

Nordea



First-Quarter Financial Report

2024

First-quarter results 2024

Summary of the quarter:

- Continued high-quality income growth.** Total income was up 6%, driven by an 11% increase in net interest income. Net fee and commission income was stable year on year and net insurance result increased by 33%. Net fair value result was solid following a strong first quarter last year. Costs decreased by 9%, driven by lower resolution fees. Costs excluding regulatory fees increased by 5%, driven by inflation and continued investments in risk management and technology in line with Nordea's plan. Operating profit was up 19%.
- Return on equity 18.1% – earnings per share up 23%.** Nordea's return on equity was 18.1% in the first quarter, compared with 17.1% a year ago. The cost-to-income ratio excluding regulatory fees was stable at 40%. Earnings per share increased to EUR 0.38 from EUR 0.31.
- Volumes stable in slow markets.** Nordea's corporate lending increased by 2% year on year. Mortgage lending volumes were unchanged as mortgage markets remained slow. Retail deposit volumes were up 1%. Corporate deposits decreased by 6% year on year. Assets under management increased by 8% and Nordic net flows amounted to EUR 1.1bn in the quarter.
- Strong credit quality, continued low net loan losses.** Net loan losses and similar net result amounted to EUR 33m or 4bp. Overall provisioning levels and coverage were maintained, and the total management judgement buffer remained unchanged in local currencies (translating to EUR 505m).
- Continued strong capital position.** Nordea's CET1 ratio increased to 17.2%, 5.1 percentage points above the current regulatory requirement, which demonstrates the bank's continued strong underlying capital generation and capacity to support its customers. Nordea's Annual General Meeting of 21 March approved the dividend of EUR 0.92 per share for 2023. Nordea continues to target an efficient capital structure and completed its fourth share buy-back programme in March.
- Outlook for 2024 unchanged: return on equity above 15%.** Nordea has a strong and resilient business model with a very well-diversified loan portfolio across the Nordic region. This enables the bank to support its customers and deliver high-quality earnings, with high profitability and low volatility, through the economic cycle.

(For further viewpoints, see the CEO comment on page 2. For definitions, see page 54.)

Group quarterly results and key ratios Q1 2024

	Q1 2024	Q1 2023	Chg %	Q4 2023	Chg %
EURm					
Net interest income	1,954	1,765	11	1,946	0
Net fee and commission income	763	765	0	763	0
Net insurance result	61	46	33	40	53
Net fair value result	291	345	-16	154	89
Other income	16	0		12	33
Total operating income	3,085	2,921	6	2,915	6
Total operating expenses excluding regulatory fees	-1,226	-1,167	5	-1,397	-12
Total operating expenses	-1,289	-1,422	-9	-1,417	-9
Profit before loan losses	1,796	1,499	20	1,498	20
Net loan losses and similar net result	-33	-19		-83	
Operating profit	1,763	1,480	19	1,415	25
Cost-to-income ratio excluding regulatory fees, %	39.7	39.9		47.9	
Cost-to-income ratio with amortised resolution fees, %	40.7	42.7		50.6	
Return on equity with amortised resolution fees, %	18.1	17.1		14.1	
Diluted earnings per share, EUR	0.38	0.31	23	0.31	23

For further information:

Frank Vang-Jensen, President and Group CEO, +358 503 821 391
Ilan Smith, Group CFO, +45 55 47 83 72

Ilkka Ottoila, Head of Investor Relations, +358 9 5300 7058
Ulrika Romantschuk, Head of Brand, Communication and Marketing, +358 10 416 8023

We are a universal bank with a 200-year history of supporting and growing the Nordic economies – enabling dreams and aspirations for a greater good. Every day, we work to support our customers' financial development, delivering best-in-class omnichannel customer experiences and driving sustainable change. The Nordea share is listed on the Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm exchanges. Read more about us at nordea.com.

CEO comment

We had a strong start to the year. Despite the subdued economic environment, we maintained solid business momentum. Our competitive range of services and proactive approach continue to be valued by our customers. Profitability was again at a very good level, with return on equity reaching 18.1% for the quarter, up from 17.1% a year ago.

Price inflation continued to ease across the Nordics, providing some relief to households and businesses. However, macroeconomic and geopolitical uncertainty remains high. Russia's war in Ukraine and the conflict in the Middle East are constant reminders of the fragile state of the world today.

At Nordea, we are well equipped to navigate uncertainty and support our customers. Our business franchise is strong, supported by a resilient and well-diversified business model. We have leading positions in all our markets and business areas. And, as our first-quarter results demonstrate, we continue to be one of the best-performing banks in Europe.

Total income for the quarter increased by 6% year on year to EUR 3.1bn, driven by 11% higher net interest income. Total costs decreased by 9% due to substantially lower regulatory fees. Our cost-to-income ratio excluding regulatory fees remained stable at 40%. Operating profit increased by 19% year on year to EUR 1.8bn.

Alongside the constant development of our digital offering, we continued to be highly proactive towards our customers, holding more customer meetings than a year ago. Our approach is working. Although Nordic housing market activity remained slow, our first-quarter mortgage lending volumes were stable and we maintained our overall market share. We strengthened our position in corporate lending, increasing volumes by 2% year on year.

Many of our household customers increased their savings and investment activity, with deposit volumes up 1% year on year. We have been strengthening our offering, and during the quarter we introduced new savings deposit products. In Sweden, for example, Nordea's new high-interest savings account comes with a built-in fraud prevention feature to help customers safeguard their savings. Corporate deposit volumes decreased by 6% year on year, although more stable quarter on quarter.

Nordea's credit quality remains strong. Our loan portfolio is diversified across sectors and markets and supported by a prudent risk profile. Net loan losses and similar net result amounted to EUR 33m, or 4bp – a low level given the challenging economic environment. Nevertheless, we have retained our management judgement buffer in local currencies (translating to EUR 505m) to cover additional potential losses.

Our four business areas each delivered good first-quarter results. In Personal Banking we continued to see increased customer savings activity, supported by the introduction of our new deposit products, with deposit volumes up 2% in local currencies. While customer demand for new loan promises was lower than in the same quarter last year, our mortgage lending volumes were stable. Customers continued to take advantage of our digital services, with the number of private app users and logins both up 7% year on year.

In Business Banking we worked closely with our customers to help them tackle the current economic challenges. Although the overall market demand for lending continued to be slow, our lending volumes grew by 1% year on year in local

currencies, driven by Norway and Sweden. Deposit volumes grew by 1% year on year, and customers continue to choose our attractive fixed-term deposit products in the higher rate environment. We improved service quality in digital channels and began the Norwegian rollout of our Nordea Business app, which enables businesses to manage and purchase products easily through their smartphones. Nordea Business is now available in all of our home markets.

In Large Corporates & Institutions we continued to actively support our Nordic customers with their investment plans. Lending grew by 3% and deposit volumes decreased by 13% year on year. In debt capital markets, activity was high and we arranged more than 200 transactions. Our sustainability leadership was also recognised through several awards by Global Finance magazine, including best in the world for sustainability-linked bonds. We take great pride in the role we play in supporting the transition to a low-carbon economy.

In Asset & Wealth Management we maintained strong momentum in our private banking business, a key focus in our savings strategy. Customer activity was high and we welcomed new clients. Assets under management increased by 8% year on year to EUR 391bn, supported by net flows of EUR 1.1bn in our Nordic channels, despite seasonal outflows. We continued to see strong traction in our life insurance and pension business, with gross written premiums reaching a record high for the first quarter.

We maintain a robust capital position. Our CET1 ratio stood at 17.2%, or 5.1 percentage points above the capital requirement. In March our AGM approved the dividend for 2023, resulting in a total dividend payment of EUR 3.2bn, supporting economic growth broadly in the Nordic societies. We also completed our latest share buy-back programme of EUR 1bn. Our capital policy and our ambition to deliver market-leading shareholder returns remain unchanged. We continue to generate capital and expect to be in a position to provide an update on our capital plans, including buy-backs, later this year after the ECB approves our new capital models for retail exposures.

Looking ahead, we remain committed to delivering market-leading performance, supported by focused and profitable growth and improved capital efficiency through our well-diversified business model. We expect to achieve a return on equity above 15% for the full year 2024 and target similarly strong profitability in 2025.

We continue to build for the future. A strong bank is a resilient bank, and we are always working to strengthen Nordea – building on our robust financial position and developing every aspect of our operations. We are strengthening our technology foundation. We are investing in our digital offering to ensure we can offer our customers the very best services and experiences. And we are working to protect our customers and societies from financial crime.

A strong bank is also a responsible bank, which is why you can expect us to maintain our strong focus on reducing financed emissions and supporting our customers in meeting their climate transition requirements.

This is the way we will fulfil our ambition, which remains unchanged – to be the preferred partner for customers in need of a broad range of financial services.

Frank Vang-Jensen
President and Group CEO

Outlook (unchanged)

Financial target for 2025

Nordea's financial target for 2025 is a return on equity of above 15%.

The target will be supported by a cost-to-income ratio of 44–46%, an annual net loan loss ratio of around 10bp and the continuation of Nordea's well-established capital and dividend policies.

Financial outlook for 2024

Nordea expects a return on equity of above 15%.

Capital policy

A management buffer of 150bp above the regulatory CET1 requirement.

Dividend policy

Nordea's dividend policy stipulates a dividend payout ratio of 60–70%, applicable to profit for the financial year. Nordea will continuously assess the opportunity to use share buy-backs as a tool to distribute excess capital.

Table of contents

Income statement	5
Macroeconomy and financial markets	6
Group results and performance	
First quarter 2024.....	7
Net interest income.....	7
Net fee and commission income.....	8
Net result from items at fair value.....	9
Total operating income.....	9
Total expenses.....	10
Net loan losses and similar net result	11
Credit portfolio	11
Profit	12
Capital position and risk exposure amount.....	13
Balance sheet.....	15
Funding and liquidity operations	15
Market risk.....	15
Other information.....	16
Quarterly development, Group.....	18
Business areas	
Financial overview by business area.....	19
Personal Banking.....	20
Business Banking.....	23
Large Corporates & Institutions.....	26
Asset & Wealth Management	28
Group functions.....	31
Financial statements	
Nordea Group.....	32
Notes to the financial statements	37
Nordea Bank Abp.....	55

Income statement

	Q1 2024	Q1 2023	Chg %	Local curr. %	Q4 2023	Chg %	Local curr. %
EURm							
Net interest income	1,954	1,765	11	13	1,946	0	-1
Net fee and commission income	763	765	0	0	763	0	-1
Net insurance result	61	46	33	36	40	53	50
Net result from items at fair value	291	345	-16	-16	154	89	87
Profit or loss from associated undertakings and joint ventures accounted for under the equity method	7	-12			2		
Other operating income	9	12	-25	-25	10	-10	-10
Total operating income	3,085	2,921	6	7	2,915	6	5
Staff costs	-749	-719	4	4	-735	2	1
Other expenses	-338	-287	18	22	-323	5	5
Regulatory fees	-63	-255	-75	-75	-20		
Depreciation, amortisation and impairment charges of tangible and intangible assets	-139	-161	-14	-13	-339	-59	-59
Total operating expenses	-1,289	-1,422	-9	-9	-1,417	-9	-9
Profit before loan losses	1,796	1,499	20	21	1,498	20	19
Net loan losses and similar net result	-33	-19	74	82	-83	-60	-62
Operating profit	1,763	1,480	19	21	1,415	25	23
Income tax expense	-402	-332	21	22	-309	30	29
Net profit for the period	1,361	1,148	19	20	1,106	23	22

Business volumes, key items¹

	31 Mar 2024	31 Mar 2023	Chg %	Local curr. %	31 Dec 2023	Chg %	Local curr. %
EURbn							
Loans to the public	346.2	339.7	2	3	344.8	0	2
Loans to the public, excl. repos/securities borrowing	319.8	319.3	0	1	324.0	-1	1
Deposits and borrowings from the public	216.0	217.7	-1	0	210.1	3	5
Deposits from the public, excl. repos/securities lending	200.3	210.7	-5	-4	202.6	-1	1
Total assets	604.9	604.1	0		584.7	3	
Assets under management	391.2	362.4	8		378.5	3	

¹ End of period.

Ratios and key figures¹

	Q1 2024	Q1 2023	Chg %	Q4 2023	Chg %
Diluted earnings per share (DEPS), EUR	0.38	0.31	23	0.31	23
EPS, rolling 12 months up to period end, EUR	1.44	1.21	19	1.37	5
Share price ² , EUR	10.47	9.84	6	11.23	-7
Equity per share ² , EUR	8.25	7.84	5	8.86	-7
Potential shares outstanding ² , million	3,506	3,605	-3	3,528	-1
Weighted average number of diluted shares, million	3,508	3,622	-3	3,534	-1
Return on equity with amortised resolution fees, %	18.1	17.1		14.1	
Return on equity, %	17.8	15.3		14.7	
Return on tangible equity, %	20.3	17.6		16.9	
Return on risk exposure amount, %	3.9	3.2		3.2	
Cost-to-income ratio excluding regulatory fees, %	39.7	39.9		47.9	
Cost-to-income ratio with amortised resolution fees, %	40.7	42.7		50.6	
Cost-to-income ratio, %	41.8	48.7		48.6	
Net loan loss ratio, incl. loans held at fair value, bp	4	2		10	
Common Equity Tier 1 capital ratio ^{2,3} , %	17.2	15.7		17.0	
Tier 1 capital ratio ^{2,3} , %	19.5	18.0		19.4	
Total capital ratio ^{2,3} , %	22.4	20.1		22.2	
Tier 1 capital ^{2,3} , EURbn	27.1	25.5	6	26.8	1
Risk exposure amount ² , EURbn	138.6	142.0	-2	138.7	0
Net interest margin, %	1.83	1.58		1.83	
Number of employees (FTEs) ²	29,478	28,922	2	29,153	1
Equity ² , EURbn	28.9	28.2	2	31.2	-7

¹ For more detailed information regarding ratios and key figures defined as alternative performance measures, see <https://www.nordea.com/en/investor-relations/reports-and-presentations/group-interim-reports>.

² End of period.

³ Including the result for the period.

Macroeconomy and financial markets¹

Global

The US economy remained strong. China's recovery continued, while the European economy stagnated during the fourth quarter of 2023. Activity indicators point to moderate growth in the first quarter of 2024. Activity is increasing in the service sector, while the outlook for the manufacturing sector remains bleak on the back of a low order intake and generally weak development in world trade. Labour markets remained strong. The outlook continues to be uncertain amid geopolitical risks and tighter monetary conditions.

While headline inflation has come down substantially, core inflation has proven more stubborn. Most central banks around the world have tightened monetary policy significantly to dampen demand and anchor inflation expectations around 2%. The European Central Bank's deposit facility rate now stands at a record high of 4.0%, while the US federal funds rate stands at 5.5%.

Risk sentiment in the financial markets improved during the first quarter against a backdrop of lower inflation. The S&P 500 index was up 9.9%; the STOXX Europe 600 was up 7% and the NASDAQ OMX Nordic 120 was up 6.7%. The global aggregate bond index was down 0.6%.

The outlook for the Nordic economies remains uncertain amid moderate global growth and financial tightening.

Denmark

Danish GDP increased by 2.6% quarter on quarter in the fourth quarter of 2023, primarily due to an output expansion in the pharmaceutical industry. Household consumption increased, partly due to sharply rising car sales. Exports also increased, while fixed investment fell. During the first quarter, consumer confidence increased to the highest level since early 2022. Business sentiment also improved in the first quarter. The unemployment rate stayed unchanged at 2.9% in February 2024. House and apartment prices were up 2.9% and 3.7%, respectively, year on year in the fourth quarter of 2023. Year-on-year consumer price inflation stood at 0.9% in March. In line with the European Central Bank, Danmarks Nationalbank has kept its monetary policy interest rate unchanged since September 2023. The central bank's deposit rate stands at 3.6%.

Finland

Finnish GDP decreased by 0.8% quarter on quarter in the fourth quarter of 2023. The decline was driven by modest household consumption, declining exports and shrinking construction investments. Weak purchasing power and high interest rates have held back private consumption and the housing market. Housing transactions are still at a low level and housing prices were 5.5% lower in February than in the same month last year. The unemployment rate remained at 7.7% in February. Year-on-year harmonised consumer price inflation was 0.7% in March. Price pressures have eased in all main price categories. A number of political strikes impacted export sectors negatively during the first quarter.

Norway

Norwegian mainland GDP increased by 0.2% quarter on quarter during the fourth quarter of 2023. Unemployment remained stable and stood at 1.9% in March. Housing prices were up 1.2% year on year in March. Consumer price inflation has decreased but is still high. Headline consumer price inflation stood at 3.9% in March and underlying inflation, excluding energy and taxes, was 4.5%. Norges Bank has increased its policy rate 14 times since 2021, lifting it to 4.5% as of December 2023. The central bank's latest forecast is that the rate will probably be kept unchanged until the autumn of 2024. The Norwegian krone generally weakened against most currencies during the first quarter.

Sweden

Swedish GDP fell by 0.1% quarter on quarter during the fourth quarter of 2023. Domestic demand was stable while exports edged down. Demand for labour continued to weaken and the unemployment rate remained high at 8% in February. House and apartment prices remained under pressure although were close to unchanged in February 2024 compared with last year. Year-on-year consumer price inflation stood at 2.2% in March. Sveriges Riksbank kept its policy rate unchanged at 4.0% in March and continued to scale back its balance sheet. The trade-weighted Swedish krona weakened by 3.3% in the course of the first quarter.

¹Source: Nordea Economic Research

Group results and performance

First quarter 2024

Net interest income

Q1/Q1: Net interest income increased by 11%. The main drivers were improved deposit margins, higher corporate lending volumes, higher treasury income and a higher day count. These were partly offset by lower lending margins. Exchange rate effects had a negative impact of approximately EUR 24m.

Q1/Q4: Net interest income was stable compared to the previous quarter as improved lending margins were offset by lower deposit margins and a lower day count. Exchange rate effects had a positive impact of approximately EUR 25m.

Lending volumes

Q1/Q1: Loans to the public excluding repurchase agreements and securities borrowing were up 1% in local currencies. Lending volumes decreased in Personal Banking (-1% in local currencies) and increased in Business Banking (1% in local currencies) and Large Corporates & Institutions (3% in EUR).

Q1/Q4: Loans to the public excluding repurchase agreements and securities borrowing were up 1% in local currencies. Lending volumes decreased in Personal Banking (-1% in local currencies) and increased in Business Banking (1% in local currencies) and Large Corporates & Institutions (3% in EUR).

Deposit volumes

Q1/Q1: Total deposits from the public excluding repurchase agreements and securities lending were down 4% in local currencies. Deposit volumes increased in Personal Banking (2% in local currencies) and Business Banking (1% in local currencies) and decreased in Large Corporates & Institutions (-13% in EUR).

Q1/Q4: Total deposits from the public excluding repurchase agreements and securities lending were up 1% in local currencies. Deposit volumes increased in Personal Banking (1% in local currencies) and decreased in Business Banking (-3% in local currencies) and Large Corporates & Institutions (-1% in EUR).

Net interest income per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency	
								Q1/Q1	Q1/Q4
EURm									
Personal Banking	869	870	852	825	794	9%	0%	10%	-1%
Business Banking	613	613	610	592	553	11%	0%	12%	-1%
Large Corporates & Institutions	368	372	360	353	344	7%	-1%		
Asset & Wealth Management	85	77	78	71	70	21%	10%	20%	8%
Group functions	19	14	9	-10	4				
Total Group	1,954	1,946	1,909	1,831	1,765	11%	0%	13%	-1%

Change in net interest income (NII)

	Q1/Q4	Q1/Q1
EURm		
NII beginning of period	1,946	1,765
Margin-driven NII	6	232
Lending margin	42	-16
Deposit margin	-37	170
Cost of funds	2	-9
Equity margin	-1	87
Volume-driven NII	-5	-5
Lending volume	-8	1
Deposit volume	3	-6
Day count	-21	21
Other ^{1,2}	28	-59
NII end of period	1,954	1,954
¹ of which foreign exchange	25	-24
² of which deposit hedge	19	-78

Changes have been made to the driver composition in Q1 2024, where some drivers in Treasury have been moved from Other to Equity margin.

Net fee and commission income

Q1/Q1: Net fee and commission income was stable as lower net income from lending and guarantees as well as brokerage and advisory was offset by higher net income from both savings and payments and cards. Exchange rate effects had a negative impact of approximately EUR 5m.

Q1/Q4: Net fee and commission income was stable as lower net income from lending and guarantees as well as brokerage and advisory was offset by higher net income from payments and cards. Exchange rate effects had a positive impact of approximately EUR 6m.

Savings income

Q1/Q1: Net fee and commission income from savings increased by 2%, driven by higher assets under management.

