



Capital Markets Day 2015



Nordea Capital Markets Day

Shaping the future relationship bank

London, 27 May 2015

Making it possible

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Agenda

Registration and coffee		08.30-09.00
■ Shaping the future relationship bank	Christian Clausen	09.00-09.20
■ Financial plan and targets	Torsten Hagen Jørgensen	09.20-09.40
■ Risk management	Ari Kaperi	09.40-10.00
Coffee break		10.00-10.30
■ Retail Banking	Lennart Jacobsen	10.30-10.50
■ Wholesale Banking	Casper von Koskull	10.50-11.10
■ Wealth Management	Gunn Wærsted	11.10-11.30
■ Concluding remarks and Q&A	Christian Clausen/All	11.30-12.00

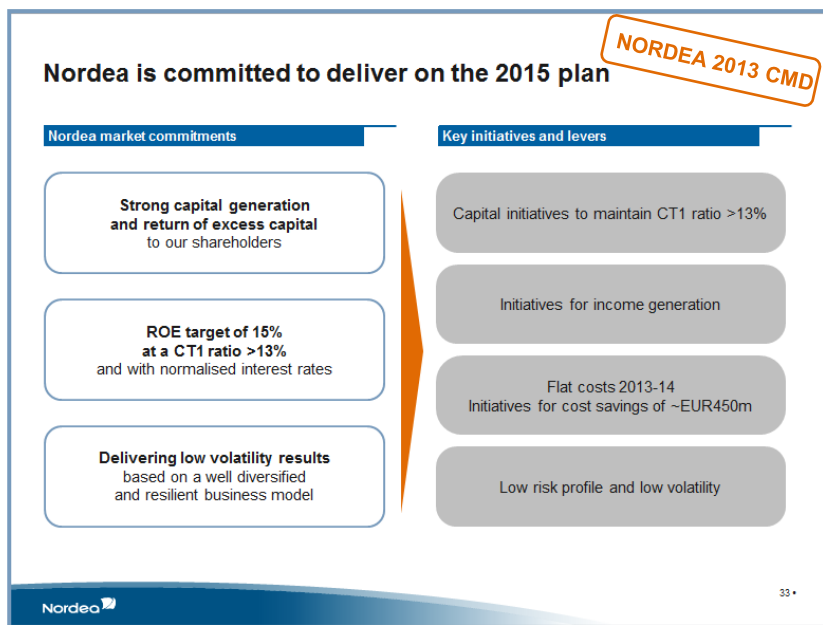
Shaping the future relationship bank

Christian Clausen
President and Group CEO



Nordea has delivered on its 2015 plan

Commitments in 2015 plan



Nordea has delivered (Q4 2012 vs. Q4 2014)

Capital generation of EUR 4.9bn with 15.7% CET1 and 70% pay-out ratio ✓

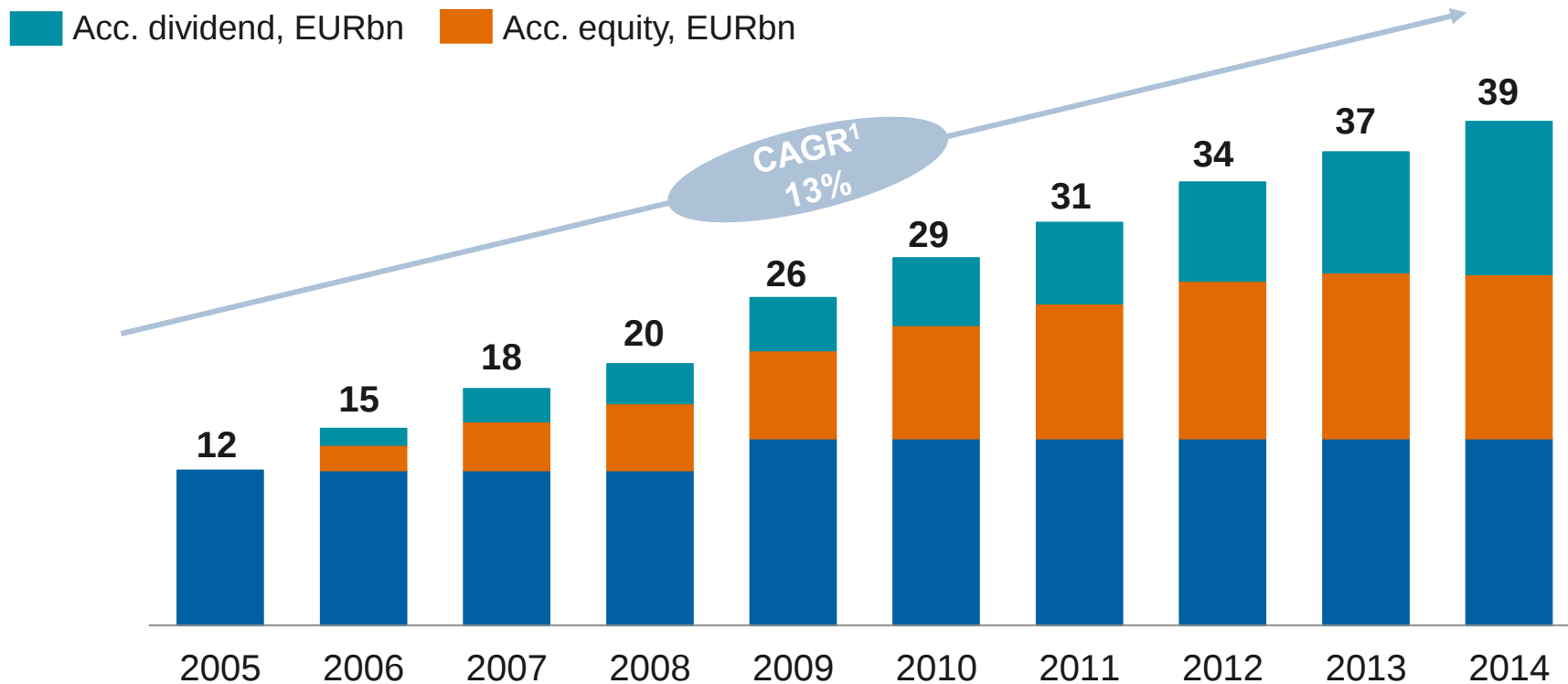
ROE 11.6%, ~13% if CET1 at 13%, ancillary income +9% and costs -5%¹ ✓

Loan losses at 15 bps, below 10 year average of 16 bps ✓

1) 2013 vs. 2015, excluding FX, and unexpected increase in performance related salaries and further costs to meet regulatory requirements in 2015

Strong Nordea track record

Strong capital generation and stable returns at low risk¹



CET 1
Ratio, %

5.9²

15.7

1) CAGR 2014 vs. 2005, adjusted for EUR 2.5bn rights issue in 2009. Equity columns represents end-of-period equity less dividends for the year. No assumption on reinvestment rate for paid out dividends
2) Calculated as Tier 1 capital excl. hybrid loans

Customer vision shaping the future relationship bank

Customer vision for the future relationship bank

Customer vision

Easy to deal with...

...relevant and competent...

...anywhere and anytime...

*...where the personal and digital
relationship makes Nordea my safe
and trusted partner*

Focused business priorities enable the vision

Nordea platform

**Pan-Nordic platform
with scalability**

**Superior Nordic distribution power
and global capabilities**

**Actively managed business portfolio
with low volatility**

Business priorities 2016-2018

**Simplify for scale and
a forceful digital response**

**Expand on core strengths
and drive cost and capital efficiency**

Maintain a low risk profile

Industry transformation drives need to simplify

Three transforming industry drivers

Balance sheet regulation

- Paradigm shift
- Mostly in place
- Increased efficiency



Operational regulation

- Increasing demands
- Higher operational risk
- Complex and costly



Digitalisation

- Behaviour shifting fast
- Opportunity and threat
- Investments required



Simplification

Simplify for scale

Simplification program – priorities and benefits

4-5 years of the journey remains

Reducing # of products and align data records

Automating processes and increasing commonality

Investing in new, common core IT systems

30-35% increase in annual IT development spend, insignificant P&L impact medium term

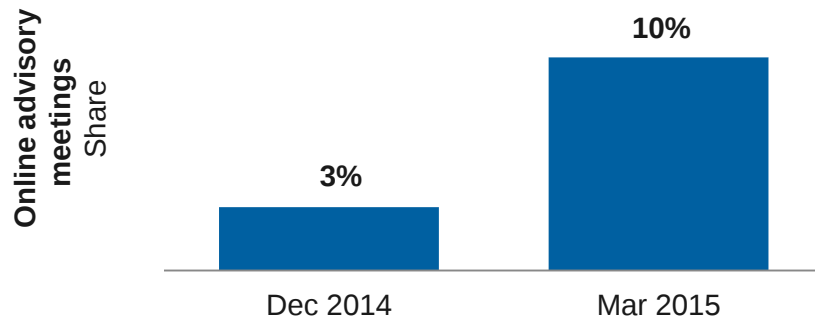
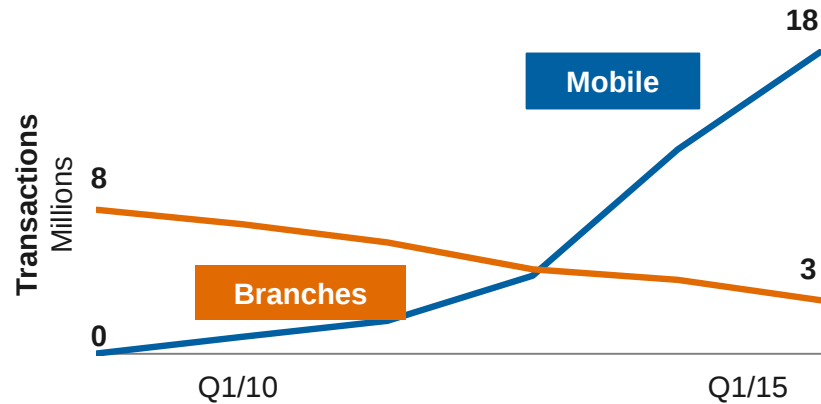
Increased scale, efficiency and agility serving all customers from one common platform

An end-to-end digital response and execution of the customer vision

Stable and resilient operation, compliant and in control

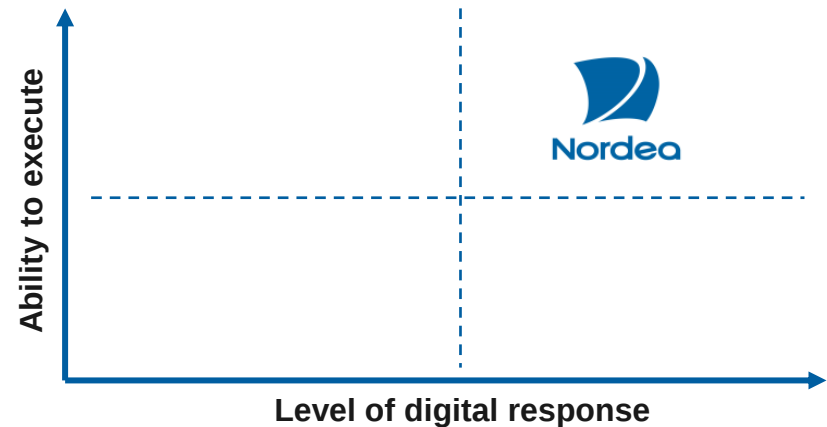
A forceful digital response

Relationship banking is turning digital fast



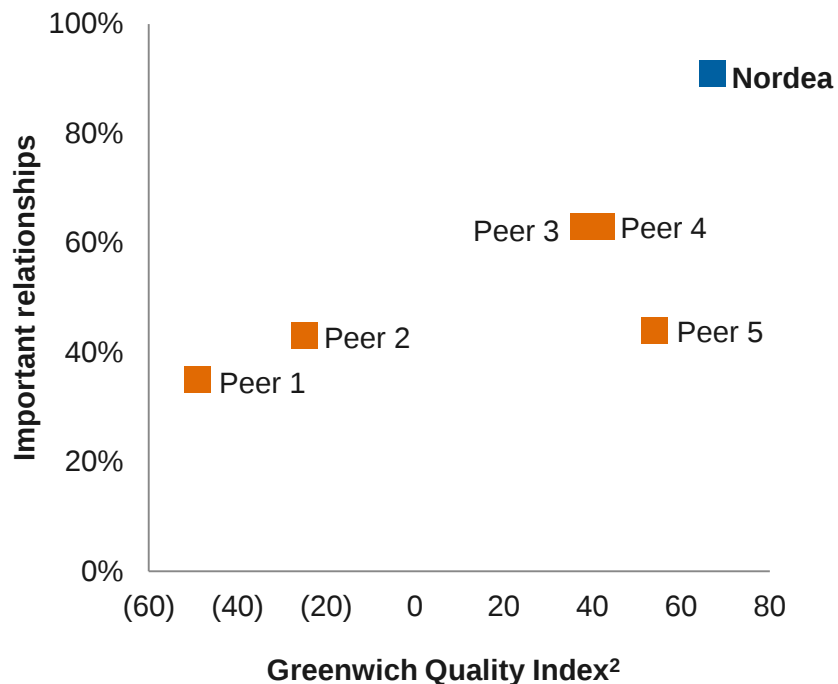
End-to-end digital response required

- Digital response required
- Front-end solutions will not suffice
- Automated end-to-end processes across the full value chain is a must
- Consistency and endurance in execution to unlock benefits



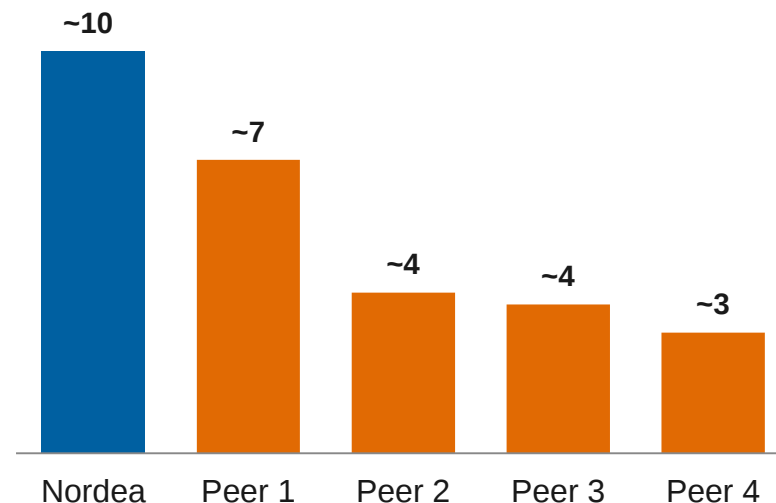
Expand on core strengths: a unique Nordic relationship base

Nordic large corporate relationships



Unique Nordea position
Size and competence = relevance
Multi-local presence = intensity

Nordic household relationships¹



Ambition to be #1 in each retail market on customer and employee satisfaction, and profitability

1) Retail and Private Banking customers, millions

2) Difference from average

Expand on core strengths: capabilities on par with int'l peers

Global capabilities in focus¹

Capital Markets

#1 Corporate bonds and loans

#1 Nordic Equity Trading

Asset Mgmt.

