower mortgage refinancing activity**

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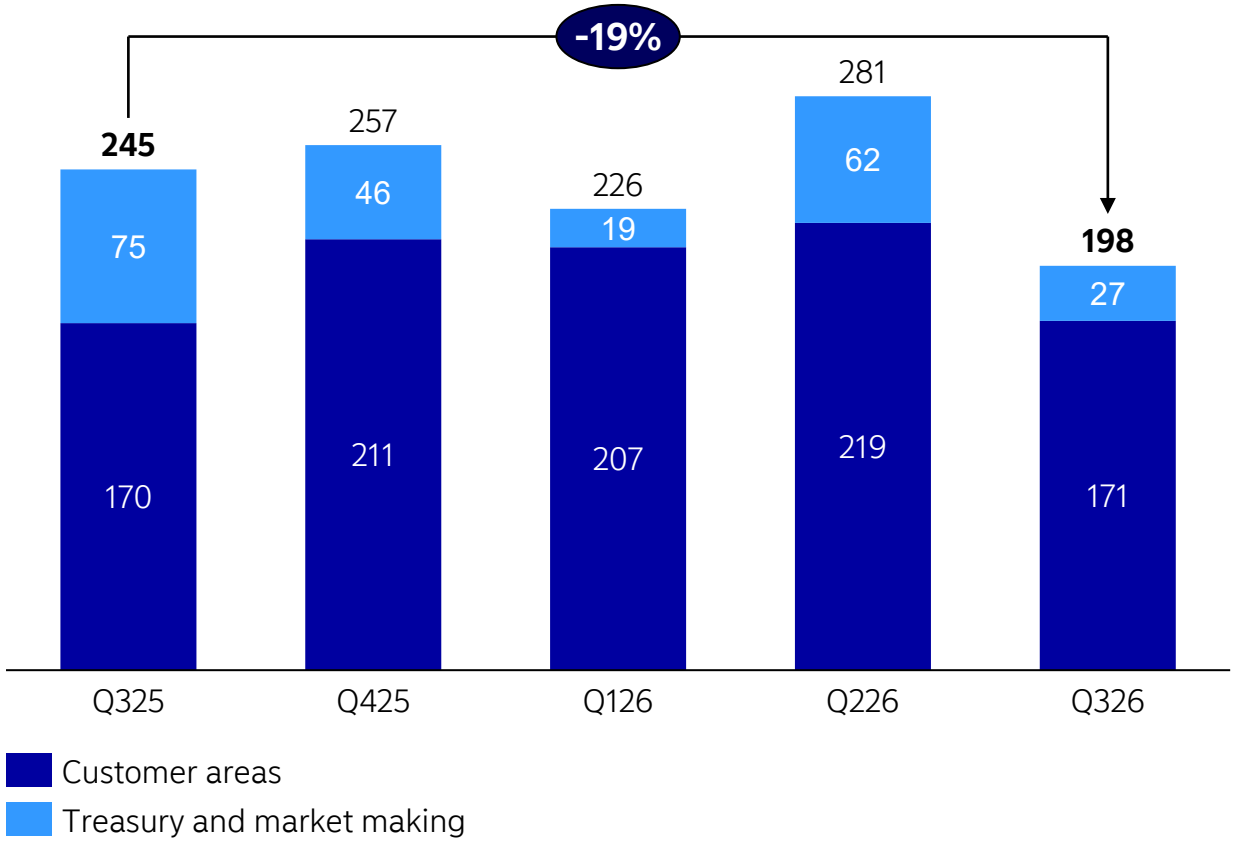
Net fair value result

Solid customer activity; market making affected by extraordinary interest rate volatility in September

Net fair value result, EURm



- **Stable contribution from customer areas in seasonally slower quarter**
- **Solid customer activity in FX and rate hedging products as well as equities and securities financing**
- **Market making income affected by sharp rises in forward interest rates in September**

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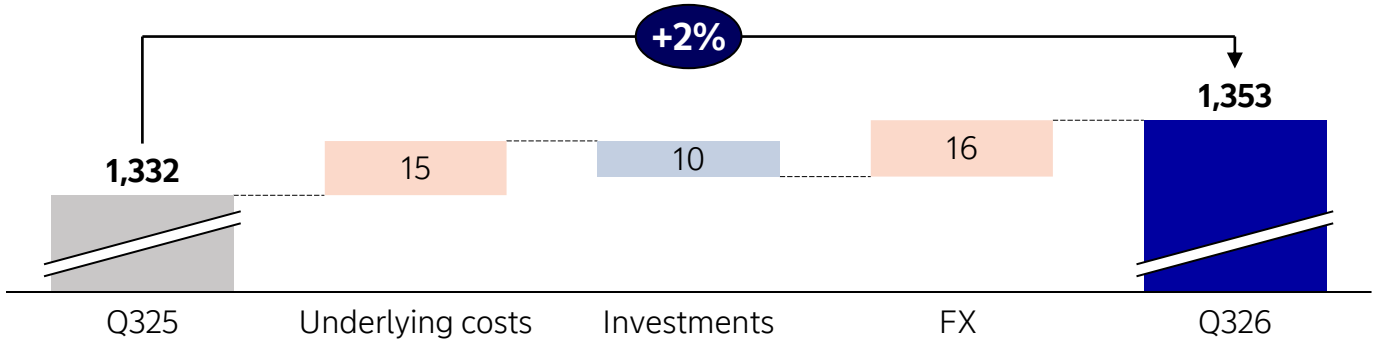
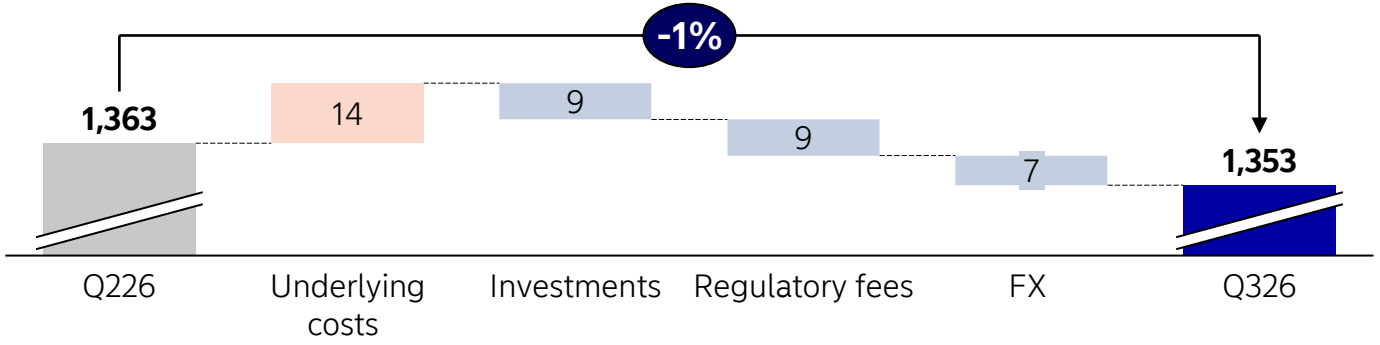
Costs