Q1/Q4: Net fee and commission income from savings was stable. The fourth quarter of 2023 included performance fees. End-of-period assets under management increased by EUR 12.7bn, to EUR 391.2bn, driven by continued positive stock market development, partly offset by negative net flows of EUR 1.0bn. In Nordic channels good momentum was maintained mainly in Private Banking and Life & Pension, with net flows totalling EUR 1.1bn. Net flows in international channels were negative at EUR 2.1bn, mainly driven by wholesale distribution (EUR -1.8bn).

Brokerage and advisory income

Q1/Q1: Net fee and commission income from brokerage and advisory decreased by 7%, mainly driven by lower fee income from debt capital markets and corporate finance.

Q1/Q4: Net fee and commission income from brokerage and advisory decreased by 9%, mainly driven by lower fee income from debt capital markets and corporate finance.

Payments and cards income

Q1/Q1: Net fee and commission income from payments and cards increased by 4%, mainly driven by lower commission expenses.

Q1/Q4: Net fee and commission income from payments and cards increased by 5%, mainly driven by lower commission expenses.

Lending and guarantees income

Q1/Q1: Net fee and commission income from lending and guarantees decreased by 9%, driven by higher fees paid in relation to significant risk transfer transactions to improve capital efficiency.

Q1/Q4: Net fee and commission income from lending and guarantees decreased by 3%, driven by higher fees paid in relation to significant risk transfer transactions to improve capital efficiency.

Net fee and commission income per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency	
								Q1/Q1	Q1/Q4
EURm									
Personal Banking	268	264	274	262	259	3%	2%	4%	0%
Business Banking	143	146	137	144	153	-7%	-2%	-5%	-3%
Large Corporates & Institutions	126	130	105	104	120	5%	-3%		
Asset & Wealth Management	237	244	242	244	245	-3%	-3%	-3%	-2%
Group functions	-11	-21	-16	-3	-12				
Total Group	763	763	742	751	765	0%	0%	0%	-1%

Net fee and commission income per category

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency	
								Q1/Q1	Q1/Q4
EURm									
Savings	454	454	448	450	446	2%	0%	2%	0%
Brokerage and advisory	51	56	34	49	55	-7%	-9%	-7%	-10%
Payments and cards	140	133	139	137	135	4%	5%	5%	5%
Lending and guarantees	117	121	122	122	128	-9%	-3%	-8%	-4%
Other	1	-1	-1	-7	1				
Total Group	763	763	742	751	765	0%	0%	0%	-1%

Assets under management (AuM), volumes and net flow

	Q124	Q423	Q323	Q223	Q123	Net flow
						Q124
EURbn						
Nordic Retail funds	83.1	80.0	74.4	74.5	73.4	0
Private Banking	120.4	116.1	108.9	110.1	109.1	0.3
Life & Pension	84.1	79.6	74.5	74.4	73.2	1.3
Institutional sales Nordic	46.9	46.1	43.6	42.7	42.5	-0.6
Total Nordic channels	334.6	321.8	301.4	301.6	298.2	1.1
Institutional sales international	18.7	18.4	18.5	18.9	19.0	-0.3
Wholesale distribution	37.9	38.3	39.9	42.6	45.2	-1.8
Total International channels	56.5	56.7	58.4	61.4	64.2	-2.1
Total	391.2	378.5	359.7	363.1	362.4	-1.0

Net insurance result

Q1/Q1: Net insurance result increased by 33% mainly driven by a lower claims for Danish insurance products.

Q1/Q4: Net insurance result increased by 53% primarily due to lower claims for Danish insurance products and improved result for guaranteed life insurance products following negative interest rate impacts in the previous quarter.

Net insurance result per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURm							
Personal Banking	29	36	29	28	30	-3%	-19%
Business Banking	7	6	5	5	5	40%	17%
Large Corporates & Institutions	0	0	0	0	0		
Asset & Wealth Management	24	-1	28	34	11		
Group functions	1	-1	1	1	0		
Total Group	61	40	63	68	46	33%	53%

Net result from items at fair value

Q1/Q1: Net result from items at fair value decreased by 16% driven by lower market-making result in Markets and lower customer activity in interest rate hedging, following elevated levels last year. Treasury result improved due to positive revaluations.

Q1/Q4: Net result from items at fair value increased by 89%, driven by higher result in Treasury due to positive revaluations, and higher market-making result in Markets from foreign exchange, interest rate and credit products. In the fourth quarter of 2023 Treasury result was negatively affected by revaluations in the liquidity portfolio and hedge inefficiencies due to interest rate volatility.

Net result from items at fair value per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURm							
Personal Banking	21	13	20	18	19	11%	62%
Business Banking	98	95	83	93	109	-10%	3%
Large Corporates & Institutions	131	88	95	99	193	-32%	49%
Asset & Wealth Management	12	3	-1	10	24	-50%	
Group functions	29	-45	28	70	0		
Total Group	291	154	225	290	345	-16%	89%

Equity method

Q1/Q1: Income from companies accounted for under the equity method was EUR 7m, up from EUR -12m. The first quarter of 2023 included an impairment.

Q1/Q4: Income from companies accounted for under the equity method was EUR 7m, up from EUR 2m.

Other operating income

Q1/Q1: Other operating income was EUR 9m, down from EUR 12m.

Q1/Q4: Other operating income was EUR 9m, down from EUR 10m.

Total operating income per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency		
								Q1/Q1	Q1/Q4	
EURm										
Personal Banking	1,189	1,183	1,176	1,135	1,103	8%	1%	9%	0%	
Business Banking	873	870	844	847	817	7%	0%	8%	-1%	
Large Corporates & Institutions	623	591	561	556	657	-5%	5%			
Asset & Wealth Management	358	321	347	359	350	2%	12%	3%	11%	
Group functions	42	-50	24	58	-6					
Total Group	3,085	2,915	2,952	2,955	2,921	6%	6%	7%	5%	

Total operating expenses

Q1/Q1: Total operating expenses decreased 9%, due to substantially lower resolution fees. Excluding regulatory fees operating expenses were up 5%, mainly driven by salary inflation, higher business activity and continued investments in technology and risk management. Exchange rate effects had a positive impact of approximately EUR 10m.

Q1/Q4: Total operating expenses decreased 9%, mainly due to lower impairment charges, partly offset by the recognition of EUR 45m in resolution fees. The fourth quarter of 2023 included EUR 177m write-offs of intangible assets. Exchange rate effects had a negative impact of approximately EUR 4m.

Staff costs

Q1/Q1: Staff costs were up 4% due to additional risk management resources and salary increases.

Q1/Q4: Staff costs were up 2%, mainly due to salary increases.

Other expenses

Q1/Q1: Other expenses increased by 18%, mainly due to increased technology investments and integration costs related to the acquisition of Danske Bank's Norwegian personal customer business.

Q1/Q4: Other expenses increased by 5%, mainly due to increased technology investments and lower VAT refunds.

Regulatory fees

Q1/Q1: Regulatory fees amounted to EUR 63m, down from EUR 255m, driven by a substantial decrease in resolution fees.

Q1/Q4: Regulatory fees amounted to EUR 63m, up from EUR 20m, driven by the recognition of EUR 45m in resolution fees.

Depreciation and amortisation

Q1/Q1: Depreciation and amortisation decreased by EUR 22m, mainly due to lower amortisations and impairment charges.

Q1/Q4: Depreciation and amortisation decreased by EUR 200m, to EUR 139m. The fourth quarter of 2023 included EUR 177m in write-offs of intangible assets.

FTEs

Q1/Q1: The number of employees (FTEs) was 29,478 at the end of the first quarter, an increase of 2%, mainly due to additional investments in technology and risk management, and investments to drive growth.

Q1/Q4: The number of FTEs increased 1% compared to the previous quarter.

Total operating expenses

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency	
								Q1/Q1	Q1/Q4
EURm									
Staff costs	-749	-735	-729	-725	-719	4%	2%	4%	1%
Other expenses	-338	-323	-292	-304	-287	18%	5%	22%	5%
Regulatory fees	-63	-20	-20	-21	-255	-75%		-75%	
Depreciation and amortisation	-139	-339	-153	-155	-161	-14%	-59%	-13%	-59%
Total Group	-1,289	-1,417	-1,194	-1,205	-1,422	-9%	-9%	-9%	-9%

Total operating expenses per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency	
								Q1/Q1	Q1/Q4
EURm									
Personal Banking	-579	-657	-511	-527	-585	-1%	-12%	0%	-13%
Business Banking	-353	-376	-318	-316	-403	-12%	-6%	-12%	-7%
Large Corporates & Institutions	-217	-216	-199	-191	-301	-28%	0%		
Asset & Wealth Management	-151	-178	-147	-145	-150	1%	-15%	1%	-16%
Group functions	11	10	-19	-26	17	-35%	10%		
Total Group	-1,289	-1,417	-1,194	-1,205	-1,422	-9%	-9%	-9%	-9%

Exchange rate effects

	Q1/Q1	Q1/Q4
Percentage points		
Income	-1	1
Expenses	-1	0
Operating profit	-1	1
Loan and deposit volumes	-1	-2

Net loan losses and similar net result

Credit quality remained solid and total net loan losses were moderate in the first quarter of 2024.

Net loan losses and similar net result amounted to EUR 33m (4bp), or EUR 29m excluding changes in fair value of Danish mortgage loans. Net loan losses and similar net result was lower than in the previous quarter (EUR 83m, 10bp) due to lower new individual provisions.

There was an increase in collective provisioning following some rating deterioration and migration from stage 1 to stage 2 in cyclically sensitive customer segments, as can be expected in a macroeconomic slowdown with higher interest rates. Losses on individual defaulted customers were limited.

Main drivers of loan losses and similar net result

Net loan losses relating to individually assessed exposures amounted to EUR 13m, mainly driven by the effects of lower consumer demand and increased cost levels in the Industrial sector. This was partly offset by a few larger reversals in the corporate portfolio. Nordea's credit portfolio has been relatively unaffected by the increased number of bankruptcies amongst small companies.

Collectively calculated net provisions increased by EUR 29m. Higher interest rates and macroeconomic slowdown affected the credit quality, increasing stage 2 exposures and collective provisions, mostly in the corporate portfolio with some concentration in the industrial and consumer related sectors. The weight of the adverse scenario was kept unchanged at 40% reflecting continued uncertainty about the macroeconomic outlook.

Significant risk transfer transactions reduced net loan losses by EUR 13m.

The revaluation of the portfolio reported at fair value, including Nordea Kredit's mortgage portfolio, resulted in a reduction in fair value of EUR 4m.

Net loan losses and similar net result amounted to EUR 27m in Personal Banking, EUR 20m in Business Banking and EUR 2m in Asset & Wealth Management. In Large Corporates & Institutions and Group Functions there were net reversals of EUR 12m and EUR 4m, respectively.

Management judgement allowances

During the quarter, management judgement allowances were assessed to be at appropriate levels. Supported by updated portfolio assessments, they were kept unchanged in local currencies, translating to EUR 505m.

See Note 11 for further details.

Credit portfolio

Lending to the public excluding reverse repurchase agreements and securities borrowing amounted to EUR320bn at the end of the quarter, stable in local currencies from the previous quarter.

Loans to the public measured at fair value excluding reverse repurchase agreements and securities borrowing, mainly comprising Danish mortgage lending, decreased to EUR 52bn from EUR 53bn from the previous quarter.

Lending to the public measured at amortised cost before allowances decreased to EUR 269bn from EUR 273bn in the previous quarter. Of this, 92% was classified as stage 1 (down from 93%), 7% as stage 2 (up from 6%) and 1% as stage 3. Quarter on quarter, stage 1 loans decreased by 3%, stage 2 loans increased by 20%, to EUR 19.5bn, driven by credit downgrades. Stage 3 loans decreased by 5%, to EUR 2.3bn, due to reduced exposure to a few impaired corporate customers.

The coverage ratio was 2.2% for stage 2 (down from 2.5% in the previous quarter) and 44% for stage 3 (up from 42% in the previous quarter). The fair value impairment rate decreased to 0.48% from 0.54% in the previous quarter.

Net loan loss ratio

	Q124	Q423	Q323	Q223	Q123
Basis points of loans, amortised cost¹					
Net loan loss ratios,					
annualised, Group	4	14	5	6	3
of which stages 1 and 2	0	-1	-1	-3	0
of which stage 3	4	15	6	9	3
Basis points of loans, total^{1,2}					
Net loan loss ratio, including loans held at					
fair value, annualised, Group	4	10	4	4	2
Personal Banking total	7	8	6	4	8
PeB Denmark	6	5	3	0	4
PeB Finland	11	15	12	9	17
PeB Norway	7	3	5	2	5
PeB Sweden	5	9	6	5	7
Business Banking total	9	11	5	16	2
BB Denmark	2	2	-5	-7	-5
BB Finland	12	4	10	36	21
BB Norway	0	15	3	19	-5
BB Sweden	18	18	15	13	9
Large Corporates & Institutions total	-6	11	-2	-9	-12
LC&I Denmark	-71	22	0	7	-59
LC&I Finland	-9	5	4	-27	-28
LC&I Norway	48	-81	-3	-30	-23
LC&I Sweden	-4	75	2	-10	14

¹ Negative amounts are net reversals.

² Net loan losses and net result on loans in hold portfolios mandatorily held at fair value divided by total lending at amortised cost and at fair value, basis points.

Profit

Operating profit

Q1/Q1: Operating profit increased by 19%, to EUR 1,763m, mainly driven by higher income and lower expenses.

Q1/Q4: Operating profit increased by 25%, to EUR 1,763m, mainly driven by higher income, lower expenses and lower net loan losses.

Taxes

Q1/Q1: Income tax expense amounted to EUR 402m, up from EUR 332m, corresponding to a tax rate of 22.8%, up from 22.4% a year ago.

Q1/Q4: Income tax expense amounted to EUR 402m, up from EUR 309m, corresponding to a tax rate of 22.8%, up from 21.8% in the previous quarter.

Net profit

Q1/Q1: Net profit increased by 19%, to EUR 1,361m. Return on equity was 17.8%, up from 15.3%. Return on equity with amortised resolution fees was 18.1%, up from 17.1%.

Q1/Q4: Net profit increased by 23%, to EUR 1,361m. Return on equity was 17.8%, up from 14.7%. Return on equity with amortised resolution fees was 18.1%, up from 14.1%.

Q1/Q1: Diluted earnings per share were EUR 0.38, compared with EUR 0.31.

Q1/Q4: Diluted earnings per share were EUR 0.38, compared with EUR 0.31.

Operating profit per business area

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local currency	
EURm								Q1/Q1	Q1/Q4
Personal Banking	583	492	639	591	483	21%	18%	21%	18%
Business Banking	500	468	514	494	409	22%	7%	24%	6%
Large Corporates & Institutions	418	355	365	383	378	11%	18%		
Asset & Wealth Management	205	144	200	213	199	3%	42%	4%	40%
Group functions	57	-44	7	37	11				
Total Group	1,763	1,415	1,725	1,718	1,480	19%	25%	21%	23%

Capital position and risk exposure amount

The Nordea Group's Common Equity Tier 1 (CET1) capital ratio increased to 17.2% in the first quarter from 17.0% in the fourth quarter of 2023. CET1 capital increased by EUR 0.2bn, mainly driven by profit generation net of dividend, partly offset by exchange rate effects on retained earnings. The Group's CET1 capital requirement remained stable at 12.1% in the first quarter compared to the fourth quarter of 2023.

The risk exposure amount (REA) decreased by EUR 0.1bn driven by exchange rate effects and active capital management. This was partly offset by increased operational risk following the annual update as well as increased average risk weights for corporate exposures.

The Group's Tier 1 capital ratio increased to 19.5% at the end of the first quarter from 19.4% in the fourth quarter of 2023. The total capital ratio increased to 22.4% from 22.2%.

At the end of the first quarter CET1 capital amounted to EUR 23.8bn, Tier 1 capital amounted to EUR 27.1bn, and own funds amounted to EUR 31.0bn.

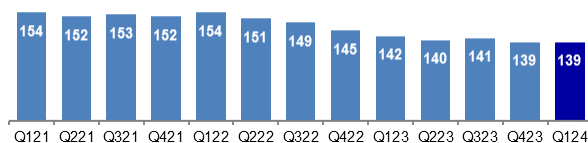
The Group's subordinated minimum requirements for own funds and eligible liabilities (MREL) ratio was 32.1% of the REA and 8.0% of the leverage ratio exposure (LRE), compared with the requirements of 27.3% of the REA and 7.19% of the LRE. The total MREL ratio was 39.2% of the REA and 9.8% of the LRE, compared with the requirements of 30.0% of the REA and 7.19% of the LRE.

The leverage ratio decreased to 4.9% at the end of the first quarter from 5.0% in the fourth quarter of 2023, mainly driven by increased leverage exposure.

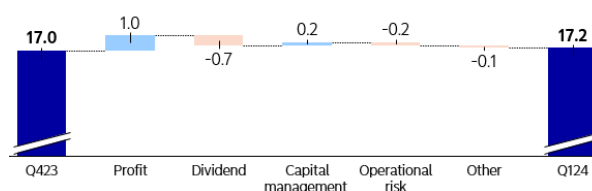
Capital ratios

%	Q124	Q423	Q323	Q223	Q123
CRR/CRD IV					
CET1 capital ratio	17.2	17.0	16.3	16.0	15.7
Tier 1 capital ratio	19.5	19.4	18.7	18.3	18.0
Total capital ratio	22.4	22.2	20.7	20.5	20.1

Risk exposure amount, EURbn, quarterly



Common Equity Tier 1 capital ratio, changes in the quarter



Capital and dividend policies

Nordea maintains a strong capital position in line with its capital policy. Nordea targets a management buffer of 150bp above the regulatory CET1 requirement. This reflects Nordea's strong capital generation and enables efficient capital management while still maintaining a prudent buffer to requirements. Nordea's ambition is to distribute 60–70% of the net profit for the year to shareholders. Excess capital will be used for organic growth and strategic business acquisitions, as well as being subject to buy-back considerations.

Share buy-backs and dividend decision

Nordea completed its fourth share buy-back programme on 21 February. From 28 April 2023 to 21 February 2024, Nordea repurchased approximately 97.4m shares for a total of EUR 1bn. Since the inception of the inaugural buy-back programme in October 2021, Nordea has distributed EUR 5.5bn to its shareholders through repurchasing around 544 million shares at an average price of EUR 10.09 per share.

On 21 March 2024 Nordea's Board of Directors decided to distribute an ordinary dividend of EUR 0.92 per share to shareholders. The decision was made in accordance with the mandate received from the Annual General Meeting held earlier that day.

Risk exposure amount

	31 Mar 2024	31 Dec 2023	31 Mar 2023
EURm			
Credit risk	104,997	105,678	108,808
IRB	93,915	94,502	96,206
- sovereign			
- corporate	59,255	59,993	62,550
- advanced	52,791	53,628	55,333
- foundation	6,464	6,365	7,217
- institutions	4,083	3,868	4,093
- retail	25,135	25,519	24,811
- items representing securitisation positions	2,144	2,162	1,458
- other	3,298	2,960	3,294
Standardised	11,082	11,176	12,602
- sovereign	200	241	202
- retail	3,683	3,993	4,492
- other	7,199	6,942	7,908
Credit valuation adjustment risk	523	596	803
Market risk	5,154	4,805	4,803
- trading book, internal approach	4,451	4,072	3,764
- trading book, standardised approach	703	733	825
- banking book, standardised approach			
Settlement risk		0	
Operational risk	17,874	16,048	16,048
Additional risk exposure amount related to Finnish RW floor due to Article 458 of the CRR			
Additional risk exposure amount related to Swedish RW floor due to Article 458 of the CRR	10,031	11,592	11,514
Additional risk exposure amount due to Article 3 of the CRR			
Total	138,579	138,719	141,976

Summary of items included in own funds including result (Banking Group)

	31 Mar 2024	31 Dec 2023	31 Mar 2023
EURm			
Calculation of own funds			
Equity in the consolidated situation	26,768	25,534	26,288
Profit for the period	1,360	4,927	1,135
Proposed/actual dividend	-953	-3,240	-804
Common Equity Tier 1 capital before regulatory adjustments	27,175	27,221	26,620
Deferred tax assets	-31	-34	-12
Intangible assets	-2,587	-2,678	-2,690
IRB provisions shortfall (-)			
Pension assets in excess of related liabilities	-234	-160	-152
Other items including buy-back deduction, net ¹	-525	-704	-1,487
Total regulatory adjustments to Common Equity Tier 1 capital	-3,377	-3,576	-4,341
Common Equity Tier 1 capital (net after deduction)	23,798	23,645	22,279
Additional Tier 1 capital before regulatory adjustments	3,288	3,225	3,260
Total regulatory adjustments to Additional Tier 1 capital	-25	-25	-25
Additional Tier 1 capital	3,263	3,200	3,235
Tier 1 capital (net after deduction)	27,061	26,845	25,514
Tier 2 capital before regulatory adjustments	3,459	3,466	3,201
IRB provisions excess (+)	551	554	541
Deductions for investments in insurance companies			-650
Other items, net	-50	-50	-64
Total regulatory adjustments to Tier 2 capital	501	504	-173
Tier 2 capital	3,960	3,970	3,028
Own funds (net after deduction)	31,021	30,815	28,542
¹ Other items, net if reported excluding profit.	-541	-704	-1,487

Own funds reported to ECB

	31 Mar ² 2024	31 Dec 2023	31 Mar 2023
EURm			
Common Equity Tier 1 capital	23,374	23,645	22,279
Tier 1 capital (net after deduction)	26,637	26,845	25,514
Total own funds	30,597	30,815	28,542

² Excluding first-quarter profit (pending application).