#1 in the Nordics by AuM

Top Ten fund manager in Europe²

Life & Pension

#1 in the Nordics by premiums

24% Market return product market share

Private Banking

#1-2 position in each country

Largest Nordic int'l private bank

Business model and priorities

- Leading Nordic platform integrating equities, bonds, lending and risk management
- A return-driven culture with strong talent
- Centralised, highly scalable production platform
- Strengthen distribution, leading product range for low yield environment
- Leading Life & Pensions platform, successfully transformed to market return company
- Next generation retirement offering
- Leading in Nordic wealth planning and Global investment management solutions
- Increase capacity in Sweden and Norway

1) Ranking in Nordic region

2) Only European fund manager consistently in European Top 10 for net fund sales the past three years

Expand on core strengths: building the efficient business model

Free up resources through increased capital and cost efficiency

Capital efficiency

From balance sheet to competence and advisory intensive business model

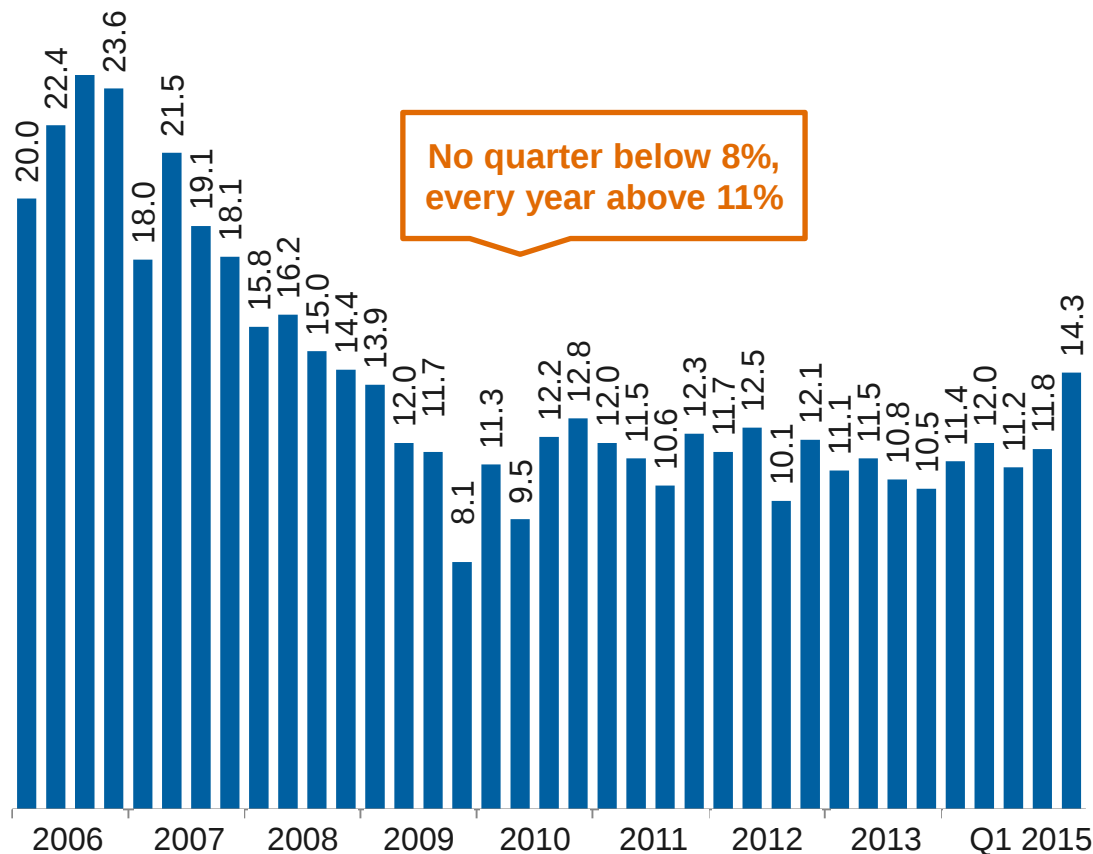
Cost efficiency

Continuous cost control and optimisation

Free up resources for investments in simplification, compliance and operational risk, and growth areas

Maintain a low risk profile

Nordea ROE track record¹, %



Priorities

- Sustain forward looking and holistic risk appetite framework
 - 16 risk boundaries across all risk types
 - Close monitoring of leading indicators
 - Deep dives on specific risk areas for appropriate action
 - Active use of stress-testing and scenario analyses
- Maintain relationship strategy and sustain a large, well diversified client base
- Broad set of diversified products

¹) ROE adjusted for restructuring costs in 2011 and one-off related items in 2014

Summary of priorities 2016-2018

Business priorities 2016-2018 and strategic targets

**Simplify for scale and
a forceful digital response**

**Expand on core strengths
and drive cost and capital efficiency**

Maintain a low risk profile

One scalable common platform
Anywhere and anytime –
efficient, agile and resilient

Leading customer relations
Number 1 bank for each customer

Increased free capital generation
All business areas contributing

Financial plan and targets

Torsten Hagen Jørgensen
Group CFO



Cost plan 2013-15 delivering the targeted 5% reduction with all key elements contributing, but some unplanned events

Cost efficiency clusters in 2015 plan

Streamline physical distribution ✓

Optimise advisory services ✓

Reengineer processes ✓

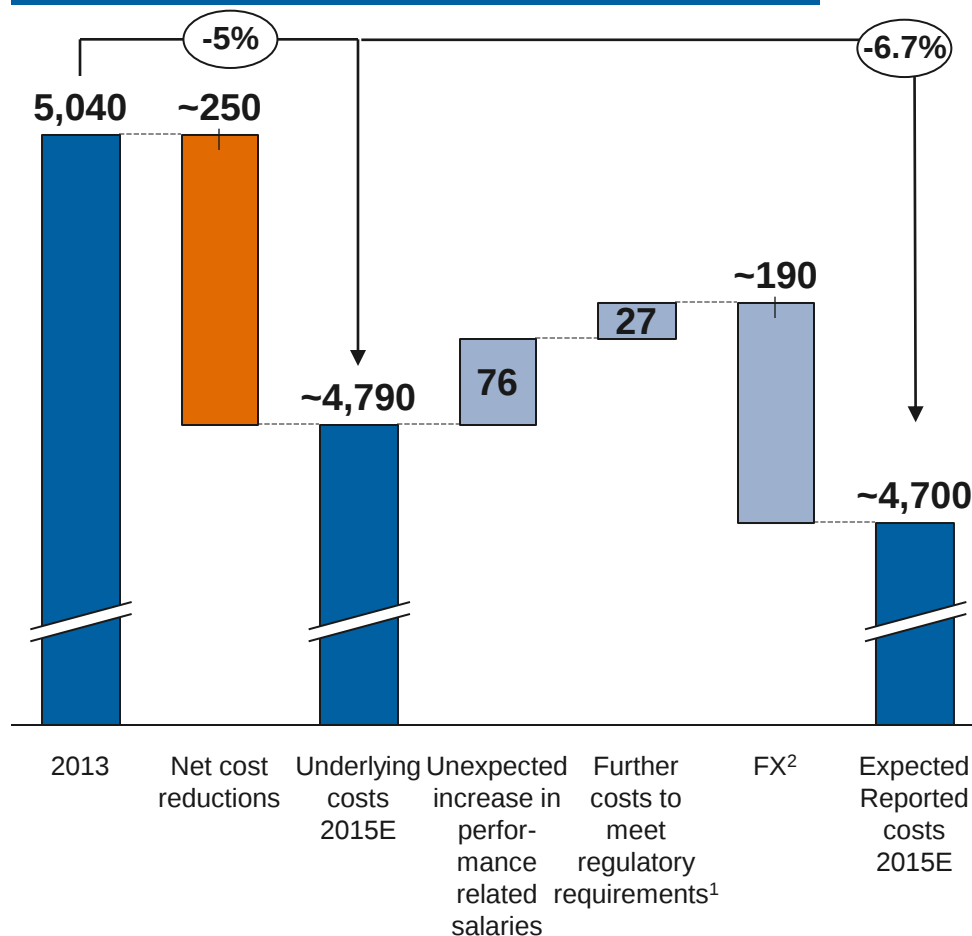
Transform premises ✓

Enhance digitalisation ✓

Streamline IT ✓

Optimise external spend ✓

Cost development 2013-2015



1) Not part of original 2015 plan

2) Based on FX rates as per 1 May 2015

Nordea market commitments and financial priorities 2016-2018

Market commitments

Strong capital generation and efficiency with return of excess capital to shareholders

ROE above the Nordic peer average

Maintain a low risk profile based on actively managed and resilient businesses

Financial priorities

Improved income mix & growth

Continued cost efficiency

Disciplined capital management

Highly stable CET1 ratio

Continued cost efficiency

Key cost drivers and initiatives 2016-2018

Underlying cost drift

- Moderate salary drift
- Premises and other external contracts, e.g., procurement, linked to general inflation

1.5-2%

Cost efficiency

- Continue branch optimisation & remove manual cash handling
- Simplify & automate services, processes and products
- IT and consultancy insourcing

Selected growth areas

- Private Banking distribution capacity, Global Fund Distribution, Focused Wealth Management product development
- Selected areas in Capital Markets and Transaction Banking
- Online service, sales and advice

Compliance and Simplification

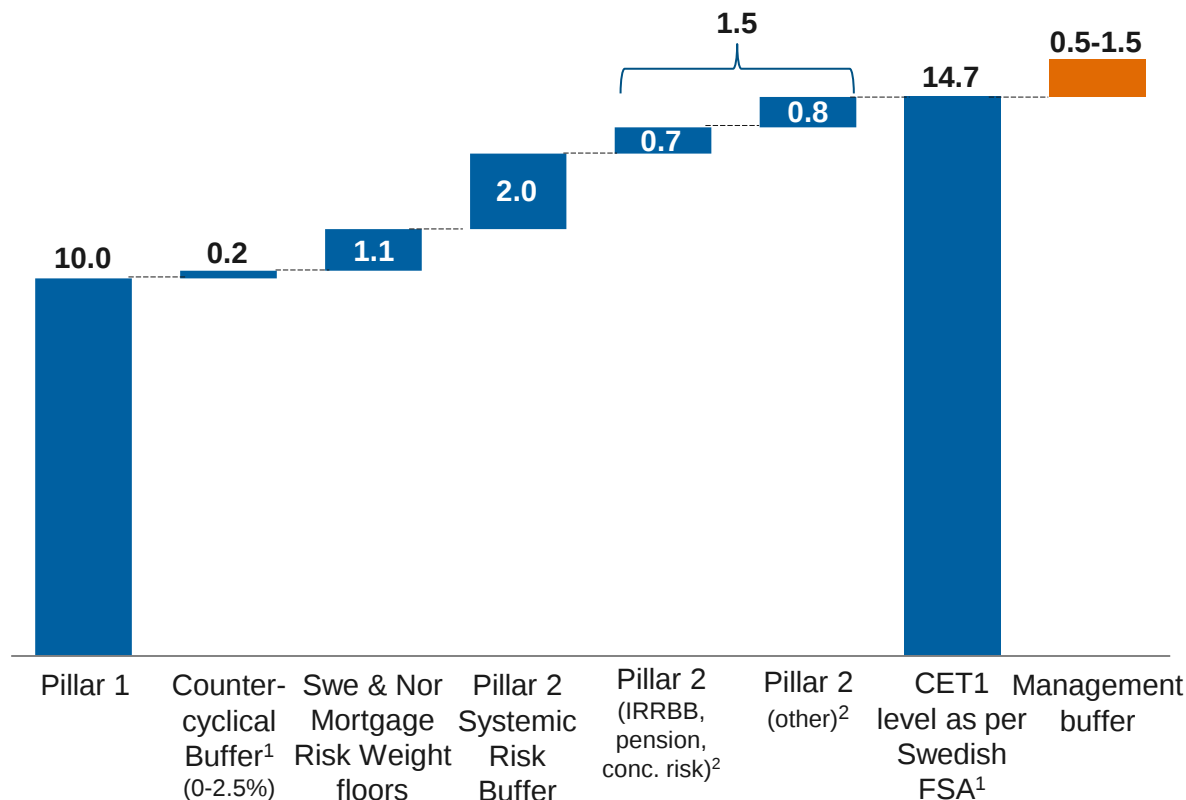
- Investment in Core banking, Payment & Common data platforms
- Resource build up within compliance and operational risk

~1%

<1% cost CAGR

Management buffer reflects Nordea's diversified business

CET1 ratio build-up, %



Management buffer designed to cover

Components	Bps
FX volatility (10% EUR weakening/historical vol. analysis)	~30-40
Pension risk (50bp decrease of discount rates)	~20
Countercyclical buffer variation, unforeseen events	~0-90
Total management buffer	50-150

- Supported by close to 10 year track-record of low CET1-ratio volatility of 21/38bps
- Committed to maintaining a strong capital base and actively managing to further reduce CET1 ratio volatility

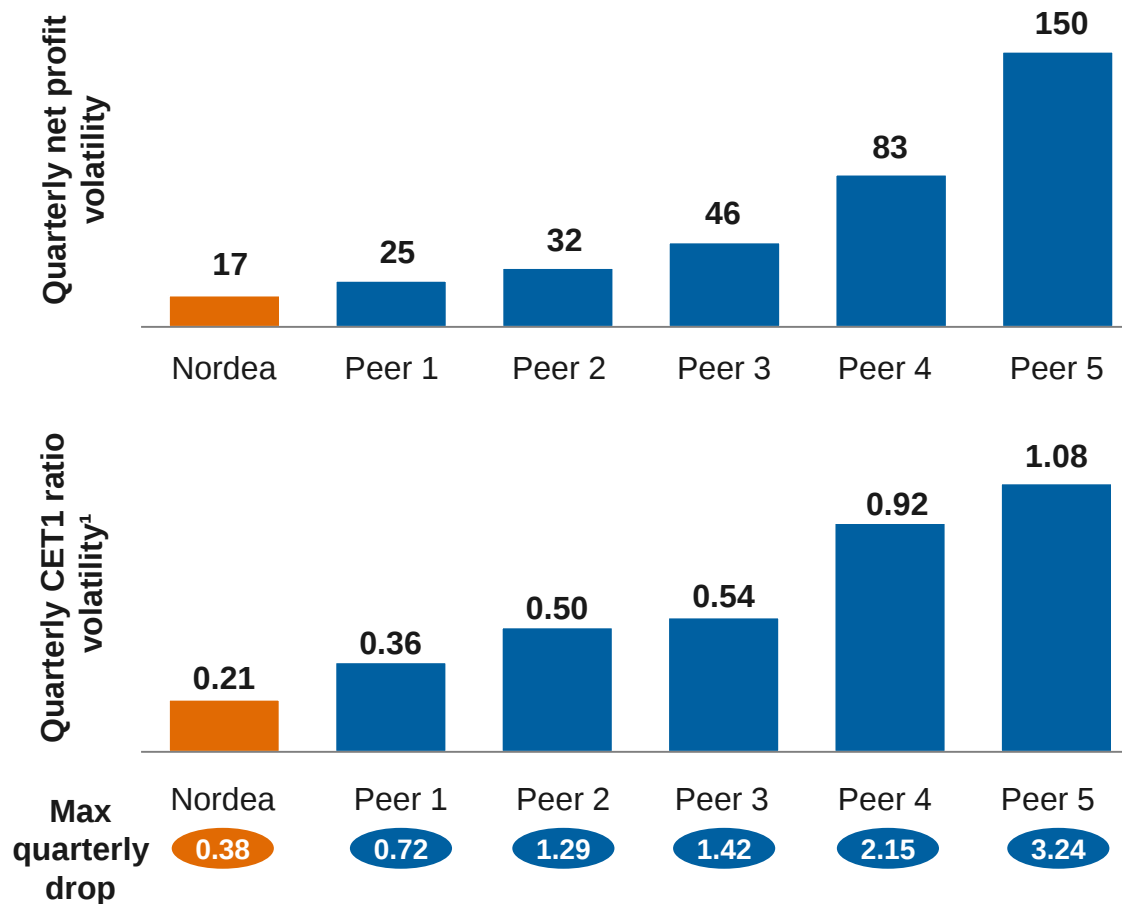
1) Countercyclical buffer only applied for Sweden in accordance with Swedish FSA Memorandum on Capital Requirement for Swedish banks (Feb 17, 2015)

2) In the Swedish FSA Memorandum on May 11, 2015 (adjusted requirement on the assessment of capital requirements from three significant risk types), the Swedish FSA published the final methods for assessing requirements for three different risk types. The CET1 requirement for Nordea based on these methods is estimated to 0.7%. Note that individual Pillar 2 CET1 requirements for other risks are estimated and agreed bilaterally with the Swedish FSA in the SREP and can vary over time. In the Swedish FSA Memorandum on Capital Requirements for Swedish Banks (Feb 17, 2015) a standardised CET1 value of 1.5% was used for other Pillar 2 risks

Earnings stability

– The most stable bank in the Nordics

Nordea and peers 2006-2015, %



1) Calculated as quarter on quarter volatility in CET1 ratio, adjusted so that the volatility effect of those instances where the CET1 ratio increases between quarters are excluded