Costs flat before FX and regulatory fees

Year-over-year bridge, EURm



Quarter-over-quarter bridge, EURm



- **Total costs flat y/y (excluding FX and regulatory fees); strong cost management**
  - Underlying costs up, mainly due to salary inflation and higher amortisation – partly mitigated by reduction in number of employees
  - Continued heavy investment in strategic initiatives to drive efficiency and productivity gains across business

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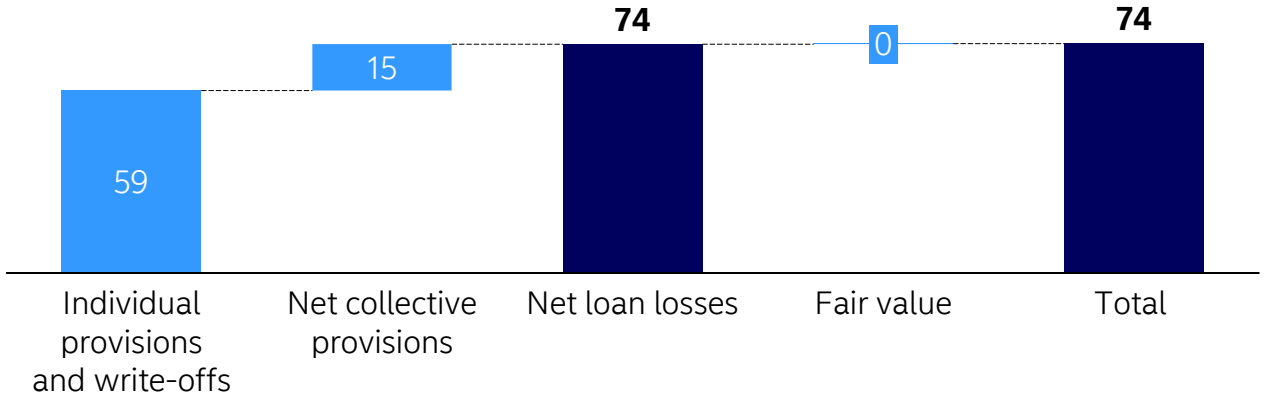
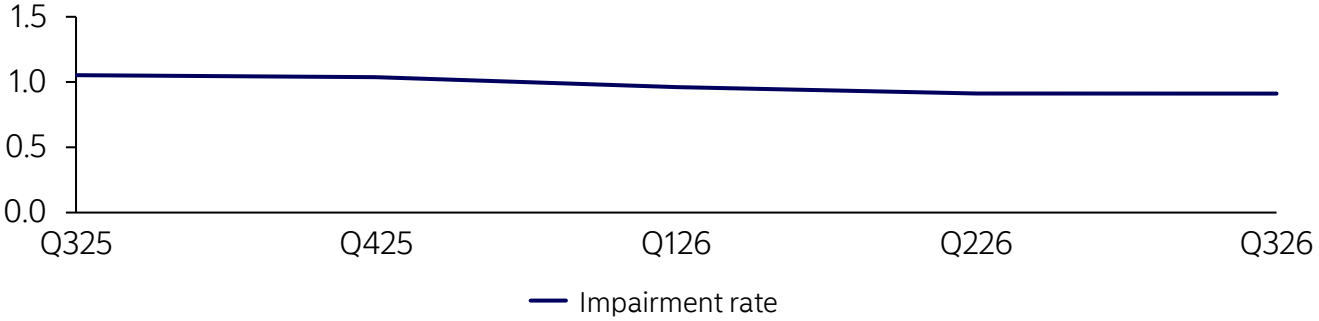
Net loan losses and similar net result

Strong credit quality

Net loan losses and similar net result, EURm



Impaired (stage 3) loans, %



- **Net loan losses and similar net result EUR 74m (7bp)**
  - Moderate individual provisions, mainly attributable to few closely monitored corporate customers
  - Household net loan losses in line with 2025 average
  - Collective provisions slightly higher, driven by loan volume growth and limited rating migration
- **Provision levels strong at EUR 1.3bn**
  - Coverage levels reflect strong collateral
  - Continued low levels of realised losses
- **Low level of non-performing loans**
  - Stage 3 loans low at 0.91%

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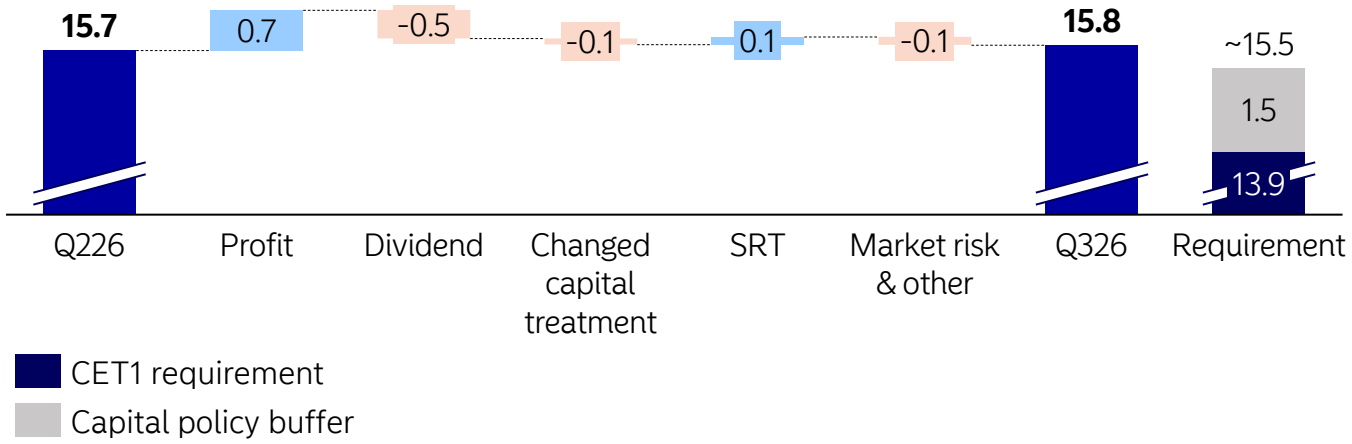
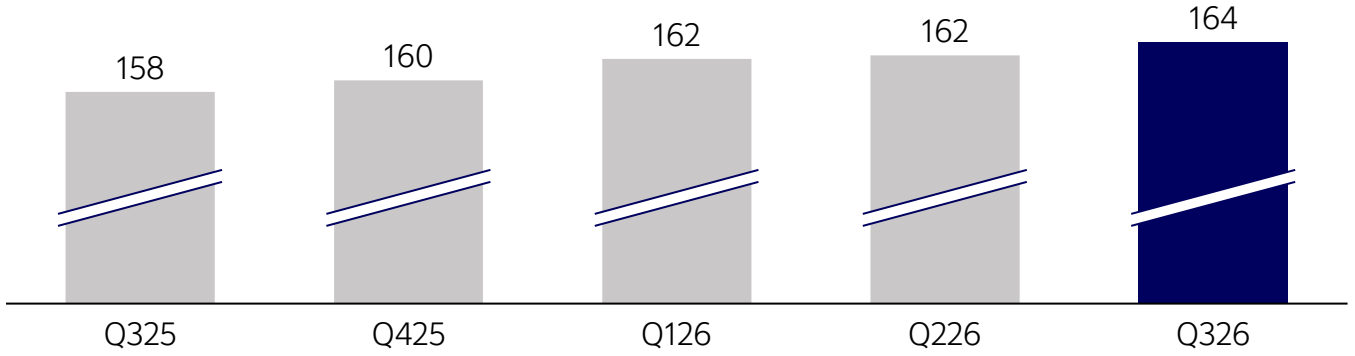
Capital