Balance sheet

Balance sheet data

	Q124	Q423	Q323	Q223	Q123
EURbn					
Loans to credit institutions	3	2	7	10	8
Loans to the public	346	345	343	340	340
Derivatives	26	27	34	32	32
Interest-bearing securities	76	68	70	70	76
Other assets	154	143	156	150	148
Total assets	605	585	610	602	604
Deposits from credit institutions	33	30	37	33	34
Deposits from the public	216	210	214	218	218
Debt securities in issue	190	183	191	190	190
Derivatives	26	31	36	33	33
Other liabilities	111	100	102	99	101
Total equity	29	31	30	29	28
Total liabilities and equity	605	585	610	602	604

Funding and liquidity operations

Nordea issued approximately EUR 10.4bn in long-term funding in the first quarter of 2024 (excluding Danish covered bonds and long-dated certificates of deposit), of which approximately EUR 8.4bn was issued in the form of covered bonds and EUR 1.9bn was issued as senior debt. Notable transactions during the quarter included a EUR 1bn 10-year senior non-preferred bond, a USD 1bn 3-year senior preferred bond, a EUR 1bn 7-year and EUR 750m 3-year dual-tranche covered bond, a NOK 10bn 5-year covered bond and a SEK 6bn 5.8-year covered bond.

At the end of the first quarter long-term funding accounted for approximately 76% of Nordea's total wholesale funding.

Short-term liquidity risk is measured using several metrics, including the liquidity coverage ratio (LCR). The Nordea Group's combined LCR was 157% at the end of the first quarter. The liquidity buffer is composed of highly liquid central bank eligible securities and cash, as defined in the LCR regulation. At the end of the first quarter the liquidity buffer amounted to EUR 108bn, compared with EUR 104bn at the end of the fourth quarter of 2023. The net stable funding ratio (NSFR) measures long-term liquidity risk. At the end of the first quarter Nordea's NSFR was 120.4%, compared with 118.7% at the end of the fourth quarter of 2023.

Nordea maintained a strong liquidity position throughout the first quarter amid continued volatility in global markets driven by geopolitical and macroeconomic uncertainty and tightening monetary policies.

Nordea's participation in the European Central Bank's targeted longer-term refinancing operations (TLTROs) ended in the end of the first quarter where the remaining volume of EUR 3bn matured.

Funding and liquidity data

	Q124	Q423	Q323	Q223	Q123
Long-term funding portion	76%	76%	70%	70%	71%
LCR total	157%	165%	162%	160%	161%
LCR EUR	257%	231%	188%	148%	159%
LCR USD	193%	207%	226%	194%	294%

Market risk

Market risk in the trading book measured by value at risk (VaR) was EUR 38.7m. Quarter on quarter, VaR increased by EUR 6m, primarily as a result of higher interest rate risk. Interest rate risk remained the main driver of VaR at the end of the first quarter 2024. Trading book VaR continues to be driven by market risk related to Nordic and other Northern European exposures.

Trading book

	Q124	Q423	Q323	Q223	Q123
EURm					
Total risk, VaR	39	33	31	40	36
Interest rate risk, VaR	38	33	32	40	38
Equity risk, VaR	2	3	4	4	3
Foreign exchange risk, VaR	2	1	2	3	2
Credit spread risk, VaR	6	5	4	6	3
Inflation risk, VaR	3	4	5	5	2
Diversification effect	25%	30%	32%	32%	24%

Nordea share and credit ratings

Nordea's share price and credit ratings as at the end of the first quarter of 2024.

	Nasdaq STO (SEK)	Nasdaq COP (DKK)	Nasdaq HEL (EUR)
3/31/2022	97.30	70.20	9.38
6/30/2022	90.00	62.24	8.40
9/30/2022	95.67	65.33	8.80
12/31/2022	111.68	75.12	10.03
3/31/2023	110.64	73.37	9.84
6/30/2023	117.30	74.51	9.97
9/30/2023	120.12	77.41	10.41
12/31/2023	124.72	83.99	11.23
3/31/2024	119.20	78.11	10.47

Moody's		Standard & Poor's		Fitch	
Short	Long	Short	Long	Short	Long
P-1	Aa3	A-1+	AA-	F1+	AA-

Other information

Share cancellations

Nordea cancelled aggregated amounts of 6,779,548 and 15,912,565 treasury shares in January and February, respectively. The shares had been held for capital optimisation purposes and acquired through buy-backs.

On 21 March 2024, the Board of Directors resolved on a directed share issuance pursuant to Nordea's variable remuneration awards. The resolution was based on the authorisation granted to the Board of Directors by the 2023 AGM. According to the former, Nordea would transfer a maximum of 2,700,000 own shares without consideration to participants in its variable pay programmes to settle its commitment to award part of its variable pay in shares. The issuance would be made in accordance with the applicable terms and conditions of the programmes and regulatory requirements. Based on the resolution, Nordea transferred 1,272,434 own shares held by the company to participants in its variable remuneration programmes on 4 April 2024.

Decisions of Nordea's Annual General Meeting 2024

The Annual General Meeting (AGM) of Nordea Bank Abp was held on 21 March 2024 at Scandic Marina Congress Center in Helsinki. Shareholders could also exercise their voting rights by voting in advance, and it was possible to follow the AGM through a live webcast. All proposals to the AGM by the Board of Directors and the Shareholders' Nomination Board were approved.

The AGM approved the annual accounts for the financial period ending 31 December 2023 and decided to authorise the Board of Directors to decide on a dividend payment of a maximum of 0.92 EUR per share. The AGM also adopted the Remuneration Report for Governing Bodies for 2023 and the Remuneration Policy for Governing Bodies, which is intended to be applied until the Annual General Meeting in 2028, through advisory resolutions.

The persons who in 2023 had served as members of the Board of Directors, President and Group CEO, and Deputy Managing Director were discharged from liability for the financial period ending 31 December 2023. Sir Stephen Hester, Petra van Hoeken, John Maltby, Risto Murto, Lene Skole, Per Strömberg, Jonas Synnergren, Arja Talma and Kjersti Wiklund were re-elected as Board members and Lars Rohde was elected as a new Board member for the period until the end of the next AGM. Sir Stephen Hester was re-elected as Chair of the Board of Directors until the end of the next AGM. Of the previous Board members, Birger Steen was not available for re-election.

Furthermore, the AGM decided to authorise the Board of Directors to decide on issuances of special rights entitling to shares (convertibles), repurchases of own shares and share issuances or transfers of own shares in accordance with the terms of the AGM decision. The AGM also decided on the repurchase and transfer of own shares as part of the bank's securities trading business.

Dividend payment

The Board of Directors decided on 21 March 2024 to distribute an ordinary dividend of EUR 0.92 per share to shareholders, in accordance with the mandate received from the 2024 AGM. The dividend of EUR 0.92 per share was paid in April 2024 to those shareholders who on the record date for the dividend (25 March 2024) were recorded in Nordea's shareholders' register maintained by Euroclear Finland Oy in Finland, Euroclear Sweden AB in Sweden and VP Securities A/S in Denmark.

Share buy-back programmes

On 26 April 2023, Nordea announced a share buy-back programme of up to EUR 1.0bn, based on the authorisation granted to the Board by the 2023 AGM. The programme was launched on 28 April 2023 and completed on 21 February 2024.

Nordea's share buy-backs are aimed at pursuing an efficient capital structure and generating sustainable shareholder returns by reducing the bank's excess capital. Since the inception of the inaugural buy-back programme in October 2021, Nordea has distributed EUR 5.5bn to its shareholders through repurchasing around 544 million shares at an average price of EUR 10.09 per share.

Impacts from Russia's invasion of Ukraine

During the first quarter of 2024 Nordea continued to closely monitor and assess its direct exposure to Russian counterparties. At the end of the quarter the direct credit exposure after provisions was less than EUR 50m.

Nordea also further assessed the impact of uncertainty after the onset of the war – reflected in higher inflation and higher interest rates, etc. – on the global and Nordic economies. The assessment informed the regular update of the bank's macroeconomic scenarios, which are used to update its financial forecasts and model IFRS 9 expected credit losses. Nordea will continue to follow developments closely.

Information on the financial and operational impacts of the war in Ukraine, as well as the measures taken to address these impacts, has been provided in this report. See "CEO comment", "Other information", Note 11 "Loans and impairment".

Closure of Nordea's operations in Russia

In accordance with its strategy, Nordea is focusing on its business in the Nordic region. This has entailed the Group winding down its operations in Russia. The liquidation of the remaining Russian subsidiary is pending finalisation.

Acquisition of Danske Bank's personal customer and private banking business in Norway

Nordea has entered into an agreement with Danske Bank to acquire its Norwegian personal customer and private banking business and associated asset management portfolios. The Norwegian Competition Authority announced its approval of the acquisition on 15 December 2023. On 7 February 2024, Nordea announced that the Norwegian Financial Supervisory Authority had approved Nordea's acquisition of the personal customer and private banking business of Danske Bank. The Norwegian Financial Supervisory Authority will evaluate the acquisition of the associated asset management portfolios separately. The transaction is expected to close in late 2024.

At the end of 2022 the business to be transferred comprised approximately 285,000 customers, lending and deposit volumes of EUR 18bn and EUR 4bn, respectively, and approximately EUR 2bn in assets under management. The acquisition fits well into Nordea's strategy to grow in the Nordic region both organically and through bolt-on acquisitions. The acquired business will be integrated into Nordea after the closing of the transaction.

Any movement in the net carrying amount of assets and liabilities between the signing and the closing of the transaction will be reflected in the consideration paid at the closing. The expectation is that the transaction will improve the cost-to-income ratio and return on allocated equity of Nordea's Personal Banking business in Norway, and positively impact Nordea's earnings per share and return on equity. The gross impact on the CET1 ratio resulting from the increase in risk exposure amount is currently expected to amount to approximately 40bp.

Joint venture with OP Financial Group to improve payment services in Finland

Nordea is establishing a joint venture with OP Financial Group to support payment-related needs in Finland. The joint venture will develop solutions for paying with phone numbers and managing e-invoices that benefit both consumers and businesses. The solutions will be designed so as to be open to other market participants as well.

Nordea and OP plan to move the existing merchant services of Siirto to Siirto Brand Oy, in which they already own equal shares, and to expand the operations of the latter. The planned changes are scheduled to be implemented in 2024, pending the approval of the relevant competition authorities.

Update of internal allocation framework affecting business area results and allocation of equity

As of 2024, Nordea is using a new internal allocation framework. The updated framework further aligns business area and Group profitability metrics and allocates a significant part of previously unallocated capital and costs to business areas. It will also enable better decision-making by implementing a local approach for tax and capital requirements, as this reflects the true costs of conducting business in different countries better than Group averages.

This update does not impact the consolidated financial statements of the Nordea Group, but it affects the income and costs recognised by the business areas. In addition, due to the updated capital allocation framework, Nordea has introduced a revised profitability metric for its business areas which is better aligned with the Group's return on equity. Going forward, business area profitability is measured as return on allocated equity and business area use of capital is measured as allocated equity.

Comparative information has been updated accordingly.

Quarterly development, Group

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
EURm					
Net interest income	1,954	1,946	1,909	1,831	1,765
Net fee and commission income	763	763	742	751	765
Net insurance result	61	40	63	68	46
Net result from items at fair value	291	154	225	290	345
Profit or loss from associated undertakings and joint ventures accounted for under the equity method	7	2	4	3	-12
Other operating income	9	10	9	12	12
Total operating income	3,085	2,915	2,952	2,955	2,921
General administrative expenses:					
Staff costs	-749	-735	-729	-725	-719
Other expenses	-338	-323	-292	-304	-287
Regulatory fees	-63	-20	-20	-21	-255
Depreciation, amortisation and impairment charges of tangible and intangible assets	-139	-339	-153	-155	-161
Total operating expenses	-1,289	-1,417	-1,194	-1,205	-1,422
Profit before loan losses	1,796	1,498	1,758	1,750	1,499
Net loan losses and similar net result	-33	-83	-33	-32	-19
Operating profit	1,763	1,415	1,725	1,718	1,480
Income tax expense	-402	-309	-380	-383	-332
Net profit for the period	1,361	1,106	1,345	1,335	1,148
Diluted earnings per share (DEPS), EUR	0.38	0.31	0.38	0.37	0.31
DEPS, rolling 12 months up to period end, EUR	1.44	1.37	1.41	1.30	1.21

Business areas

	Personal Banking		Business Banking		Large Corporates & Institutions		Asset & Wealth Management		Group functions		Nordea Group		
	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Chg
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	
EURm													
Net interest income	869	870	613	613	368	372	85	77	19	14	1,954	1,946	0%
Net fee and commission income	268	264	143	146	126	130	237	244	-11	-21	763	763	0%
Net insurance result	29	36	7	6	0	0	24	-1	1	-1	61	40	53%
Net result from items at fair value	21	13	98	95	131	88	12	3	29	-45	291	154	89%
Other income	2	0	12	10	-2	1	0	-2	4	3	16	12	33%
Total operating income	1,189	1,183	873	870	623	591	358	321	42	-50	3,085	2,915	6%
Total operating expenses	-579	-657	-353	-376	-217	-216	-151	-178	11	10	-1,289	-1,417	-9%
Net loan losses and similar net result	-27	-34	-20	-26	12	-20	-2	1	4	-4	-33	-83	
Operating profit	583	492	500	468	418	355	205	144	57	-44	1,763	1,415	25%
Cost-to-income ratio ¹ , %	47	57	40	45	35	40	42	56			41	51	
Return on allocated equity (RoAE) ^{1,2} , %	20	16	18	17	19	16	36	27			18	14	
Allocated Equity	9,512	9,244	8,683	8,340	6,777	6,562	1,831	1,608	2,091	5,470	28,894	31,225	-7%
Risk exposure amount (REA)	43,527	42,262	42,093	41,294	40,415	39,695	6,269	6,072	6,275	9,396	138,579	138,719	0%
Number of employees (FTEs)	6,716	6,716	3,993	3,970	1,237	1,225	3,136	3,098	14,396	14,144	29,478	29,153	1%
Volumes, EURbn³:													
Total lending	163.7	167.9	93.6	94.9	53.6	52.1	11.5	11.7	-2.6	-2.6	319.8	324.0	-1%
Total deposits	85.3	86.2	50.3	52.5	46.3	47.0	11.4	12.2	7.0	4.7	200.3	202.6	-1%

Restatement primarily due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

¹ With amortised resolution fees.

² Equal to Return on equity (RoE) for the Nordea Group.

³ Excluding repurchase agreements and security lending/borrowing agreements.

	Personal Banking		Business Banking		Large Corporates & Institutions		Asset & Wealth Management		Group functions		Nordea Group		
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Chg
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	
EURm													
Net interest income	869	794	613	553	368	344	85	70	19	4	1,954	1,765	11%
Net fee and commission income	268	259	143	153	126	120	237	245	-11	-12	763	765	0%
Net insurance result	29	30	7	5	0	0	24	11	1	0	61	46	33%
Net result from items at fair value	21	19	98	109	131	193	12	24	29	0	291	345	-16%
Other income	2	1	12	-3	-2	0	0	0	4	2	16	0	
Total operating income	1,189	1,103	873	817	623	657	358	350	42	-6	3,085	2,921	6%
Total operating expenses	-579	-585	-353	-403	-217	-301	-151	-150	11	17	-1,289	-1,422	-9%
Net loan losses and similar net result	-27	-35	-20	-5	12	22	-2	-1	4	0	-33	-19	
Operating profit	583	483	500	409	418	378	205	199	57	11	1,763	1,480	19%
Cost-to-income ratio ¹ , %	47	48	40	42	35	34	42	42			41	43	
Return on allocated equity (RoAE) ^{1,2} , %	20	19	18	18	19	21	36	37			18	17	
Allocated Equity	9,512	9,093	8,683	8,369	6,777	6,900	1,831	1,586	2,091	2,234	28,894	28,181	2%
Risk exposure amount (REA)	43,527	42,055	42,093	42,663	40,415	40,452	6,269	6,975	6,275	9,831	138,579	141,976	-2%
Number of employees (FTEs)	6,716	6,989	3,993	3,984	1,237	1,248	3,136	3,150	14,396	13,551	29,478	28,922	2%
Volumes, EURbn³:													
Total lending	163.7	167.4	93.6	93.4	53.6	51.8	11.5	11.7	-2.6	-5.0	319.8	319.3	0%
Total deposits	85.3	84.7	50.3	50.5	46.3	53.5	11.4	12.3	7.0	9.7	200.3	210.7	-5%

Restatement primarily due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

¹ With amortised resolution fees.

² Equal to Return on equity (RoE) for the Nordea Group.

³ Excluding repurchase agreements and security lending/borrowing agreements.

Personal Banking

Introduction

In Personal Banking we offer household customers easy and convenient everyday banking and advice for all stages of life.

We strive to create great omnichannel experiences by providing a full range of financial services and products through a combination of digital channels and in-person interactions.

Business development

This quarter, mortgage lending volumes remained stable. Total lending volumes decreased by 1% in local currencies year on year, while deposit volumes increased by 2%.

During the quarter we saw increased customer investment activity while customer demand for new loan promises was slightly lower than in the same quarter last year.

In response to continued high demand for savings deposits we further expanded our deposit product offering. In Sweden, we launched a new high interest savings account with a fraud prevention feature to help customers safeguard their savings. The feature delays all transactions from the account, making it more difficult for criminals to access funds. Additionally, we launched a new version of a high interest savings account in Finland and two new time deposit accounts in Norway.

Customers' stronger appetite for new investments boosted the savings inflow, which is further underpinned by a strong development in pension savings in both Sweden and Norway.

Activity levels within digital channels and meetings with advisers remain high. Digital customer engagement further increased, with private mobile app users and logins both up 7%, year on year. In Sweden, we achieved a 42% year-on-year increase in digitally generated leads for mortgage and savings advisers.

We continued to update the digital experience for our customers and launched new insights and features in the app. Building on a successful launch in Denmark, our customers in Norway are now able to manage their subscriptions from different merchants through a self-service option in the app, enabling them to better control their spending and improve their financial well-being. We also introduced insights on funds' sustainable contribution to better support customers who wish to make a positive ESG impact through their savings.

Our ESG products continued to perform well, accounting for 34% of quarterly gross inflows into funds.

Financial outcome

Total income in the first quarter increased by 8% year on year due to improved net interest income and higher savings income.

Net interest income increased by 9%, driven by improved deposit margins. This was partly offset by lower lending margins.

Net fee and commission income increased by 3% year on year, mainly driven by higher savings income. This was partly offset by lower lending fee income and lower payments income.

Net insurance result decreased by 3% year on year, driven by increased claims for insurance products in Finland, Norway and Sweden.

Total expenses decreased by 1% year on year, driven by lower resolution fees. This was partly offset by increased investments in technology and risk management in line with our business plan. The cost-to-income ratio with amortised resolution fees improved to 47% from 48% a year ago.

Total net loan losses and similar net result amounted to EUR 27m (7bp), compared with EUR 35m in the same quarter last year.

Operating profit increased by 21% year on year to EUR 583m, driven by higher income. Return on allocated equity was 20%, compared with 19% in the same quarter last year.

Personal Banking Denmark

Total income increased by 11% in local currency year on year.

Net interest income increased by 15% in local currency year on year, primarily driven by higher deposit volumes and improved deposit margins.

Lending volumes decreased by 3% in local currency year on year due to continued low demand for mortgage lending. Deposit volumes increased by 5%, driven by higher savings deposit volumes.

Net fee and commission income decreased by 3% in local currency year on year, driven by lower lending fee income and payment and card income. This was partly offset by higher savings income.

Net loan losses and similar net result amounted to EUR 6m (6bp).

Personal Banking Finland

Total income increased by 10% year on year.

Net interest income increased by 15% year on year, primarily driven by improved deposit margins. These were partly offset by lower mortgage margins.

Lending volumes decreased by 1% year on year, driven by lower mortgage volumes. Deposit volumes decreased by 1%, driven by lower transaction deposit volumes. These were partly offset by increased savings deposit volumes.

