

## PROSPECTUS SUPPLEMENT DATED 6 AUGUST 2018

This supplement to the merger prospectus dated 16 February 2018 (the “**Prospectus**”) in respect of the merger of Nordea Bank AB (publ) (“**Nordea Sweden**”) into Nordea Bank Abp (“**Nordea Finland**”) may not be sent by any medium to any person in Australia, Canada, China, Hong Kong or any other jurisdiction in which the offer to sell or the solicitation of an offer to buy any shares in Nordea Finland would not be permissible.

Nordea Finland supplements the Prospectus with the following information. This information should be read in conjunction with the Prospectus and the supplement to the Prospectus dated 7 May 2018. Terms defined elsewhere in the Prospectus have the same meaning when used in this supplement to the Prospectus.

### **Interim Report of the Nordea Group for the six months ended and as of 30 June 2018**

On 19 July 2018, Nordea Sweden published the unaudited interim report of the Nordea Group for the six months ended and as of 30 June 2018 (the “**Interim Report Second Quarter 2018**”). Due to the publication of the Interim Report Second Quarter 2018, the section of the Prospectus entitled “*Documents Incorporated by Reference*” is supplemented as follows:

- (1) The following text is inserted to become the first two bullet points under the heading “*Documents Incorporated by Reference*” on page 203 of the Prospectus:
  - the unaudited consolidated financial statements of the Nordea Group for the six months ended and as of 30 June 2018, together with the comparative figures for the six months ended and as of 30 June 2017 (set out on pages 36 to 58 of the unaudited interim report of the Nordea Group for the six months ended and as of 30 June 2018);
  - the unaudited financial statements of Nordea Sweden for the six months ended and as of 30 June 2018, together with the comparative figures for the six months ended and as of 30 June 2017 (set out on pages 59 to 66 of the unaudited interim report of the Nordea Group for the six months ended and as of 30 June 2018);

### **Summary**

The section of the Prospectus entitled “*Summary*” is supplemented as follows:

- (1) The following text is inserted to replace the second sentence of the second paragraph of element B.1 of the section entitled “*Summary*” on page 1 of the Prospectus:

Nordea Finland changed its trade name to Nordea Bank Abp on 29 June 2018.

- (2) The following text is inserted to become the last sentence of the third paragraph of element B.1 of the section entitled “*Summary*” on page 2 of the Prospectus:

On 27 June 2018, the ECB granted a licence to Nordea Finland to conduct banking business, investment services and investment activities.

- (3) The following text is inserted to replace the first paragraph of the section entitled “*Summary—Selected Consolidated Financial and Other Data of the Nordea Group*” on page 5 of the Prospectus:

The selected consolidated income statement and balance sheet data presented below for the years ended and as of 31 December 2015, 2016 and 2017 have been derived from the audited consolidated financial statements of the Nordea Group for the years ended and as of 31 December 2015, 2016 and 2017, together with the restated comparative figures for the year ended and as of 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended 31 December 2016, incorporated by reference into this Prospectus. Those financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Commission (“**IFRS**”). The selected consolidated income statement and balance sheet data presented below for the six months ended and as of 30 June 2017 and 2018 are unaudited and have been derived from the unaudited consolidated financial statements of the Nordea Group for the six months ended and as of 30 June 2018, together with comparative figures for the six months ended and as of 30 June 2017, included in the interim report of the Nordea Group for the six months ended and as of 30 June 2018. Nordea Finland, the parent company of the Nordea Group following the completion of the Merger, was registered with the Finnish Trade Register on 27 September 2017 and no historical financial statements have been prepared in respect of Nordea Finland. The Nordea Group’s unaudited consolidated financial statements and information and audited consolidated financial statements incorporated by reference into this Prospectus have been prepared for the Nordea Group with Nordea Sweden as the parent company. As the Merger will be treated in the Nordea Group’s consolidated accounts as a reorganisation within the consolidated group, the Merger as an intra-group transaction does not change the reporting entity under IFRS.

Accordingly, the consolidated financial statements of Nordea Finland, the new parent company of the Nordea Group, will reflect a continuum of the carrying values from the consolidated financial statements of the former parent company of the Nordea Group, Nordea Sweden, which are incorporated by reference into this Prospectus.

- (4) The following tables are inserted to replace the tables contained in the section entitled “*Summary—Selected Consolidated Financial and Other Data of the Nordea Group*” starting on page 5 of the Prospectus:

#### Selected Consolidated Income Statement Data

	For the six months ended 30 June		For the year ended 31 December		
	2017	2018	2015	2016	2017
	(EUR million, unless otherwise indicated)				
Net interest income.....	2,372	2,126	4,963 <sup>(1)</sup>	4,727	4,666
Net fee and commission income.....	1,716	1,570	3,230 <sup>(1)</sup>	3,238	3,369
Net result from items at fair value.....	736	701	1,645 <sup>(1)</sup>	1,715	1,328
Profit from associated undertakings accounted for under the equity method.....	4	61	39	112	23
Other operating income.....	40	398	263	135	83
<b>Total operating income.....</b>	<b>4,868</b>	<b>4,856</b>	<b>10,140</b>	<b>9,927</b>	<b>9,469</b>
General administrative expenses:					
Staff costs.....	(1,594)	(1,528)	(3,263)	(2,926)	(3,212)
Other expenses.....	(820)	(686)	(1,485)	(1,646)	(1,622)
Depreciation, amortisation and impairment charges of tangible and intangible assets.....	(123)	(145)	(209)	(228)	(268)
<b>Total operating expenses.....</b>	<b>(2,537)</b>	<b>(2,359)</b>	<b>(4,957)</b>	<b>(4,800)</b>	<b>(5,102)</b>
<b>Profit before loan losses.....</b>	<b>2,331</b>	<b>2,497</b>	<b>5,183</b>	<b>5,127</b>	<b>4,367</b>
Net loan losses.....	(219)	(99)	(479)	(502)	(369)
<b>Operating profit.....</b>	<b>2,112</b>	<b>2,398</b>	<b>4,704</b>	<b>4,625</b>	<b>3,998</b>
Income tax expense.....	(525)	(493)	(1,042)	(859)	(950)
<b>Net profit for the year.....</b>	<b>1,587</b>	<b>1,905</b>	<b>3,662</b>	<b>3,766</b>	<b>3,048</b>
<b>Attributable to:</b>					
Shareholders of Nordea Bank AB (publ).....	1,579	1,894	3,662	3,766	3,031
Additional Tier 1 capital holders.....	–	7	–	–	–
Non-controlling interests.....	8	4	–	–	17
<b>Total.....</b>	<b>1,587</b>	<b>1,905</b>	<b>3,662</b>	<b>3,766</b>	<b>3,048</b>
Basic earnings per share, EUR.....	0.39	0.47	0.91	0.93	0.75
Diluted earnings per share, EUR.....	0.39	0.47	0.91	0.93	0.75

- (1) Due to (i) a reclassification in 2016 of refinancing fees and pay-out fees received in connection with mortgage lending in Denmark from “net result from items at fair value” to “net fee and commission income” and (ii) a reclassification in 2016 of state guarantee fees from “net fee and commission income” to “net interest income”, the Nordea Group restated the comparative income statement figures for the year ended 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended and as of 31 December 2016. The restated figures for 2015 presented herein are unaudited. The audited non-restated figure for the year ended 31 December 2015 for net interest income is EUR 5,110 million, for net fee and commission income EUR 3,025 million and for net result from items at fair value EUR 1,703 million.