Strong capital position

CET1 capital ratio[1] development, %



REA development, EURbn



- **CET1 ratio[1] strong at 15.8%**
  - 1.9 percentage points above regulatory requirement
  - CET1 capital[1] up EUR 0.4bn – continued strong capital generation
  - Risk exposure amount up EUR 1.4bn, mainly due to changed capital treatment for one corporate portfolio – offset by launch of new risk-sharing transaction
- **Regulatory developments**
  - Recent ECB discussions on non-retail capital models indicate additional conservatism required leading to REA increase
  - Supervisory decisions remain subject to those discussions, and are not expected before 2027
  - Nordea will pause buy-backs until REA impact clarified
  - There is no change in risk or credit quality of loan portfolios concerned

1. CET1 ratios and capital include interim profits, net of a dividend deduction of 70% (the upper range of Nordea's dividend policy), subject to ECB approval.

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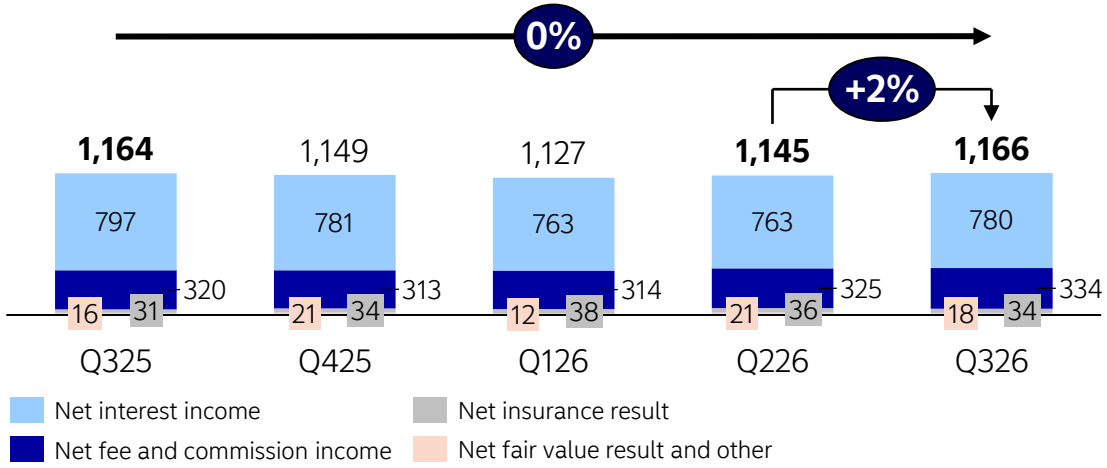
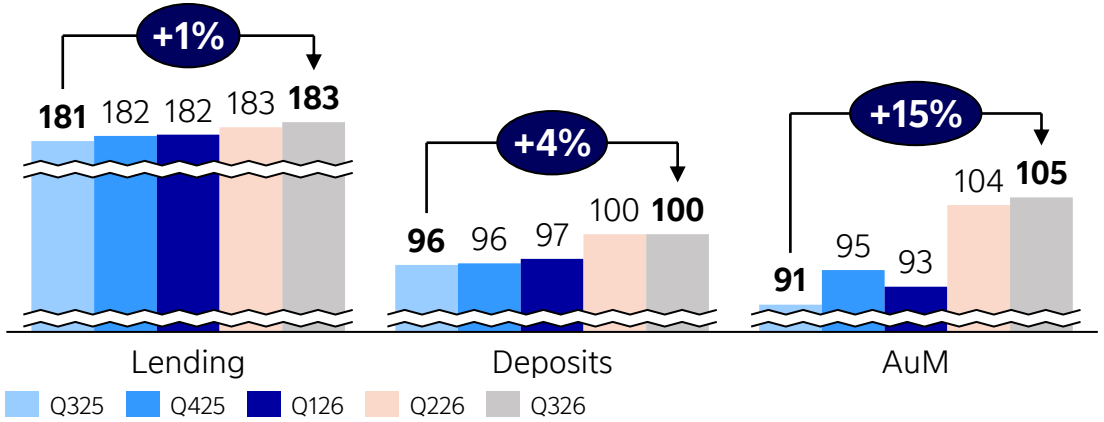
Continued increase in customer activity partly offset by lower lending margins

Total income, EURm

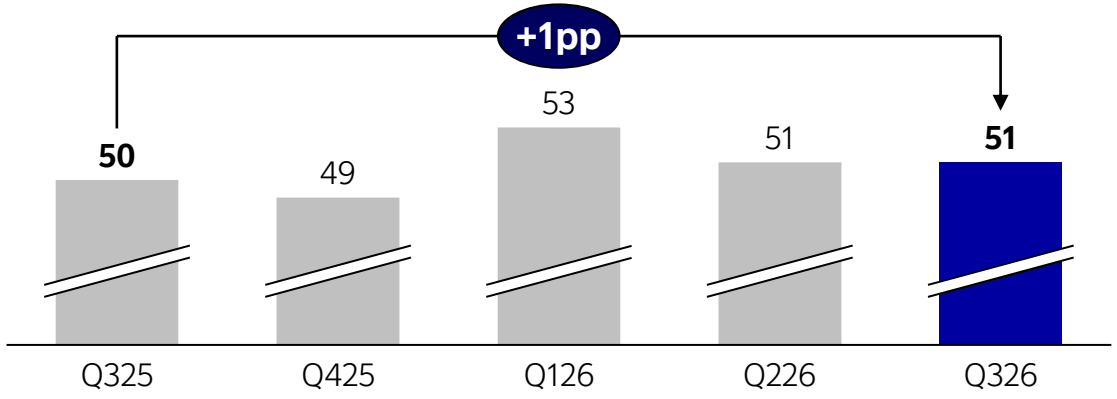


- Mortgage volumes up 2%, deposit volumes up 4% and investment product AuM up 15%
- Net interest income down 2% – lower lending margins partly offset by higher volumes and deposit margins
- Net fee and commission income up 4%, mainly driven by savings fee income
- Cost-to-income ratio[2] 51% (50% Q325)