Net fee and commission income increased by 1% year on year, driven by higher savings income. This was partly offset by lower payment and card fee income.

Net loan losses and similar net result amounted to EUR 10m (11bp).

Personal Banking Norway

Total income increased by 5% in local currency year on year.

Net interest income increased by 3% in local currency year on year, primarily driven by higher deposit volumes. This was partly offset by lower mortgage and deposit margins; on mortgage loans primarily driven by notice period and on deposits by a changed product mix.

Lending volumes decreased by 2% in local currency year on year. Deposit volumes increased by 12%, driven by higher savings deposit volumes.

Net fee and commission income increased by 14% in local currency year on year, driven by higher savings income.

Net loan losses and similar net result amounted to EUR 6m (7bp).

Personal Banking Sweden

Total income increased by 5% in local currency year on year.

Net interest income increased by 3% in local currency year on year due to higher mortgage volumes and improved deposit margins. These were partly offset by lower lending margins, which were driven by higher funding costs.

Lending volumes increased by 1% in local currency year on year, driven by higher mortgage volumes. Deposit volumes were stable year on year.

Net fee and commission income increased by 9% year on year, driven by higher savings income. This was partly offset by lower payments and card fee income.

Net loan losses and similar net result amounted to EUR 6m (5bp).

Personal Banking total

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local curr.	
								Q1/Q1	Q1/Q4
EURm									
Net interest income	869	870	852	825	794	9%	0%	10%	-1%
Net fee and commission income	268	264	274	262	259	3%	2%	4%	0%
Net insurance result	29	36	29	28	30	-3%	-19%	0%	-17%
Net result from items at fair value	21	13	20	18	19	11%	62%	5%	54%
Other income	2	0	1	2	1				
Total income incl. allocations	1,189	1,183	1,176	1,135	1,103	8%	1%	9%	0%
Total expenses incl. allocations	-579	-657	-511	-527	-585	-1%	-12%	0%	-13%
Profit before loan losses	610	526	665	608	518	18%	16%	18%	15%
Net loan losses and similar net result	-27	-34	-26	-17	-35				
Operating profit	583	492	639	591	483	21%	18%	21%	18%
Cost-to-income ratio ¹ , %	47	57	45	48	48				
Return on allocated equity ¹ , %	20	16	21	20	19				
Allocated equity	9,512	9,244	9,046	8,990	9,093	5%	3%		
Risk exposure amount (REA)	43,527	42,262	41,759	41,347	42,055	4%	3%		
Number of employees (FTEs)	6,716	6,716	6,795	6,958	6,989	-4%	0%		
Volumes, EURbn:									
Mortgage lending	148.8	152.3	150.5	148.4	150.9	-1%	-2%	0%	0%
Other lending	14.9	15.6	15.8	16.0	16.5	-10%	-4%	-8%	-3%
Total lending	163.7	167.9	166.3	164.4	167.4	-2%	-3%	-1%	-1%
Total deposits	85.3	86.2	85.4	85.2	84.7	1%	-1%	2%	1%

¹ With amortised resolution fees.

Personal Banking

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local curr.		
								Q1/Q1	Q1/Q4	
Net interest income, EURm										
PeB Denmark	224	224	230	206	195	15%	0%	15%	0%	
PeB Finland	253	273	276	257	220	15%	-7%	15%	-7%	
PeB Norway	122	103	105	111	123	-1%	18%	3%	16%	
PeB Sweden	263	269	246	251	256	3%	-2%	3%	-4%	
Other	7	1	-5	0	0					
Net fee and commission income, EURm										
PeB Denmark	71	79	77	74	73	-3%	-10%	-3%	-10%	
PeB Finland	76	73	77	77	75	1%	4%	1%	4%	
PeB Norway	25	22	27	19	23	9%	14%	14%	9%	
PeB Sweden	99	90	95	91	91	9%	10%	9%	8%	
Other	-3	0	-2	1	-3					
Net loan losses and similar net result, EURm										
PeB Denmark	-6	-6	-3	0	-5					
PeB Finland	-10	-14	-11	-8	-16					
PeB Norway	-6	-3	-4	-2	-4					
PeB Sweden	-6	-12	-7	-6	-9					
Other	1	1	-1	-1	-1					
Volumes, EURbn										
Personal Banking Denmark										
Mortgage lending	39.4	39.7	39.9	40.2	40.1	-2%	-1%	-2%	-1%	
Other lending	4.2	4.5	4.6	4.7	4.9	-14%	-7%	-14%	-7%	
Total lending	43.6	44.2	44.5	44.9	45.0	-3%	-1%	-3%	-1%	
Total deposits	23.1	23.1	22.8	22.9	22.2	4%	0%	5%	0%	
Personal Banking Finland										
Mortgage lending	30.5	30.7	30.6	30.7	30.9	-1%	-1%	-1%	-1%	
Other lending	6.1	6.0	6.1	6.1	6.1	0%	2%	0%	2%	
Total lending	36.6	36.7	36.7	36.8	37.0	-1%	0%	-1%	0%	
Total deposits	25.8	25.6	26.0	26.3	26.1	-1%	1%	-1%	1%	
Personal Banking Norway										
Mortgage lending	31.0	32.4	32.3	31.2	31.8	-3%	-4%	0%	0%	
Other lending	1.8	2.0	2.1	2.1	2.3	-22%	-10%	-18%	-5%	
Total lending	32.8	34.4	34.4	33.3	34.1	-4%	-5%	-2%	-1%	
Total deposits	10.6	10.7	10.3	10.1	9.8	8%	-1%	12%	4%	
Personal Banking Sweden										
Mortgage lending	47.9	49.5	47.6	46.2	48.1	0%	-3%	2%	0%	
Other lending	2.9	3.1	3.0	3.1	3.2	-9%	-6%	-10%	-3%	
Total lending	50.8	52.6	50.6	49.3	51.3	-1%	-3%	1%	0%	
Total deposits	25.8	26.7	26.2	25.9	26.6	-3%	-3%	0%	0%	

Business Banking

Introduction

In Business Banking we provide small and medium-sized enterprises (SMEs) with banking and advisory products and services, both online and in person.

Business Banking also includes the product and specialist units Transaction Banking and Nordea Finance, which provide payment and transaction services and asset-based lending and receivables finance, respectively.

We are a trusted financial partner, providing competent advice and developing digital solutions to support sustainable growth for our customers.

Business development

In the first quarter we continued to actively support our customers and delivered a solid financial performance. Despite the continued slowdown in the corporate market, lending volumes grew by 1% year on year in local currencies, driven by Norway and Sweden. Deposit volumes increased by 1% year on year in local currencies and we continued to see migration from transaction deposits to fixed-term deposit products.

The increase in customer satisfaction last quarter was maintained in the first quarter. Customer meeting activity remained high and we have made proactive efforts to help our customers to successfully navigate the current macroeconomic environment. Furthermore, we continued to improve service quality across channels by enhancing self-service capabilities and reducing waiting time at our call centres.

During the quarter we made further progress towards our strategic ambition to be the leading digital bank for SMEs. We improved service quality in digital channels by developing the Nordea Business internet bank and mobile app. In Norway, we started the customer migration to Nordea Business and are now live in all Nordic countries. In Sweden, we enabled customers to apply for a green business loan via our digital channels, combining digital deliveries with our sustainability goals. We also upgraded our trade finance services in Sweden, enabling users to view and apply for guarantees. In Nordea Corporate, the platform for larger corporate customers, customers in all countries are now able to submit a broad range of cash management requests digitally.

We also remain focused on supporting our customers in the transition to a more sustainable economy. During the first quarter our green asset portfolio increased to 11% of total lending. We continued to see strong demand for our deposits with climate focus, which enable customers to invest their excess liquidity while helping to finance green assets. We also continue to train our staff to ensure they have the required competence and tools to support our customers with their transition needs.

Financial outcome

Total income in the first quarter increased by 7% year on year, driven by improved deposit margins and higher lending volumes.

Net interest income increased by 11% year on year, mainly due to improved deposit margins following higher policy rates in all markets. Both lending and deposit volumes increased by 1% year on year in local currencies.

Net fee and commission income decreased by 7% year on year, driven by lower capital markets activity compared with the strong first quarter last year. This was partly offset by higher payment and card fee income as well as higher savings fee income.

Net result from items at fair value decreased by 10% compared with the strong first quarter last year, mainly due to lower income from fixed income derivative sales.

Total expenses decreased by 12% year on year, driven by lower resolution fees. The cost-to-income ratio with amortised resolution fees improved by 2 percentage points to 40%, compared with the same quarter last year, driven by higher income and lower costs.

Net loan losses and similar net result remained at a moderate level and amounted to EUR 20m (9bp), compared with EUR 5m in the same quarter last year.

Operating profit increased by 22% year on year to EUR 500m, driven by both higher income and lower costs. Return on allocated equity with amortised resolution fees was 18%, unchanged from the same quarter last year.

Business Banking Denmark

Net interest income increased by 12% in local currency year on year, driven by higher deposit volumes and improved deposit margins.

Lending volumes decreased by 1% in local currency year on year. Deposit volumes increased by 1%, driven by fixed-term deposits.

Net fee and commission income decreased by 13% in local currency year on year, driven by lower fees related to corporate finance transactions. This was partly offset by higher savings as well as payment and card fee income.

Net loan losses and similar net result amounted to EUR 1m (2bp), compared with net reversals of EUR 3m in the same quarter last year.

Business Banking Finland

Net interest income increased by 13% year on year, driven by improved deposit margins. The increase was partly offset by lower lending and deposit volumes and lower lending margins.

Lending volumes decreased by 3% in local currency year on year, while deposit volumes decreased by 6%.

Net fee and commission income decreased 11% year on year mainly due to lower capital markets activity and lending fee income.

Net loan losses and similar net result amounted to EUR 6m (12bp), down from EUR 11m in the same quarter last year. Net loan losses were primarily driven by a few customer cases.

Business Banking Norway

Net interest income increased by 18% in local currency year on year, driven by higher lending and deposit volumes and improved deposit margins.

Lending volumes increased by 7% in local currency year on year. Deposit volumes increased by 8%.

Net fee and commission income remained flat in local currency year on year.

Net loan losses and similar net result amounted to EUR 0m, compared with net reversals of EUR 3m in the same quarter last year.

Business Banking Sweden

Net interest income increased by 9% in local currency year on year. The increase was driven by higher lending and deposit volumes and improved deposit margins.

Lending volumes increased by 2% in local currency year on year. Deposit volumes increased by 3%.

Net fee and commission income remained flat in local currency year on year. Higher payment, card and savings fee income was offset by lower lending fee income.

Net loan losses and similar net result amounted to EUR 12m (18bp), compared with EUR 6m in the same quarter last year. Net loan losses were primarily driven by a few customer cases.

Business Banking total

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local curr.	
								Q1/Q1	Q1/Q4
EURm									
Net interest income	613	613	610	592	553	11%	0%	12%	-1%
Net fee and commission income	143	146	137	144	153	-7%	-2%	-5%	-3%
Net insurance result	7	6	5	5	5	40%	17%	40%	17%
Net result from items at fair value	98	95	83	93	109	-10%	3%	-11%	3%
Other income	12	10	9	13	-3				
Total income incl. allocations	873	870	844	847	817	7%	0%	8%	-1%
Total expenses incl. allocations	-353	-376	-318	-316	-403	-12%	-6%	-12%	-7%
Profit before loan losses	520	494	526	531	414	26%	5%	27%	4%
Net loan losses and similar net result	-20	-26	-12	-37	-5				
Operating profit	500	468	514	494	409	22%	7%	24%	6%
Cost-to-income ratio ¹ , %	40	45	40	41	42				
Return on allocated equity ¹ , %	18	17	19	18	18				
Allocated equity	8,683	8,340	8,278	8,171	8,369	4%	4%		
Risk exposure amount (REA)	42,093	41,294	41,625	41,490	42,663	-1%	2%		
Number of employees (FTEs)	3,993	3,970	3,980	4,023	3,984	0%	1%		
Volumes, EURbn:									
Total lending	93.6	94.9	94.5	93.1	93.4	0%	-1%	1%	1%
Total deposits	50.3	52.5	50.0	50.1	50.5	0%	-4%	1%	-3%

¹ With amortised resolution fees.

Business Banking

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local curr.	
								Q1/Q1	Q1/Q4
Net interest income, EURm									
Business Banking Denmark	128	132	129	122	113	13%	-3%	12%	-3%
Business Banking Finland	163	171	166	167	144	13%	-5%	13%	-5%
Business Banking Norway	153	147	147	134	135	13%	4%	18%	3%
Business Banking Sweden	170	166	162	161	157	8%	2%	9%	1%
Other	-1	-3	6	8	4				
Net fee and commission income, EURm									
Business Banking Denmark	28	27	26	28	32	-13%	4%	-13%	4%
Business Banking Finland	49	52	48	51	55	-11%	-6%	-11%	-6%
Business Banking Norway	25	26	26	25	26	-4%	-4%	0%	-4%
Business Banking Sweden	46	44	44	47	46	0%	5%	0%	2%
Other	-5	-3	-7	-7	-6				
Net loan losses and similar net result, EURm									
Business Banking Denmark	-1	-1	3	4	3				
Business Banking Finland	-6	-2	-5	-18	-11				
Business Banking Norway	0	-9	-2	-11	3				
Business Banking Sweden	-12	-12	-10	-8	-6				
Other	-1	-2	2	-4	6				
Lending, EURbn									
Business Banking Denmark	24.2	24.4	24.4	24.5	24.4	-1%	-1%	-1%	0%
Business Banking Finland	19.8	19.7	20.2	20.2	20.5	-3%	1%	-3%	1%
Business Banking Norway	23.5	24.0	23.8	22.9	22.5	4%	-2%	7%	2%
Business Banking Sweden	26.1	26.7	26.1	25.3	26.0	0%	-2%	2%	1%
Other	0	0.1	0	0.2	0				
Deposits, EURbn									
Business Banking Denmark	10.5	11.0	10.9	10.7	10.4	1%	-5%	1%	-5%
Business Banking Finland	14.0	15.0	14.3	14.6	15.0	-7%	-7%	-6%	-7%
Business Banking Norway	9.2	9.5	8.7	8.6	8.8	5%	-3%	8%	1%
Business Banking Sweden	16.5	17.0	16.0	16.1	16.3	1%	-3%	3%	1%
Other	0.1	0	0.1	0.1	0				

Large Corporates & Institutions

Introduction

In Large Corporates & Institutions (LC&I) we provide financial solutions to large Nordic corporate and institutional customers. We also provide services to customers across the Nordea Group through the product and specialist units Markets and Investment Banking & Equities and our international corporate branches.

We are a leading player within sustainable finance and a leading bank for large corporate and institutional customers in the Nordics.

We offer a focused and dedicated range of products and services covering financing, cash management and payments, as well as investment banking and capital markets solutions.

Business development

In the first quarter we made further solid progress with our strategy execution and towards our financial targets.

The uncertain macroeconomic outlook continued to hamper corporate activity at the beginning of the year, although we saw signs of recovery at the end of the quarter in the light of more positive inflation data. We continued to actively support our Nordic customers with their investment plans. Lending volumes were up 3% year on year, while deposit volumes decreased by 13%.

Debt Capital Markets activity was high across the entire franchise as issuers were keen to progress their funding plans amidst the current benign market backdrop. We arranged more than 200 transactions supporting continued high income. In Equity Capital Markets and Mergers & Acquisitions we continued to see improved sentiment and momentum in the market, with deal activity slowly picking up; particularly the private equity community is preparing for a more active year. Transaction highlights of the quarter included new issues for the Kingdom of Norway and Scatec, and capital raises for Svedbergs and Better Collective. We also advised Dasos Capital on the sale of its Dasos Timberland Fund I portfolio to Ingka Investments.

Nordea Markets delivered a satisfactory result in the first quarter compared with a strong quarter in the previous year. Customer levels held up well despite subdued volatility across markets. We maintained our intense focus on cost control and capital footprint optimisation, enabling continued customer support and solid results.

During the quarter we were recognised as a sustainability leader with multiple awards. Global Finance magazine named us world's best bank for transition/sustainability-linked bonds, Western Europe's best bank for transition/sustainability-linked loans, and best bank for sustainable finance in Denmark, Finland, Norway and Sweden. We remain on track to facilitate EUR 200bn in sustainable financing by 2025 with EUR 136bn facilitated to date. We also continue to improve our staff training, operating processes and data foundation. By the end of the quarter we maintained the number one position for Nordic corporate sustainable bonds.

Financial outcome

Total income was down 5% year on year. Growth in net interest income and net fee and commission income was offset by significantly lower net result from items at fair value.

Net interest income increased by 7% year on year, driven by positive margin development and higher lending volumes.

Net fee and commission income was up 5% year on year, driven by strong performance in debt and equity capital markets.

Net result from items at fair value decreased by 32% year on year compared with the high income level in the first quarter of 2023. We continued to drive solid levels of customer activity and maintained our risk management focus, benefiting from our pan-Nordic diversification.

Total expenses decreased by 28% year on year, mainly driven by significantly lower resolution fees. We continued to invest in technology and risk management. The cost-to-income ratio with amortised resolution fees was 35%, compared with 34% a year ago.

Net loan losses and similar net result amounted to net reversals of EUR 12m, compared with net reversals of EUR 22m in the same quarter last year.

Operating profit amounted to EUR 418m, a year-on-year increase of 11%, mainly driven by lower costs.

We continued to exercise solid capital discipline. Return on allocated equity was 19%, down 2 percentage points on the same quarter last year.

Large Corporates & Institutions total

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURm							
Net interest income	368	372	360	353	344	7%	-1%
Net fee and commission income	126	130	105	104	120	5%	-3%
Net insurance result	0	0	0	0	0		
Net result from items at fair value	131	88	95	99	193	-32%	49%
Other income	-2	1	1	0	0		
Total income incl. allocations	623	591	561	556	657	-5%	5%
Total expenses incl. allocations	-217	-216	-199	-191	-301	-28%	0%
Profit before loan losses	406	375	362	365	356	14%	8%
Net loan losses and similar net result	12	-20	3	18	22		
Operating profit	418	355	365	383	378	11%	18%
Cost-to-income ratio ¹ , %	35	40	39	41	34		
Return on allocated equity ¹ , %	19	16	16	16	21		
Allocated equity	6,777	6,562	6,719	6,753	6,900	-2%	3%
Risk exposure amount (REA)	40,415	39,695	40,692	40,696	40,452	0%	2%
Number of employees (FTEs)	1,237	1,225	1,255	1,261	1,248	-1%	1%
Volumes, EURbn²:							
Total lending	53.6	52.1	53.6	52.9	51.8	3%	3%
Total deposits	46.3	47.0	45.2	42.6	53.5	-13%	-1%

¹ With amortised resolution fees.

² Excluding repurchase agreements and security lending/borrowing agreements.

Large Corporates & Institutions

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
Net interest income, EURm							
Denmark	71	74	71	67	70	1%	-4%
Finland	64	64	62	61	57	12%	0%
Norway	92	94	89	89	89	3%	-2%
Sweden	123	124	123	120	114	8%	-1%
Other	18	16	15	16	14		
Net fee and commission income, EURm							
Denmark	28	27	30	29	27	4%	4%
Finland	39	43	24	28	34	15%	-9%
Norway	27	28	22	24	26	4%	-4%
Sweden	34	33	30	37	38	-11%	3%
Other	-2	-1	-1	-14	-5		
Net loan losses and similar net result, EURm							
Denmark	21	-6	0	-2	16		
Finland	2	-1	-1	6	6		
Norway	-14	24	1	9	7		
Sweden	2	-35	-1	5	-7		
Other	1	-2	4	0	0		
Lending, EURbn¹							
Denmark	11.9	10.7	10.8	11.2	10.9	9%	11%
Finland	8.5	8.8	9.1	8.8	8.6	-1%	-3%
Norway	11.6	11.8	12.1	12.0	12.1	-4%	-2%
Sweden	19.2	18.6	19.5	20.1	19.5	-2%	3%
Other	2.4	2.2	2.1	0.8	0.7		
Deposits, EURbn¹							
Denmark	9.0	8.7	8.6	7.9	11.7	-23%	3%
Finland	11.7	12.8	10.4	12.4	14.4	-19%	-9%
Norway	12.5	13.0	14.0	9.8	15.0	-17%	-4%
Sweden	13.1	12.5	12.2	12.5	12.4	6%	5%
Other	0	0	0	0	0		

¹ Excluding repurchase agreements and security lending/borrowing agreements.

Asset & Wealth Management

Introduction

In Asset & Wealth Management we offer an extensive range of award-winning savings products through internal and external distribution channels and provide financial advice to high net worth individuals and corporate and institutional investors.