Group financial targets 2016-2018

Financial Targets - based on currently known regulatory requirements

Dividend policy	Dividend pay-out ratio of at least 75% ¹
Capital policy	Management buffer of 50-150 bps above the regulatory CET1 requirement
RoE	RoE above the Nordic peer average ²
Costs	<1% cost CAGR ³
REA	Largely unchanged

*A total
dividend
CAGR of
>10%*

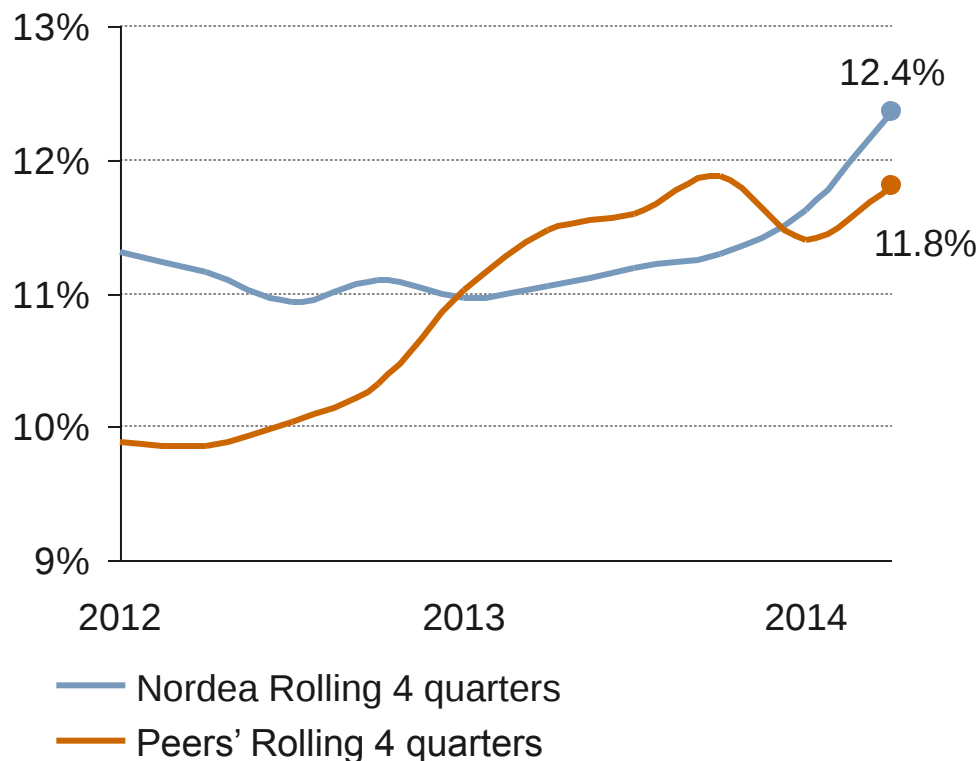
1) For 2015 the dividend ambition is unchanged, i.e., to increase the pay-out ratio from 2014

2) Weighted to reflect Nordea's Nordic geographic mix

3) Excluding FX and performance related salaries

The RoE is targeted to be above the Nordic peer average throughout the period on a rolling 4 quarter basis

Nordea & Peer average RoE development



Weighting of Peer average

Country share of Nordea capital		Weight in benchmark	
		DB	30%
DK	35%	DNB	20%
FI	20%	SHB	15%
NO	20%	SEB	15%
SE	25%	SWB	10%
		OP-P	10%

Note. Nordea and Peers adjusted for publicly disclosed one-offs

Risk management

Ari Kaperi
Group CRO



The least volatile Nordic bank

Factors driving risk down

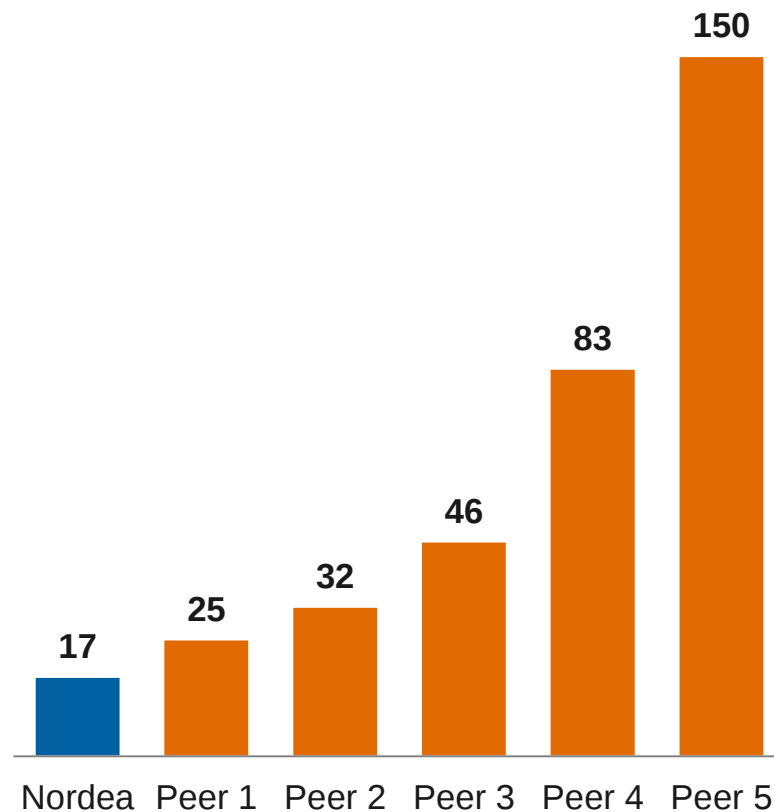
Large and diversified client base

Geographical diversification

Forward looking and holistic risk management

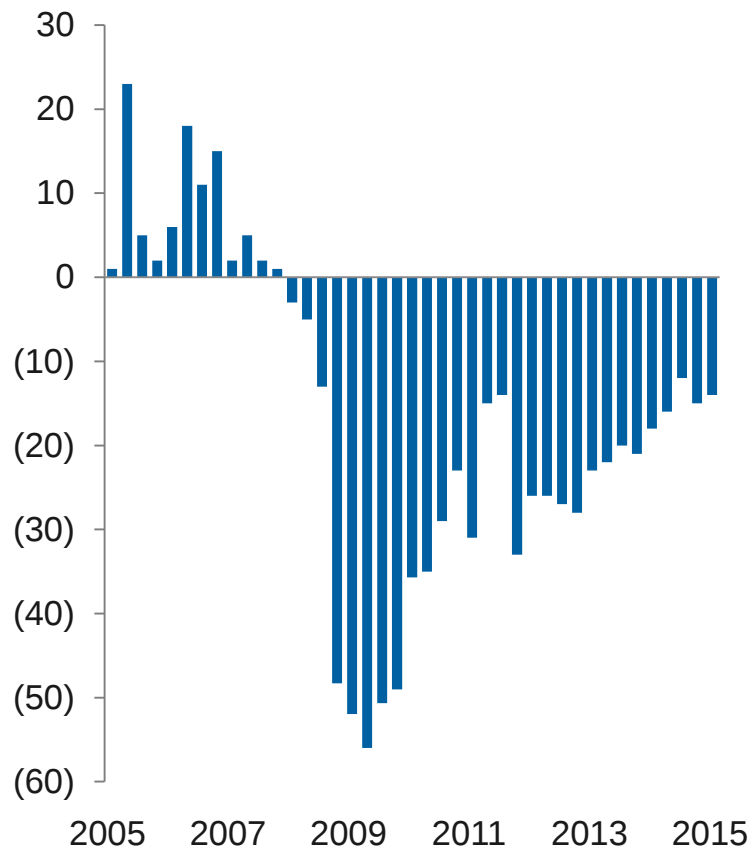
Nordea vs. peers 2006-Q1 2015, %

Quarterly net profit volatility

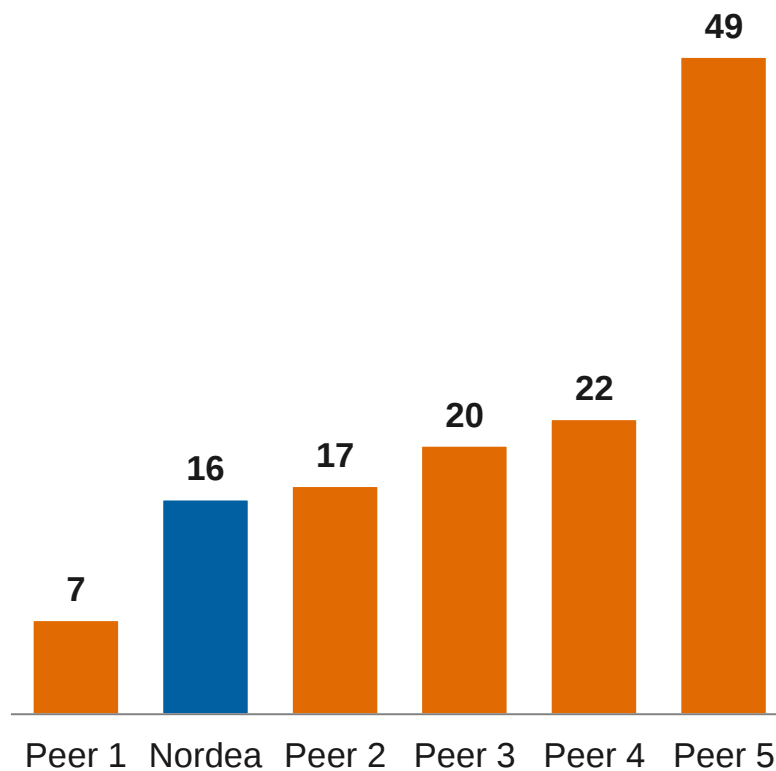


Sound risk profile with low loan losses over the cycle

Nordea loan losses per quarter, bps



Loan losses vs. peers, 10yr average, bps



Risk management has delivered on its 2015 plan

Commitments in 2015 plan

- 
- Loan loss situation is expected to improve reflecting improved asset quality
 - Signs of impaired loans levelling off in Denmark
 - Shipping, impaired loans likely to decrease following recovery
 - Stable credit strategy – one Nordea approach ensured

Nordea has delivered

Loan losses has decreased continuously since 2013 ✓

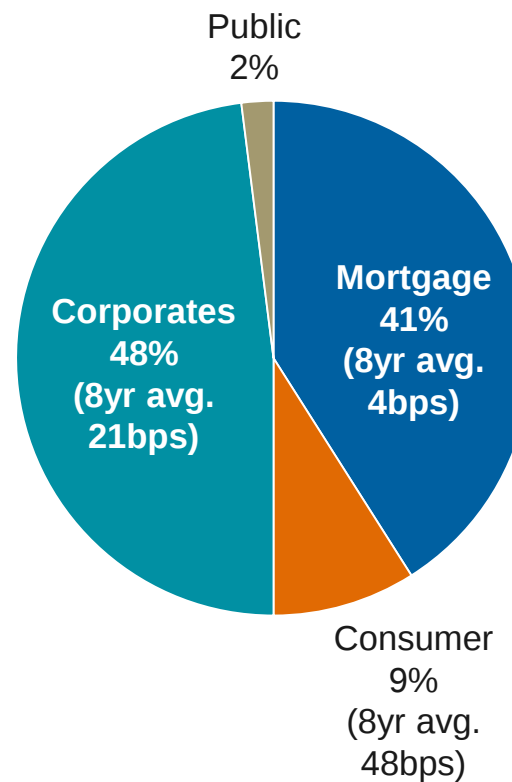
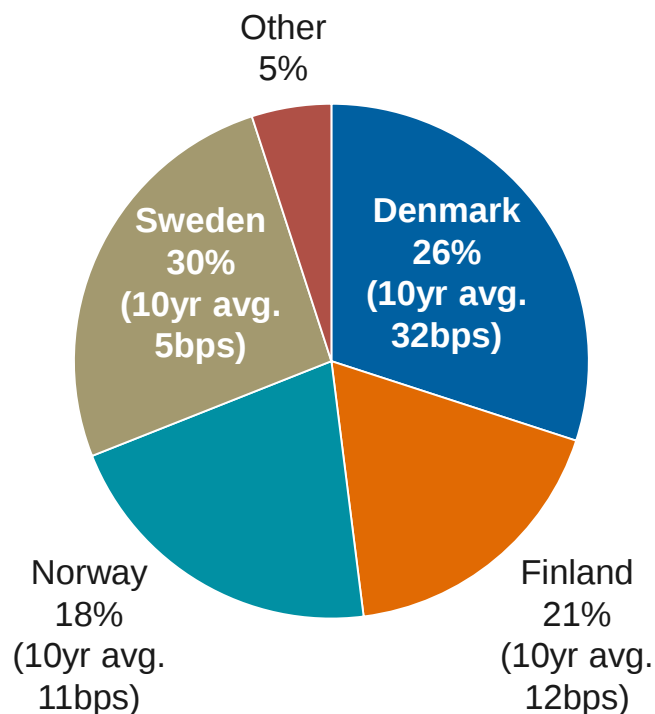
Credit quality in Denmark has improved ✓

Loan losses in Shipping has decreased significantly ✓

Credit framework set common standards, complemented with specific instructions where appropriate ✓