Lending[1], deposits[1] and investment product AuM, EURbn



Cost-to-income ratio[2], %



1. Excluding FX effects
2. Excluding regulatory fees

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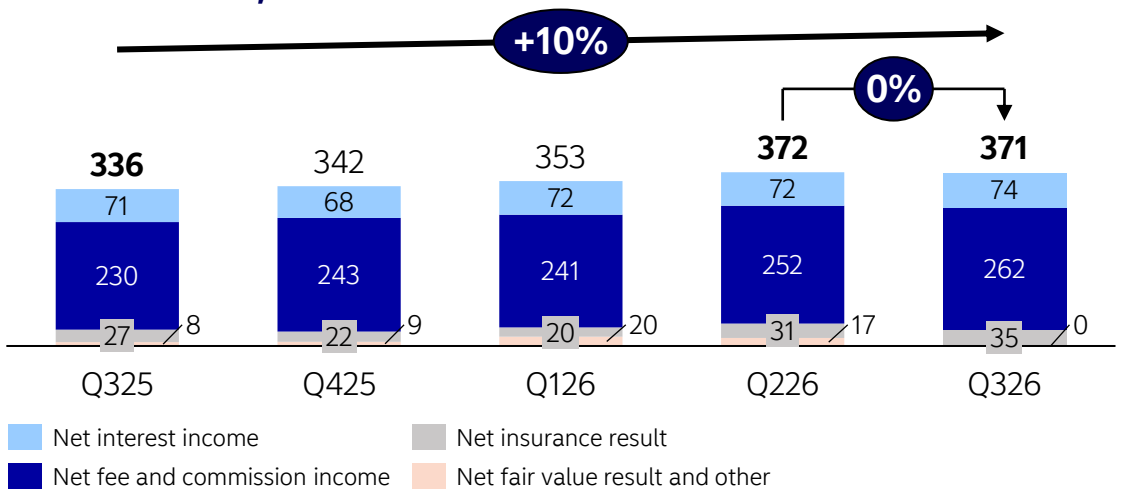
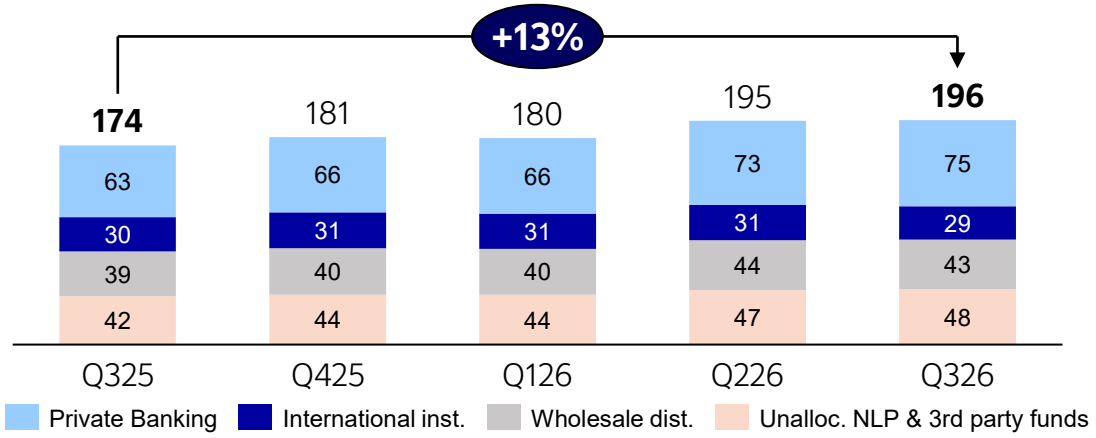
Continued strong business momentum in Private Banking

Total income, EURm

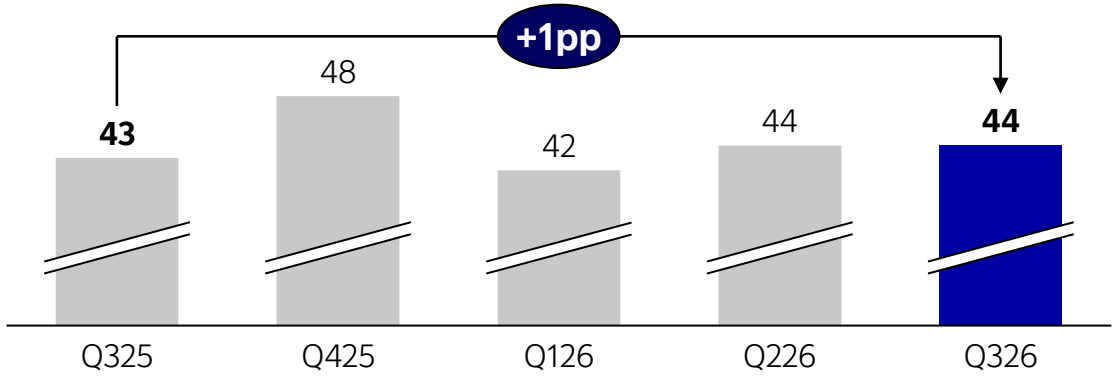


- Continued high customer activity in Private Banking, with investment product net flows of EUR 0.9bn – positive contribution from all four home markets
- Investment product AuM up 13%, to EUR 196bn
  - Total investment product net flows EUR 0.9bn during quarter
- Net fee and commission income up 14%, driven by higher average AuM, supported by strong customer acquisition
- Cost-to-income ratio[1] 44% (43% Q325)

