

A photograph of a woman and a young girl laughing together in a field of tall grass. The woman is on the left, wearing a pink and white striped shirt, and the girl is on the right, wearing a red shirt and blue jeans. They are both laughing heartily, with their mouths open. The background is a field of tall, golden-brown grass with some purple flowers. The lighting is bright and natural, suggesting a sunny day. The overall mood is joyful and carefree.

Nordea

A decorative graphic consisting of five vertical blue bars of varying heights, arranged from left to right in a descending order. The bars have rounded ends and are set against a dark blue background.

Video debt investor presentation Q1 2021

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.

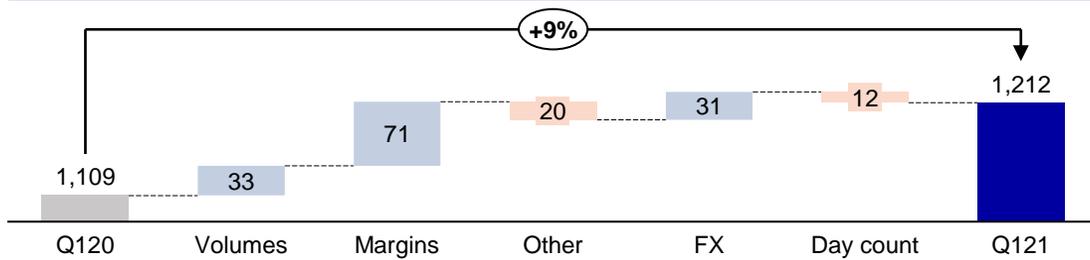
This presentation does not imply that Nordea has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

Starting time for each section

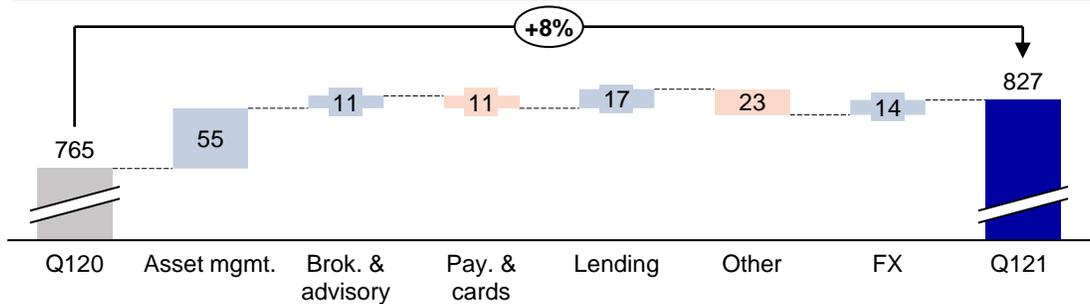
	Starts at	Page	Presenter
1. Nordea Q1 results	0.45 min	4	Maria Caneman, Senior Debt IR Officer
2. Credit quality	4.25 min	6	Andreas Larsson, Head of Debt IR
3. Capital position	6.05 min	7	Petra Mellor, Head of Bank Debt
4. Funding, liquidity and issuance plan	8.25 min	9	Ola Littorin, Head of Long Term Funding

Continued growth in business volumes and customer satisfaction across Nordics

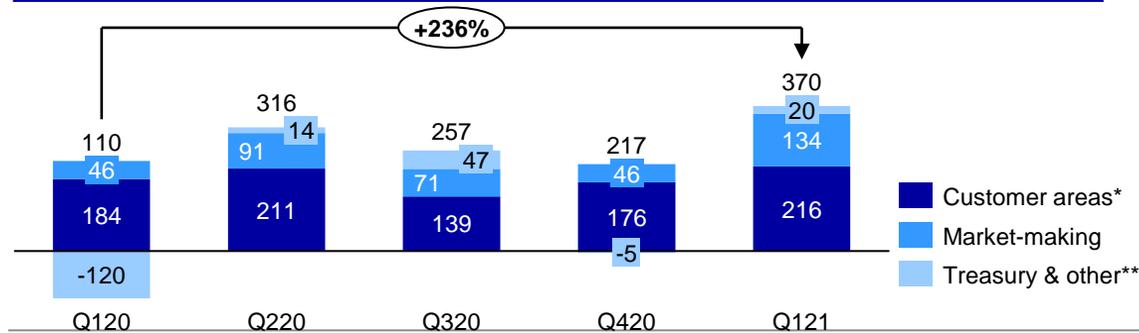
Net interest income, year-over-year, EURm