The credit portfolio is well diversified

Nordea credit portfolio, lending to the public excl. repos



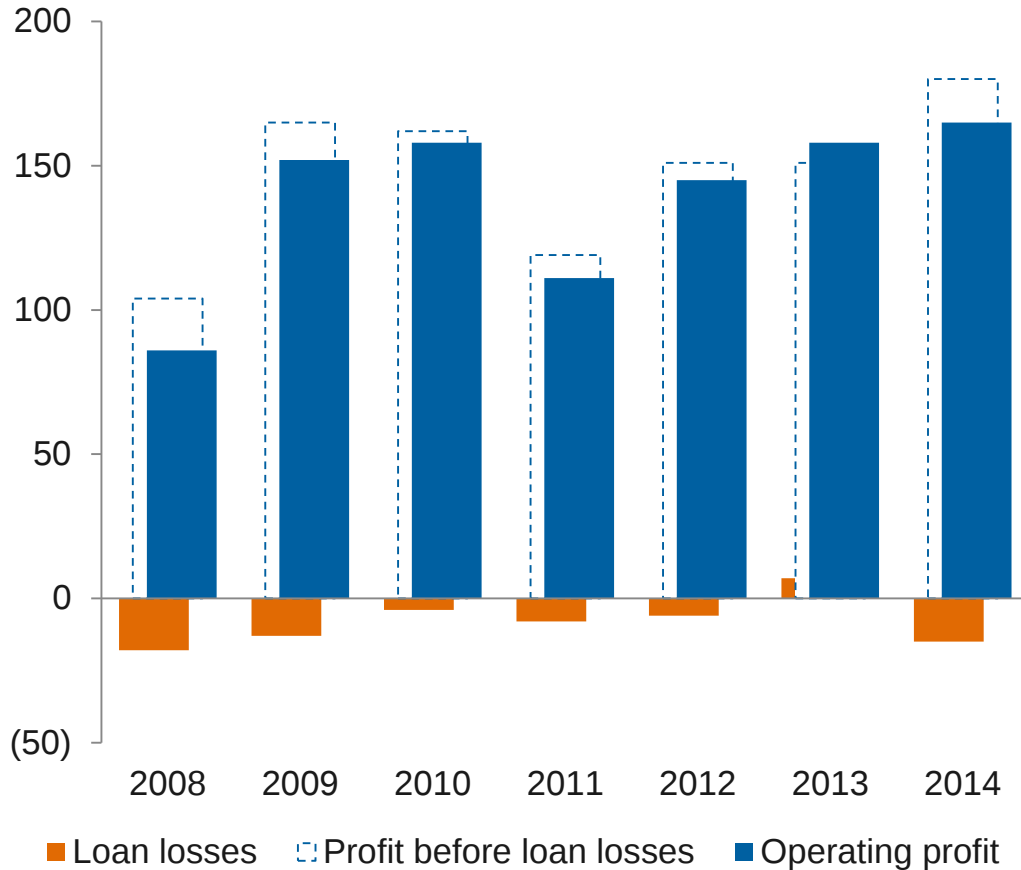
Note: Long term average loan losses

Nevertheless we have exposure to cyclical areas



Russia

Loan loss and Operating profit, EURm

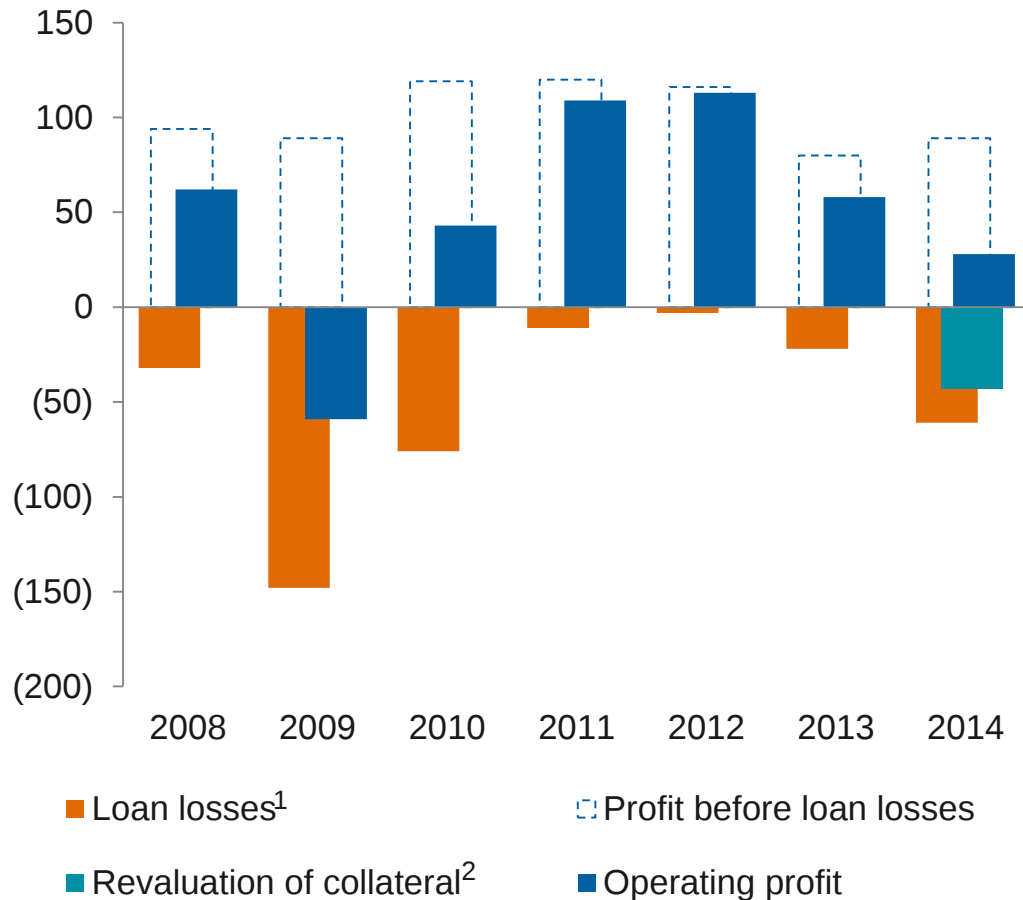


How we manage the risk

- Managed under same frameworks as Nordic business
- Specific risk appetite cap on exposure
 - Country concentration
 - CRE concentration cap
- Specific credit instructions for Russia. Dedicated credit team and experts
- Stress-testing of portfolio and individual borrower quality under different scenarios
- Closing down of retail business and strict management of corporate portfolio

Baltics

Loan loss and Operating profit, EURm



How we manage the risk

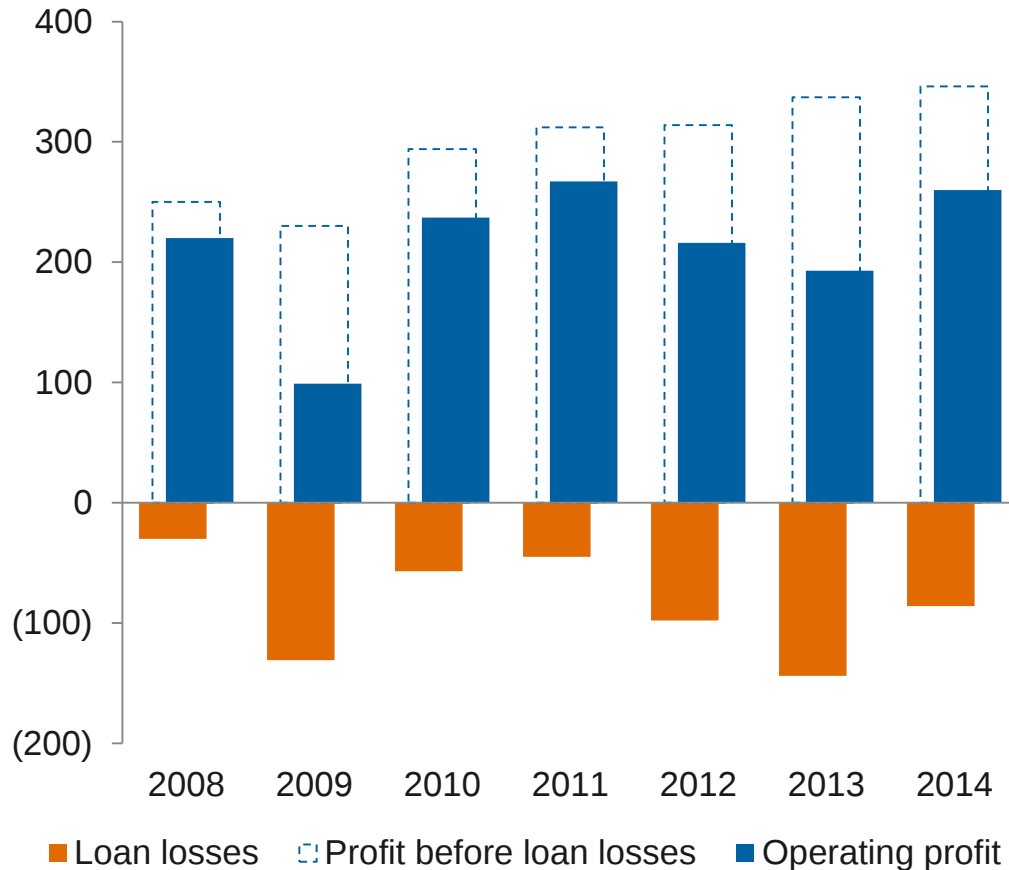
- Managed under same frameworks as Nordic business
- Sound exposure, business grown organically with strict customer selection
- Specific credit instructions for Baltics
- Customers are reviewed annually or semi-annually
- Portfolio is reviewed on a quarterly basis, Baltic Risk Reviews
- Local and experienced presence in the key positions of Risk Management

1) Loan losses including revaluation of collateral

2) Estimate of the adjustment to the collateral values performed in 2014

Leveraged buyout (LBO)

Loan loss and Operating profit, EURm

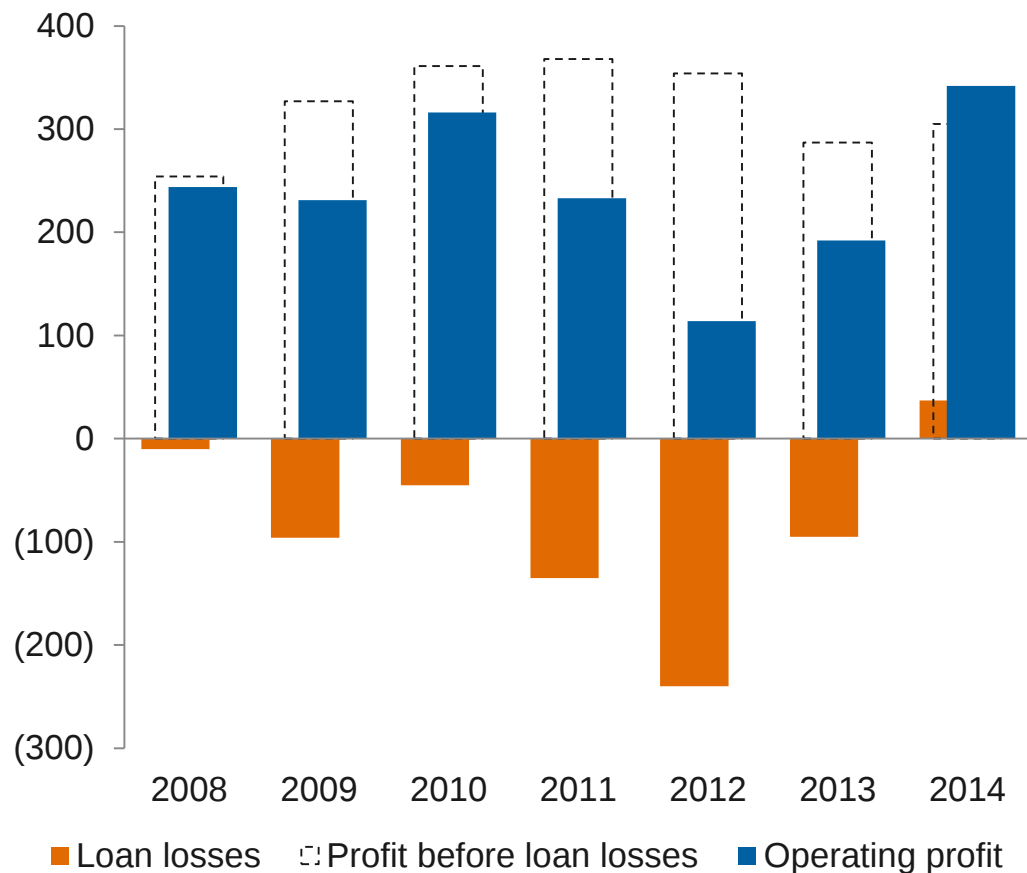


How we manage the risk

- Stick to proven model, outlined in the LBO Industry Policy
- Pro-active monitoring of all companies in the LBO portfolio
- Close co-operation between all relevant internal stakeholders
- Diversification over sectors
- Originating and syndicating, keeping part of the exposure
- Closely following market terms and ensuring market alignment
- Underwriting limits and close monitoring until completed distribution
- Bridge financing, short maturities

Shipping

Loan loss and Operating profit, EURm

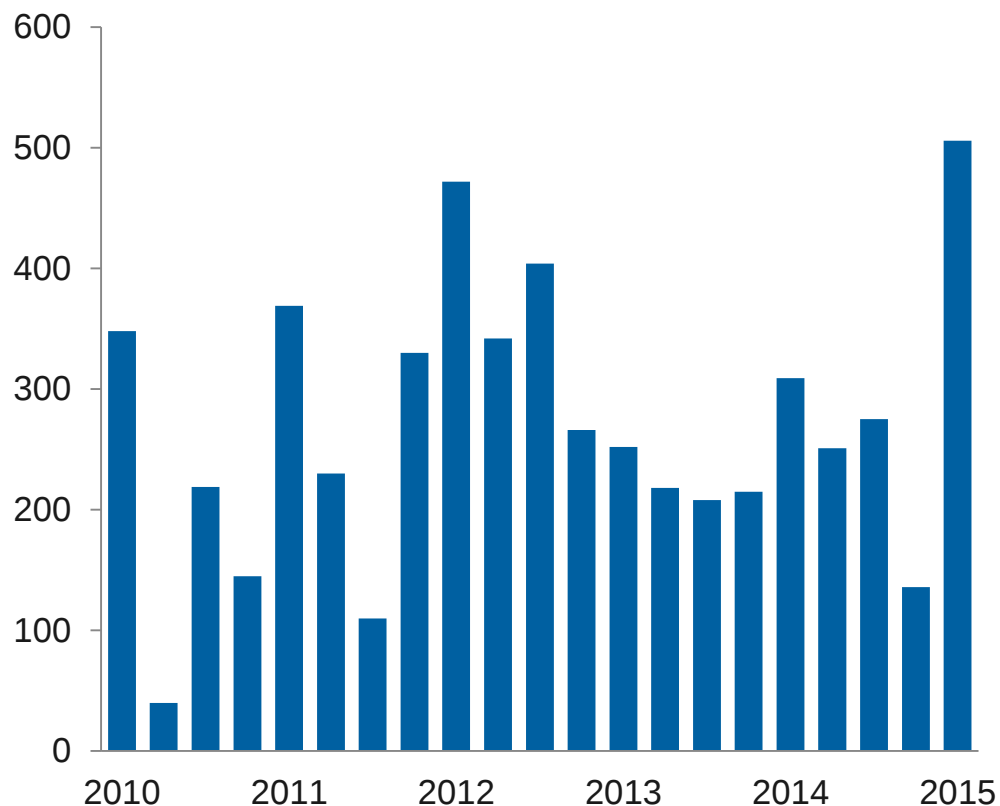


How we manage the risk

- Risk appetite cap on exposure
- Extensive in-house shipping expertise
- Well defined, long-term relationship strategy
- Business selection
- Specific industry policy governing shipping
- Dynamic Credit Parameters guide account managers
- Close follow-up of work-out cases & quarterly reporting
- Stress testing
- Underwrite and distribute exposure

Market risk, no lossmaking quarter

Market risk P/L (incl. HtM and AfS portfolios), EURm



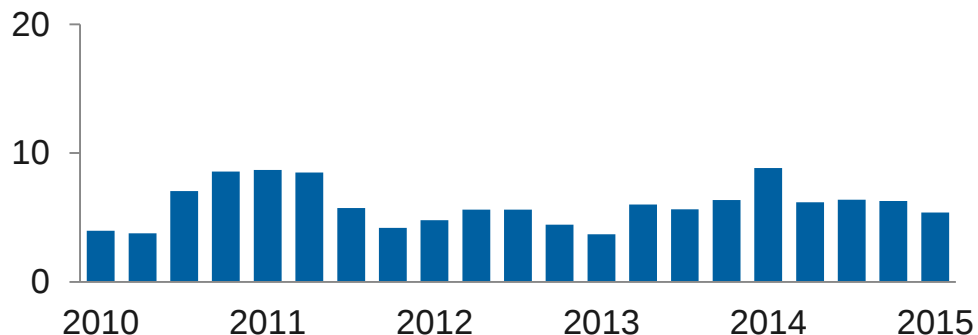
How we manage the risk

- Specific risk appetite cap on exposure
 - Market risk share of EC
 - Max loss per quarter
- Nordea Life and Pension is included in market risk framework
- Dynamic stop loss framework
- Stress Testing and dynamic 'what if' scenarios
- Daily risk to market moves to P&L explains – 'daily wrap ups'
- Deep dives into specific trading desks or risks e.g. tenor basis risk
- VaR to P&L back testing

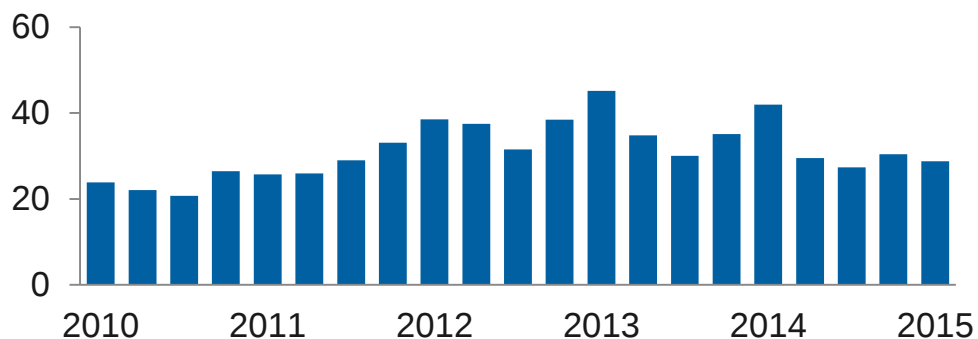
Operational risk and Compliance

Risk levels are stable

Operational risk loss, 4-quarter rolling average EURm



Customer complaints, thousands



How we manage the risk

- Nordea's operational risk framework is subject to continued enhancements, with the ambition to strengthen the execution and control of risk processes
- Specific Op-Risk focus areas for 2015 include:
 - Group Simplification
 - Business Continuity Management
 - Information Security
 - Third Party Risk Management
 - Risk Culture
- Strengthening Compliance focus, Group Compliance Officer made part of Group Executive Management