Investment product AuM, EURbn



Cost-to-income ratio[1], %



1. Excluding regulatory fees

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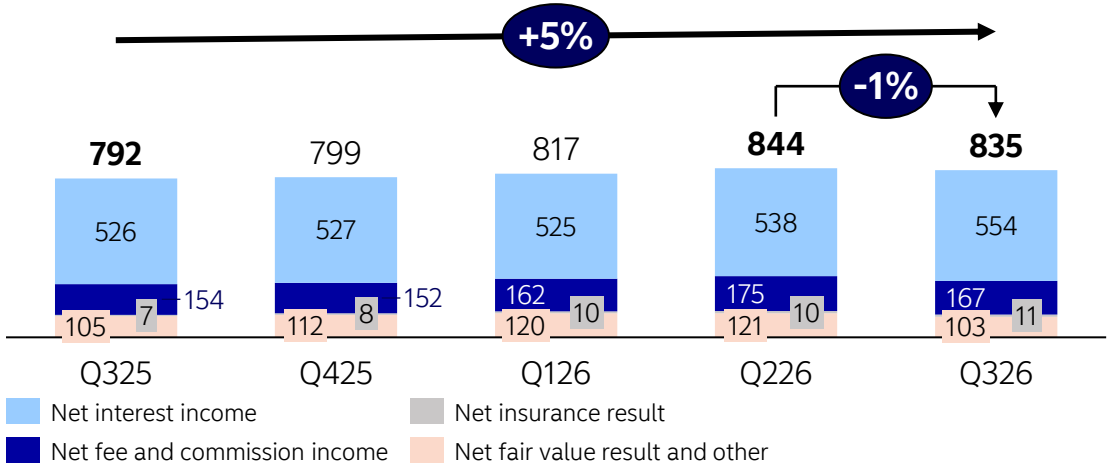
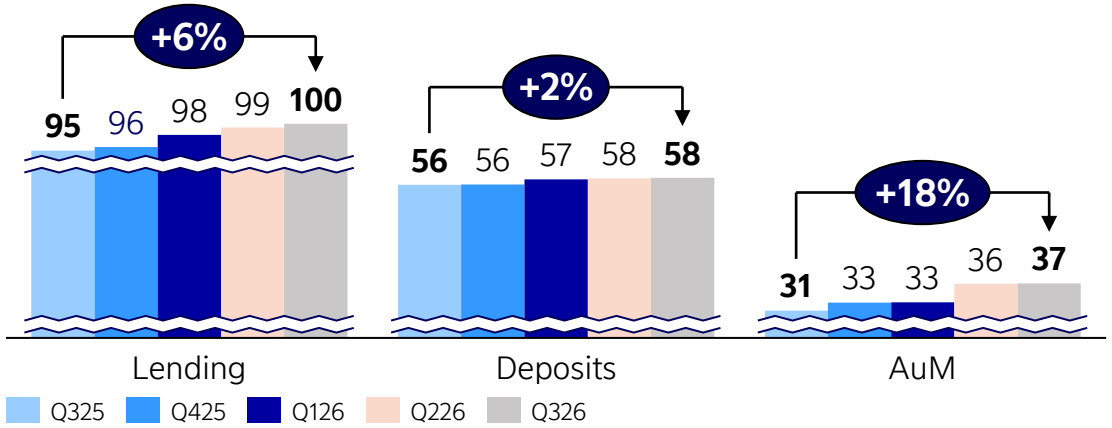
Continued high customer activity driving volume growth and strong ancillary income

Total income, EURm

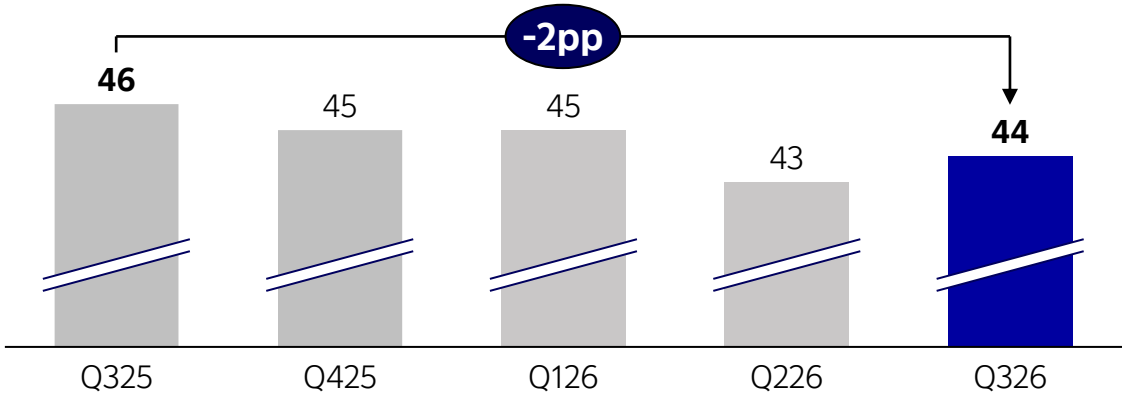


- Lending volumes up 6%, deposit volumes up 2% and investment product AuM up 18%
- Net interest income up 5%, driven by strong volume growth
- Net fee and commission income up 8%, driven by growth in fee income from lending, savings and payments
- Cost-to-income ratio[2] 44% (46% Q325)

Lending[1], deposits[1] and investment product AuM, EURbn



Cost-to-income ratio[2], %



1. Excluding FX effects
2. Excluding regulatory fees

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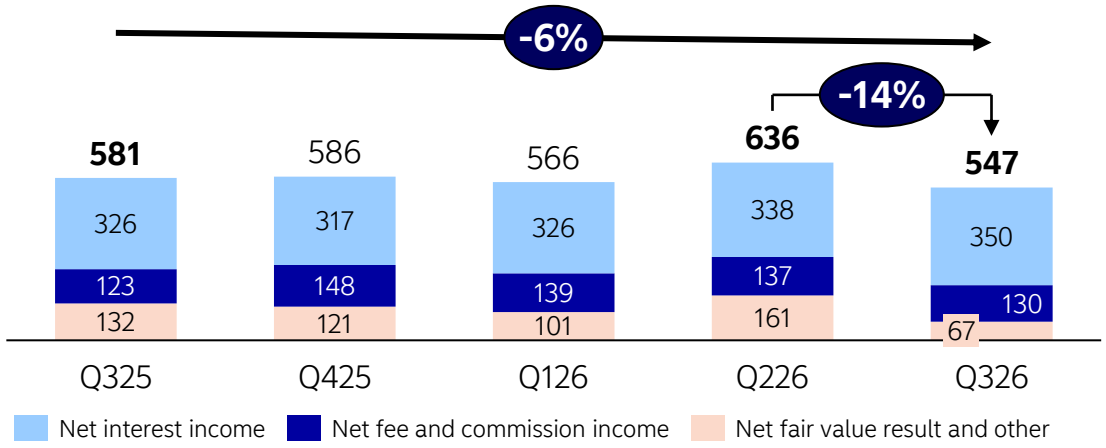
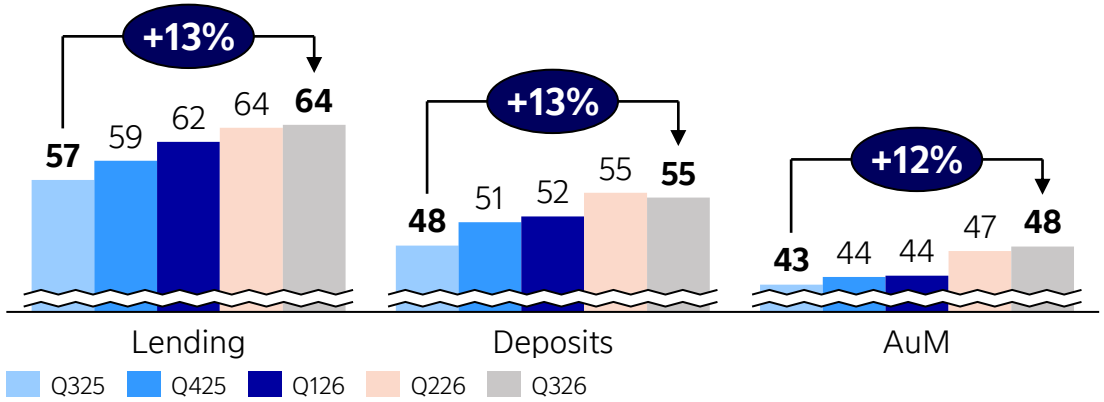
Strong customer engagement and volume growth; NFV affected by interest rate volatility