We are the leading Nordic private bank, asset manager and life and pensions business, with extensive reach and a competitive sustainability offering.

Business development

During the first quarter we further grew our Private Banking business with sustained high activity in customer acquisition. We secured positive net flows of EUR 0.3bn, despite seasonal tax and dividend payments occurring during the quarter, Sweden and Norway being the main contributors.

In Institutional and Wholesale Distribution, wholesale distribution clients continued to favour fixed-term or money market funds, traditional banking products and direct government bond investments in the elevated interest rate environment. As a result, wholesale distribution net flows were negative at EUR 1.8bn.

In Asset Management, investment performance remained strong, with 72% of aggregated composites providing excess return on a three-year basis. By the end of the quarter approximately 70% of total AuM was in ESG products. The London-based ESG partner of top-tier investors and distributors, MainStreet Partners, awarded Nordea 1 European Stars Equity fund 2024 "ESG Champions" for being the best ESG European Equity fund. Furthermore, the Swedish Fund Selection Agency (FTN) decided to add the fund to its premium pension fund platform.

In Life & Pension, we continued to implement our growth plans. We continued to drive momentum in the Norwegian and Swedish pension transfer markets. In Sweden, Nordea Node (former Advinans) occupational pension offering was successfully launched, with customers showing very strong interest. In Denmark our bancassurance pension sales are

gaining momentum. Gross written premiums in the quarter amounted to EUR 3.1bn, up from EUR 2.3bn a year ago.

We continued to deliver on our strategic objective to be a digital leader within savings and investments. During the quarter we launched additional new features, enabling customers to better handle their pension savings digitally.

Financial outcome

Total income in the first quarter was up 2% year on year, driven by higher net interest income and higher net insurance result.

Net interest income was up 21% year on year, driven by improved deposit margins.

Net fee and commission income decreased by 3% year on year, driven by lower asset management commissions due to lower average margins.

Net insurance result was up 118% year on year, driven by improved result from insurance products in Life and Pensions.

Net result from items at fair value amounted to EUR 12m, compared with EUR 24m a year ago, mainly due to lower return on shareholders' equity portfolios in Life & Pension.

Total expenses increased by 1% year on year, driven by inflation and integration costs related to the acquisition of Danske Bank's Norwegian personal customer business. The cost-to-income ratio with amortised resolution fees remained stable at 42%.

Net loan losses and similar net result amounted to EUR 2m, compared with EUR 1m in the same quarter last year.

Operating profit in the first quarter was EUR 205m, a year-on-year increase of 3%. Return on allocated equity was 36%; a year-on-year decrease of 1 percentage point, driven by increased capital allocations.

Asset & Wealth Management total

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	Local curr.	
								Q1/Q1	Q1/Q4
EURm									
Net interest income	85	77	78	71	70	21%	10%	20%	8%
Net fee and commission income	237	244	242	244	245	-3%	-3%	-3%	-2%
Net insurance result	24	-1	28	34	11				
Net result from items at fair value	12	3	-1	10	24	-50%		-48%	
Other income	0	-2	0	0	0				
Total income incl. allocations	358	321	347	359	350	2%	12%	3%	11%
Total expenses incl. allocations	-151	-178	-147	-145	-150	1%	-15%	1%	-16%
Profit before loan losses	207	143	200	214	200	4%	45%	4%	43%
Net loan losses and similar net result	-2	1	0	-1	-1				
Operating profit	205	144	200	213	199	3%	42%	4%	40%
Cost-to-income ratio ¹ , %	42	56	43	41	42				
Return on allocated equity ¹ , %	36	27	38	41	37				
Allocated equity	1,831	1,608	1,620	1,584	1,586	15%	14%		
Risk exposure amount (REA)	6,269	6,072	7,452	7,131	6,975	-10%	3%		
Number of employees (FTEs)	3,136	3,098	3,139	3,210	3,150	0%	1%		
Volumes, EURbn:									
AuM	391.2	378.5	359.7	363.1	362.4	8%	3%		
Total lending	11.5	11.7	11.5	11.4	11.7	-2%	-2%	-1%	-1%
Total deposits	11.4	12.2	11.9	12.4	12.3	-7%	-7%	-6%	-5%

¹ With amortised resolution fees.

Assets under Management (AuM), volumes and net flow

	Q124	Q423	Q323	Q223	Q123	Q124
EURbn						
Nordic retail funds	83.1	80.0	74.4	74.5	73.4	0
Private Banking	120.4	116.1	108.9	110.1	109.1	0.3
Life & Pension	84.1	79.6	74.5	74.4	73.2	1.3
Institutional sales Nordic	46.9	46.1	43.6	42.7	42.5	-0.6
Total Nordic channels	334.6	321.8	301.4	301.6	298.2	1.1
Institutional sales international	18.7	18.4	18.5	18.9	19.0	-0.3
Wholesale distribution	37.9	38.3	39.9	42.6	45.2	-1.8
Total international channels	56.5	56.7	58.4	61.4	64.2	-2.1
Total	391.2	378.5	359.7	363.1	362.4	-1.0

Net interest income	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURm							
PB Denmark	23	24	24	22	21	10%	-4%
PB Finland	22	24	25	25	22	0%	-8%
PB Norway	9	8	8	8	8	13%	13%
PB Sweden	17	16	16	17	17	0%	6%
Other	14	5	5	-1	2		
Total	85	77	78	71	70	21%	10%
Net fee and commission income							
Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4	
EURm							
PB Denmark	45	47	43	45	41	10%	-4%
PB Finland	41	41	39	39	38	8%	0%
PB Norway	14	11	10	13	11	27%	27%
PB Sweden	32	29	29	28	28	14%	10%
Institutional and wholesale distribution	100	112	112	117	116	-14%	-11%
Other	5	4	9	2	11	-55%	25%
Total	237	244	242	244	245	-3%	-3%

Private Banking	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
AuM, EURbn							
PB Denmark	36.7	34.7	33.6	33.9	32.8	12%	6%
PB Finland	37.2	36.5	34.9	35.5	35.9	4%	2%
PB Norway	11.6	11.1	10.1	10.0	9.9	18%	5%
PB Sweden	34.8	33.8	30.3	30.7	30.5	14%	3%
Private Banking	120.4	116.1	108.9	110.1	109.1	10%	4%
Lending, EURbn							
PB Denmark	4.2	4.2	4.2	4.2	4.3	-2%	0%
PB Finland	2.5	2.5	2.6	2.6	2.7	-7%	0%
PB Norway	1.9	2.0	1.8	1.8	1.8	6%	-5%
PB Sweden	2.9	3.0	2.9	2.8	2.9	0%	-3%
Private Banking	11.5	11.7	11.5	11.4	11.7	-2%	-2%

Asset Management - AuM and net flow¹

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURbn							
AuM, Nordic channels	205.3	197.4	185.0	182.7	180.1	14%	4%
AuM, international channels	53.4	53.5	55.3	58.0	60.6	-12%	0%
AuM, total	258.7	251.0	240.3	240.7	240.7	7%	3%
- whereof ESG AuM ²	180.0	174.0	164.9	161.0	159.9	13%	3%
Net inflow, Nordic channels	0.1	0.5	2.8	0.7	-1.8		
Net inflow, international channels	-2.0	-3.7	-2.1	-2.6	-1.2		
Net inflow, total	-1.8	-3.1	0.8	-1.9	-3.0		
- whereof ESG net inflow ²	-1.2	-1.5	2.4	-1.1	-0.2		

¹ International channels include "Institutional sales international" and "Wholesale distribution", while Nordic channels include all other assets managed by Asset Management.

² Articles 8 and 9 of the Sustainable Finance Disclosure Regulation.

Life & Pension

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURm							
AuM, EURbn	79.9	75.4	70.4	70.2	69.1	16%	6%
Premiums	3,069	2,328	1,773	2,178	2,264	36%	32%
Profit drivers							
Profit traditional products	12	6	11	13	14	-14%	
Profit market return products	72	68	70	70	74	-3%	5%
Profit risk products	25	8	22	24	10		
Total product result	108	81	103	108	97	12%	33%

Group functions

Introduction

Our Group functions provide the four business areas with the services, subject matter expertise, data and technology infrastructure needed for Nordea to be the preferred financial partner in the Nordics. The Group functions consist of Group Business Support; Chief of Staff Office; Group Brand, Communication and Marketing; Group Risk; Group Compliance; Group People; Group Legal; Group Finance and Group Internal Audit.

Together with the results of the business areas, the results of the Group functions add up to the reported result for the Group. The income primarily originates from Group Treasury. The majority of costs as well as income is distributed to the business areas.

Business development

During the first quarter we continued to invest in technology and initiatives to prevent financial crime and minimise operational risks.

Employee numbers increased slightly compared with the previous quarter, primarily driven by significant technology and risk management investments. We remain focused on maintaining strict cost control while continuing to invest to strengthen the bank.

Financial outcome

Total operating income in the first quarter amounted to EUR 42m, up from EUR -6m in the same quarter last year. The increase was mainly driven by higher net interest income and net result from items at fair value.

Net result from items at fair value increased by EUR 29m year on year, mainly due to positive revaluations in Treasury.

Total operating expenses amounted to EUR 11m; a year-on-year decrease of EUR 6m.

Group functions

	Q124	Q423	Q323	Q223	Q123	Q1/Q1	Q1/Q4
EURm							
Net interest income	19	14	9	-10	4		
Net fee and commission income	-11	-21	-16	-3	-12		
Net insurance result	1	-1	1	1	0		
Net result from items at fair value	29	-45	28	70	0		
Other income	4	3	2	0	2		
Total operating income	42	-50	24	58	-6		
Total operating expenses	11	10	-19	-26	17		
Profit before loan losses	53	-40	5	32	11		
Net loan losses and similar net result	4	-4	2	5	0		
Operating profit	57	-44	7	37	11		
Allocated Equity	2,091	5,470	4,707	3,587	2,234		
Risk exposure amount (REA)	6,275	9,396	9,396	9,359	9,831		
Number of employees (FTEs)	14,396	14,144	14,097	13,865	13,551	6%	2%

Income statement

	Note	Q1 2024	Q1 2023	Full year 2023
EURm				
Operating income				
Interest income calculated using the effective interest rate method		4,972	3,705	17,303
Other interest income		647	550	2,426
Interest expense		-3,665	-2,490	-12,278
Net interest income	3	1,954	1,765	7,451
Fee and commission income		989	980	3,923
Fee and commission expense		-226	-215	-902
Net fee and commission income	4	763	765	3,021
Return on assets backing insurance liabilities		1,139	731	2,224
Insurance result		-1,078	-685	-2,007
Net insurance result	5	61	46	217
Net result from items at fair value	6	291	345	1,014
Profit or loss from associated undertakings and joint ventures accounted for under the equity method		7	-12	-3
Other operating income		9	12	43
Total operating income		3,085	2,921	11,743
Operating expenses				
General administrative expenses:				
Staff costs		-749	-719	-2,908
Other expenses	7	-338	-287	-1,206
Regulatory fees	8	-63	-255	-316
Depreciation, amortisation and impairment charges of tangible and intangible assets	9	-139	-161	-808
Total operating expenses		-1,289	-1,422	-5,238
Profit before loan losses		1,796	1,499	6,505
Net result on loans in hold portfolios mandatorily held at fair value		-4	2	20
Net loan losses	10	-29	-21	-187
Operating profit		1,763	1,480	6,338
Income tax expense		-402	-332	-1,404
Net profit for the period		1,361	1,148	4,934
Attributable to:				
Shareholders of Nordea Bank Abp		1,335	1,122	4,908
Additional Tier 1 capital holders		26	26	26
Total		1,361	1,148	4,934
Basic earnings per share, EUR		0.38	0.31	1.37
Diluted earnings per share, EUR		0.38	0.31	1.37

Statement of comprehensive income

	Q1 2024	Q1 2023	Full year 2023
EURm			
Net profit for the period	1,361	1,148	4,934
Items that may be reclassified subsequently to the income statement			
<i>Currency translation:</i>			
Currency translation gains/losses	-506	-631	-436
Tax on currency translation gains/losses	-	-	0
<i>Hedging of net investments in foreign operations:</i>			
Valuation gains/losses	177	180	55
<i>Fair value through other comprehensive income¹:</i>			
Valuation gains/losses, net of recycling	8	19	19
Tax on valuation gains/losses	-1	-4	-5
<i>Cash flow hedges:</i>			
Valuation gains/losses, net of recycling	28	-4	2
Tax on valuation gains/losses	-6	0	0
Items that may not be reclassified subsequently to the income statement			
<i>Changes in own credit risk related to liabilities classified as fair value option:</i>			
Valuation gains/losses	-8	5	13
Tax on valuation gains/losses	2	-1	-3
<i>Defined benefit plans:</i>			
Remeasurement of defined benefit plans	102	67	-36
Tax on remeasurement of defined benefit plans	-23	-14	9
<i>Companies accounted for under the equity method:</i>			
Other comprehensive income from companies accounted for under the equity method	5	0	-4
Tax on other comprehensive income from companies accounted for under the equity method	-1	0	1
Other comprehensive income, net of tax	-223	-383	-385
Total comprehensive income	1,138	765	4,549
Attributable to:			
Shareholders of Nordea Bank Abp	1,112	739	4,523
Additional Tier 1 capital holders	26	26	26
Total	1,138	765	4,549

¹ Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet

	Note	31 Mar 2024	31 Dec 2023	31 Mar 2023
EURm				
Assets				
	12			
Cash and balances with central banks		42,891	50,622	63,499
Loans to central banks	11	2,842	1,909	2,999
Loans to credit institutions	11	7,595	2,363	8,312
Loans to the public	11	346,216	344,828	339,746
Interest-bearing securities		75,680	68,000	75,702
Shares		32,838	22,158	19,156
Assets in pooled schemes and unit-linked investment contracts		53,930	50,531	45,034
Derivatives		25,767	26,525	31,989
Fair value changes of hedged items in portfolio hedges of interest rate risk		-876	-871	-1,800
Investments in associated undertakings and joint ventures		459	481	477
Intangible assets		3,785	3,826	3,923
Properties and equipment		1,615	1,653	1,667
Investment properties		2,134	2,199	2,314
Deferred tax assets		235	254	285
Current tax assets		221	217	191
Retirement benefit assets		314	225	221
Other assets		8,310	8,921	9,484
Prepaid expenses and accrued income		846	755	926
Assets held for sale		102	106	-
Total assets		604,904	584,702	604,125
Liabilities				
	12			
Deposits by credit institutions		33,427	29,504	34,044
Deposits and borrowings from the public		215,950	210,062	217,672
Deposits in pooled schemes and unit-linked investment contracts		54,801	51,573	46,283
Insurance contract liabilities		28,514	27,568	26,292
Debt securities in issue		190,224	182,548	190,273
Derivatives		26,232	30,794	32,988
Fair value changes of hedged items in portfolio hedges of interest rate risk		-1,024	-869	-1,959
Current tax liabilities		411	413	172
Other liabilities		19,105	13,727	22,044
Accrued expenses and prepaid income		1,456	1,274	1,494
Deferred tax liabilities		603	505	680
Provisions		367	371	340
Retirement benefit obligations		255	287	264
Subordinated liabilities		5,689	5,720	5,357
Total liabilities		576,010	553,477	575,944
Equity				
Additional Tier 1 capital holders		750	750	742
Share capital		4,050	4,050	4,050
Invested unrestricted equity		1,059	1,063	1,051
Other reserves		-2,572	-2,345	-2,346
Retained earnings		25,607	27,707	24,684
Total equity		28,894	31,225	28,181
Total liabilities and equity		604,904	584,702	604,125
Off-balance sheet items				
Assets pledged as security for own liabilities		205,024	185,339	180,676
Other assets pledged ¹		236	236	246
Contingent liabilities		20,172	20,489	20,765
Credit commitments ²		80,357	82,773	84,564
Other commitments		2,705	2,611	2,481

¹ Includes interest-bearing securities pledged as security for payment settlements with central banks and clearing institutions.

² Including unutilised portion of approved overdraft facilities of EUR 26,765m (31 December 2023: EUR 27,411m; 31 March 2023: EUR 26,934m).

Statement of changes in equity

EURm	Attributable to shareholders of Nordea Bank Abp										
	Share capital ¹	Invested un-restricted equity	Trans-lation of foreign opera-tions	Cash flow hedges	Fair value through other compre-hensive income	Defined benefit plans	Changes in own credit risk related to liabilities classified as fair value option	Retained earnings	Total	Additional Tier 1 capital holders	Total equity
Balance as at 1 Jan 2024	4,050	1,063	-2,272	66	-6	-136	3	27,707	30,475	750	31,225
Net profit for the period	-	-	-	-	-	-	-	1,335	1,335	26	1,361
Other comprehensive income, net of tax	-	-	-329	22	7	79	-6	4	-223	-	-223
Total comprehensive income	-	-	-329	22	7	79	-6	1,339	1,112	26	1,138
Paid interest on Additional Tier 1 capital, net of tax	-	-	-	-	-	-	-	5	5	-26	-21
Share-based payments	-	-	-	-	-	-	-	2	2	-	2
Dividend	-	-	-	-	-	-	-	-3,218	-3,218	-	-3,218
Purchase of own shares ²	-	-4	-	-	-	-	-	-228	-232	-	-232
Balance as at 31 Mar 2024	4,050	1,059	-2,601	88	1	-57	-3	25,607	28,144	750	28,894
Balance as at 1 Jan 2023	4,050	1,082	-1,891	64	-20	-109	-7	26,927	30,096	748	30,844
Net profit for the period	-	-	-	-	-	-	-	4,908	4,908	26	4,934
Other comprehensive income, net of tax	-	-	-381	2	14	-27	10	-3	-385	-	-385
Total comprehensive income	-	-	-381	2	14	-27	10	4,905	4,523	26	4,549
Paid interest on Additional Tier 1 capital, net of tax	-	-	-	-	-	-	-	5	5	-26	-21
Change in Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	2	2
Share-based payments	-	-	-	-	-	-	-	19	19	-	19
Dividend	-	-	-	-	-	-	-	-2,876	-2,876	-	-2,876
Purchase of own shares ²	-	-19	-	-	-	-	-	-1,264	-1,283	-	-1,283
Other changes	-	-	-	-	-	-	-	-9	-9	-	-9
Balance as at 31 Dec 2023	4,050	1,063	-2,272	66	-6	-136	3	27,707	30,475	750	31,225
Balance as at 1 Jan 2023	4,050	1,082	-1,891	64	-20	-109	-7	26,927	30,096	748	30,844
Net profit for the period	-	-	-	-	-	-	-	1,122	1,122	26	1,148
Other comprehensive income, net of tax	-	-	-451	-4	15	53	4	0	-383	-	-383
Total comprehensive income	-	-	-451	-4	15	53	4	1,122	740	26	765
Paid interest on Additional Tier 1 capital, net of tax	-	-	-	-	-	-	-	-	-	-26	-26
Change in Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-6	-6
Share-based payments	-	-	-	-	-	-	-	4	4	-	4
Dividend	-	-	-	-	-	-	-	-2,876	-2,876	-	-2,876
Purchase of own shares ²	-	-31	-	-	-	-	-	-493	-524	-	-524
Balance as at 31 Mar 2023	4,050	1,051	-2,342	60	-5	-56	-3	24,684	27,439	742	28,181

¹ Total shares registered were 3,506 million (31 December 2023: 3,528 million; 31 March 2023: 3,605 million). The number of own shares was 7.4 million (31 December 2023: 9.1 million; 31 March 2023: 11.2 million), which represents 0.2% (31 December 2023: 0.3%; 31 March 2023: 0.3%) of the total shares in Nordea. Each share represents one voting right.

² The change in the holding of own shares related to treasury shares held for remuneration purposes and to the trading portfolio was accounted for as a decrease/increase in "Invested unrestricted equity". The number of treasury shares held for remuneration purposes was 4.8 million (31 December 2023: 4.8 million; 31 March 2023: 6.1 million). The share buy-back amounted to EUR 228m (31 December 2023: EUR 1,263m; 31 March 2023: EUR 493m) and was accounted for as a reduction in "Retained earnings". The transaction cost in relation to the share buy-back amounted to EUR 0m (31 December 2023: EUR 1m; 31 March 2023: EUR 0m).

