

**Nordea**

**First-quarter results 2026**



## **Disclaimer**

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Nordea believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Nordea include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

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

First-quarter highlights 2026<sup>1</sup>

## **Executive summary**

### **Resilient performance and solid profitability – markets negatively impacted by escalation in Middle East conflict**

- Return on equity<sup>2</sup> 15.4% and earnings per share EUR 0.36

### **Continued solid growth in lending and deposit volumes and assets under management**

- Corporate lending up 11% y/y, mortgage lending up 2%. Retail deposits up 5% y/y, corporate deposits up 2%. AuM up 9% y/y

### **Total income resilient**

- Total income 2% lower. Net interest income down 4%, as expected; net fee and commission income up 6% and net fair value result 22% lower

### **Firm cost management**

- Total expenses flat y/y adjusted for FX (up 2% including FX)

### **Very strong credit quality – remaining management judgement buffer now fully deployed**

- Net loan losses and similar net result reversal of EUR 99m (losses of EUR 61m or 6bp excluding management buffer release)
- Management buffer fully deployed; EUR 116m reallocated to strengthen modelled provisions and surplus of EUR 160m released

### **Continued strong capital generation and share buy-backs**

- CET1 ratio 15.7% – 1.9pp above current regulatory requirement
- Planned distribution of mid-year dividend for 2026, corresponding to approximately 50% of net profit for first half of 2026

### **2026 outlook<sup>1</sup> unchanged: return on equity greater than 15% and cost-to-income ratio<sup>3</sup> around 45%**

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1. Excluding items affecting comparability in the first quarter of 2026: EUR 190m expense related to restructuring costs (EUR 144m after tax). See pages 5 and 17 in the interim report for further details

2. With amortised regulatory fees

3. Excluding regulatory fees

Key financials<sup>1</sup>

## First-quarter results 2026

Income statement and key ratios EURm	Q126	Q125	Q1/Q1	Q425	Q1/Q4
Net interest income	1,759	1,829	-4%	1,765	0%
Net fee and commission income	842	793	6%	853	-1%
Net insurance result	69	54	28%	64	8%
Net fair value result	226	289	-22%	257	-12%
Other income	14	9	56%	9	56%
<b>Total operating income</b>	<b>2,910</b>	<b>2,974</b>	<b>-2%</b>	<b>2,948</b>	<b>-1%</b>
Total operating expenses excluding regulatory fees	-1,323	-1,300	2%	-1,362	-3%
Total operating expenses	-1,375	-1,354	2%	-1,386	-1%
<b>Profit before loan losses</b>	<b>1,535</b>	<b>1,620</b>	<b>-5%</b>	<b>1,562</b>	<b>-2%</b>
Net loan losses and similar net result	99	-13		-49	
<b>Operating profit</b>	<b>1,634</b>	<b>1,607</b>	<b>2%</b>	<b>1,513</b>	<b>8%</b>
Cost-to-income ratio <sup>2</sup> , %	45.5	43.7		46.2	
Return on equity with amortised regulatory fees, %	15.4	15.7		14.4	
Return on tangible equity, %	17.4	17.6		16.6	
Diluted earnings per share, EUR	0.36	0.35	3%	0.34	6%

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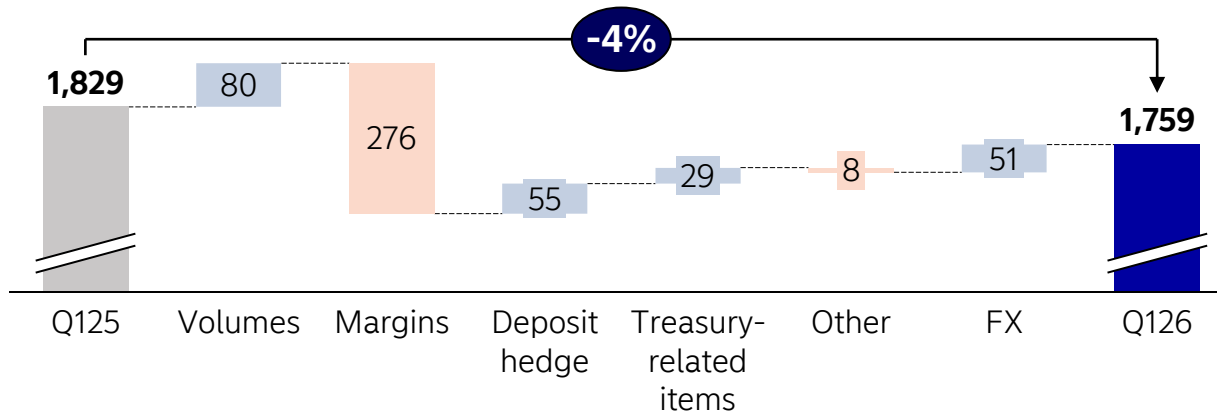
1. Excluding items affecting comparability in the first quarter of 2026: EUR 190m expense related to restructuring costs (EUR 144m after tax). See pages 5 and 17 in the interim report for further details

