

Copenhagen, Helsinki, Oslo, Stockholm, 21 June 2016

Comment on Nordea's capital requirements

We have enough capital to fulfil all capital requirements and we do not expect any material effects on the requirements in the coming reviews.

We are very confident in our reported numbers and the ongoing review process. Nordea's models are reviewed as part of the annual validation process. Nordea's current assessment is an increase of approx. 40bps as a result of the outcome from the 'Capital requirements for maturity assumptions under pillar 2' and 'SFSA's supervision of banks' calculations of risk weights for exposures to corporates'. We have prepared for this. However, Nordea is awaiting the outcome from the review process.

- Our ability to generate capital is towards the best of any bank in the world and we have demonstrated that capability over the last ten years. We are very confident in our ability to fulfil the capital requirements without additional capital. I view the article in today's Svenska Dagbladet as highly speculative and with no real substance, says Casper von Koskull, Group CEO and President of Nordea.

FACTS

- We have one of the strongest balance sheets in Europe which is reflected through one of the highest ratings (AA-).
- On 26 May 2016 SFSA published their requirements for Nordea which was 15.6 percent Common Equity Tier 1 ratio at the end of the first quarter, and at that time Nordea's Common Equity Tier 1 ratio was 16.7 percent.
- On 17 May 2016 the SFSA approved the merger plans between Nordea and the subsidiary banks and in that review they evaluated if the debt holders have appropriate safety margins and that the public interest is not negatively affected, i.e. if the risk for Swedish tax payers will increase as a result. The SFSA judgement was that these risks do not increase and therefore they approved the merger.
- On 24 May 2016 the Swedish FSA published a new methodology for banks' internal risk models which indicated that the risk weights for banks in Sweden would increase by approximately 2 percentage points on average, a not material number for Nordea.
- We already have the highest corporate risk weights among the Swedish banks at 41 percent at the end of the first quarter 2016. Svenska Dagbladet's article implies that the risk weights would go to 61-73 percent – compared to around 20-35 percent for the other Swedish banks. This is not realistic.
- During the annual validation process a number of credit perimeters have been reviewed and we are now in the final stages of this review and we are not expecting any material effects as a result of this process.

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The information provided in this press release is such that Nordea is required to disclose pursuant to the Swedish Financial Instruments Trading Act (1991:980) and/or the Swedish Securities Markets Act (2007:528).

Nordea is among the ten largest universal banks in Europe in terms of total market capitalisation and has around 11 million customers, 30,000 employees and approximately 600 branch office locations. The Nordea share is listed on the Nasdaq Stockholm, Nasdaq Helsinki and Nasdaq Copenhagen exchanges. We have a broad expertise across the wide range of products, services and solutions that we provide within banking, asset management and insurance. In Nordea we build trusted relationships through our strong engagement with both customers and society.