Cash flow statement, condensed

	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
EURm			
Operating activities			
Operating profit	1,763	1,480	6,338
Adjustments for items not included in cash flow	-4,003	-2,220	5,899
Income taxes paid	-316	-355	-1,480
Cash flow from operating activities before changes in operating assets and liabilities	-2,556	-1,095	10,757
Changes in operating assets and liabilities	-4,209	3,685	-17,229
Cash flow from operating activities	-6,765	2,590	-6,472
Investing activities			
Acquisition/sale of business operations	-	-	-37
Acquisition/sale of associated undertakings and joint ventures	-	-	-1
Acquisition/sale of property and equipment	-7	-21	-53
Acquisition/sale of intangible assets	-112	-113	-444
Cash flow from investing activities	-119	-134	-535
Financing activities			
Issued/amortised subordinated liabilities	-	-	295
Sale/repurchase of own shares, including change in trading portfolio	-232	-524	-1,283
Dividend paid	-	-	-2,876
Paid interest on Additional Tier 1 capital	-26	-26	-26
Amortisation of the principal part of lease liabilities	-28	-34	-118
Cash flow from financing activities	-286	-584	-4,008
Cash flow for the period	-7,170	1,872	-11,015
Cash and cash equivalents			
	31 Mar 2024	31 Mar 2023	31 Dec 2023
EURm			
Cash and cash equivalents at beginning of the period	51,362	62,877	62,877
Translation differences	34	-493	-500
Cash and cash equivalents at end of the period	44,226	64,256	51,362
Change	-7,170	1,872	-11,015
The following items are included in cash and cash equivalents:			
Cash and balances with central banks	42,891	63,499	50,622
Loans to central banks	3	4	3
Loans to credit institutions	1,332	753	737
Total cash and cash equivalents	44,226	64,256	51,362

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority where the following conditions are fulfilled:

- the central bank or postal giro system is domiciled in the country where the institution is established,
- the balance on the account is readily available at any time.

Loans to credit institutions payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Notes to the financial statements

Note 1 Accounting policies

The consolidated interim financial statements are prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting, as endorsed by the European Union (EU).

The report includes a condensed set of financial statements and is to be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2023. The accounting policies and methods of computation are unchanged from the 2023 Annual Report, except for those relating to the items presented in the section "Changed accounting policies and presentation" below. For more information, see the accounting policies in the 2023 Annual Report.

Changed accounting policies and presentation

Changed presentation of net fee and commission income

As from the first quarter 2024 the lines "Payments" and "Cards" in Note 4 "Net fee and commission income" are combined into one line labelled "Payments and cards". Payment and card services are often offered as a package which makes it difficult to split commission income for these services. In addition, minor changes have been made to the labelling of the other lines in the note, but the content remains the same.

Comparative figures have been restated accordingly and the effect on the first quarter 2024 is presented below.

EURm	Q1 2024		
	Old policy	Change	New policy
Payments	61	-61	-
Cards	79	-79	-
Payments and cards	-	140	140

Other amendments

The following amended standards issued by the IASB were implemented by Nordea on 1 January 2024 but have not had any significant impact on its financial statements.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current as well as Classification of Liabilities as Current or Non-current – Deferral of Effective Date; and Non-current Liabilities with Covenants.
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.

Changes in IFRSs not yet applied

IFRS 18 Presentation and Disclosures in Financial Statements

In April 2024 the IASB published the new standard IFRS 18 Presentation and Disclosure in Financial Statements which will replace IAS 1 Presentation of Financial Statements. IFRS 18 sets out the requirements for presentation and disclosures in financial statements with focus on the income statement and reporting of financial performance.

The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The standard is not yet endorsed by the EU.

It is not yet possible to conclude how IFRS 18 will impact the presentation of Nordea's income statement and disclosures of management-defined performance measures. As IFRS 18 will not change Nordea's recognition and measurement it is not expected to have any significant impact on other financial statements or capital adequacy in the period of initial application.

Other amendments

The following changes in IFRSs not yet applied by Nordea are not assessed to have any significant impact on its financial statements or capital adequacy in the period of their initial application.

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

Critical judgements affected by higher energy and raw material prices and reduced consumer spending

Nordea applied critical judgements in the preparation of this interim report due to the uncertainty concerning the potential long-term impact of higher energy and raw material prices and reduced consumer spending in various economic sectors on Nordea's financial statements. Particularly important in the first quarter of 2024 were the impairment testing of goodwill and loans to the public/credit institutions. Information on where critical judgements are generally applied and where estimation uncertainty exists can be found in Note G1 "Accounting policies" in the 2023 Annual Report.

No impairment of goodwill was identified in the first quarter of 2024, but estimation uncertainty exists in relation to the long-term impact on Nordea's financial statements and the impairment need will be continuously reassessed. Nordea's total goodwill amounted to EUR 2,186m at the end of the first quarter 2024 and EUR 2,227m at the end of 2023. Cash flows were projected up until the end of 2026 and the long-term growth assumption was used for subsequent periods. The discount rate used for the test in the first quarter was 8.8% after tax and the long-term growth was 2.0%. Both an increase in the discount rate of 1 percentage point and a reduction in the future growth rate of 1 percentage point are considered to be reasonably possible changes in key assumptions. Such changes would not result in any impairment.

Critical judgement was also applied in the assessment of when loans experienced a significant increase in credit risk (staging) and in the application of macro scenarios when estimating the increase in expected credit losses. When calculating allowances for individually significant impaired loans, critical judgement was exercised to estimate the amount and timing of the expected cash flows to be received from customers under different scenarios, and to value any collateral received. Critical judgement was further applied when assigning the likelihood of the different scenarios occurring. More information on the impairment testing of loans to the public/credit institutions can be found under "Net loan losses and similar net result" on page 11, in Note 11 "Loans and impairment" and under "Other information" on page 16. Information on sensitivities to rating and scoring migrations can be found in the section "Sensitivities" in Note 11.

Exchange rates

	Jan-Mar 2024	Jan-Dec 2023	Jan-Mar 2023
EUR 1 = SEK			
Income statement (average)	11.2846	11.4740	11.2056
Balance sheet (at end of period)	11.5235	11.1275	11.2685
EUR 1 = DKK			
Income statement (average)	7.4560	7.4509	7.4429
Balance sheet (at end of period)	7.4587	7.4527	7.4487
EUR 1 = NOK			
Income statement (average)	11.4172	11.4238	10.9814
Balance sheet (at end of period)	11.6890	11.2120	11.3905

Note 2 Segment reporting

	Personal Banking	Business Banking	Large Corporates & Institutions	Asset & Wealth Management	Other operating segments	Total operating segments	Reconciliation	Total Group
Jan-Mar 2024								
Total operating income, EURm	1,168	856	613	354	2	2,993	92	3,085
– of which internal transactions ¹	-386	-133	7	62	450	0	-	-
Operating profit, EURm	574	490	412	204	12	1,692	71	1,763
Loans to the public ² , EURbn	163	91	51	11	0	316	30	346
Deposits and borrowings from the public, EURbn	83	50	46	11	0	190	26	216

	Personal Banking	Business Banking	Large Corporates & Institutions	Asset & Wealth Management	Other operating segments	Total operating segments	Reconciliation	Total Group
Jan-Mar 2023³								
Total operating income, EURm	1,075	792	641	345	-16	2,837	84	2,921
– of which internal transactions ¹	-170	-71	17	48	176	0	-	-
Operating profit, EURm	473	395	368	196	7	1,439	41	1,480
Loans to the public ² , EURbn	164	90	51	12	0	317	23	340
Deposits and borrowings from the public, EURbn	82	51	53	12	0	198	20	218

¹ IFRS 8 requires information on revenues from transactions between operating segments. Nordea has defined intersegment revenues as internal interest related to the funding of the reportable operating segments by the internal bank in Group Finance, included in "Other operating segments".

² The volumes are only disclosed separately for operating segments if separately reported to the Chief Operating Decision-Maker (CODM).

³ Comparable figures have been restated to reflect updated plan exchange rates in the reporting to the CODM. See Note G2.1 in the 2023 Annual Report for further information. Restatements have in addition been made due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

Reconciliation between total operating segments and financial statements

	Operating profit, EURm		Loans to the public, EURbn		Deposits and borrowings from the public, EURbn	
	Jan-Mar		31 Mar		31 Mar	
	2024	2023	2024	2023	2024	2023
Total operating segments	1,692	1,439	316	317	190	198
Group functions ¹	36	24	-	-	-	-
Unallocated items	6	-26	23	13	22	15
Differences in accounting policies ²	29	43	7	10	4	5
Total	1,763	1,480	346	340	216	218

¹ Consists of Group Business Support, Group Internal Audit, Chief of Staff Office, Group People, Group Legal, Group Risk, Group Compliance and Group Brand, Communication and Marketing.

² Impact from plan exchange rates used in the segment reporting.

Measurement of operating segments' performance

The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision-Maker (CODM), as required by IFRS 8. In Nordea the CODM has been defined as the Chief Executive Officer, who is supported by the other members of the Group Leadership Team. The main difference compared with the section "Business areas" in this report is that the information in Note 2 is prepared using plan exchange rates, as this is the basis used in the reporting to the CODM.

Financial results are presented for the main business areas Personal Banking, Business Banking, Large Corporates & Institutions and Asset & Wealth Management. These are identified as reportable operating segments and are reported separately, as they are above the quantitative thresholds in IFRS 8. Other operating segments below the thresholds are included in "Other operating segments". Group functions (and eliminations), as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

There have been no changes in the basis of segmentation during the year.

Note 3 Net interest income

Net interest income	Q1	Q4	Q1	Full year
	2024	2023	2023	2023
EURm				
Interest income calculated using the effective interest rate method	4,972	4,805	3,705	17,303
Other interest income	647	643	550	2,426
Interest expense	-3,665	-3,502	-2,490	-12,278
Net interest income	1,954	1,946	1,765	7,451

Interest income calculated using the effective interest rate method	Q1	Q4	Q1	Full year
	2024	2023	2023	2023
EURm				
Loans to credit institutions	745	603	655	2,642
Loans to the public	3,509	3,455	2,538	12,095
Interest-bearing securities	301	280	185	931
Yield fees	43	57	56	201
Net interest paid or received on derivatives in accounting hedges of assets	374	410	271	1,434
Interest income calculated using the effective interest rate method	4,972	4,805	3,705	17,303

Other interest income	Q1	Q4	Q1	Full year
	2024	2023	2023	2023
EURm				
Loans at fair value to the public	433	429	374	1,608
Interest-bearing securities measured at fair value	145	127	92	442
Net interest paid or received on derivatives in economic hedges of assets	69	87	84	376
Other interest income	647	643	550	2,426

Interest expense	Q1	Q4	Q1	Full year
	2024	2023	2023	2023
EURm				
Deposits by credit institutions	-356	-195	-258	-865
Deposits and borrowings from the public	-1,302	-1,249	-776	-4,079
Deposit guarantee fees	-20	-20	-23	-80
Debt securities in issue	-1,322	-1,363	-1,107	-5,118
Subordinated liabilities	-60	-55	-54	-222
Other interest expense	-5	-4	-3	-15
Net interest paid or received on derivatives in hedges of liabilities	-600	-616	-269	-1,899
Interest expense	-3,665	-3,502	-2,490	-12,278

Note 4 Net fee and commission income

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Asset management	413	412	404	1,631
Life and pension	40	31	39	138
Deposit products	6	6	6	23
Custody and issuer services	-5	5	-3	6
Brokerage and advisory	51	56	55	194
Payments and cards	140	133	135	544
Lending	107	113	110	437
Guarantees	10	8	18	56
Other	1	-1	1	-8
Total	763	763	765	3,021

Breakdown

Jan-Mar 2024	Personal Banking	Business Banking	Large Corporates & Institutions	Asset & Wealth Management	Other operating segments	Other and elimina- tions	Nordea Group
EURm							
Asset management	137	19	1	256	0	0	413
Life and pension	45	18	1	-22	0	-2	40
Deposit products	1	5	0	0	0	0	6
Custody and issuer services	0	0	2	0	-6	-1	-5
Brokerage and advisory	2	3	39	10	-1	-2	51
Payments and cards	55	56	23	0	0	6	140
Lending	20	40	47	1	0	-1	107
Guarantees	1	1	14	0	-6	0	10
Other	7	1	-1	-8	-1	3	1
Total	268	143	126	237	-14	3	763

Jan-Mar 2023

EURm							
Asset management	129	18	1	256	0	0	404
Life and pension	37	16	1	-13	0	-2	39
Deposit products	1	5	0	0	0	0	6
Custody and issuer services	0	0	2	0	-6	1	-3
Brokerage and advisory	4	12	35	7	-2	-1	55
Payments and cards	60	53	23	0	0	-1	135
Lending	22	41	46	1	0	0	110
Guarantees	1	5	12	0	0	0	18
Other	5	3	0	-6	0	-1	1
Total	259	153	120	245	-8	-4	765

Note 5 Net insurance result

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Insurance revenue	157	152	146	613
Insurance service expenses	-93	-119	-89	-392
Net reinsurance result	-1	1	-2	-6
Net insurance revenue	63	34	55	215
Insurance finance income or expenses	-1,141	-1,250	-740	-2,222
Return on assets backing insurance liabilities	1,139	1,256	731	2,224
Net insurance finance income or expenses	-2	6	-9	2
Total	61	40	46	217

Note 6 Net result from items at fair value

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Equity-related instruments	69	93	80	243
Interest-related instruments and foreign exchange gains/losses	207	-24	192	521
Other financial instruments (including credit and commodities)	11	86	56	235
Nordea Life & Pension ¹	4	-1	17	15
Total	291	154	345	1,014

¹ Internal transactions not eliminated against other lines in the Note. The line item "Nordea Life & Pension" consequently provides the true impact from the life insurance operations.

Note 7 Other expenses

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Information technology ¹	-176	-181	-150	-658
Marketing and representation	-14	-25	-11	-66
Postage, transportation, telephone and office expenses	-14	-12	-13	-46
Rents, premises and real estate	-27	-28	-22	-109
Professional services	-39	-67	-33	-178
Market data services	-23	-23	-22	-89
Other ²	-45	13	-36	-60
Total	-338	-323	-287	-1,206

¹ Includes IT consultancy fees.

² Includes the transfer of expenses to fulfil insurance contracts within the scope of IFRS 17 to "Net insurance result" and the capitalisation of IT development expenses accounted for as intangible assets.

Note 8 Regulatory fees

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Resolution fees	-45	-	-234	-234
Bank tax	-18	-20	-21	-82
Total	-63	-20	-255	-316

Note 9 Depreciation, amortisation and impairment charges of tangible and intangible assets

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Depreciation/amortisation				
Properties and equipment	-54	-60	-59	-225
Intangible assets	-85	-94	-95	-384
Total	-139	-154	-154	-609
Impairment charges, net				
Properties and equipment	-	-1	-3	-6
Intangible assets	-	-184	-4	-193
Total	-	-185	-7	-199
Total	-139	-339	-161	-808

Note 10 Net loan losses

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
EURm				
Net loan losses, stage 1	31	19	-10	5
Net loan losses, stage 2	-35	-12	8	24
Net loan losses, non-credit-impaired assets	-4	7	-2	29
Stage 3, credit-impaired assets				
Net loan losses, individually assessed, collectively calculated	-10	6	-10	-27
Realised loan losses	-39	-69	-44	-246
Decrease in provisions to cover realised loan losses	11	17	11	89
Recoveries on previous realised loan losses	13	10	10	35
Reimbursement right	-2	0	6	2
New/increase in provisions	-52	-98	-46	-253
Reversals of provisions	54	32	54	184
Net loan losses, credit-impaired assets	-25	-102	-19	-216
Net loan losses	-29	-95	-21	-187

Key ratios

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
Net loan loss ratio, amortised cost, bp	4	14	3	7
- of which stage 1	-5	-3	1	0
- of which stage 2	5	2	-1	-1
- of which stage 3	4	15	3	8

Note 11 Loans and impairment

	Total		
	31 Mar 2024	31 Dec 2023	31 Mar 2023
EURm			
Loans measured at fair value	85,587	74,728	78,528
Loans measured at amortised cost, not impaired (stages 1 and 2)	270,359	273,568	271,965
Impaired loans (stage 3)	2,343	2,457	2,206
- of which servicing	1,075	1,091	1,054
- of which non-servicing	1,268	1,366	1,152
Loans before allowances	358,289	350,753	352,699
- of which central banks and credit institutions	10,457	4,293	11,336
Allowances for individually assessed impaired loans (stage 3)	-1,022	-1,037	-1,023
- of which servicing	-504	-453	-531
- of which non-servicing	-518	-584	-492
Allowances for collectively assessed loans (stages 1 and 2)	-614	-616	-619
Allowances	-1,636	-1,653	-1,642
- of which central banks and credit institutions	-20	-21	-25
Loans, carrying amount	356,653	349,100	351,057

Exposures measured at amortised cost and fair value through OCI, before allowances

	31 Mar 2024			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	250,890	19,469	2,343	272,702
Interest-bearing securities	37,380	-	-	37,380
Total	288,270	19,469	2,343	310,082

	31 Mar 2023			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	258,861	13,104	2,206	274,171
Interest-bearing securities	34,994	-	-	34,994
Total	293,855	13,104	2,206	309,165

Allowances and provisions

	31 Mar 2024			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	-181	-433	-1,022	-1,636
Interest-bearing securities	-2	-	-	-2
Provisions for off-balance sheet items	-45	-110	-21	-176
Total allowances and provisions	-228	-543	-1,043	-1,814

	31 Mar 2023			
	Stage 1	Stage 2	Stage 3	Total
EURm				
Loans to central banks, credit institutions and the public	-226	-393	-1,023	-1,642
Interest-bearing securities	-4	-	-	-4
Provisions for off-balance sheet items	-48	-114	-21	-183
Total allowances and provisions	-278	-507	-1,044	-1,829

Movements of allowance accounts for loans measured at amortised cost

	Stage 1	Stage 2	Stage 3	Total
EURm				
Balance as at 1 Jan 2024	-206	-410	-1,037	-1,653
Changes due to origination and acquisition	-10	-1	-1	-12
Transfer from stage 1 to stage 2	7	-101	-	-94
Transfer from stage 1 to stage 3	0	-	-9	-9
Transfer from stage 2 to stage 1	-3	29	-	26
Transfer from stage 2 to stage 3	-	7	-45	-38
Transfer from stage 3 to stage 1	0	-	2	2
Transfer from stage 3 to stage 2	-	-3	10	7
Changes due to change in credit risk (net)	1	-24	-35	-58
Changes due to repayments and disposals	26	65	68	159
Write-off through decrease in allowance account	-	-	11	11
Translation differences	4	5	14	23
Balance as at 31 Mar 2024	-181	-433	-1,022	-1,636

Note 11 Continued

	Stage 1	Stage 2	Stage 3	Total
EURm				
Balance as at 1 Jan 2023	-220	-408	-1,045	-1,673
Changes due to origination and acquisition	-14	-1	-1	-16
Transfer from stage 1 to stage 2	5	-87	-	-82
Transfer from stage 1 to stage 3	0	-	-18	-18
Transfer from stage 2 to stage 1	-5	39	-	34
Transfer from stage 2 to stage 3	-	7	-50	-43
Transfer from stage 3 to stage 1	0	-	2	2
Transfer from stage 3 to stage 2	-	-4	17	13
Changes due to change in credit risk (net)	-27	15	-9	-21
Changes due to repayments and disposals	30	41	55	126
Write-off through decrease in allowance account	-	-	11	11
Translation differences	5	5	15	25
Balance as at 31 Mar 2023	-226	-393	-1,023	-1,642

Key ratios¹

	31 Mar 2024	31 Dec 2023	31 Mar 2023
Impairment rate (stage 3), gross, basis points	86	89	81
Impairment rate (stage 3), net, basis points	49	51	43
Total allowance rate (stages 1, 2 and 3), basis points	60	60	60
Allowances in relation to impaired loans (stage 3), %	44	42	46
Allowances in relation to loans in stages 1 and 2, basis points	23	23	23

¹ For definitions, see Glossary.

Sensitivities

The provisions are sensitive to rating migration even if staging triggers are not reached. The table below shows the impact on provisions of a one-notch downgrade of all exposures in the bank. It includes both the impact of the higher risk for all exposures and the impact of transferring exposures that reach the trigger from stage 1 to stage 2. It also includes the impact of exposures with one rating grade above default becoming default, which is estimated at EUR 116m (EUR 132m at the end of December 2023). This figure is based on calculations using the statistical model rather than individual estimates as would be the case in reality for material defaulted loans.

	31 Mar 2024		31 Dec 2023	
	Recognised provisions	Provisions if one notch downgrade	Recognised provisions	Provisions if one notch downgrade
EURm				
Personal Banking	414	533	405	526
Business Banking	982	1,102	986	1,114
Large Corporates & Institutions	386	422	396	431
Other	32	46	38	51
Group	1,814	2,103	1,825	2,122

Forward-looking information

Forward-looking information is used for both assessing significant increases in credit risk and calculating expected credit losses. Nordea uses three macroeconomic scenarios: a baseline scenario, a favourable scenario and an adverse scenario. For the first quarter of 2024, the scenarios were weighted into the final expected credit losses (ECL) as follows: baseline 50%, adverse 40% and favourable 10% (baseline 50%, adverse 40% and favourable 10% at the end of the fourth quarter of 2023). The weight of the adverse scenario was kept at an elevated level, reflecting continued uncertainty about the macroeconomic outlook.