2. Excluding regulatory fees

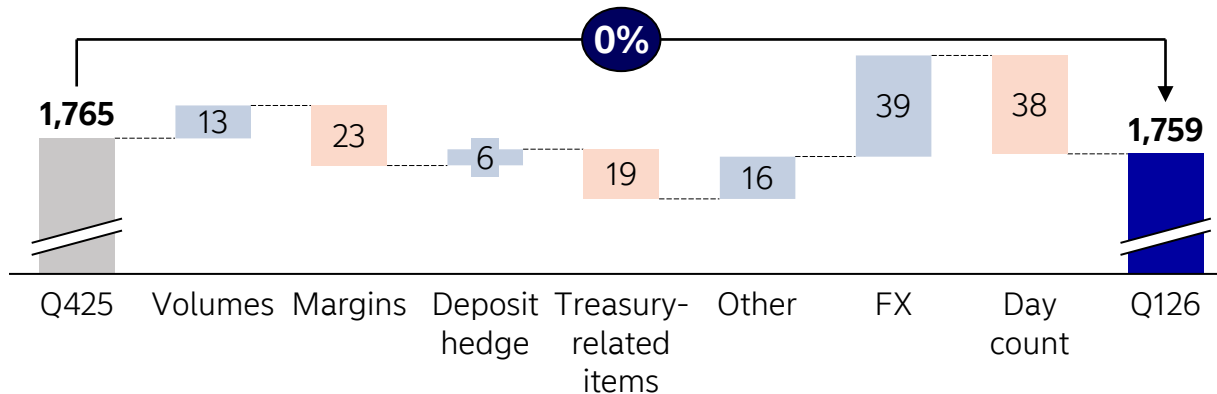
Net interest income

## Solid business volume growth, lower margins as expected

### Year-over-year bridge, EURm



### Quarter-over-quarter bridge, EURm

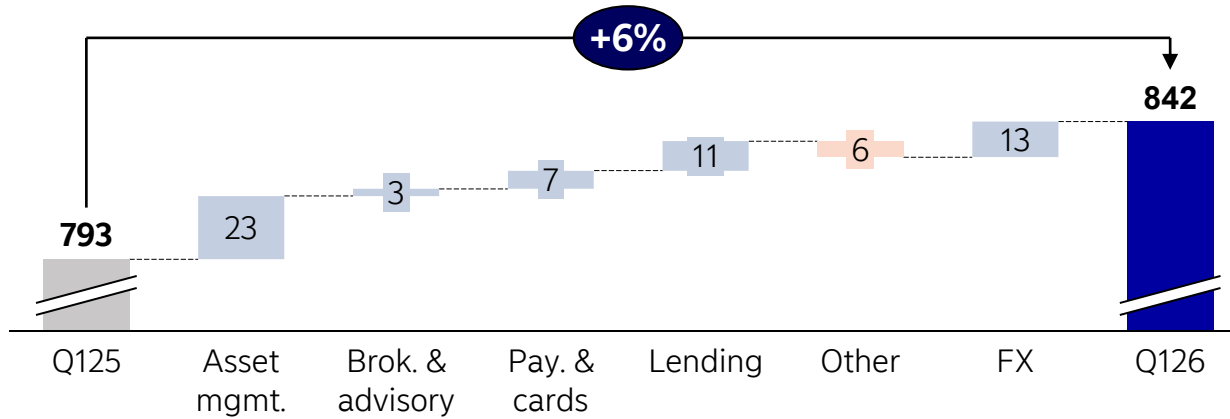


- **Net interest income down 4% y/y, as expected**
- **Strong lending and deposit growth**
  - Corporate lending up 11%
  - Mortgages up 2%
  - Retail deposits up 5%
  - Corporate deposits up 2%
- **Net interest margin 1.57% (1.70% Q125; 1.57% Q425)**
  - Lower deposit and equity margins, driven by lower policy rates, and lower lending margins – offset by positive contribution from deposit hedge