Net fee and commission income, EURm



Net fair value, EURm

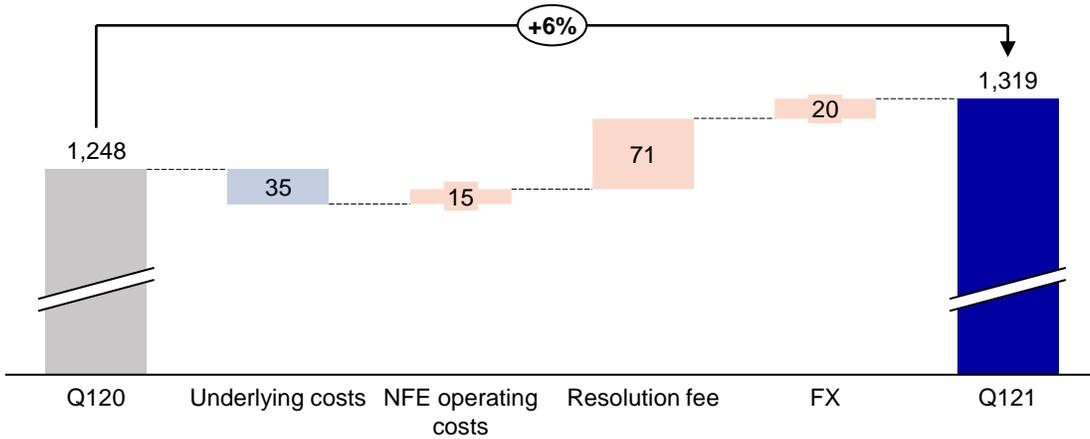


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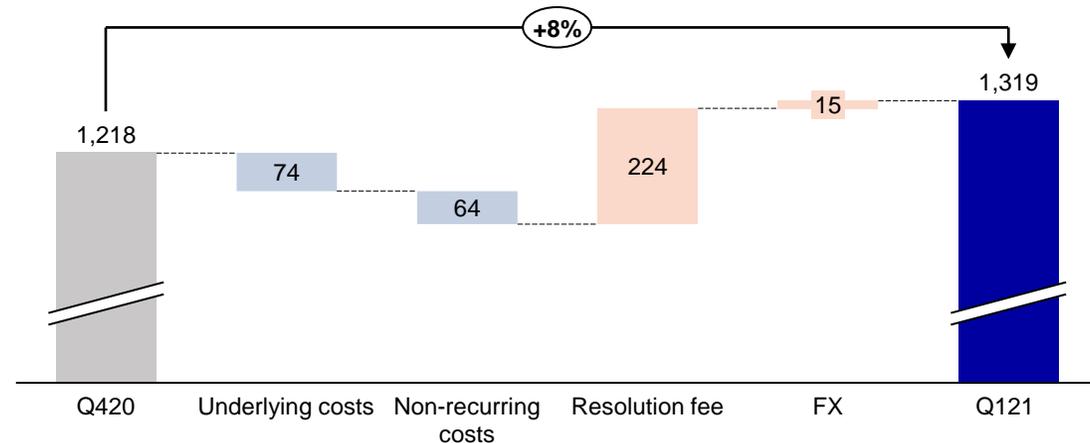
- Net interest income up 9% (up 7% excl. NFE)
 - Mortgage volumes up 6% and lending to SMEs up 7% with continued increase in customer satisfaction scores
 - Continued improvement in lending margins for large corporates
 - Lower funding costs and benefit received through participation in ECB's TLTRO III also contributing
- Net fee and commission income up 8%
 - Savings and investment commission income up 12%, driven by AuM growth
 - Higher levels of customer activity in brokerage and advisory business
 - Card income remains subdued
- Net fair value lifted by high activity in customer areas
 - Exceptionally strong quarter in market-making operations
 - Very strong trading result in fixed income, FX and equities
 - Treasury lifted by revaluations of holdings