Total income, EURm

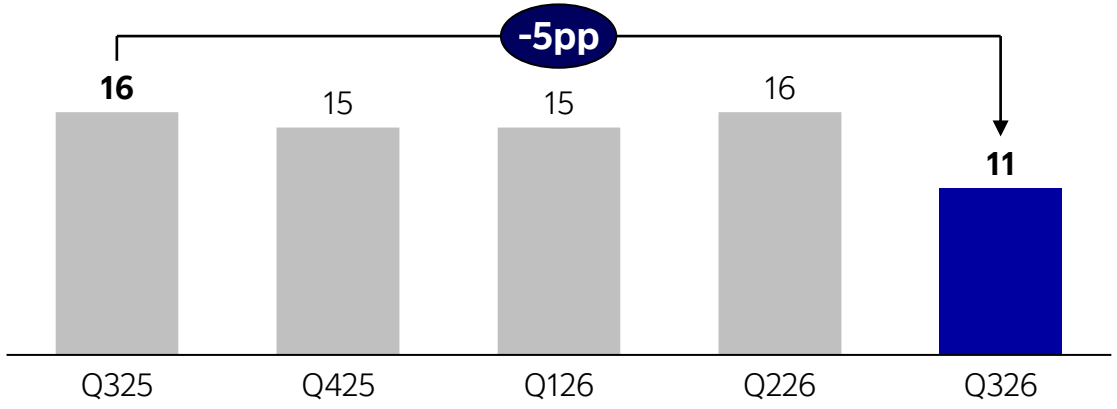


- Lending and deposit volumes both up 13% and investment product AuM up 12%
- Net interest income up 7%, driven by higher volumes
- Net fee and commission income up 6%, driven by lending and asset management fees
- Net fair value result down 50%; market making affected by extraordinary interest rate volatility
- Return on allocated equity 11% (16% Q325)

Lending[1], deposits[1] and investment product AuM, EURbn



Return on allocated equity[2], %



1. Excluding repos
2. With amortised regulatory fees

Nordea

Why own Nordea

The best-performing financial services group in the Nordics in 2030

- **Leading customer experience and faster-than-market income growth**
- **Unique Nordic scale benefits driving efficiency and competitive advantage**
- **Superior EPS growth and sustained high profitability**
- **Outlook for 2026[5]: return on equity greater than 15% and cost-to-income ratio[2] of 44–45%**

2030 financial targets

Return on equity
>15%
throughout period and significantly higher in 2030[1]

Cost-to-income ratio[2]
40–42%

Supported by

High credit quality
Loan losses ~10bp

Capital excellence and EUR >20bn in total shareholder distributions during 2026–30
60–70% payout ratio with semi-annual distributions[3], and buy-backs[4]

2030 ambition

Deliver earnings per share of EUR ~2.0

1. Assuming CET1 ratio of around 15.5%
2. Excluding regulatory fees
3. Mid-year distribution paid from retained earnings
4. Used to distribute excess capital
5. Excluding items affecting comparability booked in Q1 2026: EUR 190m expense related to restructuring costs (EUR 144m after tax). See page 5 in the interim report for further details

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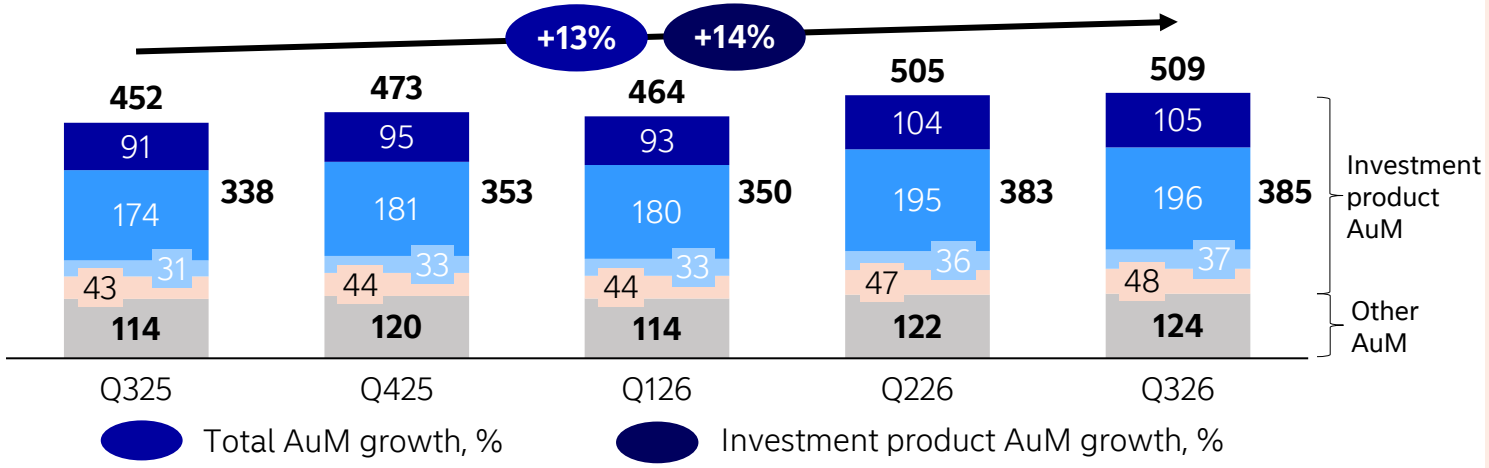
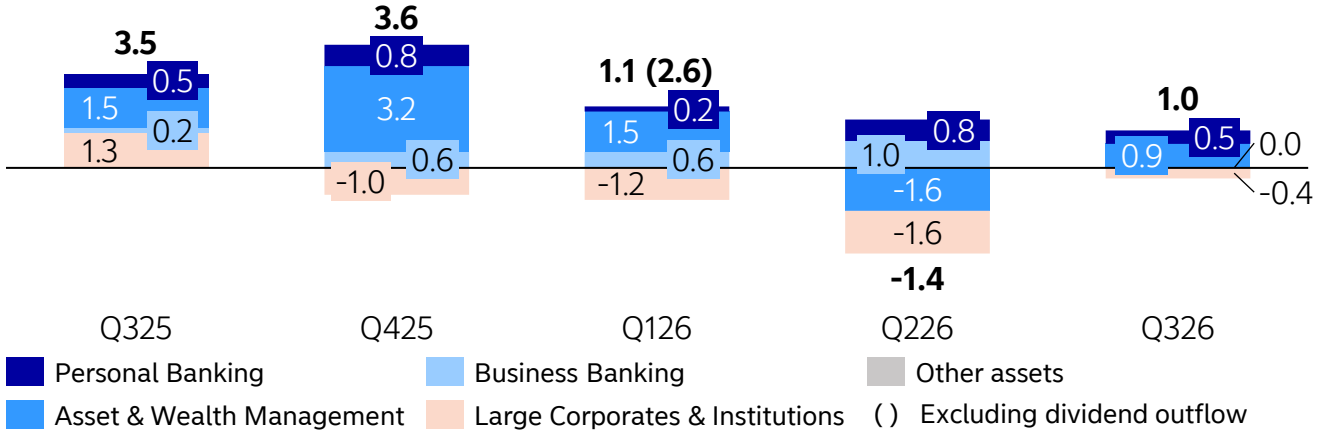
AuM