## Selected Consolidated Balance Sheet Data

	As of 30	As of 31 December		
	June 2018	2015	2016	2017
		(EUR million)		
Cash and balances with central banks .....	33,690	35,500	32,099	43,081
Loans to central banks .....	6,732	13,224	11,235	4,796
Loans to credit institutions .....	13,351	10,762 <sup>(1)</sup>	9,026	8,592
Loans to the public .....	314,813	340,920	317,689	310,158
Interest-bearing securities .....	74,987	86,535 <sup>(1)</sup>	87,701	75,294
Financial instruments pledged as collateral .....	8,898	8,341	5,108	6,489
Shares .....	15,568	22,273 <sup>(1)</sup>	21,524	17,180
Assets in pooled schemes and unit-linked investment contracts .....	26,335	20,434 <sup>(1)</sup>	23,102	25,879
Derivatives .....	43,719	80,741	69,959	46,111
Other <sup>(2)</sup> .....	30,506	28,138 <sup>(1)</sup>	29,319	21,846
Assets held for sale <sup>(3)</sup> .....	1,454	–	8,897	22,186
<b>Total assets</b> .....	<b>570,053</b>	<b>646,868</b>	<b>615,659</b>	<b>581,612</b>
Deposits by credit institutions .....	50,145	44,209	38,136	39,983
Deposits and borrowings from the public .....	176,491	189,049 <sup>(4)</sup>	174,028	172,434
Deposits in pooled schemes and unit-linked investment contracts .....	26,904	21,088 <sup>(4)</sup>	23,580	26,333
Liabilities to policyholders .....	19,241	38,707 <sup>(4)</sup>	41,210	19,412
Debt securities in issue .....	177,865	201,937	191,750	179,114
Derivatives .....	44,519	79,505	68,636	42,713
Other <sup>(5)</sup> .....	40,612	41,341 <sup>(4)</sup>	41,021	42,276
Liabilities held for sale <sup>(3)</sup> .....	2,331	–	4,888	26,031
<b>Total liabilities</b> .....	<b>538,108</b>	<b>615,836</b>	<b>583,249</b>	<b>548,296</b>
<b>Total equity</b> .....	<b>31,945</b>	<b>31,032</b>	<b>32,410</b>	<b>33,316</b>
of which additional tier 1 capital holders .....	750	–	–	750
of which non-controlling interests .....	–	1	1	168
<b>Total liabilities and equity</b> .....	<b>570,053</b>	<b>646,868</b>	<b>615,659</b>	<b>581,612</b>

- (1) The Nordea Group reclassified in 2016 certain interest-bearing securities and shares to the separate balance sheet line “assets in pooled schemes and unit-linked investment contracts” in order to disclose them separately from assets for which the Nordea Group bears the investment risk. Due to this reclassification, the Nordea Group restated the comparative figures for “loans to credit institutions”, “interest-bearing securities”, “shares”, “investment properties” and “other assets” as of 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended and as of 31 December 2016. The restated figures as of 31 December 2015 presented herein are unaudited. The corresponding audited non-restated figure as of 31 December 2015 is EUR 10,959 million for loans to credit institutions, EUR 88,176 million for interest-bearing securities, EUR 40,745 million for shares and EUR 28,262 million for other (that, as defined for the purposes of the above table, includes investment properties that decreased by EUR 111 million and other assets that decreased by EUR 13 million due to the restatement).
- (2) Comprised of fair value changes of the hedged items in portfolio hedge of interest rate risk, investments in associated undertakings and joint ventures, intangible assets, properties and equipment, investment properties, deferred tax assets, current tax assets, retirement benefit assets, prepaid expenses and accrued income, and other assets, which includes claims on securities settlement proceeds, cash/margin receivables and other.
- (3) Assets and liabilities held for sale as of 30 June 2018 relate to Nordea’s decision to sell part of its Luxembourg-based private banking business to UBS Europe SE, which sale is expected to be completed during the second half of 2018. Assets and liabilities held for sale as of 31 December 2017 relate to Nordea’s decision to sell additional 45 per cent of the shares in Danish Nordea Liv & Pension Livsforsikringsselskab A/S, which sale was completed on 16 April 2018. Assets and liabilities held for sale as of 31 December 2016 consist of the Nordea Group’s Baltic operations and lending to retail customers in Russia. Assets and liabilities related to the disposal groups are presented on the separate balance sheet lines “assets held for sale” and “liabilities held for sale”, respectively, as from the classification date.
- (4) As a result of the accounting policy changes discussed in footnote (1) above, the Nordea Group reclassified in 2016 the liabilities corresponding to assets in pooled schemes and unit-linked investment contracts to the separate balance sheet line “deposits in pooled schemes and unit-linked investment contracts” given that these liabilities behave differently than the normal deposits received from customers. Due to this reclassification, the Nordea Group restated the comparative figures for “deposits and borrowings from the public”, “liabilities to policyholders” and “other” liabilities as of 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended and as of 31 December 2016. The restated figures as of 31 December 2015 presented herein are unaudited. The corresponding audited non-restated figure as of 31 December 2015 is EUR 193,342 million, for deposits and borrowings from the public, EUR 55,491 million for liabilities to policyholders and EUR 41,352 million for other (that, as defined for the purposes of the above table, includes other liabilities that decreased by EUR 11 million due to the restatement).
- (5) Comprised of fair value changes of the hedged items in portfolio hedge of interest rate risk, current tax liabilities, accrued expenses and prepaid income, deferred tax liabilities, provisions, retirement benefit liabilities, subordinated liabilities, and other liabilities, which includes liabilities on securities settlement proceeds, sold, not held, securities, accounts payable, cash/margin payables and other.

## Key Regulatory Ratios and Key Financial Figures<sup>(1)</sup>

	For the six months ended and as of 30 June		For the year ended and as of 31 December		
	2017	2018	2015	2016	2017
<b>Key Regulatory Ratios</b>					
Loan loss ratio, basis points <sup>(2)</sup> .....	14	8	14	15	12
Common equity tier 1 (CET1) capital ratio, excluding Basel I floor <sup>(3)(4)</sup> , per cent.....	19.2	19.9	16.5	18.4	19.5
Tier 1 capital ratio, excluding Basel I floor <sup>(3)(4)</sup> , per cent .....	21.4	22.2	18.5	20.7	22.3
Total capital ratio, excluding Basel I floor <sup>(3)(4)</sup> , per cent.....	24.6	25.4	21.6	24.7	25.2
Tier 1 capital <sup>(3)(4)</sup> , EUR billion .....	27.7	27.2	26.5	27.6	28.0
Risk exposure amount (REA), excluding Basel I floor <sup>(3)</sup> , EUR billion.....	130	123	143	133	126
Economic Capital <sup>(4)</sup> , EUR billion.....	27.3	26.5	25.0	26.3	26.7
<b>Key Financial Figures</b>					
Return on equity <sup>(5)</sup> , per cent .....	9.9	12.0	12.2	12.3	9.5
Cost to income ratio, excluding items affecting comparability, per cent.....	52	54	47	50	54
ROCAR, excluding items affecting comparability <sup>(6)</sup> , per cent .....	11.6	10.8	14.8	13.4	11.1
<b>Share and Other Data</b>					
Share price <sup>(4)</sup> , EUR.....	11.12	8.26	10.15	10.60	10.09
Total shareholders' return, per cent .....	11.8	(7.0)	8.2	16.3	3.6
Proposed/actual dividend per share, EUR.....	n.a.	n.a.	0.64	0.65	0.68
Equity per share <sup>(4)</sup> , EUR.....	7.74	7.92	7.69	8.03	8.21
Potential shares outstanding <sup>(4)</sup> , million .....	4,050	4,050	4,050	4,050	4,050
Weighted average number of diluted shares, million .....	4,040	4,037	4,031	4,037	4,039
Number of employees (full-time equivalent ("FTE")) <sup>(4)</sup> .....	31,847	29,271	29,815	31,596	30,399