Risk appetite clearly defines Nordea's risk taking boundaries

Framework operational since 2011

- Facilitates holistic approach and increased risk awareness to ensure low earnings volatility
- 16 specific risk boundaries – across all risk types – defined at Group level
- Clear link between risk boundaries and Nordea's business strategies
- Dynamic framework – annual review
- Quarterly reporting and follow-up
 - Board level
 - Vs. the Business Units

Current Risk appetite framework

Credit risk

- Single customer concentration
- Industry concentration
- Geographic concentration
- Expected loss
- Loan loss

Market risk

- Market risk share of economic capital
- Maximum economic market risk loss per quarter

Operational risk

- Monitor top risks
- Operational risk loss
- Reputation, Non-Financial impact

Solvency

- CET1 capital ratio
- Leverage ratio

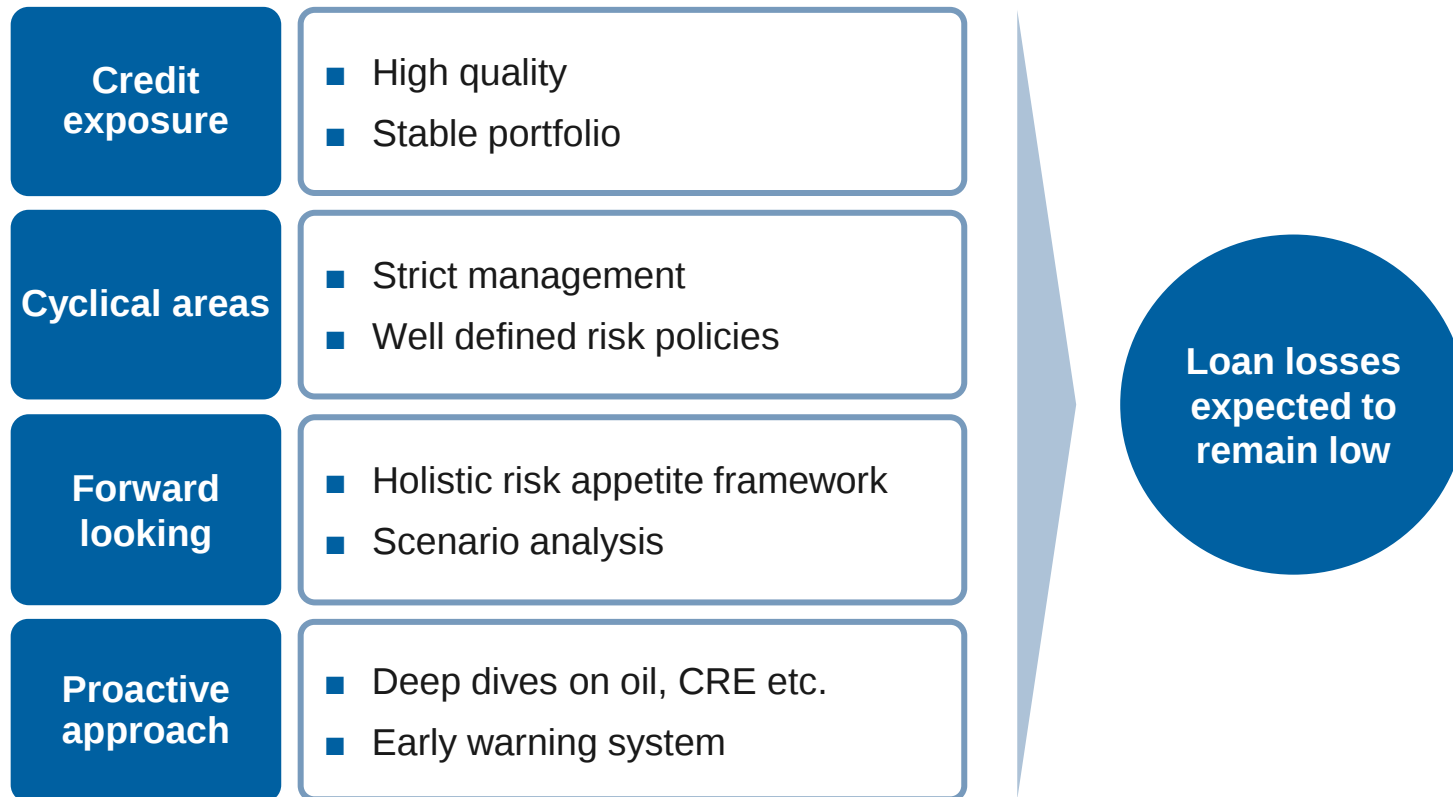
Liquidity risk

- Survival horizon
- Net balance of stable funding

Compliance & non-negotiable risks

- Regulatory requirements
- Internal policy and external regulatory breaches

Summary



A photograph of two young women, one with blonde hair and one with dark hair, both wearing black leather jackets and blue headphones. They are looking down at a smartphone held by the woman with dark hair. The background is a blue, textured wall.

Retail Banking

Lennart Jacobsen
Head of Retail Banking

Nordea 

Leading Nordic Retail Bank

Broad distribution network

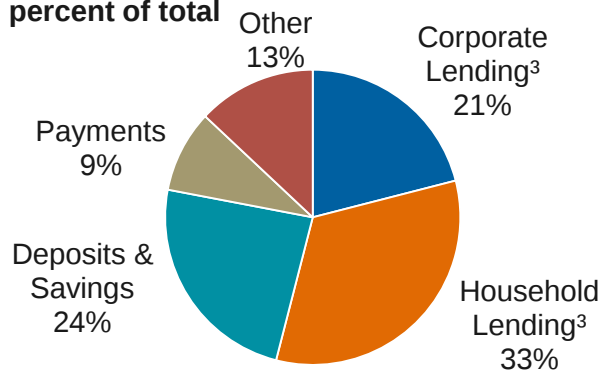
	Branches	Digital logons ¹ (m)	Contact centre calls ¹ (m)
	156	134	3.3
	183	215	1.6
	87	48	1.1
	231	236	3.2
	38		
Total	695	633	9.2

Strong local market position²

	Corporate position	Household position
	1–2	2
	1	2
	2	2
	2–3	4
	3	3–4
Total	1	1

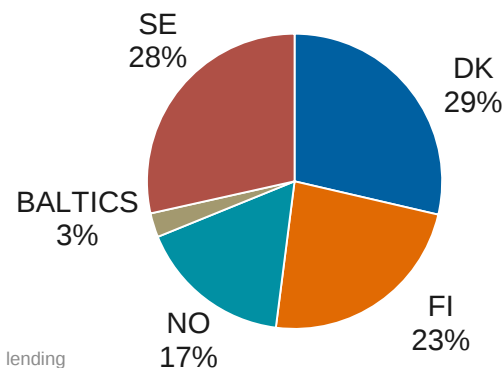
Balanced product mix

Income, percent of total



Balanced customer mix

Income by country, percent of total



1) Per year
2) Market share lending
3) Net interest income

Retail Banking has delivered on its 2015 plan

Commitments in 2015 plan



Retail Banking has delivered (2012 vs. 2014)¹

Positive customer development
 +130,000 relationship customers
 Improving CSI²

Restructuring of branch network
 -158 (19%) branches
 -224 (48%) cash locations

Strong income generation
 EUR +280m (5%) income
 EUR +170m (9%) non interest income

Cost and capital efficiency
 EUR -70m (2%) costs
 EUR -11bn (15%) REA

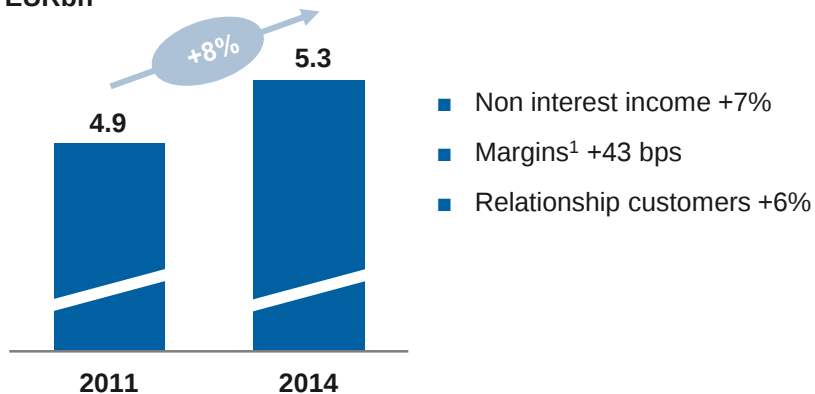
1) Adjusted for FX movements

2) Customer Satisfaction Index

Strong financial development

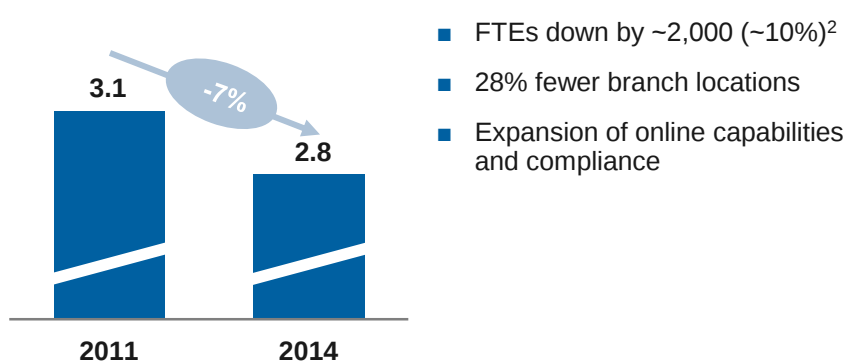
Income

EURbn



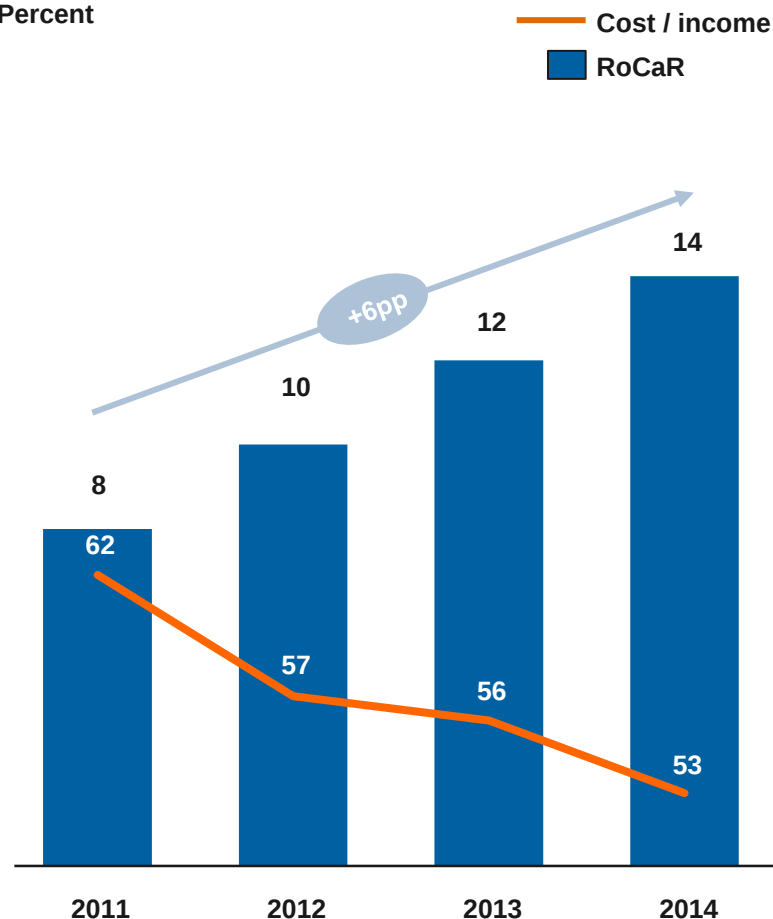
Cost

EURbn



Profitability

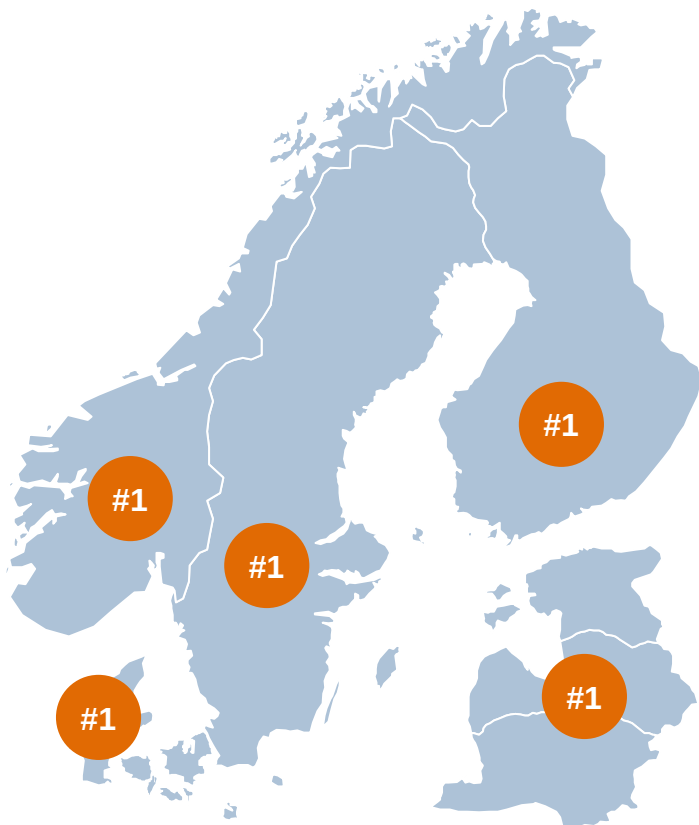
Percent



1) Lending margins
2) Adjusted for insourcing of IT and compliance build up

Long term ambition to be #1

In each of our markets



Measured by

Profitability
RoCaR ahead of peer average

Customer satisfaction
CSI

Employee satisfaction
ESI¹

1) Employee Satisfaction Index

Priorities to strengthen the platform

Nordea platform

**Pan-Nordic platform
with scalability**

**Superior Nordic distribution power and
global capabilities**

**Actively managed business portfolio
with low volatility**

Strategic focus areas 2016-2018

Advisory
Anywhere and anytime

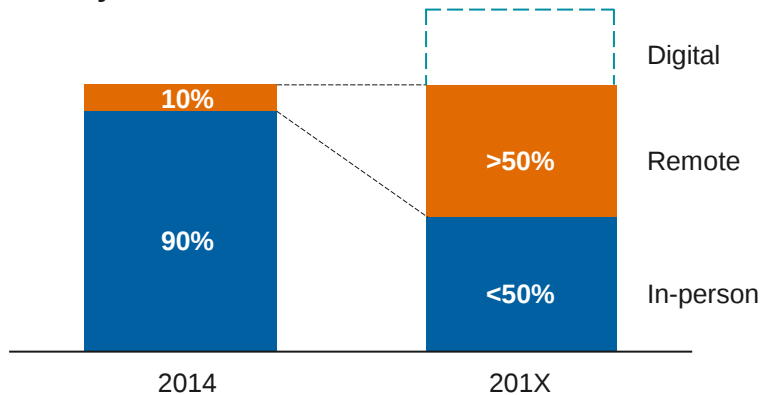
Digital experience
Tailored to customer needs
and preferences

Efficiency and scale
One Nordic model

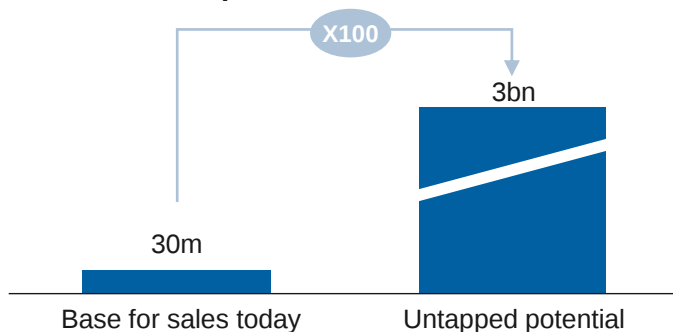
Retail Banking – Household value drivers