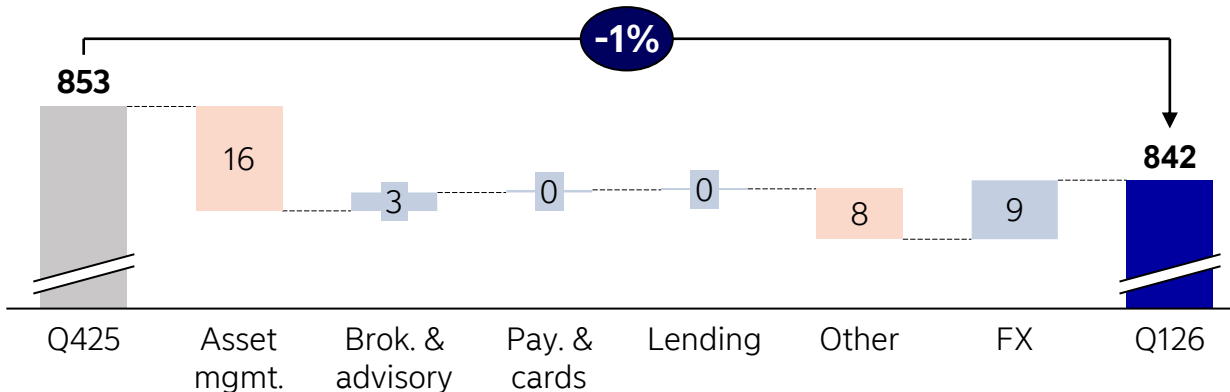
Net fee and commission income

## Continued growth across fee types

### Year-over-year bridge, EURm



### Quarter-over-quarter bridge, EURm

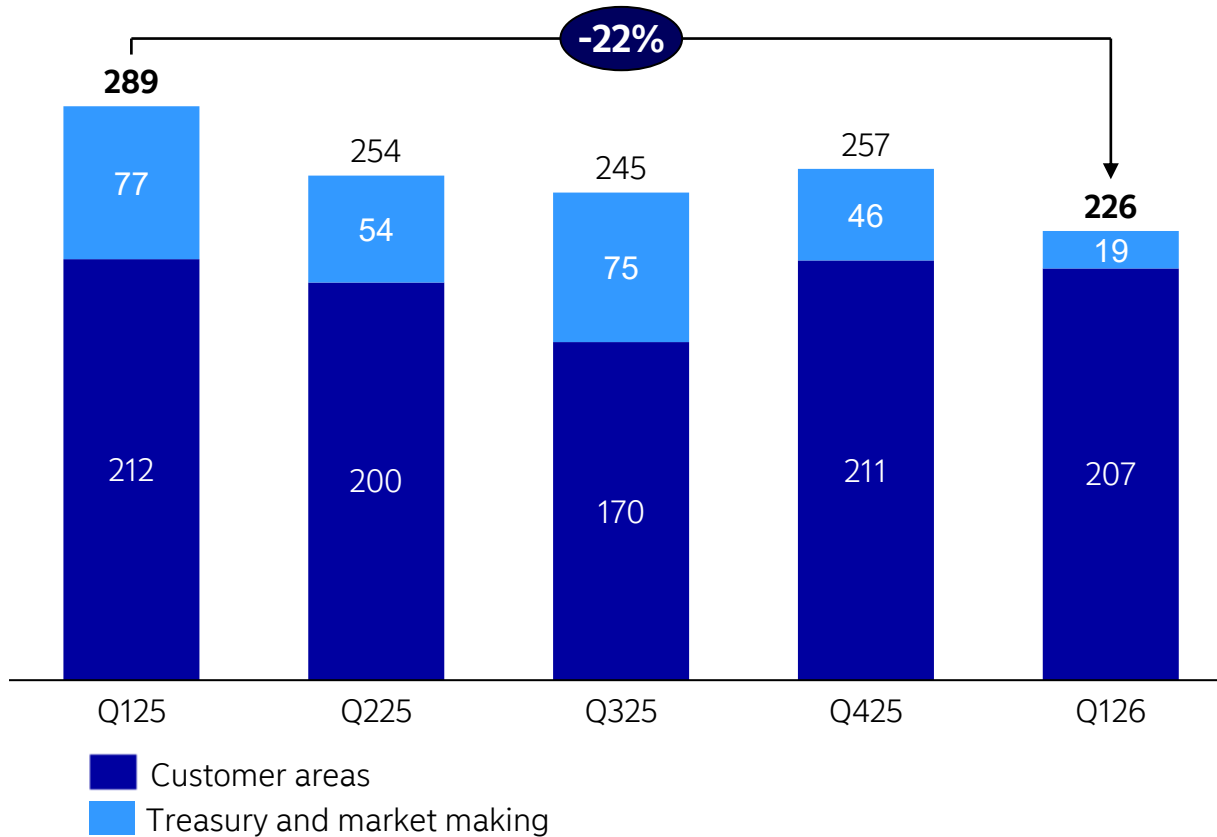


- Net fee and commission income up 6% y/y
- Savings fee income up, driven by higher AuM and positive net flows in investment products
  - Total AuM up 9%, to EUR 464bn
- Brokerage & advisory fee income up; stronger debt capital markets and secondary equities income
- Higher customer activity driving payment and card fee income
- Lending fee income up, driven by higher activity