Costs – underlying cost decrease in line with plan

Year-over-year bridge, EURm



Quarter-over-quarter bridge, EURm



Comments

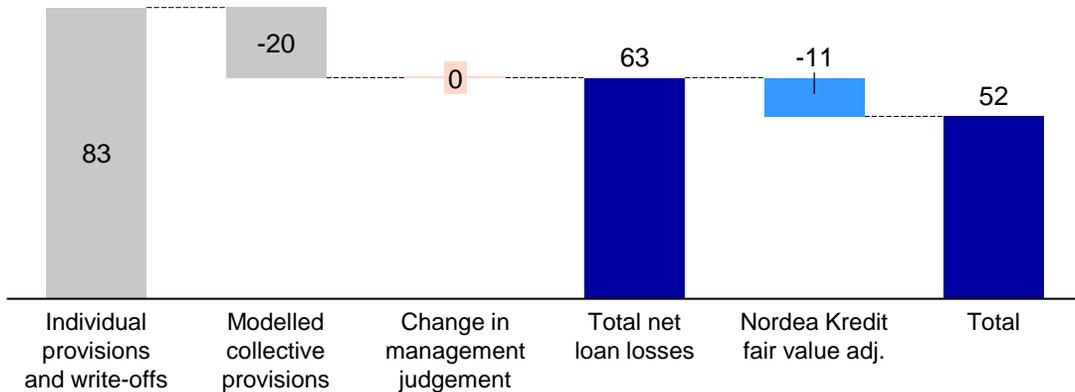
- Underlying costs down 3% (EUR 35m)
 - Full-year resolution fee of EUR 224m booked in Q1 2021
 - Exchange rate effects and inclusion of Nordea Finance Equipment (NFE)
- Staff costs down 2%, even after including NFE

Outlook

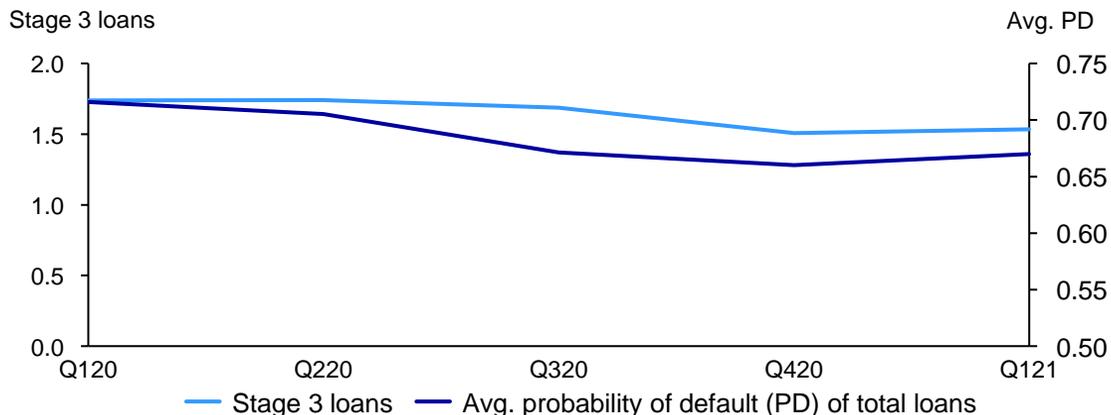
- Work to increase operational efficiency to continue
- 2021 costs expected to be below EUR 4.6bn, despite headwinds from higher business activity and strengthening exchange rates