(1) For definitions of ratios and other key terms, see “—Definitions of Key Regulatory Ratios” and “—Definitions of Key Financial Figures” below.

(2) Including loans to the public reported as assets held for sale in 2016.

(3) Including result for the year.

(4) End of year.

(5) The return on equity of the Nordea Group, excluding items affecting comparability, was 9.1 per cent for the six months ended 30 June 2018, 9.9 per cent for the six months ended 30 June 2017, 9.5 per cent in 2017, 11.5 per cent in 2016 and 12.3 per cent in 2015.

(6) ROCAR, excluding items affecting comparability is restated in 2016 due to changed definition of average Economic Capital.

### Definitions of Key Regulatory Ratios

Set forth below are definitions of terms and key regulatory ratios used in “—Key Regulatory Ratios and Key Financial Figures” above.

Loan loss ratio, basis points..... Net loan losses (annualised) divided by closing balance of loans to the public (lending).

Common equity tier 1 (CET1) capital ratio..... Common equity tier 1 (CET1) capital as a percentage of risk exposure amount (REA).

Tier 1 capital ratio..... Tier 1 capital as a percentage of risk exposure amount (REA).

Total capital ratio..... Own funds as a percentage of risk exposure amount (REA).

Own funds..... Own funds is defined in Article 72 in the CRR (as defined below) and consist of the sum of tier 1 capital and tier 2 capital.

Tier 1 capital..... Tier 1 capital is defined in Article 25 in the CRR and consists of the sum of the common equity tier 1 (CET1) capital and additional tier 1 capital of the institution. Common equity tier 1 (CET1) is defined in Article 50 in the CRR and 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.

Risk exposure amount (REA) .....	Risk exposure amount (REA) is defined in Article 92.3 in the CRR. Total assets and off-balance-sheet items valued on the basis of the credit and market risks, as well as operational risks of the Nordea Group's undertakings, in accordance with regulations governing capital adequacy, excluding assets in insurance companies, carrying amount of shares which have been deducted from the own funds and intangible assets.
Economic Capital.....	Economic Capital is the internally derived amount of capital to ensure that a firm stay solvent. The approach includes both pillar 1 and pillar 2 capital based on a 99.9 per cent confidence measurement.

### Definitions of Key Financial Figures

Set forth below are definitions of terms and key financial figures used in “—Key Regulatory Ratios and Key Financial Figures” above.

Return on equity, per cent.....	Net profit for the year as a percentage of average equity for the year. Additional tier 1 capital, accounted for in equity, is in the calculation considered as being classified as a financial liability. 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.
Cost to income ratio, excluding items affecting comparability .....	Total operating expenses excluding items affecting comparability divided by total operating income excluding items affecting comparability.
ROCAR (return on capital at risk), excluding items affecting comparability, per cent .....	Net profit for the period excluding items affecting comparability in percentage of Economic Capital.
Items affecting comparability .....	Significant items that interfere with year-on year comparisons, such as material gain on sale of business operations, restructuring expenses and changes in pension arrangements.

### Reconciliation of Certain Key Financial Figures

The following table sets forth the specification of items affecting comparability and the calculation of cost to income ratio, excluding items affecting comparability for the periods indicated:

	For the six months ended 30 June		For the year ended 31 December		
	2017	2018	2015	2016	2017
	(EUR million, unless otherwise indicated)				
Items affecting comparability, before tax:					
Gain from divestment of Nordea's merchant acquiring business to Nets Holding A/S .....	—	—	176	—	—
Gain related to Visa Inc.'s acquisition of Visa Europe Ltd. ....	—	—	—	173	—
Restructuring charge.....	—	—	(263)	—	—
Change in pension agreement in Norway .....	—	—	—	86	—
Gain related to the sale of additional 45 per cent of the shares in Danish Nordea Liv & Pension Livsforsikringselskab A/S.....	—	262	—	—	—
Gain related to the divestment of shares in UC AB.....	—	87	—	—	—
Gain from valuation model update in Denmark .....	—	135	—	—	—
<b>Total items affecting comparability, before tax .....</b>	<b>—</b>	<b>484</b>	<b>(87)</b>	<b>259</b>	<b>—</b>
Total operating expenses .....	(2,537)	(2,359)	(4,957)	(4,800)	(5,102)
Items affecting comparability in total operating expenses .....	—	—	263	(86)	—
<b>Total operating expenses excluding items affecting comparability .....</b>	<b>(2,537)</b>	<b>(2,359)</b>	<b>(4,694)</b>	<b>(4,886)</b>	<b>(5,102)</b>
Total operating income.....	4,868	4,856	10,140	9,927	9,469
Items affecting comparability in total operating income .....	—	(484)	(176)	(173)	—
<b>Total operating income excluding items affecting comparability .....</b>	<b>4,868</b>	<b>4,372</b>	<b>9,964</b>	<b>9,754</b>	<b>9,469</b>
<b>Cost to income ratio, excluding items affecting comparability, per cent .....</b>	<b>52</b>	<b>54</b>	<b>47</b>	<b>50</b>	<b>54</b>

The following table sets forth the calculation of ROCAR, excluding items affecting comparability, as defined by Nordea for the periods indicated:

	For the six months ended 30 June		For the year ended 31 December		
	2017	2018	2015	2016	2017
		(EUR million, unless otherwise indicated)			
Net profit for the period .....	1,587	1,905	3,662	3,766	3,048
Items affecting comparability, net of tax .....	—	(454)	29	(227)	—
<b>Net profit for the period excluding items affecting comparability .....</b>	<b><u>1,587</u></b>	<b><u>1,451</u></b>	<b><u>3,691</u></b>	<b><u>3,539</u></b>	<b><u>3,048</u></b>
Average economic capital .....	28,110	27,294	25,005	26,773	27,342
<b>ROCAR, excluding items affecting comparability<sup>(1)</sup>, per cent .....</b>	<b>11.6</b>	<b>10.8</b>	<b>14.8</b>	<b>13.4</b>	<b>11.1</b>

(1) ROCAR, excluding items affecting comparability is restated in 2016 due to changed definition of average Economic Capital.