Net fair value result

## Strong customer activity; market making affected by market turmoil

Net fair value result, EURm

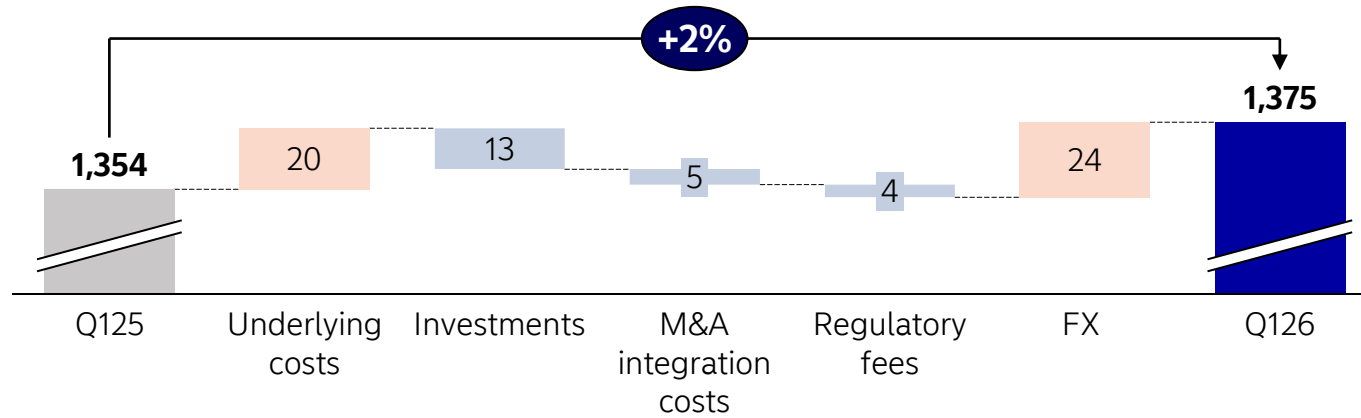


- **Strong customer activity** throughout quarter, driven by FX and interest rate hedging. Equities and securities financing also solid
- **Market making income lower:** strong first two months offset by exceptional losses across certain desks, caused by unexpected sharp increases in EUR and SEK interest rate expectations
- **Treasury lower, driven by lower revaluations**

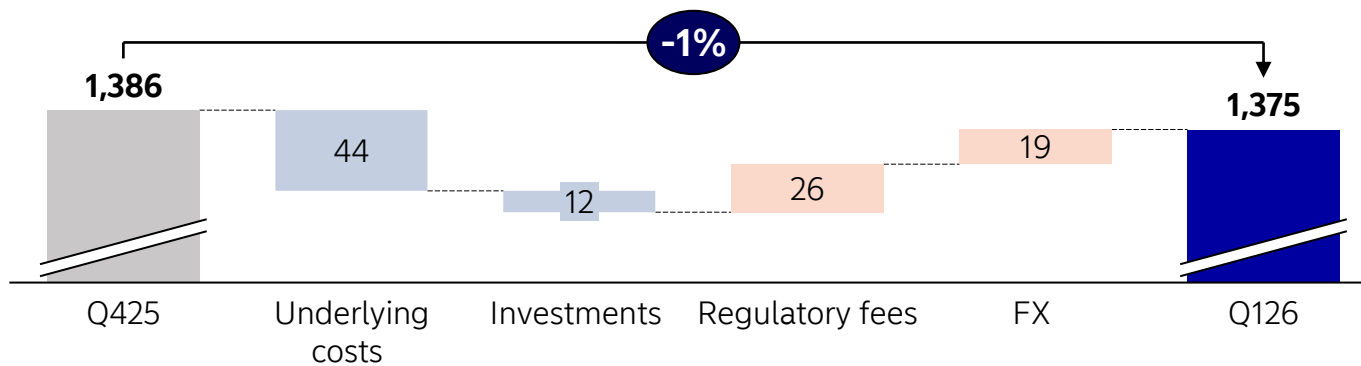
Costs<sup>1</sup>

## Costs flat excluding FX

### Year-over-year bridge, EURm



### Quarter-over-quarter bridge, EURm



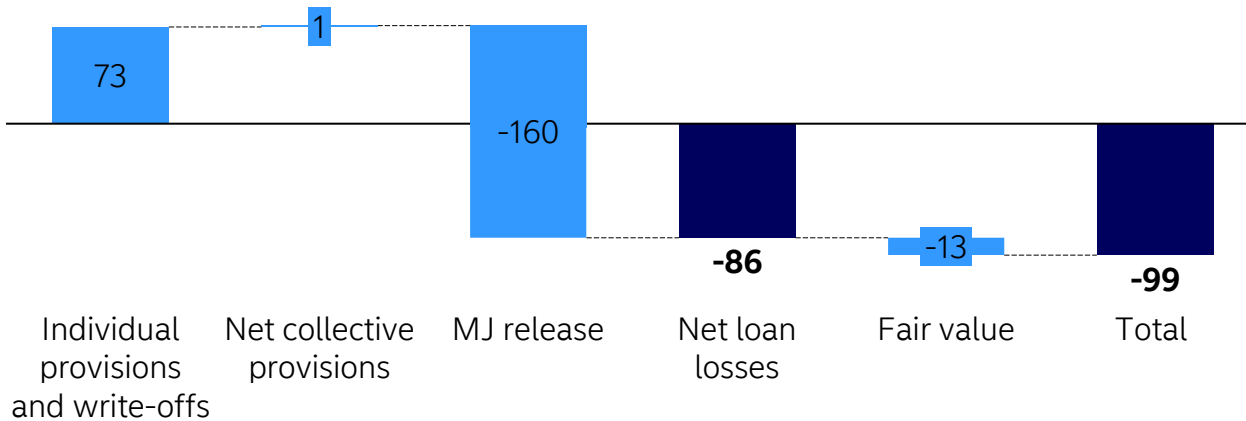
- **Total costs flat y/y excluding FX due to stabilised investment levels and firm cost management**