The macroeconomic scenarios are provided by Group Risk in Nordea, based on the Oxford Economics Model. The forecast is a combination of modelling and expert judgement, subject to thorough checks and quality control processes. The model has been built to give a good description of the historical relationships between economic variables and to capture the key linkages between those variables. The forecast period in the model is ten years. For periods beyond, a long-term average is used in the ECL calculations.

The macroeconomic scenarios reflect Nordea's view of how the Nordic economies might develop in light of the conflict in the Middle East and the war in Ukraine. They take into consideration continued high inflation, reinforced by a renewed surge in energy prices, and the potential impact of high interest rates on financial markets and economic activity. When developing the scenarios and determining the relative weighting between them, Nordea took into account projections made by Nordic central banks, Nordea Research and the European Central Bank.

The baseline scenario foresees soft landings in the Nordic economies and slightly higher unemployment in the coming years as higher rates and elevated inflation continue to weigh on economic activity. While growth in 2024 remains moderate in Denmark and Norway, GDP contracts in Finland and Sweden. Core inflation is expected to remain elevated. House prices appear to have stabilised after the downward adjustment in 2023, but continue to remain weak in Finland and Sweden. House prices are expected to remain stable in 2024 and grow modestly in 2025 and 2026. The risks around the baseline forecast are tilted to the downside.

Nordea's two alternative macroeconomic scenarios cover a range of plausible risk factors which may cause growth to deviate from the baseline scenario. Persistent and high inflation, reinforced by higher energy prices, may lead central banks to adopt a higher for longer strategy, triggering a deeper recession due to falling private consumption and investments. In addition, house prices may see an even larger decline due to higher interest rates, a squeeze in household purchasing power and weak confidence. Normalising inflation and lower rates, on the other hand, may support growth in 2024 and support economic activity going forward.

At the end of the first quarter of 2024 adjustments to model-based allowances/provisions amounted to EUR 541m, including management judgements. The management judgement allowances cover expected credit losses not yet adequately captured by the IFRS 9 modelled outcomes. During the quarter, allowances were kept at high levels. The structural management judgement allowances was kept unchanged in local currencies, and increased EUR 2m to EUR 83m. The cyclical management judgement allowances were assessed to be at appropriate levels and were kept unchanged in local currencies (EUR 422m) as supported by updated portfolio assessments including stress tests. In euro terms, total management judgement allowances consequently increased to EUR 505m from EUR 495m in the previous quarter.

Note 11 Continued

Scenarios and allowances/provisions

31 Mar 2024

		2024	2025	2026	Unweighted ECL EURm	Probability weight	Model-based allowances/ provisions EURm	Adjustments to model-based allowances/ provisions EURm	Individual allowances/ provisions EURm	Total allowances/ provisions EURm
Denmark										
Favourable scenario	GDP growth, %	1.5	1.9	1.7	131	10%				
	Unemployment, %	3.0	2.9	2.8						
	Change in household consumption, %	1.9	1.4	1.5						
	Change in house prices, %	1.7	2.7	3.2						
Baseline scenario	GDP growth, %	0.6	1.3	1.4	133	50%	139	115	174	428
	Unemployment, %	3.2	3.4	3.4						
	Change in household consumption, %	1.3	1.0	1.0						
	Change in house prices, %	0.7	2.1	2.5						
Adverse scenario	GDP growth, %	-1.1	0.1	0.7	148	40%				
	Unemployment, %	3.7	4.5	4.7						
	Change in household consumption, %	0.4	-0.1	-0.3						
	Change in house prices, %	-2.3	-0.1	0.8						
Finland										
Favourable scenario	GDP growth, %	1.1	2.1	1.2	221	10%				
	Unemployment, %	7.5	7.2	7.1						
	Change in household consumption, %	1.8	1.8	1.3						
	Change in house prices, %	0.5	2.6	2.6						
Baseline scenario	GDP growth, %	-0.4	1.5	1.3	228	50%	234	212	183	629
	Unemployment, %	7.8	7.5	7.3						
	Change in household consumption, %	0.5	1.3	1.2						
	Change in house prices, %	0	1.8	2.0						
Adverse scenario	GDP growth, %	-3.0	0	1.5	245	40%				
	Unemployment, %	8.4	8.4	8.1						
	Change in household consumption, %	-1.8	-0.1	0.8						
	Change in house prices, %	-1.9	0.1	0.8						
Norway										
Favourable scenario	GDP growth, %	2.2	1.5	0.8	108	10%				
	Unemployment, %	3.5	3.5	3.6						
	Change in household consumption, %	2.0	2.4	3.1						
	Change in house prices, %	1.2	2.9	3.4						
Baseline scenario	GDP growth, %	0.8	1.2	0.7	112	50%	116	103	104	323
	Unemployment, %	3.8	4.0	4.0						
	Change in household consumption, %	0.2	1.8	2.7						
	Change in house prices, %	0.8	2.2	2.8						
Adverse scenario	GDP growth, %	-1.5	-0.1	0.4	122	40%				
	Unemployment, %	4.3	5.0	4.9						
	Change in household consumption, %	-1.5	0.3	1.6						
	Change in house prices, %	-6.3	-1.5	2.0						
Sweden										
Favourable scenario	GDP growth, %	0.5	2.6	3.1	114	10%				
	Unemployment, %	8.5	8.2	7.9						
	Change in household consumption, %	1.3	2.6	3.6						
	Change in house prices, %	0.6	3.0	3.4						
Baseline scenario	GDP growth, %	-0.2	2.1	2.6	116	50%	118	109	204	431
	Unemployment, %	8.6	8.5	8.2						
	Change in household consumption, %	0.9	2.3	2.8						
	Change in house prices, %	-0.4	2.6	3.3						
Adverse scenario	GDP growth, %	-1.6	0.9	1.6	122	40%				
	Unemployment, %	8.9	9.1	9.1						
	Change in household consumption, %	-0.1	1.4	1.0						
	Change in house prices, %	-1.6	0.3	0.4						
Non-Nordic							1	2	0	3
Total							608	541	665	1,814

Note 11 Continued

Scenarios and allowances/provisions

31 Dec 2023

		2024	2025	2026	Unweighted ECL EURm	Probability weight	Model-based allowances/ provisions EURm	Adjustments to model-based allowances/ provisions EURm	Individual allowances/ provisions EURm	Total allowances/ provisions EURm
Denmark										
Favourable scenario	GDP growth, %	2.1	1.7	1.7	135	10%				
	Unemployment, %	2.8	2.8	2.8						
	Change in household consumption, %	1.8	1.5	1.6						
	Change in house prices, %	1.9	2.8	3.2						
Baseline scenario	GDP growth, %	1.0	1.3	1.4	137	50%	142	104	203	449
	Unemployment, %	3.2	3.4	3.4						
	Change in household consumption, %	1.3	1.0	1.0						
	Change in house prices, %	0.7	2.1	2.5						
Adverse scenario	GDP growth, %	-0.9	0.3	0.7	151	40%				
	Unemployment, %	3.9	4.5	4.7						
	Change in household consumption, %	0.1	-0.1	-0.1						
	Change in house prices, %	-2.6	-0.1	0.8						
Finland										
Favourable scenario	GDP growth, %	2.1	1.6	1.2	226	10%				
	Unemployment, %	7.6	7.1	6.8						
	Change in household consumption, %	2.4	1.4	1.1						
	Change in house prices, %	1.1	2.8	2.7						
Baseline scenario	GDP growth, %	0.2	1.4	1.5	233	50%	239	205	179	623
	Unemployment, %	8.0	7.4	7.1						
	Change in household consumption, %	0.8	1.1	1.1						
	Change in house prices, %	1.0	1.8	2.0						
Adverse scenario	GDP growth, %	-3.2	1.0	1.5	250	40%				
	Unemployment, %	8.6	8.3	7.9						
	Change in household consumption, %	-2.2	0.6	0.6						
	Change in house prices, %	-1.5	0.5	0.8						
Norway										
Favourable scenario	GDP growth, %	2.4	1.1	0.8	95	10%				
	Unemployment, %	3.1	3.2	3.4						
	Change in household consumption, %	1.9	2.4	2.7						
	Change in house prices, %	1.2	2.9	3.4						
Baseline scenario	GDP growth, %	0.4	1.0	1.1	99	50%	102	116	94	312
	Unemployment, %	3.6	3.8	3.8						
	Change in household consumption, %	0.1	1.9	2.5						
	Change in house prices, %	0.8	2.2	2.8						
Adverse scenario	GDP growth, %	-1.7	0.2	0.4	107	40%				
	Unemployment, %	4.4	4.8	4.9						
	Change in household consumption, %	-1.2	0.8	1.2						
	Change in house prices, %	-6.7	-1.5	2.0						
Sweden										
Favourable scenario	GDP growth, %	1.1	2.4	2.6	100	10%				
	Unemployment, %	8.0	7.9	7.9						
	Change in household consumption, %	1.7	2.2	2.7						
	Change in house prices, %	1.7	3.9	3.4						
Baseline scenario	GDP growth, %	-0.1	2.1	2.3	103	50%	105	121	211	437
	Unemployment, %	8.3	8.3	8.3						
	Change in household consumption, %	0.8	1.9	2.1						
	Change in house prices, %	0	2.6	3.8						
Adverse scenario	GDP growth, %	-1.5	1.0	1.3	108	40%				
	Unemployment, %	8.9	9.2	9.3						
	Change in household consumption, %	0	0.7	0.1						
	Change in house prices, %	-1.2	1.0	0.4						
Non-Nordic							1	3	0	4
Total							589	549	687	1,825

Note 11 Continued

Loans to the public measured at amortised cost, broken down by sector and industry

31 Mar 2024

EURm	Gross				Allowances				Loans carrying amount	Net loan losses ¹
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Financial institutions	14,959	557	68	15,584	7	9	33	49	15,535	5
Agriculture	4,297	231	70	4,598	7	7	33	47	4,551	2
Crops, plantations and hunting	898	103	17	1,018	3	3	6	12	1,006	-1
Animal husbandry	585	86	50	721	2	3	26	31	690	3
Fishing and aquaculture	2,814	42	3	2,859	2	1	1	4	2,855	0
Natural resources	2,284	205	19	2,508	3	4	13	20	2,488	2
Paper and forest products	1,603	160	17	1,780	2	3	12	17	1,763	2
Mining and supporting activities	365	43	2	410	1	1	1	3	407	0
Oil, gas and offshore	316	2	0	318	0	0	0	0	318	0
Consumer staples	4,941	297	93	5,331	8	8	22	38	5,293	9
Food processing and beverages	1,709	178	57	1,944	3	4	7	14	1,930	8
Household and personal products	489	31	7	527	1	1	5	7	520	0
Healthcare	2,743	88	29	2,860	4	3	10	17	2,843	1
Consumer discretionary and services	10,186	1,736	406	12,328	14	57	205	276	12,052	-2
Consumer durables	2,388	374	98	2,860	2	6	64	72	2,788	-2
Media and entertainment	1,441	505	17	1,963	2	14	26	42	1,921	-7
Retail trade	3,947	628	249	4,824	8	26	90	124	4,700	9
Air transportation	238	15	8	261	0	0	4	4	257	0
Accommodation and leisure	1,373	210	28	1,611	2	11	16	29	1,582	-2
Telecommunication services	799	4	6	809	0	0	5	5	804	0
Industrials	27,666	4,215	459	32,340	46	132	255	433	31,907	-40
Materials	1,683	316	27	2,026	2	15	12	29	1,997	-12
Capital goods	3,043	556	45	3,644	4	16	17	37	3,607	7
Commercial and professional services	5,903	606	46	6,555	9	14	23	46	6,509	-7
Construction	7,098	1,206	161	8,465	14	36	87	137	8,328	-16
Wholesale trade	5,217	1,050	76	6,343	7	35	43	85	6,258	-10
Land transportation	2,884	257	35	3,176	5	7	26	38	3,138	-1
IT services	1,838	224	69	2,131	5	9	47	61	2,070	-1
Maritime	4,845	87	51	4,983	9	3	24	36	4,947	4
Ship building	305	18	0	323	0	0	0	0	323	0
Shipping	4,195	64	50	4,309	9	3	23	35	4,274	4
Maritime services	345	5	1	351	0	0	1	1	350	0
Utilities and public service	6,722	176	16	6,914	4	3	11	18	6,896	-3
Utilities distribution	3,684	51	9	3,744	2	1	4	7	3,737	0
Power production	2,325	52	1	2,378	1	1	1	3	2,375	0
Public services	713	73	6	792	1	1	6	8	784	-3
Real estate	35,273	1,924	136	37,333	22	36	83	141	37,192	11
Other industries and reimbursement rights	1,707	180	12	1,899	1	1	2	4	1,895	13
Total Corporate	112,880	9,608	1,330	123,818	121	260	681	1,062	122,756	1
Housing loans	115,135	6,840	559	122,534	18	68	119	205	122,329	-9
Collateralised lending	11,605	2,030	261	13,896	22	29	123	174	13,722	-1
Non-collateralised lending	4,068	969	162	5,199	15	76	82	173	5,026	-20
Household	130,808	9,839	982	141,629	55	173	324	552	141,077	-30
Public sector	3,540	11	28	3,579	0	0	2	2	3,577	0
Lending to the public	247,228	19,458	2,340	269,026	176	433	1,007	1,616	267,410	-29
Lending to central banks and credit institutions	3,662	11	3	3,676	5	0	15	20	3,656	0
Total	250,890	19,469	2,343	272,702	181	433	1,022	1,636	271,066	-29

¹ The table shows net loan losses related to on- and off-balance sheet exposures for March 2024 year to date.

Note 11 Continued

Loans to the public measured at amortised cost, broken down by sector and industry

31 Dec 2023

EURm	Gross				Allowances				Loans carrying amount	Net loan losses ¹
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Financial institutions	13,531	253	67	13,851	8	8	38	54	13,797	-7
Agriculture	4,278	192	68	4,538	7	7	35	49	4,489	22
Crops, plantations and hunting	930	92	17	1,039	3	3	7	13	1,026	0
Animal husbandry	619	83	48	750	3	4	28	35	715	22
Fishing and aquaculture	2,729	17	3	2,749	1	0	0	1	2,748	0
Natural resources	2,235	198	18	2,451	3	5	14	22	2,429	-2
Paper and forest products	1,505	161	16	1,682	2	4	13	19	1,663	-5
Mining and supporting activities	405	34	2	441	0	1	1	2	439	0
Oil, gas and offshore	325	3	0	328	1	0	0	1	327	3
Consumer staples	5,013	266	89	5,368	8	10	32	50	5,318	-3
Food processing and beverages	1,685	161	53	1,899	3	5	16	24	1,875	-5
Household and personal products	592	28	8	628	2	1	5	8	620	-1
Healthcare	2,736	77	28	2,841	3	4	11	18	2,823	3
Consumer discretionary and services	10,578	1,141	566	12,285	16	51	220	287	11,998	-46
Consumer durables	2,533	381	104	3,018	2	6	61	69	2,949	-30
Media and entertainment	1,845	100	199	2,144	2	5	29	36	2,108	-21
Retail trade	3,796	480	222	4,498	9	30	105	144	4,354	-4
Air transportation	236	9	9	254	0	0	4	4	250	5
Accommodation and leisure	1,357	163	27	1,547	2	9	16	27	1,520	4
Telecommunication services	811	8	5	824	1	1	5	7	817	0
Industrials	28,990	3,196	414	32,600	53	110	251	414	32,186	-40
Materials	1,700	193	25	1,918	3	4	12	19	1,899	0
Capital goods	3,161	472	42	3,675	5	16	21	42	3,633	2
Commercial and professional services	5,992	408	45	6,445	11	12	18	41	6,404	1
Construction	7,471	1,106	120	8,697	17	38	77	132	8,565	-9
Wholesale trade	6,130	567	82	6,779	7	25	47	79	6,700	-21
Land transportation	2,701	214	35	2,950	5	6	28	39	2,911	19
IT services	1,835	236	65	2,136	5	9	48	62	2,074	-32
Maritime	5,143	67	48	5,258	15	2	23	40	5,218	12
Ship building	164	15	0	179	0	0	0	0	179	3
Shipping	4,612	49	48	4,709	15	2	23	40	4,669	9
Maritime services	367	3	0	370	0	0	0	0	370	0
Utilities and public service	6,471	108	14	6,593	5	3	8	16	6,577	1
Utilities distribution	3,381	60	8	3,449	2	1	4	7	3,442	1
Power production	2,566	12	1	2,579	2	1	1	4	2,575	0
Public services	524	36	5	565	1	1	3	5	560	0
Real estate	36,656	1,860	164	38,680	25	45	83	153	38,527	-35
Other industries and reimbursement rights	1,580	189	8	1,777	3	1	0	4	1,773	15
Total Corporate	114,475	7,470	1,456	123,401	143	242	704	1,089	122,312	-83
Housing loans	113,424	5,734	539	119,697	12	54	114	180	119,517	-20
Collateralised lending	18,163	2,035	277	20,475	31	41	124	196	20,279	-24
Non-collateralised lending	4,277	952	154	5,383	14	73	77	164	5,219	-61
Household	135,864	8,721	970	145,555	57	168	315	540	145,015	-105
Public sector	3,943	8	27	3,978	1	0	2	3	3,975	1
Lending to the public	254,282	16,199	2,453	272,934	201	410	1,021	1,632	271,302	-187
Lending to central banks and credit institutions	3,079	8	4	3,091	5	0	16	21	3,070	0
Total	257,361	16,207	2,457	276,025	206	410	1,037	1,653	274,372	-187

¹ The table shows net loan losses related to on- and off-balance sheet exposures for the full year 2023.

Note 12 Classification of financial instruments

	Fair value through profit or loss (FVPL)			Fair value through other comprehensive income (FVOCI)	Total
	Amortised cost (AC)	Mandatorily	Designated at fair value through profit or loss (fair value option)		
EURm					
Financial assets					
Cash and balances with central banks	42,891	-	-	-	42,891
Loans to central banks	1,417	1,425	-	-	2,842
Loans to credit institutions	2,239	5,356	-	-	7,595
Loans to the public	267,410	78,806	-	-	346,216
Interest-bearing securities	810	29,993	8,309	36,568	75,680
Shares	-	32,838	-	-	32,838
Assets in pooled schemes and unit-linked investment contracts	-	52,397	817	-	53,214
Derivatives	-	25,767	-	-	25,767
Fair value changes of hedged items in portfolio hedge of interest rate risk	-876	-	-	-	-876
Other assets	1,372	6,168	-	-	7,540
Prepaid expenses and accrued income	441	-	-	-	441
Total 31 Mar 2024	315,704	232,750	9,126	36,568	594,148
Total 31 Dec 2023	326,154	202,856	9,233	35,869	574,112

	Fair value through profit or loss (FVPL)			Total
	Amortised cost (AC)	Mandatorily	Designated at fair value through profit or loss (fair value option)	
EURm				
Financial liabilities				
Deposits by credit institutions	12,155	21,272	-	33,427
Deposits and borrowings from the public	200,287	15,663	-	215,950
Deposits in pooled schemes and unit-linked investment contracts	-	-	54,801	54,801
Debt securities in issue	136,749	-	53,475	190,224
Derivatives	-	26,232	-	26,232
Fair value changes of hedged items in portfolio hedge of interest rate risk	-1,024	-	-	-1,024
Other liabilities ¹	3,782	10,013	-	13,795
Accrued expenses and prepaid income	28	-	-	28
Subordinated liabilities	5,689	-	-	5,689
Total 31 Mar 2024	357,666	73,180	108,276	539,122
Total 31 Dec 2023	352,749	63,814	104,938	521,501

¹ Of which lease liabilities classified in the category "Amortised cost" amount to EUR 1,075m.

Note 13 Fair value of financial assets and liabilities

	31 Mar 2024		31 Dec 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
EURm				
Financial assets				
Cash and balances with central banks	42,891	42,891	50,622	50,622
Loans	355,777	358,271	348,229	350,263
Interest-bearing securities	75,680	75,668	68,000	68,008
Shares	32,838	32,838	22,158	22,158
Assets in pooled schemes and unit-linked investment contracts	53,214	53,214	49,802	49,802
Derivatives	25,767	25,767	26,525	26,525
Other assets	7,540	7,540	8,371	8,371
Prepaid expenses and accrued income	441	441	405	405
Total	594,148	596,630	574,112	576,154
Financial liabilities				
Deposits and debt instruments	444,266	445,365	426,965	427,651
Deposits in pooled schemes and unit-linked investment contracts	54,801	54,801	51,573	51,573
Derivatives	26,232	26,232	30,794	30,794
Other liabilities	12,720	12,720	11,058	11,058
Accrued expenses and prepaid income	28	28	8	8
Total	538,047	539,146	520,398	521,084

The determination of fair value is described in Note G3.4 "Fair value" in the 2023 Annual Report.