- (5) The following text is inserted to replace the fifth sentence of the fourth paragraph of element E.3 of the section entitled “*Summary*” on page 16 of the Prospectus:

Nordea Finland changed its trade name to Nordea Bank Abp on 29 June 2018.

## Risk Factors

The section of the Prospectus entitled “*Risk Factors*” is supplemented as follows:

- (1) The following text is inserted to replace the third sentence in the first paragraph of the risk factor “*There are risks and uncertainties associated with the proposed re-domiciliation and Merger, and a failure to complete or a delay in completing the Merger could adversely affect the Nordea Group’s business, results of operations and financial condition*” in the section entitled “*Risk Factors—Risks Relating to the Merger*” on page 17 of the Prospectus:

The Merger is subject to a number of uncertainties, including the ability to obtain the necessary regulatory authorisations, required licences or satisfactory outcomes of the discussions with regulators and authorities, including local financial supervisory authorities and tax authorities, as well as the uncertainty related to certain elements of the regulatory framework that would be applied to the Nordea Group following the completion of the Merger (see also “*Merger of Nordea Sweden into Nordea Finland—Conditions to the Completion of the Merger*” and “*—Risks Relating to the Nordea Group’s Operations—Risks Relating to the Legal and Regulatory Environments in which the Nordea Group Operates—The Nordea Group is subject to extensive regulation that is subject to change*” below). On 27 June 2018, the ECB granted a licence to Nordea Finland to conduct banking business, investment services and investment activities.

- (2) The following text is inserted to replace the second, third, fourth and fifth sentences of the third paragraph of the risk factor “*The Nordea Group is subject to extensive regulation that is subject to change*” in the section entitled “*Risk Factors—Risks Relating to the Nordea Group’s Operations—Risks Relating to the Legal and Regulatory Environments in which the Nordea Group Operates*” on page 22 of the Prospectus:

One such new requirement is the obligation for banks to contribute to resolution funds, the purpose of which are to finance the resolution of failing banks without having to resort to taxpayer money. Nordea has been contributing to the Swedish resolution reserve but will, after having re-domiciled to Finland, instead contribute to the EU-wide Single Resolution Fund.

- (3) The following text is inserted in the end of the third paragraph of the risk factor “*CRD IV introduces capital requirements that are in addition to the minimum capital ratio*” in the section entitled “*Risk Factors—Risks Relating to the Nordea Group’s Operations—Risks Relating to the Legal and Regulatory Environments in which the Nordea Group Operates*” on page 23 of the Prospectus:

On 29 June 2018, the FFSA decided to activate the systemic risk buffer in Finland. For the Nordea Group the systemic risk buffer requirement is set at 3 per cent to be met by common equity tier 1 capital and will be applicable from 1 July 2019. In addition, the FFSA also decided to activate the O-SII (as defined below) buffer as well as the G-SII buffer. The O-SII buffer for the Nordea Group is set at 2 per cent and will be applicable from 1 January 2019 while the G-SII buffer is set at 1 per cent and will be applicable from 1 January 2020. Both buffers are to be met with common equity tier 1 capital. However, the higher of systemic risk buffer and G-SII/O-SII buffer is applicable. Therefore, from 1 January to 30 June 2019 the buffer will be 2 per cent (based on the O-SII buffer) and, from 1 July 2019, the buffer will be increased to 3 per cent since the systemic risk

buffer will then be the higher of the buffers. A condition for the above-mentioned decisions to enter into force is that the SFSA does not oppose the Merger. Furthermore, the ECB can assess the adequacy of the systemic risk buffer set by the FFSA and, should the ECB at a later stage consider this buffer not to be adequate, it may set a higher systemic risk buffer requirement. See also “*Operating and Financial Review and Prospects—Recent Events—Activation of Systemic Risk Buffer in Finland*”.

- (4) The following text is inserted to replace the fourth sentence of the first paragraph of the risk factor “*Disruptions and volatility in the global financial markets may adversely impact the Nordea Group*” in the section entitled “*Risk Factors—Risks Relating to the Nordea Group’s Operations—Risks Relating to Macroeconomic Conditions*” on page 30 of the Prospectus:

Geopolitical events, such as continued tensions in the Middle East, eastern Ukraine and the Korean Peninsula, the United Kingdom’s decision to withdraw from the EU and recent changes in certain policy goals of the U.S. government and in trade policies globally, have also caused, and are likely to continue to cause, uncertainty in the markets and concern about the development of the global economy.

### **Certain Matters**

The section of the Prospectus entitled “*Certain Matters—Presentation of Financial Information—Historical Financial Statements of the Nordea Group*” is supplemented as follows:

- (1) The following text is inserted to become the new fourth paragraph of the section entitled “*Certain Matters—Presentation of Financial Information—Historical Financial Statements of the Nordea Group*” on page 37 of the Prospectus:

The Nordea Group’s unaudited financial statements for the six months ended and as of 30 June 2018, together with comparative figures for the six months ended and as of 30 June 2017, presented in this Prospectus are unaudited and have been derived from the interim report of the Nordea Group for the six months ended and as of 30 June 2018. The information presented in the interim report of the Nordea Group for the six months ended and as of 30 June 2018 is presented in accordance with IAS 34 “*Interim Financial Reporting*”. The interim report of the Nordea Group for the six months ended and as of 30 June 2018 has been reviewed by Peter Clemetson and Catarina Ericsson, Authorised Public Accountants, and Öhrlings PricewaterhouseCoopers AB.

### **Selected Consolidated Financial and Other Data**

The section of the Prospectus entitled “*Selected Consolidated Financial and Other Data*” is supplemented as follows:

- (1) The following text is inserted to replace the first paragraph of the section entitled “*Selected Consolidated Financial and Other Data*” on page 45 of the Prospectus:

The selected consolidated income statement and balance sheet data presented below for the years ended and as of 31 December 2015, 2016 and 2017 have been derived from the audited consolidated financial statements of the Nordea Group for the years ended and as of 31 December 2015, 2016 and 2017, together with the restated comparative figures for the year ended and as of 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended 31 December 2016, incorporated by reference into this Prospectus. Those financial statements have been prepared in accordance with IFRS. The selected consolidated income statement and balance sheet data presented below for the six months ended and as of 30 June 2017 and 2018 are unaudited and have been derived from the unaudited consolidated financial statements of the Nordea Group for the six months ended and as of 30 June 2018, together with comparative figures for the six months ended and as of 30 June 2017, included in the interim report of the Nordea Group for the six months ended and as of 30 June 2018. Nordea Finland, the parent company of the Nordea Group following the completion of the Merger, was registered with the Finnish Trade Register on 27 September 2017 and no historical financial statements have been prepared in respect of Nordea Finland. The Nordea Group’s unaudited consolidated financial statements and information and audited consolidated financial statements incorporated by reference into this Prospectus have been prepared for the Nordea Group with Nordea Sweden as the parent company. As the Merger will be treated in the Nordea Group’s consolidated accounts as a reorganisation within the consolidated group, the Merger as an intra-group transaction does not change the reporting entity under IFRS. Accordingly, the consolidated financial statements of Nordea Finland, the new parent company of the Nordea Group, will reflect a continuum of the carrying values from the consolidated financial statements of the former parent company of the Nordea Group, Nordea Sweden, which are incorporated by reference into this Prospectus. See also “*Certain Matters—Presentation of Financial Information—Accounting Treatment of the Merger*”. For information on the Nordea Group’s income statement and balance sheet data on a business area basis for the years ended and as of 31 December 2015, 2016 and 2017, see “*Operating and Financial Review and Prospects—Results of Operations—Results of Operations on a Business Area Basis for 2015, 2016 and 2017*”, and for information on Nordea’s nonconsolidated income

statement and balance sheet data, see “*Operating and Financial Review and Prospects—Results of Operations—Results of Operations of Nordea on a Nonconsolidated Basis for 2015, 2016 and 2017*” and “*—Balance Sheet Information—Nordea*”. The data set forth below should be read in conjunction with “*Operating and Financial Review and Prospects*” and the unaudited consolidated financial statements and information and audited consolidated financial statements of the Nordea Group incorporated by reference into this Prospectus.