- Underlying costs up, mainly due to salary inflation – mitigated by reduction in number of employees
- Investment levels in strategic areas stable, in line with plan

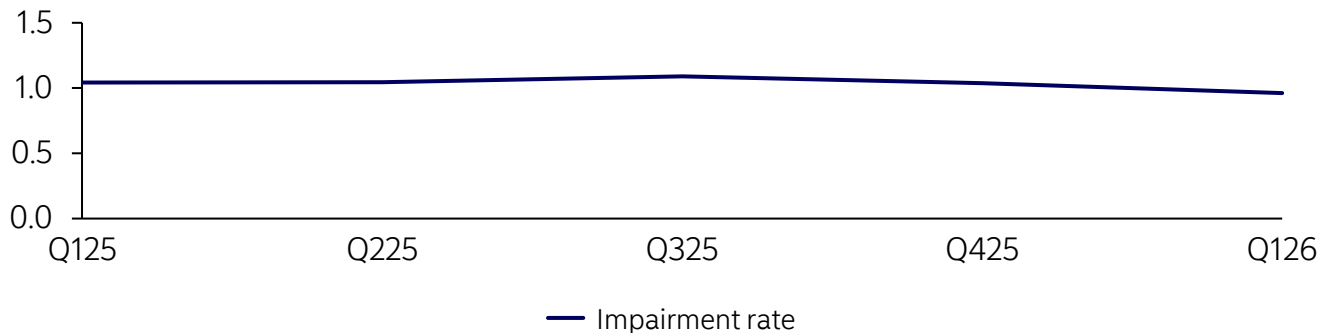
Net loan losses and similar net result

## Very strong credit quality

### Net loan losses and similar net result, EURm



### Impaired (stage 3) loans, %

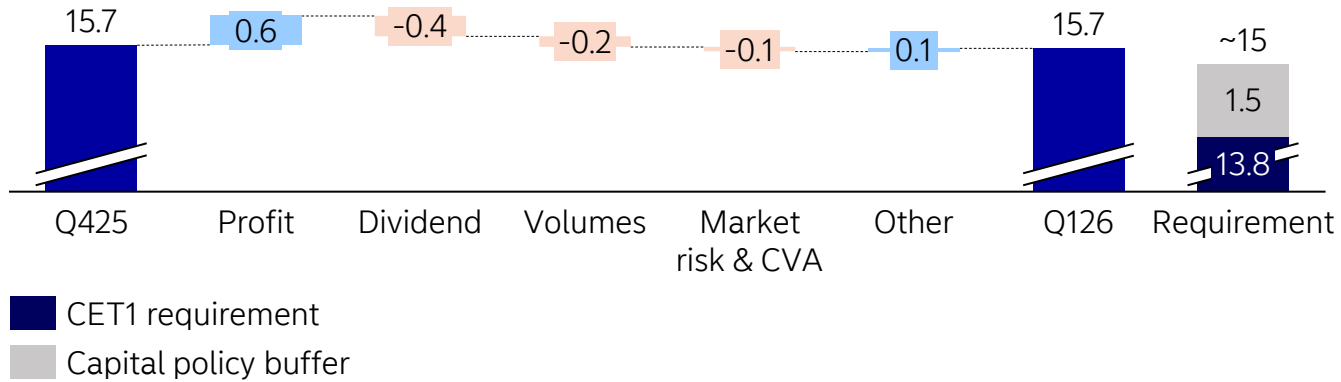


- **Net loan losses and similar net result reversal of EUR 99m (losses of EUR 61m or 6bp excluding MJ buffer release)**
  - Moderate individual provisions and write-offs, mainly attributable to few corporates
  - Collective provisions flat with improvement in credit quality offsetting change in macro scenario weights
  - Management judgement buffer now fully deployed, with EUR 116m reallocated to strengthen modelled provisions and remaining EUR 160m released
- **Provision levels strong at EUR 1.3bn**
  - Solid coverage reflecting high levels of collateral
- **Low level of non-performing loans**
  - Stage 3 loans down at 0.96%