Business model optimisation

Advisory interaction shift



Number of touch points



Value drivers

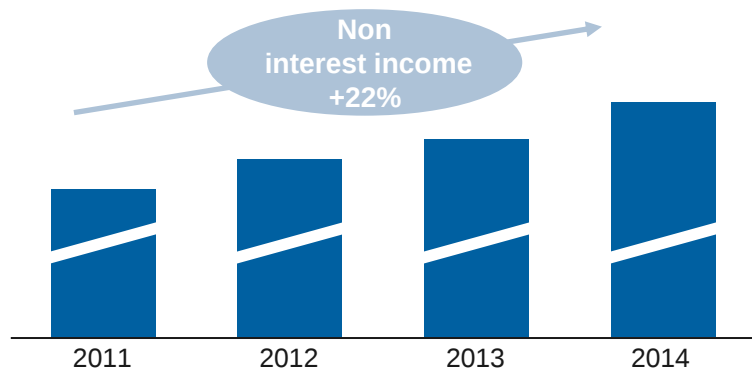
Financial impact

	Income	Cost	Capital
Advise	✓	✓	
- Shift to remote and digital - Improve customer relevance and share of wallet through analytics			
Digital	✓	✓	
- Strengthen online service, sales and advice - Increase proactivity in digital channels - Personalisation driving relevance			
Efficiency and scale		✓	✓
- Continue branch network optimisation and cash removal - Automate and simplify processes and products - Improve capital efficiency in products and service offering			

Retail Banking – Corporate value drivers

Business model optimisation

Cross sales to lending¹



Volume development 2011–2014, %



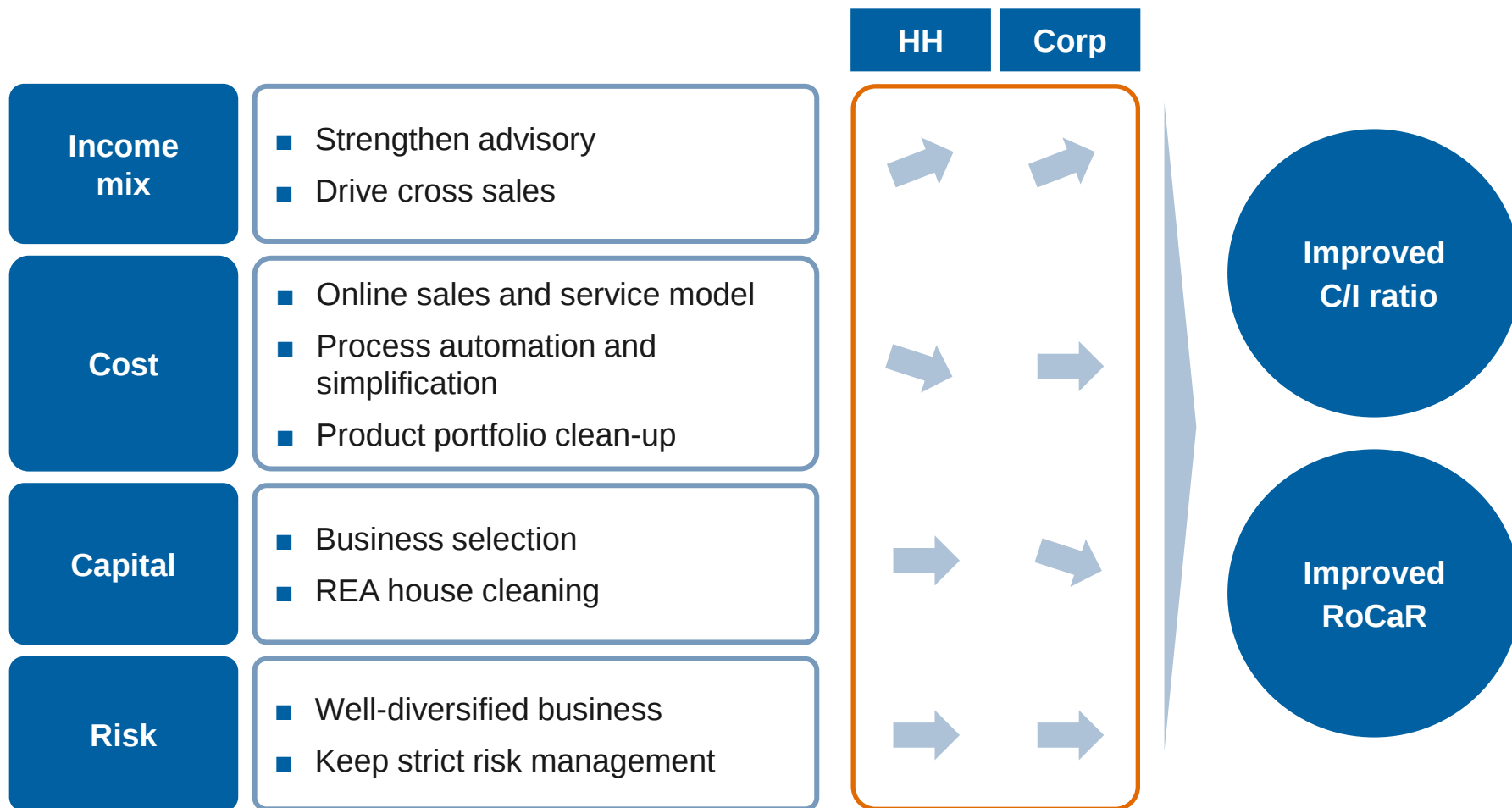
Value drivers

Financial impact

	Income	Cost	Capital
Advise	✓		✓
- Revise customer segmentation to enhance quality of customer coverage - Drive cross sales through analytics powered customer advisory			
Digital		✓	
- Increase self-directedness - Single digital platform serving all customer needs			
Efficiency and scale	✓		✓
- Optimise credit portfolio through business selection - Capital management - Securitisation - Simplify and automate all major processes			

1) Non interest income/Interest income

Summary



A photograph of three people standing outdoors near a body of water. In the foreground, a woman with dark curly hair and glasses is looking down. Behind her, a woman with blonde hair is smiling at the camera. In the background, a man in a suit is also looking towards the camera. The background shows a white building with a red roof and a body of water under a clear sky.

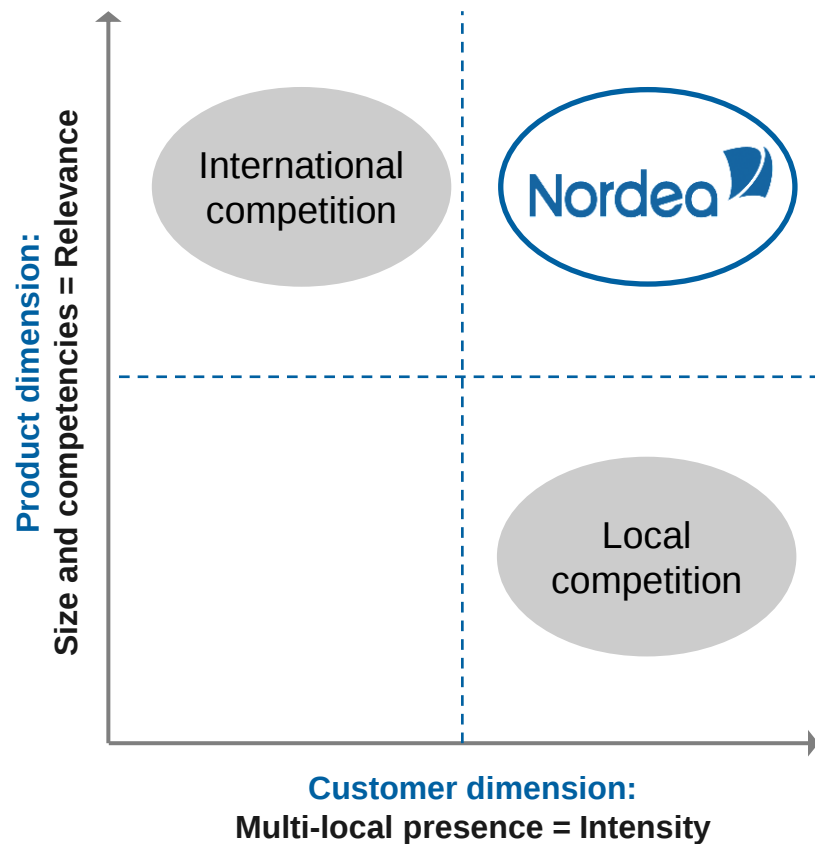
Wholesale Banking

Casper von Koskull
Head of Wholesale Banking

Nordea 

Wholesale Banking has a unique Nordic platform

Uniquely positioned relative to peers



The leading Nordic wholesale bank



Wholesale Banking 2011-2014 - performance and value drivers



1) Assuming constant capital requirement (EC/REA) as for 2014 (~15%)

Wholesale Banking has delivered on its 2015 plan

Commitments in 2015 plan



Wholesale Banking has delivered ('12 vs. '14)

- Achieved #1 market position
- Balanced income mix



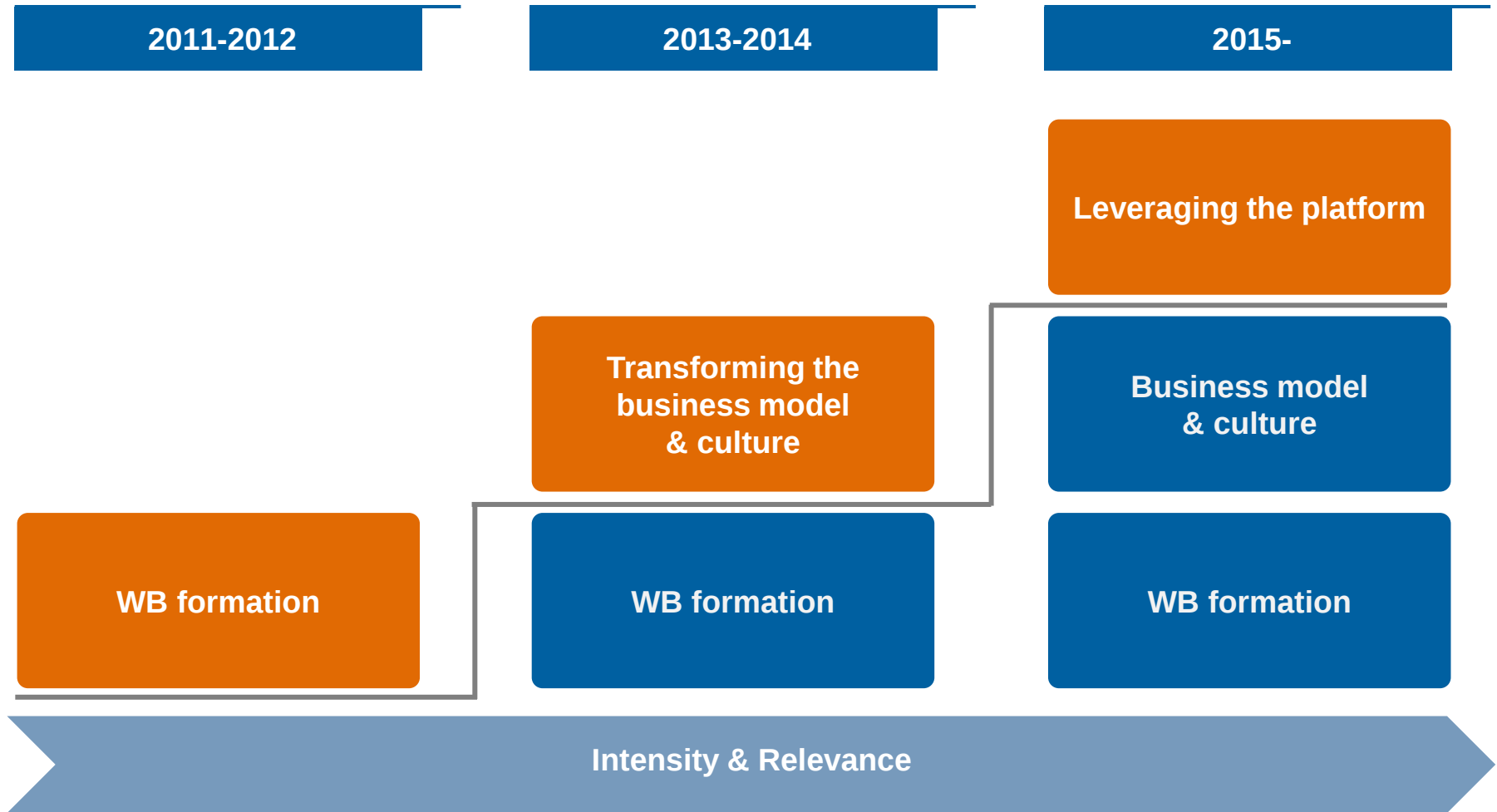
- One Nordic operating model
- Improved capabilities at unchanged cost



- Disciplined pricing, business selection and capital reduction



Successful Wholesale Banking journey



Business priorities leveraging the platform

Nordea platform

**Pan-Nordic platform
with scalability**

**Superior Nordic distribution power
and global capabilities**

**Actively managed business portfolio
with low volatility**

Strategic focus areas 2016-2018

**Further leveraging
customer franchise**

**Strengthen wholesale
banking capabilities**

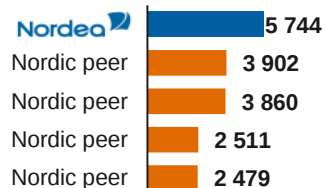
**Effective capital
management**

**Continued prudent
risk management**

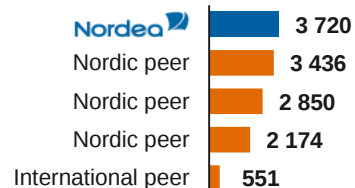
Further leveraging customer franchise

Leading Nordic Capital Market and Advisory Franchise

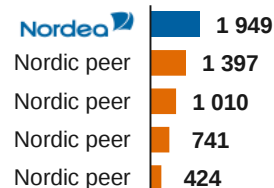
Nordic Corporate Bonds



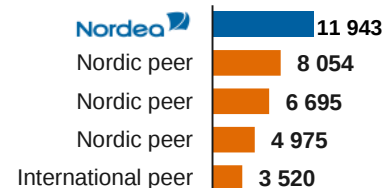
Nordic IG Corporate Bonds



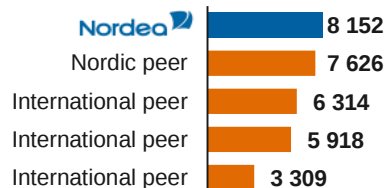
Nordic HY Corporate Bonds



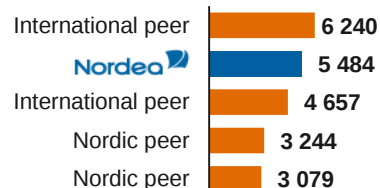
Nordic Syndicated Loans



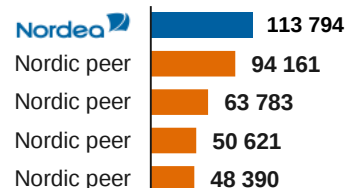
Marine Syndicated Loans (USDm)



Nordic ECM



Nordic Equity Trading¹



Nordic M&A



Source: Dealogic, Merger Market, NasdaqOMX

1) Only Nordic peers included

Strength in Transaction Services



- #1 in Cash Management 2015 in the Nordics
- #1 in Trade Finance Bank 2015 in the Nordics
- #1 in Cash Management 2015 in Sweden
- #1 in Trade Finance Bank 2015 in Sweden, Finland and Norway



- #1 in Cash & Liquidity Management 2014 in the Nordics
- #1 in Payments & Collections 2014 in the Nordics
- #1 in Financial Supply Chain Management 2014 in the Nordics



- #1 in Trade Finance in the Nordics

Leader in Risk Management



- #1 in Interest Rates Derivatives 2014 in the Nordics
- #1 in Foreign Exchange 2014 in the Nordics



