

Copenhagen, Helsinki, Oslo, Stockholm, 5 April 2019

Nordea Bank Abp – Stock exchange release – Other information disclosed according to the rules of the Exchange

## Nordea to change its accounting policy for resolution fees

**To adapt to Finnish accounting requirements and to align with international peers, Nordea will as of Q1 2019 and onwards expense the resolution fees up front in the first quarter of each year and will for accounting purposes present such fees under “Other expenses” in its financial reporting.**

The Nordea Group’s policy has been to amortise resolution fees linearly over the year and to present these as “Net interest income” in line with other Swedish peers. Due to the re-domiciliation of Nordea from Sweden to Finland on 1 October 2018, Nordea will now in accordance with Finnish requirements expense the annual resolution fee up front in the first quarter. Consequently, the full annual resolution fee will be recognised in Q1 as from 2019. These changes will have no impact on Nordea’s annual profitability and RoE.

Deposit Guarantee Scheme fees will continue to be amortised over the year and will be presented under Net interest income (NII).

Excluding potential changes in resolution fees, Nordea’s cost target remains unchanged. For 2021, we expect the cost base in constant currencies to be approximately 3% below the 2018 cost base excluding items affecting comparability in 2018\* and cash costs are expected to be down 5-10% in constant currencies over the same period.

Costs for 2019 are expected to be lower in constant currencies compared to 2018 excluding items affecting comparability in 2018 and 2019\*\* and total cash costs are expected to be lower in constant currencies over the same period.

**For further information:**

Rodney Alfvén, Head of Investor Relations, +46 72 235 05 15

*The information provided in this stock exchange release was submitted for publication through the agency of the contact person set out above, at 13.00 CET on 5 April 2019.*

\*EUR 141m in goodwill impairment in 2018 related to Russia.

\*\*EUR 141m in goodwill impairment related to Russia in 2018 and approximately EUR 90m related to divestment of Luminor shares and acquisition of Gjensidige Bank in 2019.