- (2) The following tables are inserted to replace the tables contained in the section entitled “*Selected Consolidated Financial and Other Data*” starting on page 45 of the Prospectus:

### Selected Consolidated Income Statement Data

	For the six months ended 30 June		For the year ended 31 December		
	2017	2018	2015	2016	2017
	(EUR million, unless otherwise indicated)				
Net interest income.....	2,372	2,126	4,963 <sup>(1)</sup>	4,727	4,666
Net fee and commission income .....	1,716	1,570	3,230 <sup>(1)</sup>	3,238	3,369
Net result from items at fair value.....	736	701	1,645 <sup>(1)</sup>	1,715	1,328
Profit from associated undertakings accounted for under the equity method .....	4	61	39	112	23
Other operating income .....	40	398	263	135	83
<b>Total operating income .....</b>	<b>4,868</b>	<b>4,856</b>	<b>10,140</b>	<b>9,927</b>	<b>9,469</b>
General administrative expenses:					
Staff costs.....	(1,594)	(1,528)	(3,263)	(2,926)	(3,212)
Other expenses.....	(820)	(686)	(1,485)	(1,646)	(1,622)
Depreciation, amortisation and impairment charges of tangible and intangible assets .....	(123)	(145)	(209)	(228)	(268)
<b>Total operating expenses .....</b>	<b>(2,537)</b>	<b>(2,359)</b>	<b>(4,957)</b>	<b>(4,800)</b>	<b>(5,102)</b>
<b>Profit before loan losses .....</b>	<b>2,331</b>	<b>2,497</b>	<b>5,183</b>	<b>5,127</b>	<b>4,367</b>
Net loan losses .....	(219)	(99)	(479)	(502)	(369)
<b>Operating profit.....</b>	<b>2,112</b>	<b>2,398</b>	<b>4,704</b>	<b>4,625</b>	<b>3,998</b>
Income tax expense .....	(525)	(493)	(1,042)	(859)	(950)
<b>Net profit for the year .....</b>	<b>1,587</b>	<b>1,905</b>	<b>3,662</b>	<b>3,766</b>	<b>3,048</b>
<b>Attributable to:</b>					
Shareholders of Nordea Bank AB (publ).....	1,579	1,894	3,662	3,766	3,031
Additional Tier 1 capital holders.....	–	7	–	–	–
Non-controlling interests.....	8	4	–	–	17
<b>Total .....</b>	<b>1,587</b>	<b>1,905</b>	<b>3,662</b>	<b>3,766</b>	<b>3,048</b>
Basic earnings per share, EUR.....	0.39	0.47	0.91	0.93	0.75
Diluted earnings per share, EUR.....	0.39	0.47	0.91	0.93	0.75

- (1) Due to (i) a reclassification in 2016 of refinancing fees and pay-out fees received in connection with mortgage lending in Denmark from “net result from items at fair value” to “net fee and commission income” and (ii) a reclassification in 2016 of state guarantee fees from “net fee and commission income” to “net interest income”, the Nordea Group restated the comparative income statement figures for the year ended 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended and as of 31 December 2016. The restated figures for 2015 presented herein are unaudited. The audited non-restated figure for the year ended 31 December 2015 for net interest income is EUR 5,110 million, for net fee and commission income EUR 3,025 million and for net result from items at fair value EUR 1,703 million.



## Selected Consolidated Balance Sheet Data

	As of 30	As of 31 December		
	June 2018	2015	2016	2017
		(EUR million)		
Cash and balances with central banks .....	33,690	35,500	32,099	43,081
Loans to central banks .....	6,732	13,224	11,235	4,796
Loans to credit institutions .....	13,351	10,762 <sup>(1)</sup>	9,026	8,592
Loans to the public .....	314,813	340,920	317,689	310,158
Interest-bearing securities .....	74,987	86,535 <sup>(1)</sup>	87,701	75,294
Financial instruments pledged as collateral .....	8,898	8,341	5,108	6,489
Shares .....	15,568	22,273 <sup>(1)</sup>	21,524	17,180
Assets in pooled schemes and unit-linked investment contracts .....	26,335	20,434 <sup>(1)</sup>	23,102	25,879
Derivatives .....	43,719	80,741	69,959	46,111
Other <sup>(2)</sup> .....	30,506	28,138 <sup>(1)</sup>	29,319	21,846
Assets held for sale <sup>(3)</sup> .....	1,454	–	8,897	22,186
<b>Total assets</b> .....	<b>570,053</b>	<b>646,868</b>	<b>615,659</b>	<b>581,612</b>
Deposits by credit institutions .....	50,145	44,209	38,136	39,983
Deposits and borrowings from the public .....	176,491	189,049 <sup>(4)</sup>	174,028	172,434
Deposits in pooled schemes and unit-linked investment contracts .....	26,904	21,088 <sup>(4)</sup>	23,580	26,333
Liabilities to policyholders .....	19,241	38,707 <sup>(4)</sup>	41,210	19,412
Debt securities in issue .....	177,865	201,937	191,750	179,114
Derivatives .....	44,519	79,505	68,636	42,713
Other <sup>(5)</sup> .....	40,612	41,341 <sup>(4)</sup>	41,021	42,276
Liabilities held for sale <sup>(3)</sup> .....	2,331	–	4,888	26,031
<b>Total liabilities</b> .....	<b>538,108</b>	<b>615,836</b>	<b>583,249</b>	<b>548,296</b>
<b>Total equity</b> .....	<b>31,945</b>	<b>31,032</b>	<b>32,410</b>	<b>33,316</b>
of which additional tier 1 capital holders .....	750	–	–	750
of which non-controlling interests .....	–	1	1	168
<b>Total liabilities and equity</b> .....	<b>570,053</b>	<b>646,868</b>	<b>615,659</b>	<b>581,612</b>