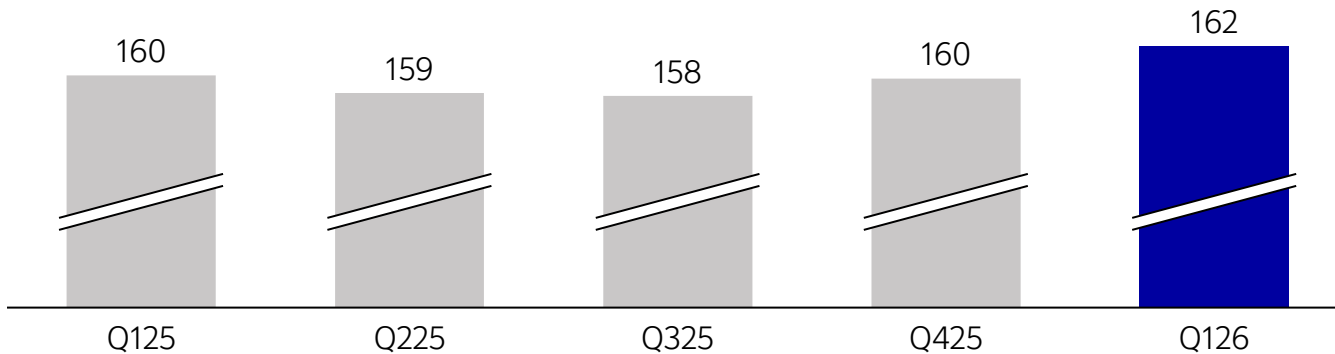
Capital

**Strong capital position**

**CET1 capital ratio development, %**



**REA development, EURbn**



- **CET1 ratio stable at 15.7%**

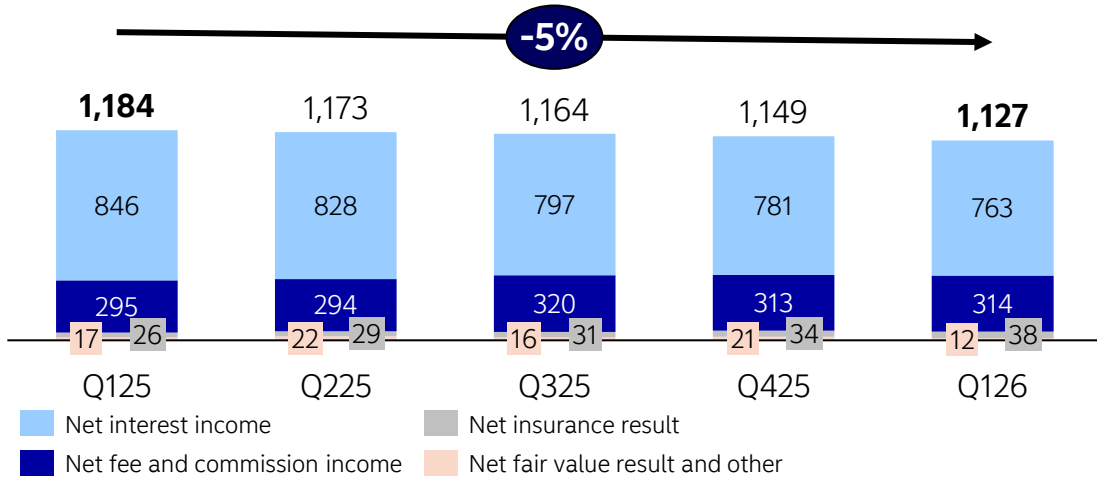
- 1.9 percentage points above regulatory requirement
- CET1 capital up EUR 0.3bn with continued strong capital generation
- EUR 2.4bn increase in risk exposure amount (REA) due to increased corporate lending, FX effects, higher market risk and credit valuation adjustments – partly offset by annual PD calibration of retail models (EUR 1.6bn reduction, representing first step in remediation to deliver EUR 4–6bn REA reduction related to retail models)

- **Regulatory developments**

- Updated Group MREL requirements received from Single Resolution Board (SRB): 23.6% of REA excluding combined buffer requirement (CBR), and 6.2% of LRE
- Subordination requirements: 14.6% of REA excluding CBR, and 6.2% of LRE
- Requirements annually assessed and updated by SRB

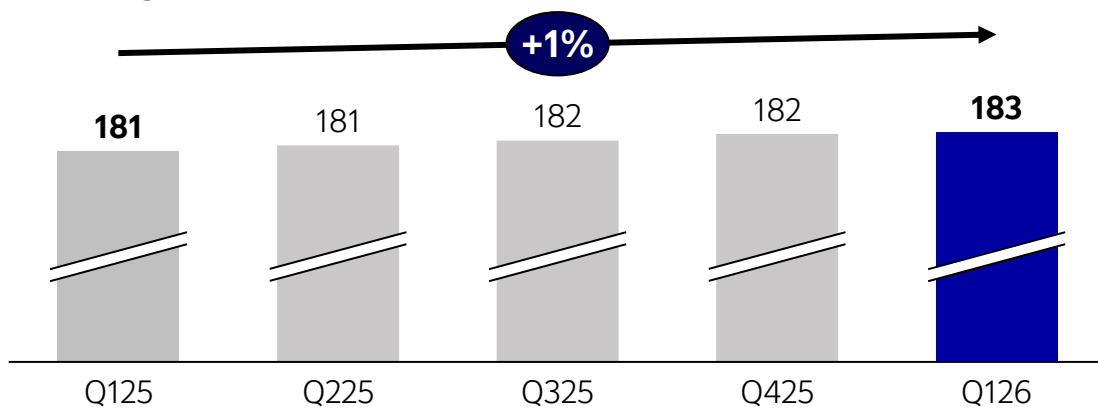
## Volume and fee income growth partly offset impact of lower margins