Net loan losses and similar net result – credit quality remains strong

Net loan losses and similar net result Q121, EURm



Stage 3 loans and PD of total loans, %

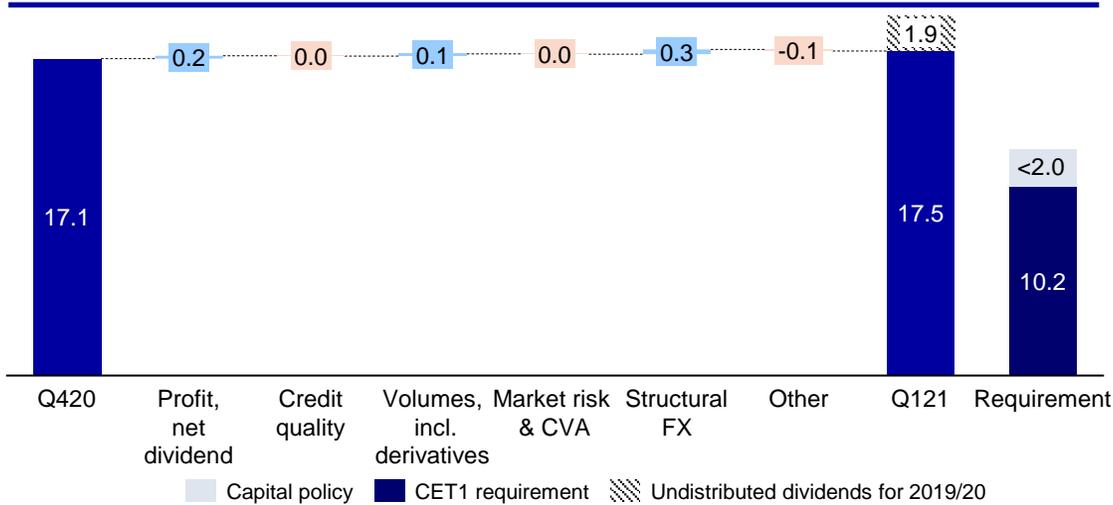


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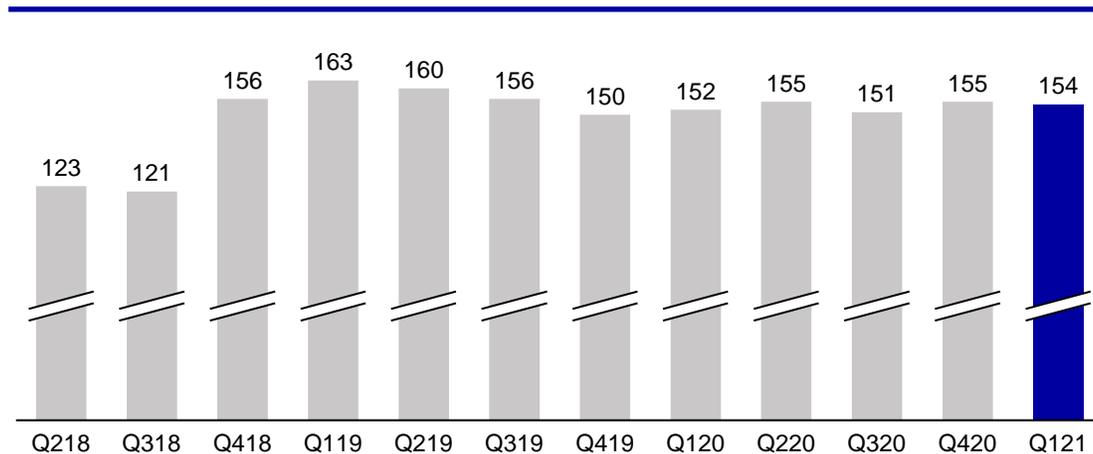
- Net loan losses and similar net result EUR 52m
- Credit quality strong and realised net loan losses low
 - Stage 3 loans 1.53%, slight increase q/q, mainly due to exchange rate movements
 - Loan losses mainly related to small number of individual customers affected by COVID-19 crisis
 - Limited negative credit migration
- Management judgement buffer of EUR 650m kept on balance sheet as full impact of COVID-19 pandemic on Nordea's customers remains uncertain