- (1) The Nordea Group reclassified in 2016 certain interest-bearing securities and shares to the separate balance sheet line “assets in pooled schemes and unit-linked investment contracts” in order to disclose them separately from assets for which the Nordea Group bears the investment risk. Due to this reclassification, the Nordea Group restated the comparative figures for “loans to credit institutions”, “interest-bearing securities”, “shares”, “investment properties” and “other assets” as of 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended and as of 31 December 2016. The restated figures as of 31 December 2015 presented herein are unaudited. The corresponding audited non-restated figure as of 31 December 2015 is EUR 10,959 million for loans to credit institutions, EUR 88,176 million for interest-bearing securities, EUR 40,745 million for shares and EUR 28,262 million for other (that, as defined for the purposes of the above table, includes investment properties that decreased by EUR 111 million and other assets that decreased by EUR 13 million due to the restatement).
- (2) Comprised of fair value changes of the hedged items in portfolio hedge of interest rate risk, investments in associated undertakings and joint ventures, intangible assets, properties and equipment, investment properties, deferred tax assets, current tax assets, retirement benefit assets, prepaid expenses and accrued income, and other assets, which includes claims on securities settlement proceeds, cash/margin receivables and other.
- (3) Assets and liabilities held for sale as of 30 June 2018 relate to Nordea’s decision to sell part of its Luxembourg-based private banking business to UBS Europe SE, which sale is expected to be completed during the second half of 2018. Assets and liabilities held for sale as of 31 December 2017 relate to Nordea’s decision to sell additional 45 per cent of the shares in Danish Nordea Liv & Pension Livsforsikringsselskab A/S, which sale was completed on 16 April 2018. Assets and liabilities held for sale as of 31 December 2016 consist of the Nordea Group’s Baltic operations and lending to retail customers in Russia. Assets and liabilities related to the disposal groups are presented on the separate balance sheet lines “assets held for sale” and “liabilities held for sale”, respectively, as from the classification date.
- (4) As a result of the accounting policy changes discussed in footnote (1) above, the Nordea Group reclassified in 2016 the liabilities corresponding to assets in pooled schemes and unit-linked investment contracts to the separate balance sheet line “deposits in pooled schemes and unit-linked investment contracts” given that these liabilities behave differently than the normal deposits received from customers. Due to this reclassification, the Nordea Group restated the comparative figures for “deposits and borrowings from the public”, “liabilities to policyholders” and “other” liabilities as of 31 December 2015 included in the audited consolidated financial statements of the Nordea Group for the year ended and as of 31 December 2016. The restated figures as of 31 December 2015 presented herein are unaudited. The corresponding audited non-restated figure as of 31 December 2015 is EUR 193,342 million, for deposits and borrowings from the public, EUR 55,491 million for liabilities to policyholders and EUR 41,352 million for other (that, as defined for the purposes of the above table, includes other liabilities that decreased by EUR 11 million due to the restatement).
- (5) Comprised of fair value changes of the hedged items in portfolio hedge of interest rate risk, current tax liabilities, accrued expenses and prepaid income, deferred tax liabilities, provisions, retirement benefit liabilities, subordinated liabilities, and other liabilities, which includes liabilities on securities settlement proceeds, sold, not held, securities, accounts payable, cash/margin payables and other.

## Key Regulatory Ratios and Key Financial Figures<sup>(1)</sup>

	For the six months ended and as of 30 June		For the year ended and as of 31 December		
	2017	2018	2015	2016	2017
<b>Key Regulatory Ratios</b>					
Loan loss ratio, basis points <sup>(2)</sup> .....	14	8	14	15	12
Common equity tier 1 (CET1) capital ratio, excluding Basel I floor <sup>(3)(4)</sup> , per cent.....	19.2	19.9	16.5	18.4	19.5
Tier 1 capital ratio, excluding Basel I floor <sup>(3)(4)</sup> , per cent .....	21.4	22.2	18.5	20.7	22.3
Total capital ratio, excluding Basel I floor <sup>(3)(4)</sup> , per cent.....	24.6	25.4	21.6	24.7	25.2
Tier 1 capital <sup>(3)(4)</sup> , EUR billion .....	27.7	27.2	26.5	27.6	28.0
Risk exposure amount (REA), excluding Basel I floor <sup>(3)</sup> , EUR billion.....	130	123	143	133	126
Economic Capital <sup>(4)</sup> , EUR billion.....	27.3	26.5	25.0	26.3	26.7
<b>Key Financial Figures</b>					
Return on equity <sup>(5)</sup> , per cent .....	9.9	12.0	12.2	12.3	9.5
Cost to income ratio, excluding items affecting comparability, per cent.....	52	54	47	50	54
ROCAR, excluding items affecting comparability <sup>(6)</sup> , per cent .....	11.6	10.8	14.8	13.4	11.1
<b>Share and Other Data</b>					
Share price <sup>(4)</sup> , EUR.....	11.12	8.26	10.15	10.60	10.09
Total shareholders' return, per cent .....	11.8	(7.0)	8.2	16.3	3.6
Proposed/actual dividend per share, EUR.....	n.a.	n.a.	0.64	0.65	0.68
Equity per share <sup>(4)</sup> , EUR.....	7.74	7.92	7.69	8.03	8.21
Potential shares outstanding <sup>(4)</sup> , million .....	4,050	4,050	4,050	4,050	4,050
Weighted average number of diluted shares, million .....	4,040	4,037	4,031	4,037	4,039
Number of employees (FTE) <sup>(4)</sup> .....	31,847	29,271	29,815	31,596	30,399

(1) For definitions of ratios and other key terms, see “—Definitions of Key Regulatory Ratios” and “—Definitions of Key Financial Figures” below.

(2) Including loans to the public reported as assets held for sale in 2016.

(3) Including result for the year.

(4) End of year.

(5) The return on equity of the Nordea Group, excluding items affecting comparability, was 9.1 per cent for the six months ended 30 June 2018, 9.9 per cent for the six months ended 30 June 2017, 9.5 per cent in 2017, 11.5 per cent in 2016 and 12.3 per cent in 2015.

(6) ROCAR, excluding items affecting comparability is restated in 2016 due to changed definition of average Economic Capital.

### Definitions of Key Regulatory Ratios

Set forth below are definitions of terms and key regulatory ratios used in “—Key Regulatory Ratios and Key Financial Figures” above and other sections of this Prospectus, including “Risk Management”.

Loan loss ratio, basis points..... Net loan losses (annualised) divided by closing balance of loans to the public (lending).

Common equity tier 1 (CET1) capital ratio..... Common equity tier 1 (CET1) capital as a percentage of risk exposure amount (REA).

Tier 1 capital ratio..... Tier 1 capital as a percentage of risk exposure amount (REA).

Total capital ratio..... Own funds as a percentage of risk exposure amount (REA).

Own funds..... Own funds is defined in Article 72 in the CRR and consist of the sum of tier 1 capital and tier 2 capital.

Tier 1 capital..... Tier 1 capital is defined in Article 25 in the CRR and consists of the sum of the common equity tier 1 (CET1) capital and additional tier 1 capital of the institution. Common equity tier 1 (CET1) is defined in Article 50 in the CRR and 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.

Risk exposure amount (REA) .....	Risk exposure amount (REA) is defined in Article 92.3 in the CRR. Total assets and off-balance-sheet items valued on the basis of the credit and market risks, as well as operational risks of the Nordea Group's undertakings, in accordance with regulations governing capital adequacy, excluding assets in insurance companies, carrying amount of shares which have been deducted from the own funds and intangible assets.
Economic Capital.....	Economic Capital is the internally derived amount of capital to ensure that a firm stay solvent. The approach includes both pillar 1 and pillar 2 capital based on a 99.9 per cent confidence measurement.