Assets under management and net flows

Total AuM, EURbn



Net flows in investment products, EURbn



- **AuM reporting based on income profile and business area**
  - Clear distinction between investment products, which generate recurring fee income, and other assets, which generate mainly transactional fees
  - Distinct business area breakdown for investment product AuM
  - Dividends fully included in net flows

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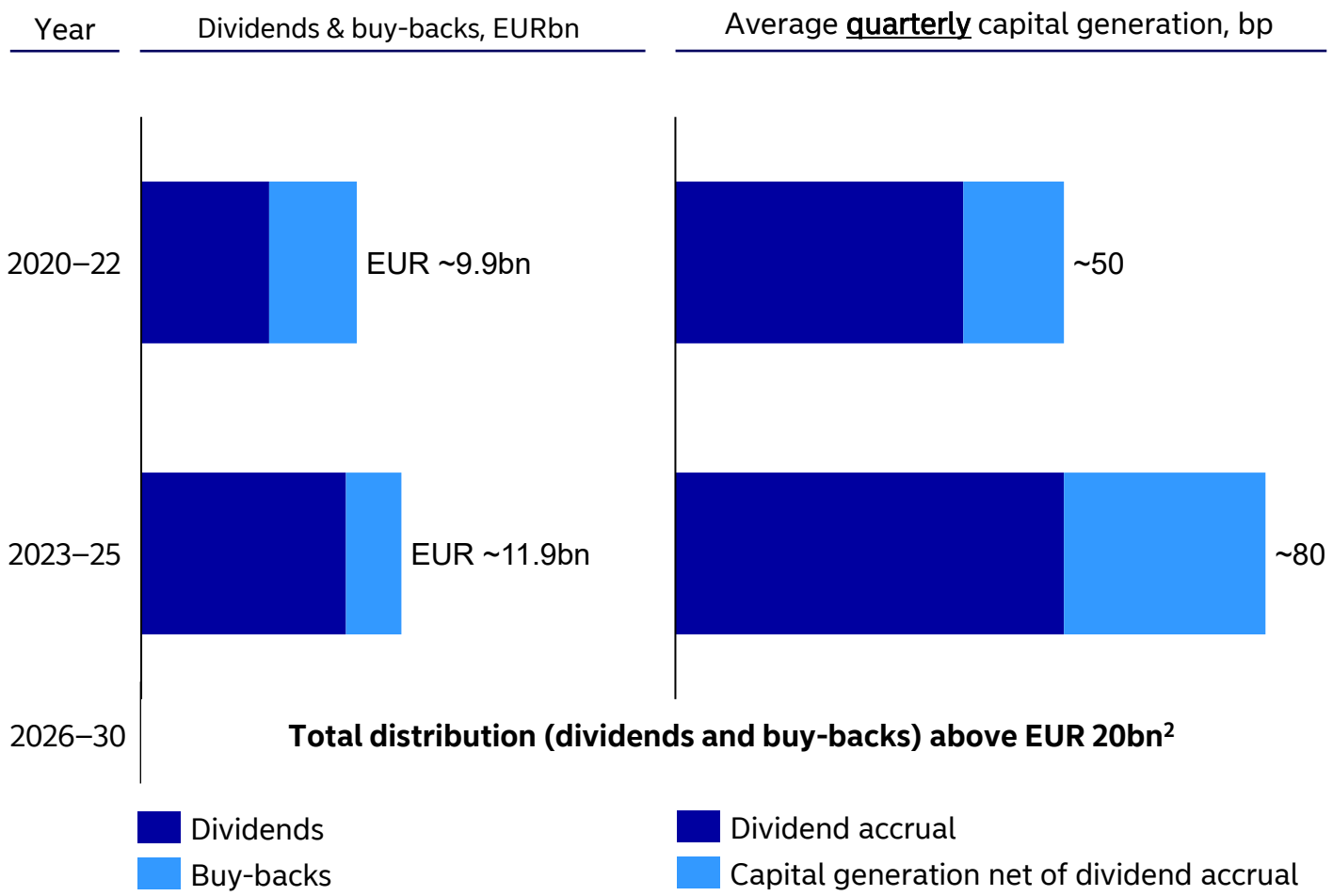
Capital excellence

Strong capital generation supporting returns

Steady compounder with strong track record



- **Capital philosophy reaffirmed**
  - Strong capital generation; seek to deploy capital for profitable growth
  - Dividend policy: 60–70% of annual net profit, with mid-year dividend[1]
  - Share buy-backs to distribute excess capital
- **Distribution of mid-year dividend for 2026 amounting to EUR 0.34 per share, corresponding to ~50% of Group's net profit[3] for first half of 2026**
  - Paid on 13 August
  - First part of total dividend distribution under Nordea's policy, which stipulates 60–70% payout ratio applicable to full-year profit

1. Mid-year distribution paid from retained earnings
2. Assuming stable regulatory requirements and subject to potential M&A
3. Including items affecting comparability

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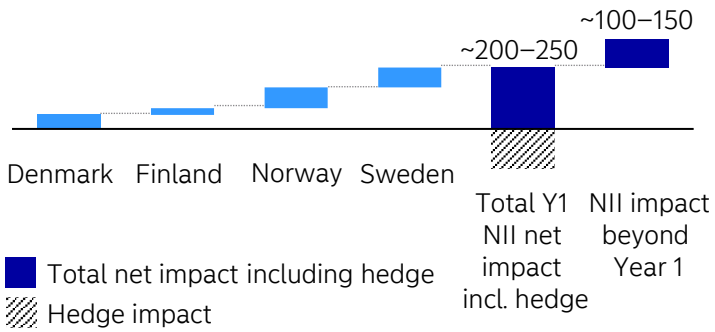
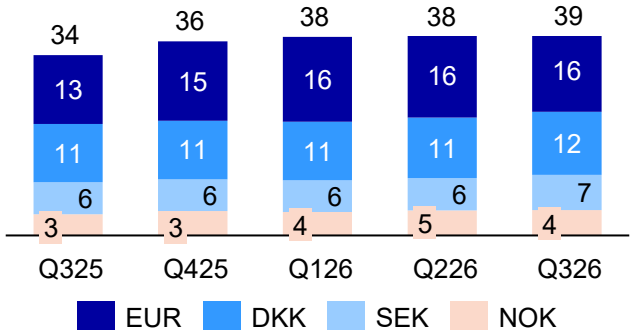
Net interest income sensitivity