Note 14 Financial assets and liabilities held at fair value on the balance sheet

Categorisation in the fair value hierarchy

	Quoted prices in active markets for the same instruments (Level 1)	Of which Life & Pension	Valuation technique using observable data (Level 2)	Of which Life & Pension	Valuation technique using non- observable data (Level 3)	Of which Life & Pension	Total
EURm							
Assets at fair value on the balance sheet¹							
Loans to central banks	-	-	1,425	-	-	-	1,425
Loans to credit institutions	-	-	5,351	9	5	-	5,356
Loans to the public	-	-	78,806	-	-	-	78,806
Interest-bearing securities	22,349	1,968	50,722	6,079	1,799	1,104	74,870
Shares	30,270	15,371	211	47	2,357	1,033	32,838
Assets in pooled schemes and unit-linked investment contracts	51,592	47,442	1,168	1,168	454	454	53,214
Derivatives	131	-	24,755	11	881	-	25,767
Other assets	-	-	6,149	-	19	18	6,168
Total 31 Mar 2024	104,342	64,781	168,587	7,314	5,515	2,609	278,444
Total 31 Dec 2023	83,921	60,219	158,640	7,597	5,397	2,709	247,958
Liabilities at fair value on the balance sheet¹							
Deposits by credit institutions	-	-	21,244	9	28	-	21,272
Deposits and borrowings from the public	-	-	15,663	-	-	-	15,663
Deposits in pooled schemes and unit-linked investment contracts	-	-	54,801	50,629	-	-	54,801
Debt securities in issue	3,839	-	48,377	-	1,259	-	53,475
Derivatives	82	-	25,434	94	716	-	26,232
Other liabilities	2,304	-	7,564	1	145	-	10,013
Total 31 Mar 2024	6,225	-	173,083	50,733	2,148	-	181,456
Total 31 Dec 2023	6,892	-	159,617	47,408	2,153	-	168,752

¹ All items are measured at fair value on a recurring basis at the end of each reporting period.

Transfers between Levels 1 and 2

During the period Nordea transferred "Interest-bearing securities" of EUR 975m from Level 1 to Level 2 and of EUR 4,897m from Level 2 to Level 1 in the fair value hierarchy. Furthermore, Nordea transferred "Debt securities in issue" of EUR 3,625m from Level 1 to Level 2 and of EUR 2,490m from Level 2 to Level 1. Nordea also transferred "Other liabilities" of EUR 124m from Level 1 to Level 2 and of EUR 333m from Level 2 to Level 1. The transfers from Level 1 to Level 2 were due to the instruments ceasing to be actively traded during the period, which meant that fair values were obtained using valuation techniques with observable market inputs. The transfers from Level 2 to Level 1 were due to the instruments again being actively traded during the period, which meant that reliable quoted prices were obtained in the market. Transfers between levels are considered to have occurred at the end of the period.

Note 14 Continued

Movements in Level 3

	Fair value gains/losses recognised in the income statement during the period			Recognised in OCI	Purchases / Issues	Sales	Settlements	Transfers into Level 3	Transfers out of Level 3	Translation differences	31 Mar
	1 Jan	Rea-lised	Un-realised								
EURm											
Loans to credit institutions	-	-	-	-	5	-	-	-	-	-	5
Loans to the public	2	-	-	-	-	-2	-	-	-	-	0
Interest-bearing securities	1,736	14	-101	-	370	-101	-12	33	-93	-47	1,799
- of which Life & Pension	1,214	15	-22	-	-	-46	-12	18	-18	-45	1,104
Shares	2,321	20	32	-	70	-51	-16	-	-	-19	2,357
- of which Life & Pension	1,041	20	17	-	20	-24	-16	-	-	-25	1,033
Assets in pooled schemes and unit-linked investment contracts	436	-6	11	-	25	-1	-2	4	-2	-11	454
- of which Life & Pension	436	-6	11	-	25	-1	-2	4	-2	-11	454
Derivatives (net)	167	48	-3	-	-	-	-48	-39	40	-	165
Other assets	19	-	-	-	-	-	-	-	-	-	19
- of which Life & Pension	18	-	-	-	-	-	-	-	-	-	18
Deposits by credit institutions	-	-	-	-	28	-	-	-	-	-	28
Debt securities in issue	1,292	-	-72	5	114	-	-82	6	-4	-	1,259
Other liabilities	145	-	-20	-	72	-51	-	-	-1	-	145
Total 2024, net	3,244	76	31	-5	256	-104	4	-8	-50	-77	3,367
Total 2023, net	3,289	24	262	3	113	-201	1	162	-264	-168	3,221

Unrealised gains and losses relate to those assets and liabilities held at the end of the reporting period. The transfers out of Level 3 were due to observable market data becoming available. The transfers into Level 3 were due to observable market data no longer being available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the period are included in "Net result from items at fair value". Assets and liabilities related to derivatives are presented net.

Valuation processes for fair value measurements in Level 3

For information about the valuation processes for fair value measurement in Level 3, see Note G3.4 "Fair value" in the 2023 Annual Report.

Deferred Day 1 profit

The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to the fact that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information, see Note G3.4 "Fair value" in the 2023 Annual Report. The table below shows the aggregated difference yet to be recognised in the income statement at the beginning and end of the period. The table also shows a reconciliation of how this aggregated difference changed during the period (movement of deferred Day 1 profit).

Deferred Day 1 profit – derivatives, net

	2024	2023
EURm		
Opening balance as at 1 Jan	73	84
Deferred profit on new transactions	10	13
Recognised in the income statement during the period ¹	-12	-14
Closing balance as at 31 Mar	71	83

¹ Of which EUR -1m (EUR -4m) is due to transfers of derivatives from Level 3 to Level 2.

Note 14 Continued

Valuation techniques and inputs used in the fair value measurements in Level 3

EURm	Fair value	Of which Life & Pension ¹	Valuation techniques	Unobservable input	Range of fair value ⁴
Loans					
Loans to credit institutions	5	-	Discounted cash flows	Interest rate	0/0
Total 31 Mar 2024	5	-			0/0
Total 31 Dec 2023	2	-			-0/0
Interest-bearing securities					
Public bodies	121	104	Discounted cash flows	Credit spread	-4/4
Mortgage and other credit institutions	1,179	701	Discounted cash flows	Credit spread	-71/72
Corporates ²	499	299	Discounted cash flows	Credit spread	-9/9
Total 31 Mar 2024	1,799	1,104			-84/85
Total 31 Dec 2023	1,736	1,214			-73/73
Shares					
Private equity funds	1,377	620	Net asset value ³		-154/154
Hedge funds	154	154	Net asset value ³		-14/14
Credit funds	507	51	Net asset value/market consensus ³		-49/49
Other funds	207	200	Net asset value/fund prices ³		-14/14
Other ⁵	566	462	-		-65/65
Total 31 Mar 2024	2,811	1,487			-296/296
Total 31 Dec 2023	2,757	1,477			-288/288
Derivatives, net					
Interest rate derivatives	60	-	Option model	Correlations Volatilities	-8/9
Equity derivatives	-30	-	Option model	Correlations Volatilities Dividends	-6/4
Foreign exchange derivatives	94	-	Option model	Correlations Volatilities	-1/1
Credit derivatives	41	-	Credit derivative model	Correlations Volatilities Recovery rates	-9/10
Total 31 Mar 2024	165	-			-24/24
Total 31 Dec 2023	167	-			-23/24
Deposits					
Deposits by credit institutions	28	-	Discounted cash flows	Interest rate	0/0
Total 31 Mar 2024	28	-			0/0
Total 31 Dec 2023	-	-			-
Debt securities in issue					
Issued structured bonds	-1,259	-	Credit derivative model	Correlations Recovery rates Volatilities	-6/6
Total 31 Mar 2024	-1,259	-			-6/6
Total 31 Dec 2023	-1,292	-			-6/6
Other, net					
Other assets and other liabilities, net	-126	18	-	-	-15/15
Total 31 Mar 2024	-126	18			-15/15
Total 31 Dec 2023	-126	18			-12/12

¹ Investments in financial instruments are a major part of the life insurance business, acquired to fulfil the obligations behind the insurance and investment contracts. The gains or losses on these instruments are almost exclusively allocated to policyholders and consequently do not affect Nordea's equity.

² Of which EUR 150m is priced at a credit spread (the difference between the discount rate and the XIBOR) of 1.45%. A reasonable change in this credit spread would not affect the fair value due to callability features.

³ The fair values are based on prices and net asset values provided by external suppliers/custodians. The prices are fixed by the suppliers/custodians based on the development in the assets behind the investments. For private equity funds, the dominant measurement methodology used by the suppliers/custodians is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by Invest Europe (formerly EVCA). Approximately 60% of the private equity fund investments are internally adjusted/valued based on the IPEV guidelines. These carrying amounts are in a range of 1% to 100% compared with the values received from suppliers/custodians.

⁴ The column "Range of fair value" shows the sensitivity of Level 3 financial instruments to changes in key assumptions. For more information, see Note G3.4 "Fair value" in the 2023 Annual Report.

⁵ Of which EUR 454m relates to assets in pooled schemes and unit-linked investment contracts.

Note 15 Risks and uncertainties

Nordea is subject to various legal regimes and requirements, including but not limited to those of the Nordic countries, the European Union and the United States. The supervisory and governmental authorities administering and enforcing these regimes make regular enquiries and conduct investigations with regard to Nordea's compliance. Areas subject to investigation may include investment advice, anti-money laundering (AML), trade regulation and sanctions adherence, tax rules, competition law, governance, risk management and control. The outcome and timing of these enquiries and investigations are unclear and pending. Accordingly, it cannot be ruled out that these enquiries and investigations could lead to criticism against the bank, reputation loss, fines, sanctions, disputes and/or litigation.

In June 2015 the Danish Financial Supervisory Authority investigated how Nordea Bank Danmark A/S had followed the regulations regarding AML. The outcome resulted in criticism and, in accordance with Danish administrative practice, the matter was handed over to the police for further handling and possible sanctions. As previously stated, Nordea expects to be fined in Denmark for weak AML processes and procedures in the past and has made a provision for ongoing AML-related matters.

There is a risk that, in the event the authorities issue fines, these could be higher (or potentially lower) than the current provision, and this could also impact Nordea's financial performance. In addition, some of these proceedings could lead to litigation. Given this uncertainty, Nordea will maintain a sufficient level of provision for ongoing AML-related matters while continuing the dialogue with the Danish Authorities regarding their allegations concerning historical AML weaknesses.

Within the framework of normal business operations, Nordea faces a number of operational and legal risks that could result in reputational impacts, fines, sanctions, disputes, losses and/or litigation. Specifically, Nordea faces potential claims related to the provision of banking and investment services and other areas in which it operates. Currently, such claims are mainly related to lending and insolvency situations, various investment services, and sub-custody and withholding taxation matters. At present, none of the current claims are considered likely to have any significant adverse effect on Nordea or its financial position.

There are significant risks related to the macroeconomic environment due to geopolitical developments and broader inflationary pressures. Reduced consumer spending and cost increases may particularly impact small and medium-sized enterprises in certain industries. Depending on future developments, there may be increased credit risk in Nordea's portfolio. Furthermore, potential adverse impacts on income could arise due to financial market volatility and reduced banking activity impacting transaction volumes and customer activity. Potential future credit risks are addressed in Note 11 and the section "Net loan losses and similar net result". Depending on the duration and magnitude of the situation, there is a possibility that Nordea will not be able to meet its financial targets in very adverse scenarios. In addition, Nordea recognises an increase in cyber risk as a consequence of the geopolitical situation.

Glossary

Allowances in relation to credit-impaired loans (stage 3)

Allowances for impaired loans (stage 3) divided by impaired loans measured at amortised cost (stage 3) before allowances.

Allowances in relation to loans in stages 1 and 2

Allowances for non-impaired loans (stages 1 and 2) divided by non-impaired loans measured at amortised cost (stages 1 and 2) before allowances.

Allocated equity

Allocated equity (AE) is Nordea's internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. AE uses advanced internal models to provide a consistent measurement for credit risk, market risk, operational risk, business risk and life insurance risk arising from activities in Nordea's business areas. It also takes local capital requirements and tax rates into account. Goodwill and other central deductions are also included.

Impairment rate (stage 3), gross

Impaired loans (stage 3) before allowances divided by total loans measured at amortised cost before allowances.

Impairment rate (stage 3), net

Impaired loans (stage 3) after allowances divided by total loans measured at amortised cost before allowances.

Net interest margin

Net interest income for the period as a percentage of average interest-earning assets, excluding Life & Pension and Markets where return on assets is reported under Net result from items at fair value.

Net loan loss ratio, amortised cost

Net loan losses (annualised) divided by the quarterly closing balance of the carrying amount of loans to the public (lending) measured at amortised cost.

Return on allocated equity

Return on allocated equity (RoAE) is defined as operating profit after standard tax as a percentage of average allocated equity.

Return on allocated equity with amortised resolution fees

RoAE with amortised resolution fees is defined as operating profit adjusted for the effect of resolution fees on an amortised basis after standard tax as a percentage of average allocated equity.

Return on equity

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. 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.

Return on equity with amortised resolution fees

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued), and is adjusted for the effect of resolution fees on an amortised basis after tax. Average equity includes net profit for the period and dividend until paid, and excludes non-controlling interests and Additional Tier 1 capital.

Return on risk exposure amount

Net profit for the period as a percentage of average risk exposure amount for the period. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued).

Return on tangible equity

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. 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, excludes non-controlling interests and Additional Tier 1 capital, and is reduced with intangible assets.

Tier 1 capital

The Tier 1 capital of an institution consists of the sum of its Common Equity Tier 1 capital and Additional Tier 1 capital. Common Equity Tier 1 capital 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.

Tier 1 capital ratio

Tier 1 capital as a percentage of the risk exposure amount. The Common Equity Tier 1 capital ratio is defined as Common Equity Tier 1 capital as a percentage of the risk exposure amount.

Total allowance rate (stages 1, 2 and 3)

Total allowances divided by total loans measured at amortised cost before allowances.

For a list of further alternative performance measures and business definitions, see <https://www.nordea.com/en/investor-relations/reports-and-presentations/group-interim-reports/> and the 2023 Annual Report.

Nordea Bank Abp

Income statement

	Q1 2024	Q1 2023	Full year 2023
EURm			
Operating income			
Interest income	4,153	3,100	14,811
Interest expense	-2,715	-1,838	-9,254
Net interest income	1,438	1,262	5,557
Fee and commission income	590	579	2,305
Fee and commission expense	-145	-141	-574
Net fee and commission income	445	438	1,731
Net result from securities at fair value through profit or loss	270	323	1,054
Net result from securities at fair value through fair value reserve	-6	-3	-39
Income from equity investments	524	679	1,747
Other operating income	186	201	741
Total operating income	2,857	2,900	10,791
Operating expenses			
Staff costs	-626	-586	-2,448
Other administrative expenses	-243	-181	-896
Other operating expenses	-127	-135	-566
Regulatory fees	-13	-197	-223
Depreciation, amortisation and impairment charges	-88	-136	-839
Total operating expenses	-1,097	-1,235	-4,972
Profit before loan losses	1,760	1,665	5,819
Net loan losses	-8	-6	-119
Operating profit	1,752	1,659	5,700
Income tax expense	-287	-234	-961
Net profit for the period	1,465	1,425	4,739

Nordea Bank Abp

Balance sheet

	31 Mar 2024	31 Dec 2023	31 Mar 2023
EURm			
Assets			
Cash and balances with central banks	41,411	49,150	63,258
Debt securities eligible for refinancing with central banks	71,551	59,967	68,100
Loans to credit institutions	69,833	68,589	75,463
Loans to the public	154,320	149,900	147,775
Interest-bearing securities	6,822	13,796	13,153
Shares	19,306	9,437	9,681
Investments in group undertakings	14,054	14,090	14,164
Investments in associated undertakings and joint ventures	63	64	67
Derivatives	27,079	27,832	34,018
Fair value changes of hedged items in portfolio hedges of interest rate risk	-237	-230	-426
Intangible assets	1,489	1,488	1,646
Tangible assets	225	227	234
Deferred tax assets	27	37	20
Current tax assets	121	128	84
Retirement benefit assets	305	220	212
Other assets	7,966	9,299	8,905
Prepaid expenses and accrued income	786	776	852
Total assets	415,121	404,770	437,206
Liabilities			
Deposits by credit institutions and central banks	39,912	36,488	42,122
Deposits and borrowings from the public	223,621	217,574	224,979
Debt securities in issue	74,180	71,859	84,465
Derivatives	27,255	32,202	34,807
Fair value changes of hedged items in portfolio hedges of interest rate risk	-1,024	-869	-1,959
Current tax liabilities	251	254	42
Other liabilities	17,851	12,295	20,424
Accrued expenses and prepaid income	1,054	916	1,111
Deferred tax liabilities	177	79	211
Provisions	376	381	364
Retirement benefit liabilities	213	237	214
Subordinated liabilities	5,689	5,720	5,357
Total liabilities	389,555	377,136	412,137
Equity			
Share capital	4,050	4,050	4,050
Additional Tier 1 capital holders	750	750	747
Invested unrestricted equity	1,058	1,063	1,051
Other reserves	-82	-198	-106
Retained earnings	18,325	17,230	17,902
Net profit for the period	1,465	4,739	1,425
Total equity	25,566	27,634	25,069
Total liabilities and equity	415,121	404,770	437,206
Off-balance sheet commitments			
Commitments given to a third party on behalf of customers			
Guarantees and pledges	49,794	45,346	45,693
Other	575	647	735
Irrevocable commitments in favour of customers			
Securities repurchase commitments	-	-	-
Other	88,620	92,668	90,299

Nordea Bank Abp

Note 1 Accounting policies

The financial statements for the parent company, Nordea Bank Abp, are prepared in accordance with the Finnish Accounting Act, the Finnish Act on Credit Institutions, the Decree of the Finnish Ministry of Finance on the financial statements and consolidated financial statements of credit institutions and investment firms, and the regulations and guidelines of the Finnish Financial Supervisory Authority.

International Financial Reporting Standards as endorsed by the European Commission have been applied to the extent possible within the framework of Finnish accounting legislation and considering the close tie between financial reporting and taxation.

The accounting policies and methods of computation are unchanged from the 2023 Annual Report. For more information, see the accounting policies in the 2023 Annual Report.

For further information

- A webcast will be held on 18 April at 11.00 EET (10.00 CET). Frank Vang-Jensen, President and Group CEO, will present the results followed by a Q&A audio session for investors and analysts with Frank Vang-Jensen, Ian Smith, Group CFO and Ilkka Ottoila, Head of Investor Relations.
- The event will be webcast live and the recording and presentation slides will be posted on www.nordea.com/ir.
- The Q1 2024 report, investor presentation and factbook are available at www.nordea.com/ir

Contacts

Frank Vang-Jensen
President and Group CEO
+358 503 821 391

Ian Smith
Group CFO
+45 5547 8372

Ilkka Ottoila
Head of Investor Relations
+358 9 5300 7058

Ulrika Romantschuk
Head of Brand, Communication and Marketing
+358 10 416 8023

Financial calendar

Week 9 2024 – Annual Report published

21 March 2024 – Annual General Meeting

18 April 2024 – First-quarter results 2024

15 July 2024 – Second-quarter and half-year results 2024

17 October 2024 – Third-quarter and January-September results 2024

Helsinki 18 April 2024

Nordea Bank Abp

Board of Directors

This report 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 report 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.

Nordea Bank Abp • Satamaradankatu 5 • 00020 Helsinki • www.nordea.com/ir • Tel. +358 200 70000 • Business ID 2858394-9

Auditor's report on review of interim financial information of Nordea Bank Abp for the three-month-period ended 31 March 2024

To the Board of Directors of Nordea Bank Abp

Introduction

We have reviewed the condensed interim financial information of Nordea Bank Group, which comprise the balance sheet as of 31 March 2024, income statement, statement of comprehensive income, statement of changes in equity and condensed cash flow statement for the three-month-period then ended and notes. The interim financial information also comprises the parent company Nordea Bank Abp's balance sheet as of 31 March 2024 and income statement for the three-month-period then ended. The Board of Directors and the Managing Director are responsible for the preparation of the condensed interim financial information in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and with regulations governing the preparation of interim financial information in Finland. We will express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial information of Nordea Bank Abp for the three months period ended on 31 March 2024 is not prepared, in all material respects, as regards the Group financial information, in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and other regulation governing the presentation of interim financial information in Finland, and as regards the parent company financial information, in accordance with regulations governing the preparation of interim financial information in Finland.

Helsinki 17 April 2024

PricewaterhouseCoopers Oy

Authorised Public Accountants

Jukka Paunonen

Authorised Public Accountant (KHT)