Capital – very strong capital position to support customers and pay dividends

CET1 capital ratio development, %



REA development, EURbn

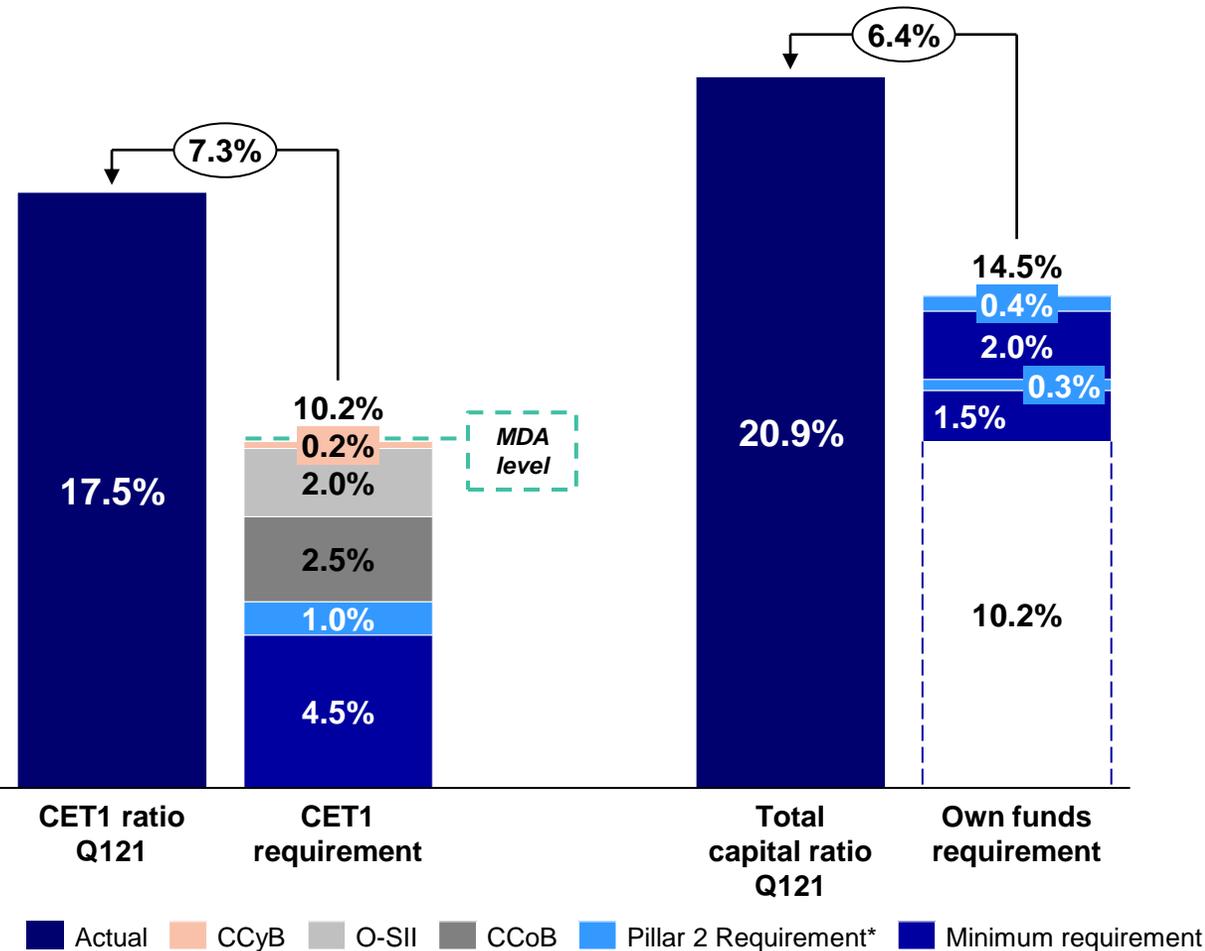


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- CET1 capital ratio 17.5%, 7.3 percentage points above regulatory requirement*
- Risk exposure amount down EUR 1.4bn to EUR 154bn, mainly driven by implementation of structural FX waiver
- CET1 capital up EUR 0.4bn, mainly driven by profit net of dividend
- Plenty of capacity to support customers and distribute capital
- Dividend distribution
 - EUR 0.07 per share distributed by Nordea on 1 March 2021
 - Board of Directors authorised by AGM to decide on dividend payment of maximum EUR 0.72 per share, covering remaining dividend for 2019 and 2020 dividend