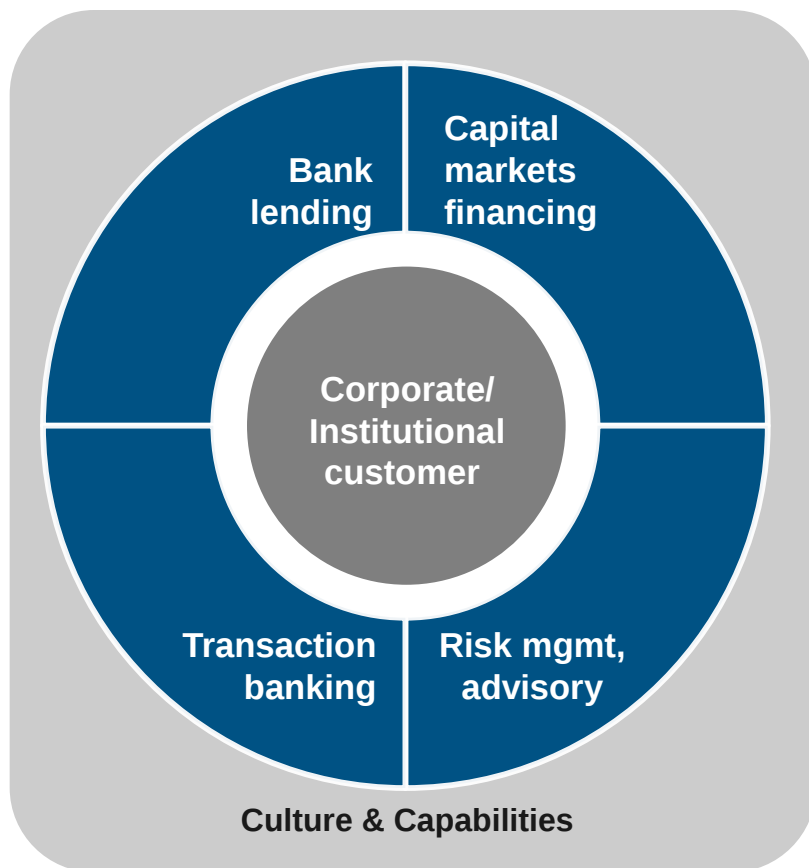
- #1 in Credit 2014 in the Nordics and in Sweden, Denmark, Finland and Norway
- #1 in Fixed Income 2014 in Norway
- #1 in Interest Rates Derivatives 2014 in Norway



- #1 in Foreign Exchange Provider 2015 in Finland and the Nordics

Strengthen Wholesale Banking capabilities

Leading Wholesale Banking platform

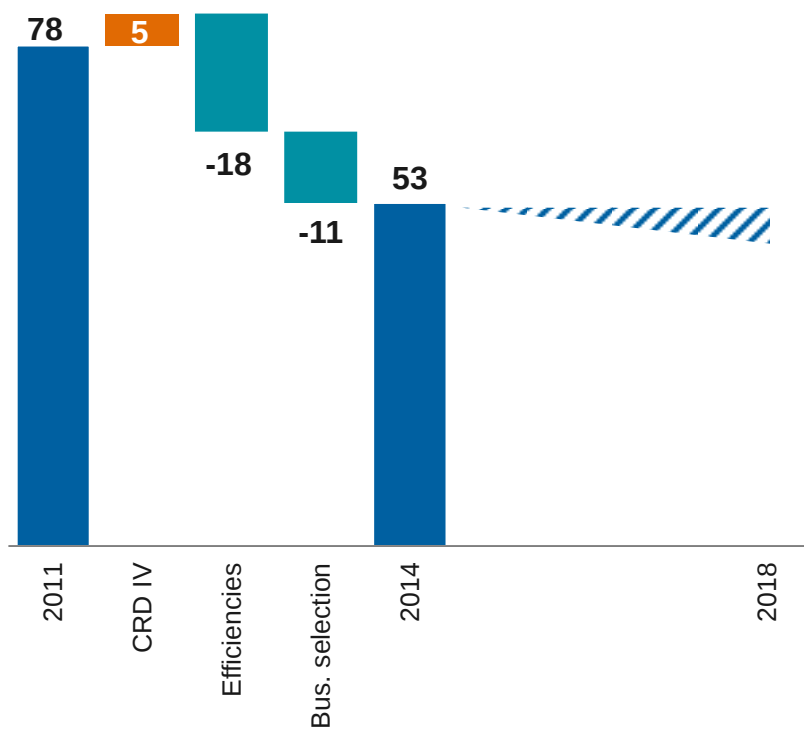


Priorities

- Support equity-related activities
 - Selective strengthening of international distribution
- Key additions to Investment Banking
 - Improve competence pool in selected markets and products
- Adjust FICC to cyclical and structural changes
 - Digitalisation/e-Markets
 - Capitalising on strong platform via increased distribution
- Strengthen transaction banking
 - New simplified payment platform

Effective capital management

REA reduction (EURbn)



Key initiatives

Management of low-yielding relationships

Active business selection/
de-selection

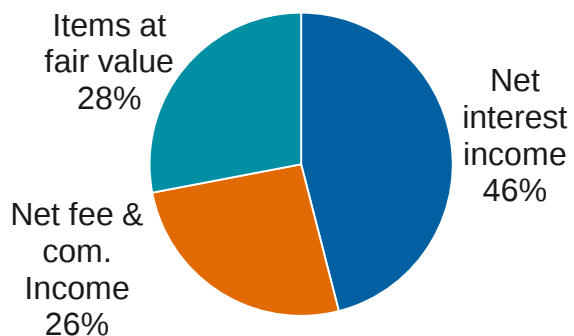
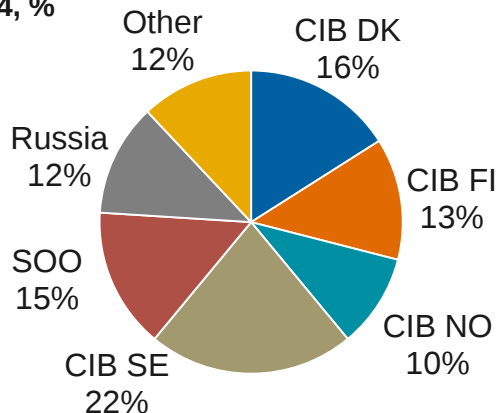
Balanced business mix

Capital hedging

Continued prudent risk management

Diversified customer franchise

Income 2014, %



Key messages

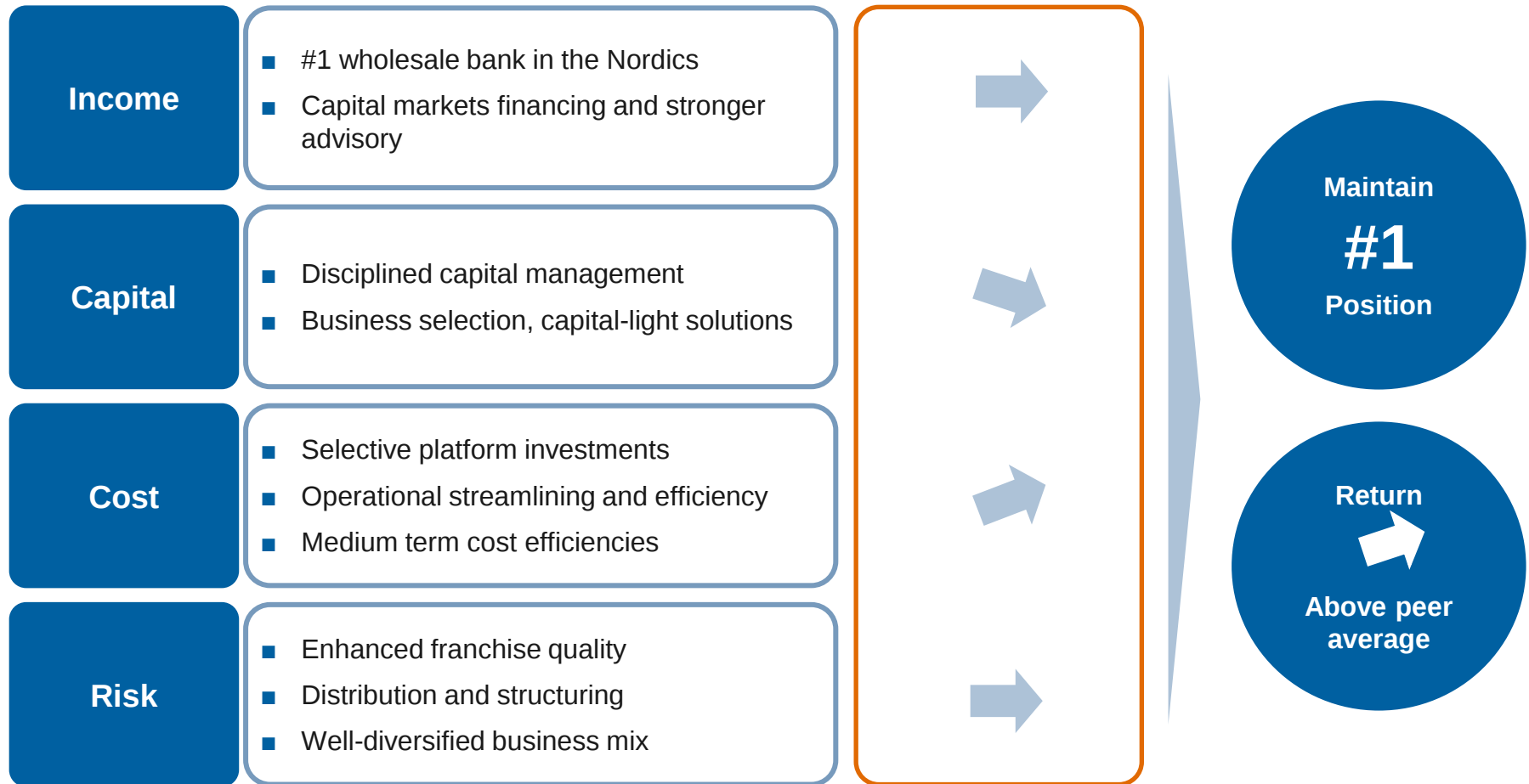
Strong relationships, staying close to the customer

More balanced income with higher share of commission income

Well established process for managing business and portfolio risk

**Loan losses down by EUR 216m
FY 2012 to 2014**

Summary





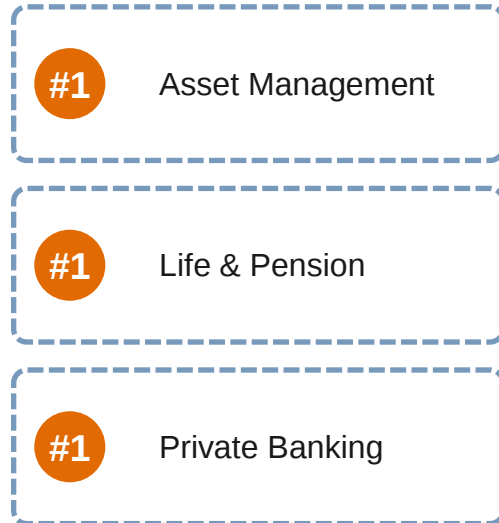
Wealth Management

Gunn Wærsted
Head of Wealth Management

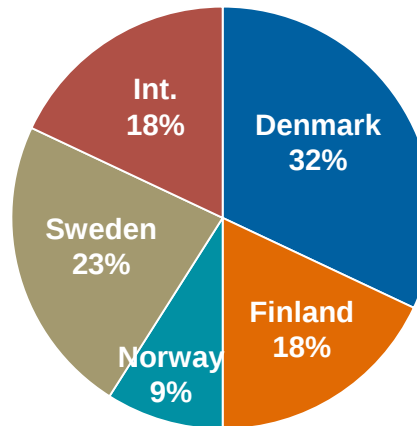
Nordea 

Wealth Management in brief

Strong customer franchise



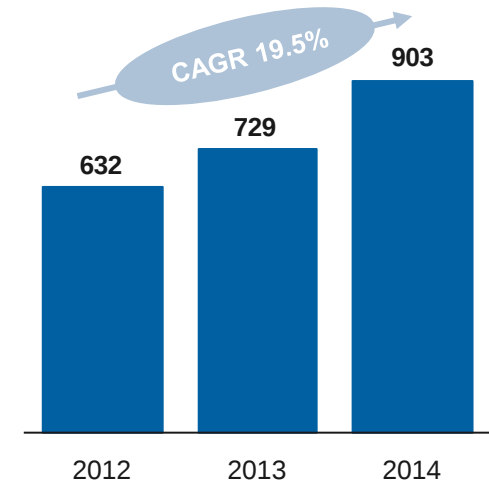
Well diversified business



EUR 290bn AuM

Growing business

Profit, EURm



Leading Nordic wealth manager with global reach

- #1-2 position for each business in each country
- Integrated value chain and global scale
- Cost and capital efficient business model

Wealth Management has delivered on its 2015 plan

Commitments in 2015 plan

Key Wealth Management value drivers

NORDEA 2013 CMD

Key ambitions and initiatives

Capitalise growth momentum

- Leverage the strength of a diversified business model and broad distribution capabilities
- Elevate Retail Banking customers to Private Banking
- Accelerate external customer acquisition Private Banking
- Leverage the strong momentum in AM institutional sales

Enhanced value propositions

- Enhance accessibility, advice and transactions through online and multichannel
- Roll-out enhanced wealth planning concepts and advisory skills
- Develop advisory concepts and tools
- Develop and launch new products and solutions

Efficiency & prioritisation

- Improve operations, continue to extract benefits of an integrated wealth value chain
- Improve IT efficiency through offshoring and investments to reduce complexity
- Improve frontline efficiency, to increase the number of right clients per advisor
- Migrate to market return products in Life & Pension

Wealth mgmt. has delivered (2012 vs. 2014)

Income CAGR 9.1%



Cost / Income 46% (-9 pp)



Profit CAGR 19.5%



RoCaR 32.4% (+10.1 pp)