### Definitions of Key Financial Figures

Set forth below are definitions of terms and key financial figures used in “—Key Regulatory Ratios and Key Financial Figures” above and other sections of this Prospectus.

Return on equity, per cent.....	Net profit for the year as a percentage of average equity for the year. Additional tier 1 capital, accounted for in equity, is in the calculation considered as being classified as a financial liability. 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.
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Cost to income ratio, excluding items affecting comparability .....	Total operating expenses excluding items affecting comparability divided by total operating income excluding items affecting comparability.
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ROCAR (return on capital at risk), excluding items affecting comparability, per cent .....	Net profit for the period excluding items affecting comparability in percentage of Economic Capital.
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Items affecting comparability .....	Significant items that interfere with year-on year comparisons, such as material gain on sale of business operations, restructuring expenses and changes in pension arrangements.
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### Reconciliation of Certain Key Financial Figures

The following table sets forth the specification of items affecting comparability and the calculation of cost to income ratio, excluding items affecting comparability for the periods indicated:

	For the six months ended 30 June		For the year ended 31 December		
	2017	2018	2015	2016	2017
	(EUR million, unless otherwise indicated)				
Items affecting comparability, before tax:					
Gain from divestment of Nordea's merchant acquiring business to Nets Holding A/S .....	—	—	176	—	—
Gain related to Visa Inc.'s acquisition of Visa Europe Ltd. ....	—	—	—	173	—
Restructuring charge.....	—	—	(263)	—	—
Change in pension agreement in Norway .....	—	—	—	86	—
Gain related to the sale of additional 45 per cent of the shares in Danish Nordea Liv & Pension Livsforsikringsselskab A/S.....	—	262	—	—	—
Gain related to the divestment of shares in UC AB.....	—	87	—	—	—
Gain from valuation model update in Denmark .....	—	135	—	—	—
<b>Total items affecting comparability, before tax .....</b>	<b>—</b>	<b>484</b>	<b>(87)</b>	<b>259</b>	<b>—</b>
Total operating expenses .....	(2,537)	(2,359)	(4,957)	(4,800)	(5,102)
Items affecting comparability in total operating expenses .....	—	—	263	(86)	—
<b>Total operating expenses excluding items affecting comparability .....</b>	<b>(2,537)</b>	<b>(2,359)</b>	<b>(4,694)</b>	<b>(4,886)</b>	<b>(5,102)</b>
Total operating income.....	4,868	4,856	10,140	9,927	9,469
Items affecting comparability in total operating income .....	—	(484)	(176)	(173)	—
<b>Total operating income excluding items affecting comparability .....</b>	<b>4,868</b>	<b>4,372</b>	<b>9,964</b>	<b>9,754</b>	<b>9,469</b>
<b>Cost to income ratio, excluding items affecting comparability, per cent .....</b>	<b>52</b>	<b>54</b>	<b>47</b>	<b>50</b>	<b>54</b>

The following table sets forth the calculation of ROCAR, excluding items affecting comparability, as defined by Nordea for the periods indicated:

	For the six months ended 30 June		For the year ended 31 December		
	2017	2018	2015	2016	2017
Net profit for the period .....	1,587	1,905	3,662	3,766	3,048
Items affecting comparability, net of tax .....	—	(454)	29	(227)	—
<b>Net profit for the period excluding items affecting comparability .....</b>	<b><u>1,587</u></b>	<b><u>1,451</u></b>	<b><u>3,691</u></b>	<b><u>3,539</u></b>	<b><u>3,048</u></b>
Average economic capital .....	28,110	27,294	25,005	26,773	27,342
<b>ROCAR, excluding items affecting comparability<sup>(1)</sup>, per cent .....</b>	<b>11.6</b>	<b>10.8</b>	<b>14.8</b>	<b>13.4</b>	<b>11.1</b>

(1) ROCAR, excluding items affecting comparability is restated in 2016 due to changed definition of average Economic Capital.

### Merger of Nordea Sweden into Nordea Finland

The section of the Prospectus entitled “*Merger of Nordea Sweden into Nordea Finland*” is supplemented as follows:

- (1) The following text is inserted to replace the fifth sentence of the fourth paragraph of the section entitled “*Merger of Nordea Sweden into Nordea Finland—Overview of the Merger—General*” on page 50 of the Prospectus:

Nordea Finland changed its trade name to Nordea Bank Abp on 29 June 2018.

- (2) The following text is inserted to become the last paragraph of the section entitled “*Merger of Nordea Sweden into Nordea Finland—Conditions to the Completion of the Merger*” on page 54 of the Prospectus:

On 27 June 2018, the ECB granted a licence to Nordea Finland to conduct banking business, investment services and investment activities.

- (3) The following text is inserted to replace the last sentence of the first paragraph of the section entitled “*Merger of Nordea Sweden into Nordea Finland—Licences*” on page 55 of the Prospectus:

The application was filed on 22 December 2017, and Nordea Finland obtained the credit institution licence on 27 June 2018.

### Description of the Nordea Group

The section of the Prospectus entitled “*Description of the Nordea Group*” is supplemented as follows:

- (1) The following text is inserted to replace the second and third sentences of the first paragraph of the section entitled “*Description of the Nordea Group—Legal Structure—Nordea Finland*” on page 64 of the Prospectus:

The trade name of Nordea Finland was changed from Nordea Holding Abp (Nordea Holding Oyj in Finnish) to Nordea Bank Abp (Nordea Bank Oyj in Finnish) following receipt of the credit institution licence from the ECB.

### Operating and Financial Review and Prospects—Recent Events

The section of the Prospectus entitled “*Operating and Financial Review and Prospects—Recent Events*” is supplemented as follows:

- (1) The following text is inserted to replace the second paragraph of the section entitled “*Operating and Financial Review and Prospects—Recent Events—Nordea Liv & Pension*” on page 78 of the Prospectus:

The transaction, which was subject to approvals by the DFSA and antitrust authorities, was completed on 16 April 2018 and generated a post-tax capital gain of EUR 138 million recognised in the second quarter of 2018. Nordea’s remaining holding of 30 per cent in the associated company was remeasured to fair value and led to an additional post-tax gain of EUR 124 million for the Nordea Group recognised in the second quarter of 2018.

- (2) The following text is inserted to replace the paragraph under the section entitled “*Operating and Financial Review and Prospects—Recent Events—Collection Portfolio Denmark*” on page 78 of the Prospectus:

In December 2017, Nordea signed an agreement to divest a portfolio of non-performing loans in Denmark. The portfolio consists of approximately 40,000 claims, the principal value of which amounts to approximately EUR 500 million. The transaction is expected to generate a capital gain of approximately EUR 40–50 million. Should the loans not fulfil contractual terms, the buyers of the loans will be compensated by Nordea. The

financial effects of the transaction are expected to be accounted for in the income statement in 2018 as the loan documentation is transferred to the buyers. EUR 9 million was recognised in net result from items at fair value in the first quarter of 2018 and EUR 5 million was recognised in net result from items at fair value in the second quarter of 2018.