### Total income, EURm

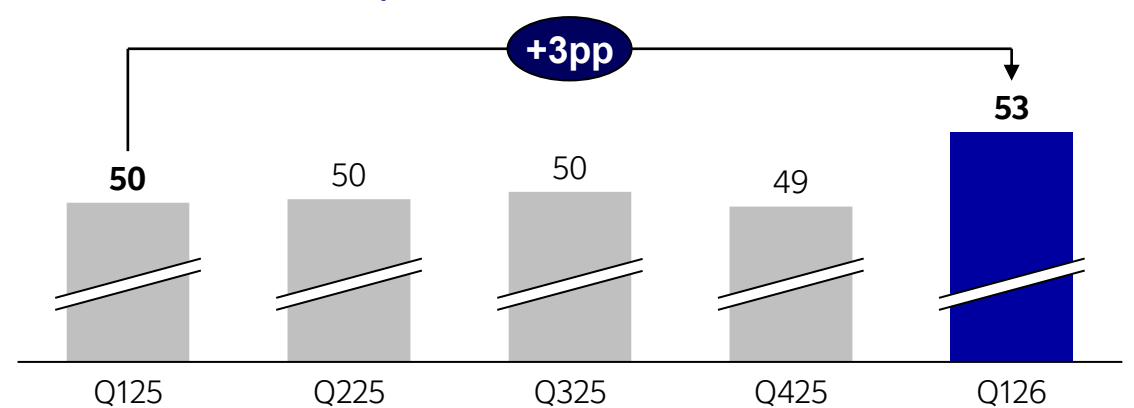


- Mortgage volumes up 2%, deposit volumes up 5% and investment product AuM up 10%
- Net interest income down 10% due to lower lending and deposit margins
- Net fee and commission income up 6%, mainly driven by savings income and payment and card fee income
- Cost-to-income ratio<sup>2</sup> 53% (50% Q125)

### Lending<sup>1</sup>, EURbn

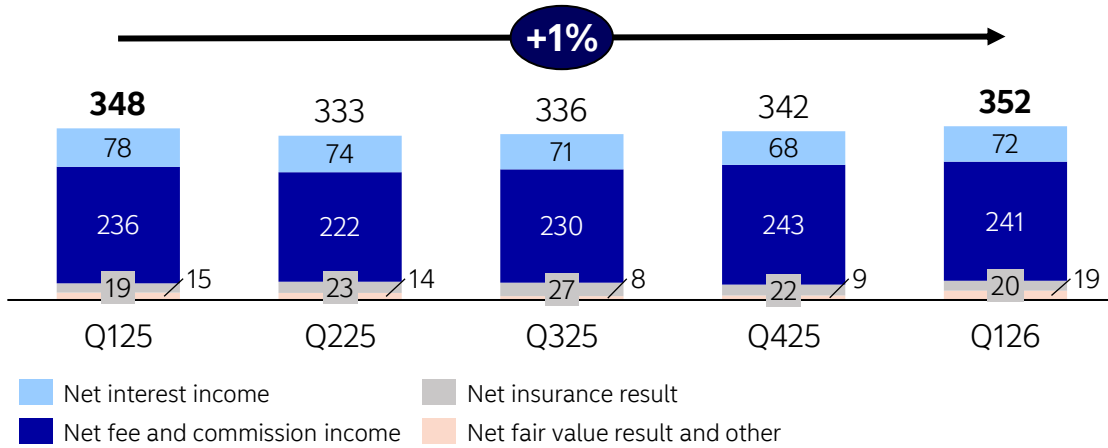


### Cost-to-income ratio<sup>2</sup>, %



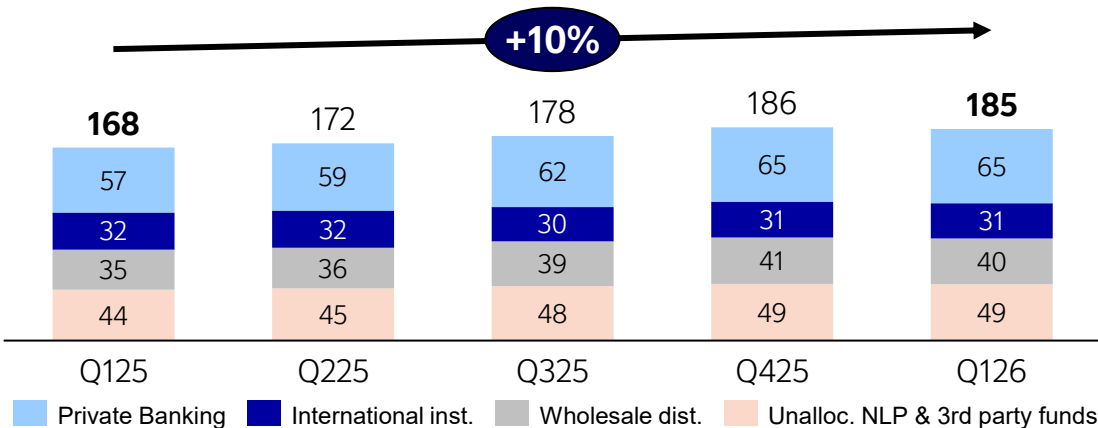
# High business momentum continues in Private Banking