Net interest income sensitivity to policy rate changes

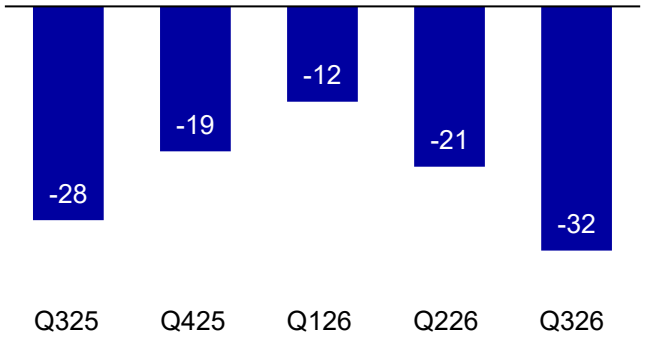
Sensitivity to +50bp parallel shift in policy rates[1], EURm



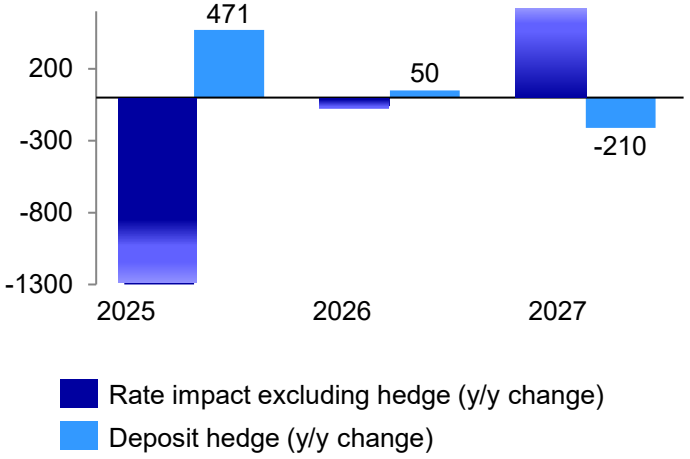
Deposit hedge – nominal volume, EURbn



Quarterly NII impact from deposit hedge (absolute), EURm



Deposit hedge continuing to reduce NII volatility, EURm[2]



- **NII impact largely driven by policy rates and pass-through**
  - Actual pass-through varying between account types and countries, and throughout rate cycles
  - Sensitivity reflecting modelled risk over cycle – NII impact lower following initial rate cuts and higher thereafter
- **Group NII also impacted by other drivers**
  - Volumes and loan/deposit pricing
  - Wholesale funding costs
- **Deposit hedging reduces sensitivity to interest rate changes**
  - Average hedge maturity ~3 years
  - Additional NII impact in Y2–Y3 as assets repriced and hedges rolled over

1. Symmetrical for -50bp parallel shift
2. Based on end-Q3 market rates

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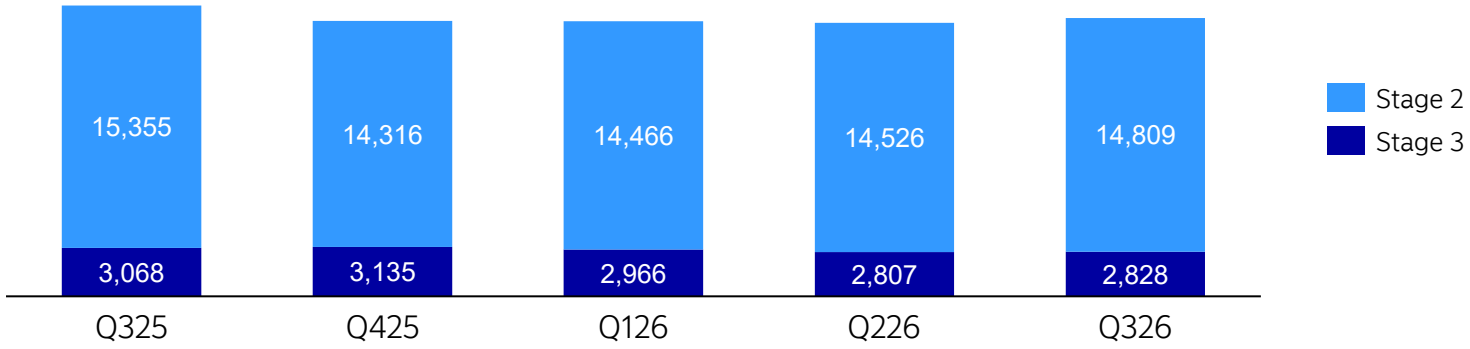
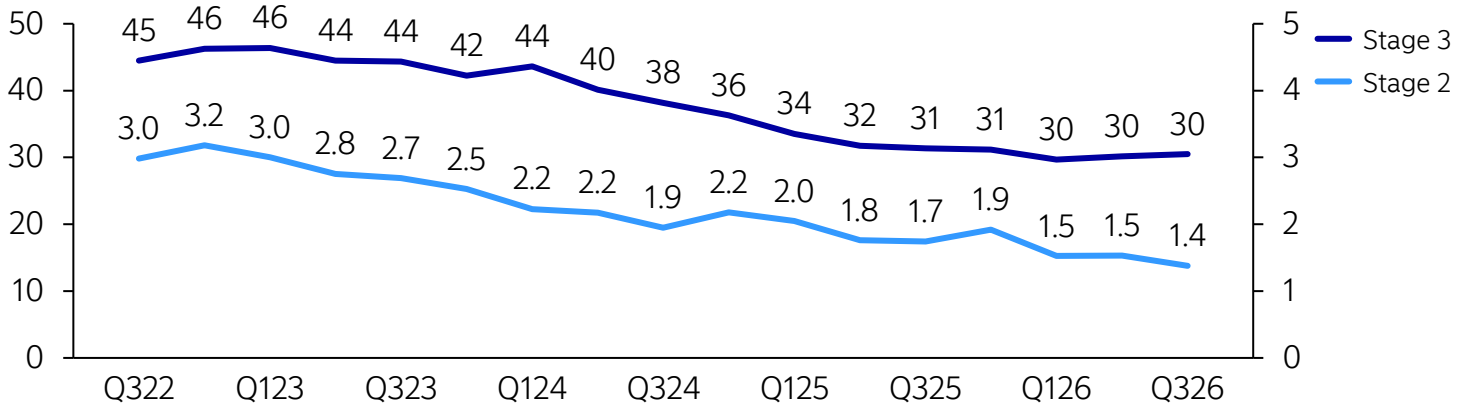
Impairments and provisioning coverage

Reduction in impaired exposures

Stage 2 and 3 loans at amortised cost, EURm



Coverage ratios, %



- **Stage 3 ratio stable at 0.91% of total loans**
- **Stage 2 loans unchanged at 5% of total loans**
- **Coverage ratio for stage 3 portfolio stable at 30%**
  - Solid coverage reflecting high levels of collateral
  - Coverage ratio for stage 2 down in both household and corporate portfolios
- **Coverage ratios in line with Nordic and similar SSM peers**

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