Capital – significant buffer above capital requirements

Capital position and requirements

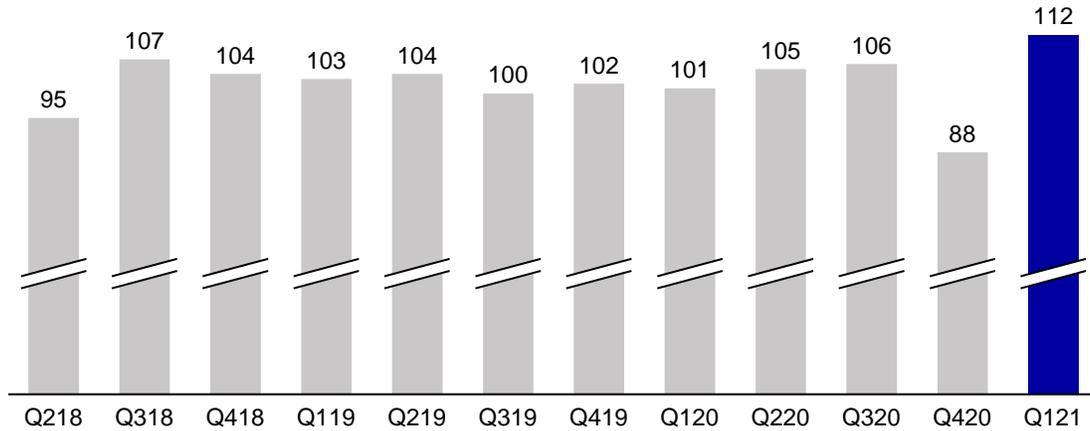


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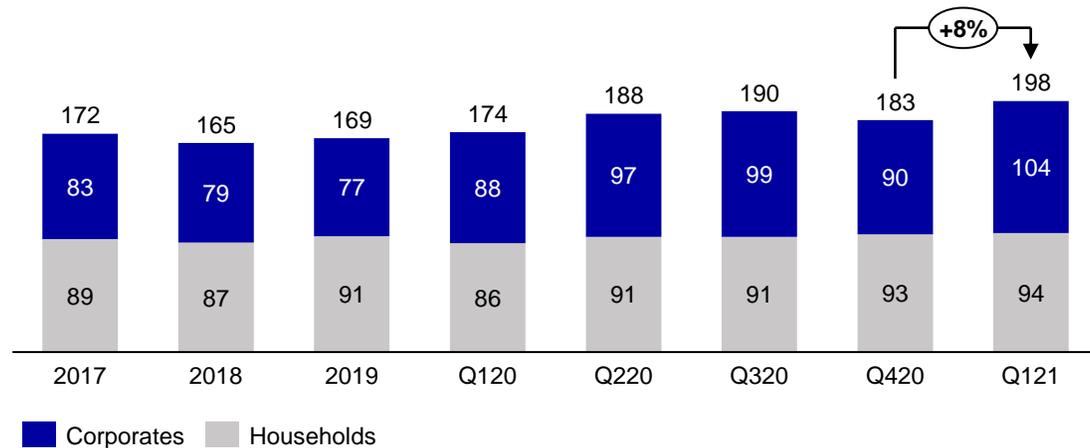
- CET1 capital ratio 17.5%, 7.3 percentage points above regulatory requirement**
- Capital policy of 150-200bps above the regulatory requirement (MDA level)
- CET1 buffer of 7.3 percentage points equivalent to buffer of EUR 11.2bn
- CET1 requirement lowered by ~2.9 percentage points since 1 January 2020