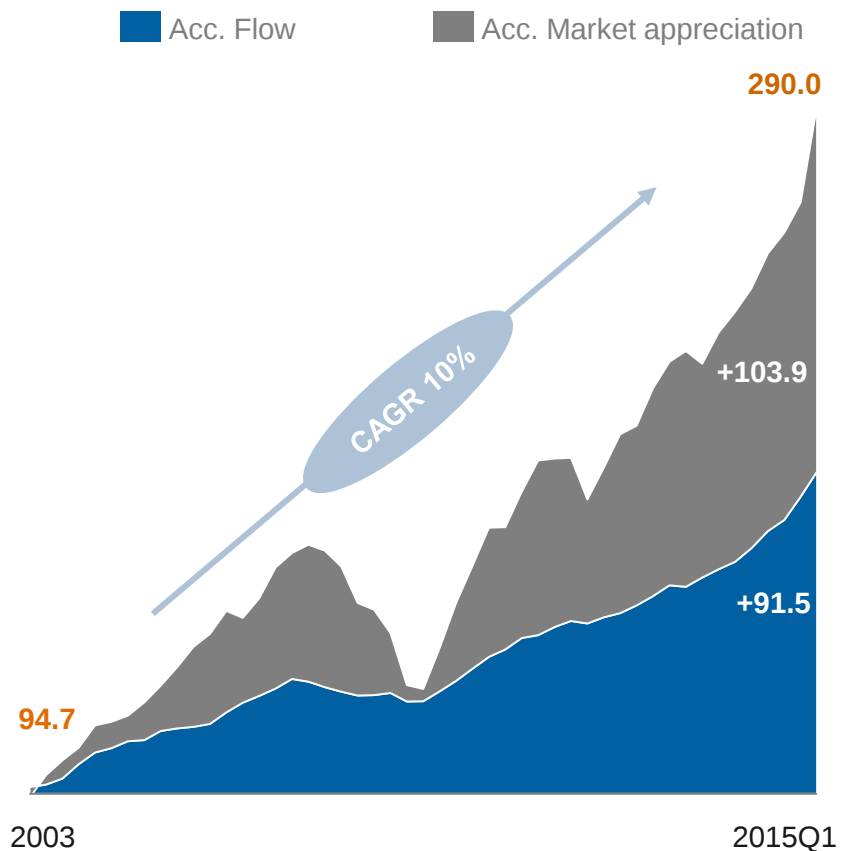


+ EUR 35bn Net Flow



Strong growth through consistently high flow

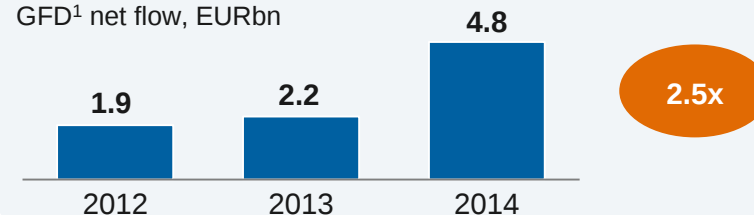
Assets under Management (AuM), EURbn



Key growth initiatives in 2015 plan

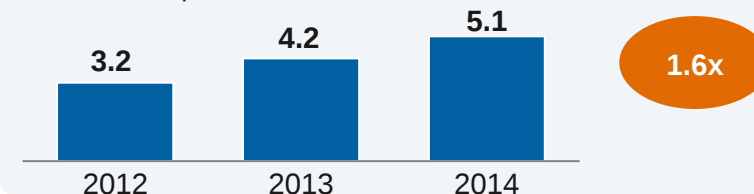
Growth through external distribution

GFD¹ net flow, EURbn



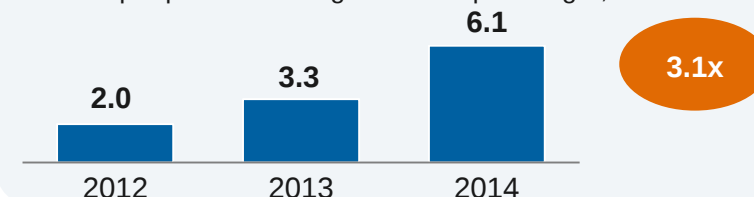
Growth through bancassurance

Market return premiums, EURbn



Focus on client acquisition

Net flow per private banking relationship manager, EURm



1) Global Fund Distribution

Looking ahead: Well positioned to capitalise on trends

Trends

Demographics

Low yield environment

Globalisation

Regulation

Digitalisation

Nordea wealth management platform

Strong customer franchise

Leading advisory and product capabilities

**Well diversified business across markets
and business lines**

Efficient and scalable operating model

Three strategic focus areas

Nordea platform

**Pan-Nordic platform
with scalability**

**Superior Nordic distribution power and
global capabilities**

**Actively managed business portfolio
with low volatility**

Strategic focus areas 2016-2018

Client Relationships

Advice & Solutions

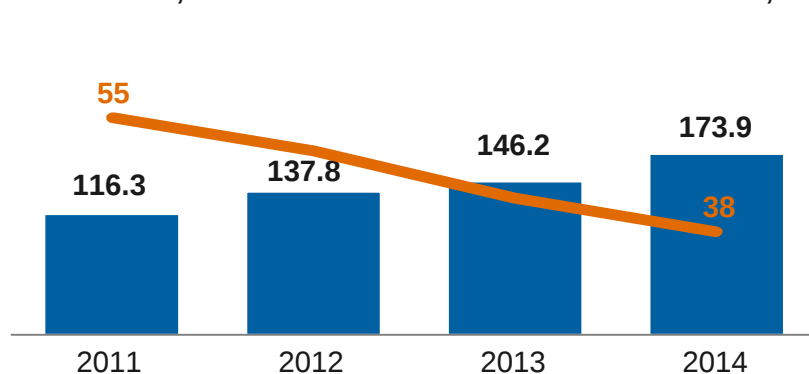
Efficiency

A leading European asset manager

Scalable business model

AuM in AM, EURbn

Cost/Income, %



Value drivers

- 30.5% CAGR Profit (last 3 years)
- 37 bp Income/AuM (+4 bp last 3 years)
- 14 bp Cost/AuM (-5 bp last 3 years)
- 45% 4-5 star Nordic rated funds as of 2015Q1¹
- 99 bp² investment outperformance last 36 months

Platform

- Active management with leading Multi Assets capabilities
- Cost level ~30% below European peers³
- Only European asset manager consistently on top 10 in European Fund sales 2012-14⁴
- Product offering of strategic importance in the savings and wealth offerings

Strategy and key priorities

- ➔ Expanding capacity to service new and existing Global distribution partners
- ➔ New investment products creating value for customers in the low yield environment
- ➔ Further leverage multi asset investment solutions
- ➔ Continued investments in platform robustness and scalability

1) Morningstar

2) As of Q1 2015. GIPS compliant. Before fees

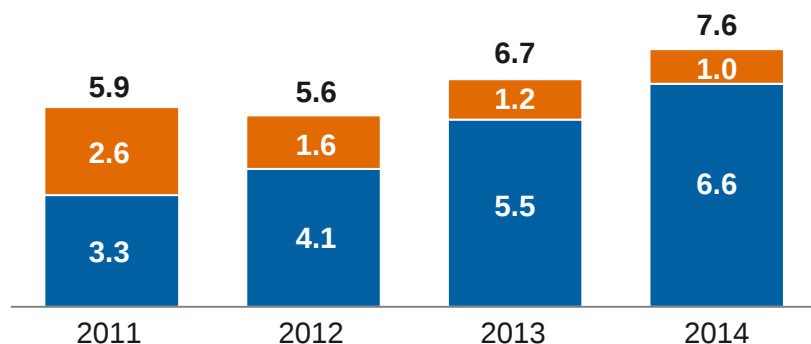
3) McKinsey Asset Management Survey 2014 (Cost/AuM): peer group "Western European Bank Owned Asset Managers"

4) Morningstar (incl. open-ended-funds, FoF and ETFs, excl. Money Market)

The #1 Nordic pension provider

Transition to capital efficient pension provider

Gross written premiums, EURbn Trad. MRP¹



Value drivers

- 29.2% CAGR Profit last 3 years. and 15% RoE² 2014
- 37% C/I (-21pp last 3 years.)
- 25.8% CAGR Market return premiums, share of AuM +16pp to 52%
- Average guarantee 2.2%

Platform

- Successfully transformed to market return company
- Focus on bancassurance with low distribution cost
- Product offering of strategic importance in the savings and wealth segment
- Estimated Nordic market share of 24% within market return product segment

Strategy and key priorities

- ➔ Building next generation retirement offerings to fuel additional growth
- ➔ Investments in IT and Operations platforms to seize cost reductions
- ➔ Solvency II transition without equity capital injection
- ➔ RoE 18% in 2018

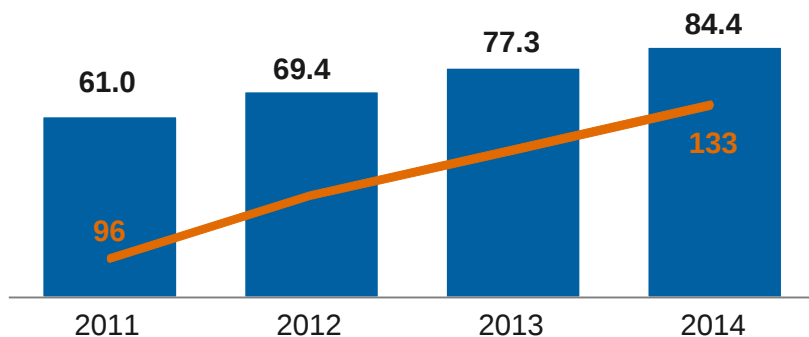
1) Market return products

2) Adjusted for changes in fee reservation account and profit sharing in Sweden. 17% ex. adjustments

The #1 Nordic private bank

Increased private banking footprint

AuM in PB, EURbn — AuM/Advisor, EURm



Value drivers

- 11.8% CAGR Profit
- 64% C/I (-4pp)
- 35% RoCaR 2014
- Customer Satisfaction Index +8pp to 77 since 2008

Platform

- #1-2 position in each Nordic country, largest Nordic International private bank
- Well functioning referral model
- Cost/Income ratio 9pp below European peers¹
- 110,000 Private Banking Clients

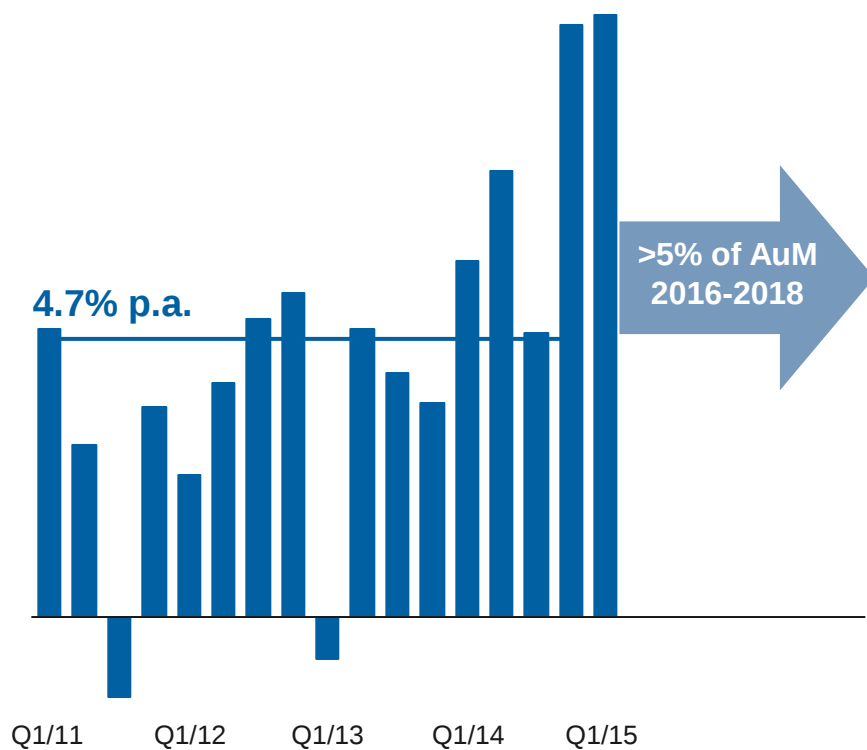
Strategy and key priorities

- ➔ Increase capacity in Norway and Sweden
- ➔ Developing new digital offerings
- ➔ Enhancing solutions for wealth planning and investment advice
- ➔ Continued shift to managed solutions
- ➔ Enhanced offerings for selected segments, incl. UHNWI and business owners
- ➔ Focusing on higher-AuM customers, lower-AuM clients referred to Retail

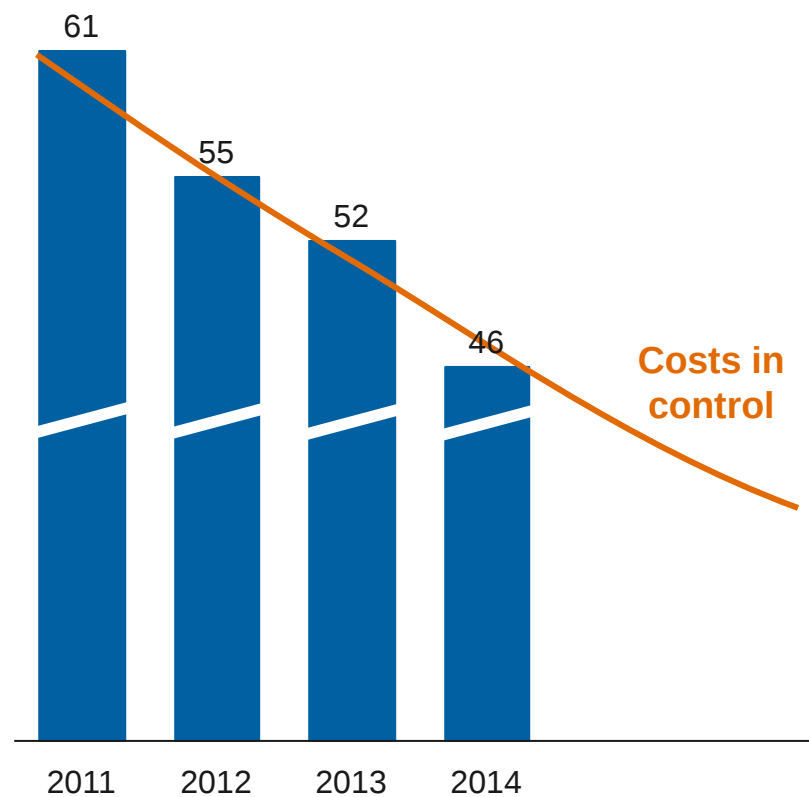
1) McKinsey European Private Banking Survey 2014

High growth going forward, costs in control

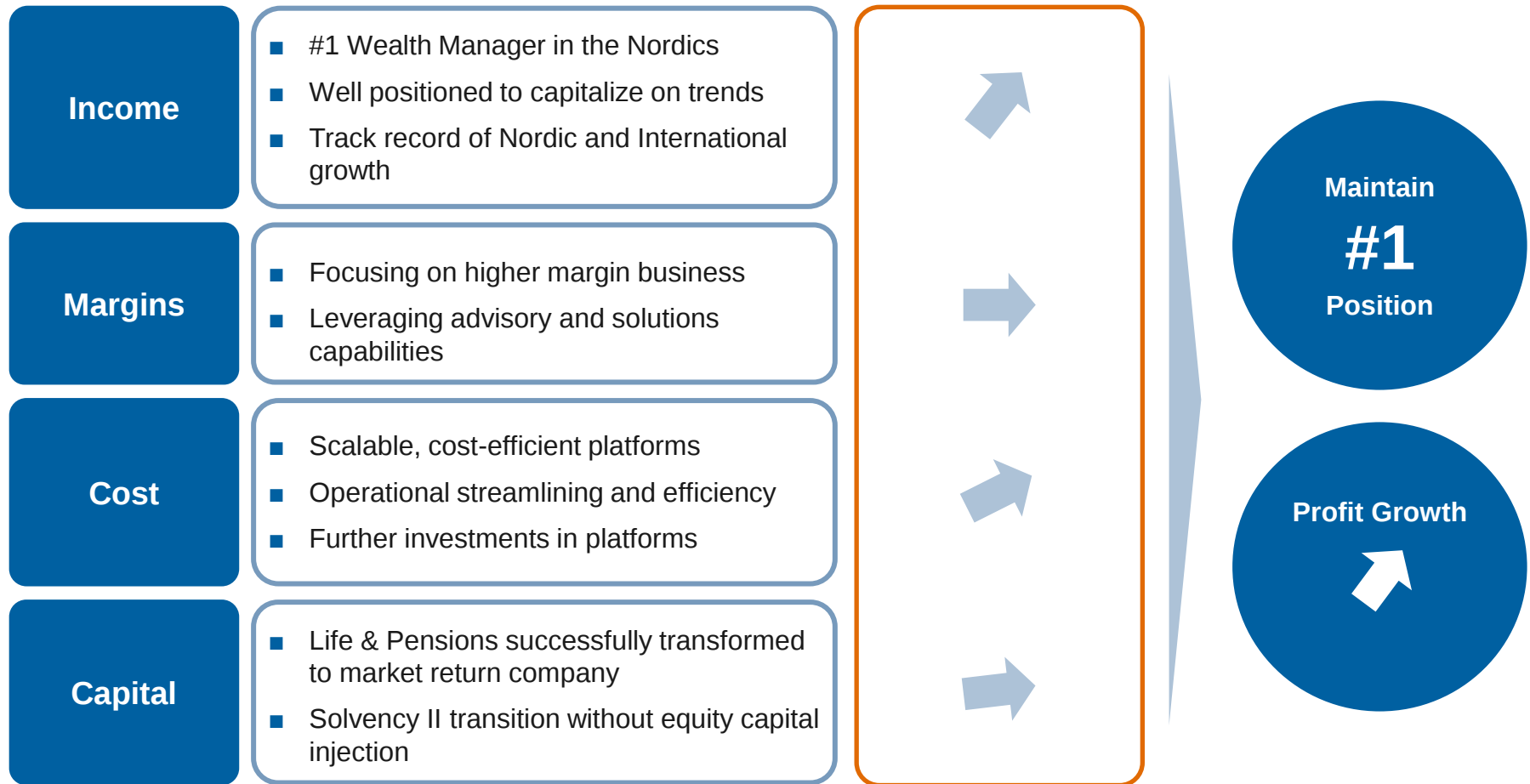
Net flow, % of AuM



Cost/Income, %



Summary





Concluding remarks and Q&A