- (3) The following text is inserted to replace the paragraph under the section entitled “*Operating and Financial Review and Prospects—Recent Events—Divestment of Shares in UC AB*” on page 79 of the Prospectus:

The Finnish credit information company Asiakastieto Group Plc (“**Asiakastieto**”) listed on Nasdaq Helsinki has entered into an agreement with all owners of UC AB (“**UC**”), including Nordea Sweden, to acquire UC at a price amounting to approximately EUR 340 million. The transaction was completed on 29 June 2018. Prior to the completion of the transaction, Nordea Sweden owned 26.1 per cent of the shares in UC. Upon the completion of the transaction, Nordea Sweden received 2,303,315 shares in Asiakastieto, equivalent to 9.6 per cent of the shares in the company after completion of the transaction, and approximately EUR 26 million in cash. The transaction resulted in a capital gain amounting to EUR 87 million for Nordea recognised in the result in the second quarter of 2018.

- (4) The following text is inserted to become the new fifth and sixth subsections under the section entitled “*Operating and Financial Review and Prospects—Recent Events*” on page 79 of the Prospectus:

#### ***Activation of Systemic Risk Buffer in Finland***

On 29 June 2018, the FFSA decided to activate the systemic risk buffer in Finland. For the Nordea Group the systemic risk buffer requirement is set at 3 per cent to be met by common equity tier 1 capital and will be applicable from 1 July 2019. In addition, the FFSA also decided to activate the O-SII buffer as well as the G-SII buffer. The O-SII buffer for the Nordea Group is set at 2 per cent and will be applicable from 1 January 2019 while the G-SII buffer is set at 1 per cent and will be applicable from 1 January 2020. Both buffers are to be met with common equity tier 1 capital. However, the higher of systemic risk buffer and G-SII/O-SII buffer is applicable. Therefore, from 1 January to 30 June 2019 the buffer will be 2 per cent (based on the O-SII buffer) and, from 1 July 2019, the buffer will be increased to 3 per cent since the systemic risk buffer will then be the higher of the buffers. A condition for the above-mentioned decisions to enter into force is that the SFSA does not oppose the Merger. Furthermore, the ECB can assess the adequacy of the systemic risk buffer set by the FFSA and, should the ECB at a later stage consider this buffer not to be adequate, it may set a higher systemic risk buffer requirement.

The future capital requirements for the Nordea Group under the SSM consist of several elements. With the decision on the systemic risk buffer the pillar 1 requirements are finalised. Decisions remain regarding the overall risk exposure amount (REA) and the pillar 2 assessment. These will in due course be made by the EU Supervisory College.

#### ***Acquisition of Gjensidige Bank ASA***

On 1 July 2018, the Nordea Group entered into an agreement with Gjensidige Forsikring ASA to acquire all the shares in Gjensidige Bank ASA. Nordea will acquire Gjensidige Bank ASA for an estimated cash consideration of NOK 5,500 million (EUR 578 million), that will be adjusted for the equity generated by Gjensidige Bank ASA until closing of the transaction. The acquisition, which is subject to certain conditions, including regulatory and other approvals, is expected to close in the first quarter of 2019.

### **Board of Directors, Management and Auditors**

The section of the Prospectus entitled “*Board of Directors, Management and Auditors*” is supplemented as follows:

- (1) The following paragraphs are inserted to immediately follow the last paragraph under the section entitled “*Board of Directors, Management and Auditors—Group Executive Management*” on page 147 of the Prospectus:

On 13 June 2018, Nordea announced that Jussi Koskinen, currently Vice President, Head of Global Corporate Legal at Nokia, has been appointed the new Chief Legal Officer and member of Group Executive Management. Mr Koskinen will join Nordea on 1 September 2018 and will start in his role as Chief Legal Officer and member of Group Executive Management on 1 October 2018.

*Jussi Koskinen* (b. 1973) will start as Chief Legal Officer and member of Group Executive Management on 1 October 2018. Before joining Nordea, Mr Koskinen has served as the Vice President, Head of Global Corporate Legal and Secretary to the Board of Directors at Nokia Corporation. Mr Koskinen has held senior positions within legal and compliance at Nokia since 2004. Mr Koskinen is and has been a member of the boards of

directors of several subsidiaries of Nokia Corporation. Mr Koskinen was the chairman of the board of directors of Dottli Ltd from 2015 to 2018 and a member of the board of directors of Dottli Ltd from 2014 to 2015.

## **Supervision and Regulation**

The section of the Prospectus entitled “*Supervision and Regulation*” is supplemented as follows:

- (1) The following text is inserted in the end of the second paragraph of the section entitled “*Supervision and Regulation—Capital Adequacy, Liquidity and Leverage—Finnish Implementation of CRD IV*” on page 189 of the Prospectus:

On 29 June 2018, the FFSA decided to activate the systemic risk buffer in Finland. For the Nordea Group the systemic risk buffer requirement is set at 3 per cent to be met by common equity tier 1 capital and will be applicable from 1 July 2019. In addition, the FFSA also decided to activate the O-SII buffer as well as the G-SII buffer. The O-SII buffer for the Nordea Group is set at 2 per cent and will be applicable from 1 January 2019 while the G-SII buffer is set at 1 per cent and will be applicable from 1 January 2020. Both buffers are to be met with common equity tier 1 capital. However, the higher of systemic risk buffer and G-SII/O-SII buffer is applicable. Therefore, from 1 January to 30 June 2019 the buffer will be 2 per cent (based on the O-SII buffer) and, from 1 July 2019, the buffer will be increased to 3 per cent since the systemic risk buffer will then be the higher of the buffers. A condition for the above-mentioned decisions to enter into force is that the SFSA does not oppose the Merger. Furthermore, the ECB can assess the adequacy of the systemic risk buffer set by the FFSA and, should the ECB at a later stage consider this buffer not to be adequate, it may set a higher systemic risk buffer requirement.

- (2) The following paragraphs are inserted to immediately follow the section entitled “*Supervision and Regulation—Currency and Credit Policy Regulations*” on page 192 of the Prospectus:

### **Recent Regulatory Developments**

On 28 March 2018, the SFSA published a consultation paper to change the method it currently uses to apply the current risk weight floor for Swedish mortgages through Pillar 2 by replacing it with a requirement in Pillar 1 within the framework of Article 458 of the CRR. The change is proposed to enter into force on 31 December 2018. The consultation period ended 30 April 2018.

The SFSA had previously implemented a LCR requirement in addition to the CRR requirement where large Swedish banks were required to fulfil the LCR requirement also for euro and U.S. dollar. This requirement was removed as of 1 January 2018 when the CRR requirement to fulfil the LCR requirement on aggregate currencies was fully implemented in Sweden. On 19 April 2018, the SFSA issued a memorandum in which it stated that the former requirement to fulfil LCR for specific currencies will be replaced by a similar Pillar 2 requirement. The SFSA intends to apply this requirement in its SREP for 2018.

## **Additional Information**

The section of the Prospectus entitled “*Additional Information*” is supplemented as follows:

- (1) The following text is inserted to replace the paragraph of the section entitled “*Additional Information—No Material Adverse Change in Prospects of Significant Change in Financial or Trading Position*” on page 201 of the Prospectus:

Since 30 June 2018, the date to which the latest unaudited financial statements of the Nordea Group were prepared, there has been no material adverse change in the prospects of the Nordea Group and no significant change in the financial or trading position of the Nordea Group.