Liquidity – solid position

Liquidity buffer development, EURbn



Deposits*, EURbn

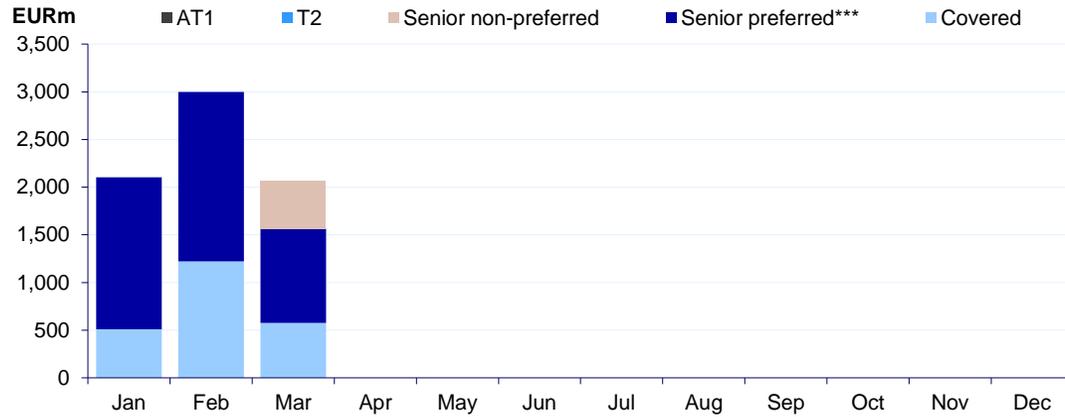


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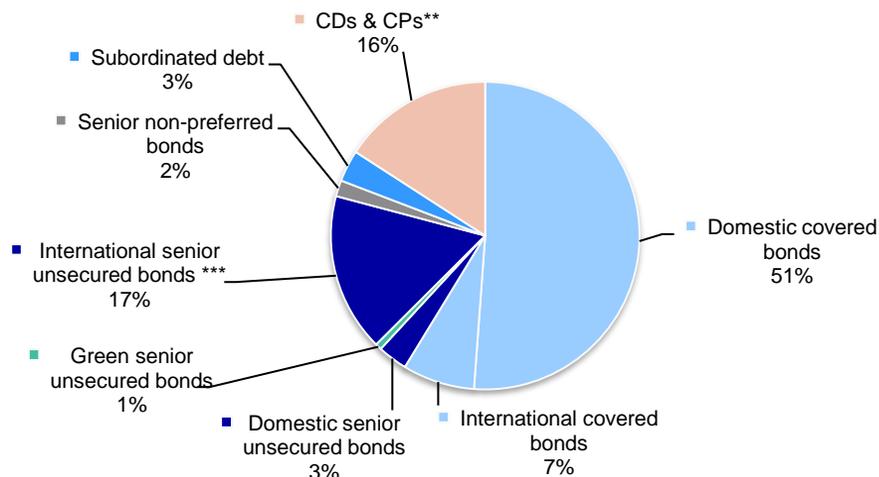
- Robust liquidity position
 - Liquidity buffer over EUR 112bn
 - Liquidity coverage ratio (LCR) 159%
 - EU net stable funding ratio (NSFR) 111%
- Deposits increased 8% in local currencies q/q

Solid funding operations

Long-term issuance 2021*, EURm



Wholesale funding composition, %



Strong funding position

- EUR 7.2bn in long-term debt issued during Q1 2021
 - Of which EUR 2.3bn covered bonds and EUR 4.9bn senior
- EUR 189bn outstanding in total wholesale funding
- Long-term funding 75% of total funding at end of Q1 2021
- Ordinary funding supplemented by TLTRO III participation

Issuance plan 2021

- ~EUR 20bn issuance plan for 2021
- ~50% expected to be issued in domestic markets, primarily in covered bond format
- Estimated target for total senior non-preferred debt ~EUR 10bn by end of 2023
 - EUR 3.2bn issued so far

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