## Total income, EURm

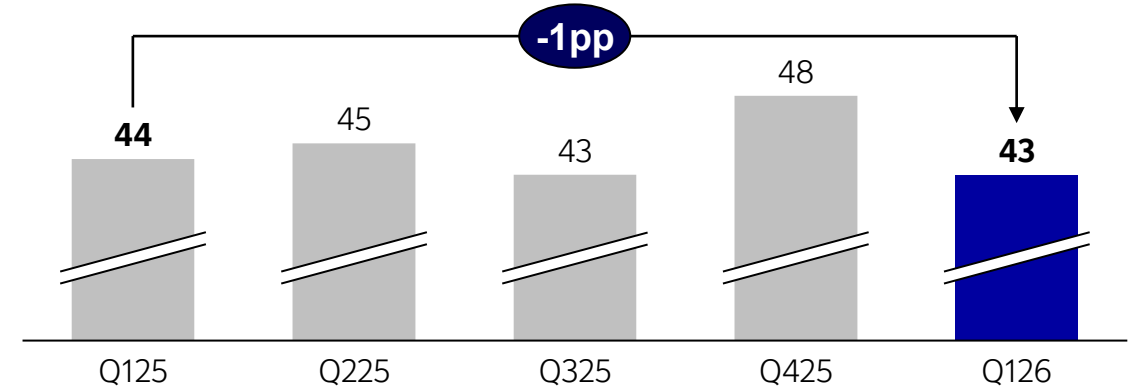


- Continued high customer activity in Private Banking, with investment product net flows of EUR 1.0bn, driven by Finland and Sweden
- Net flows in wholesale distribution stable at EUR 0.1bn
- Investment product AuM up 10%, to EUR 185bn
  - Total investment product net flows of EUR 1.4bn during quarter
- Cost-to-income ratio<sup>1</sup> 43% (44% Q125)

## Assets under management (investment products), EURbn



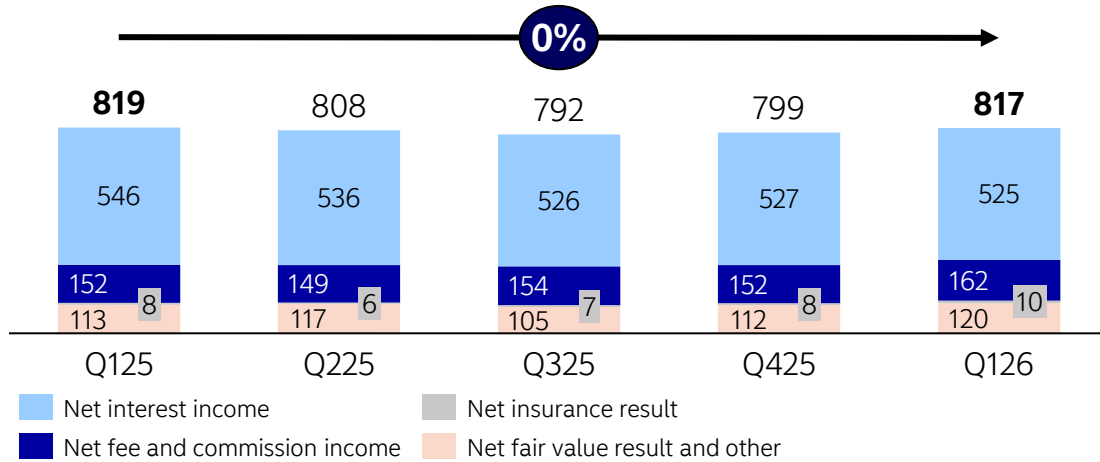
## Cost-to-income ratio<sup>1</sup>, %



12 1. Excluding regulatory fees

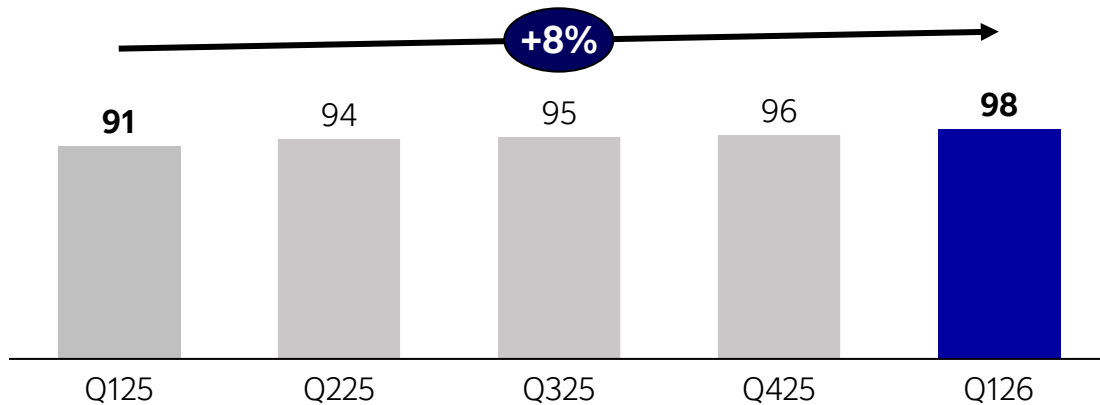
## Solid volume and fee income growth, offset by lower deposit margins

### Total income, EURm

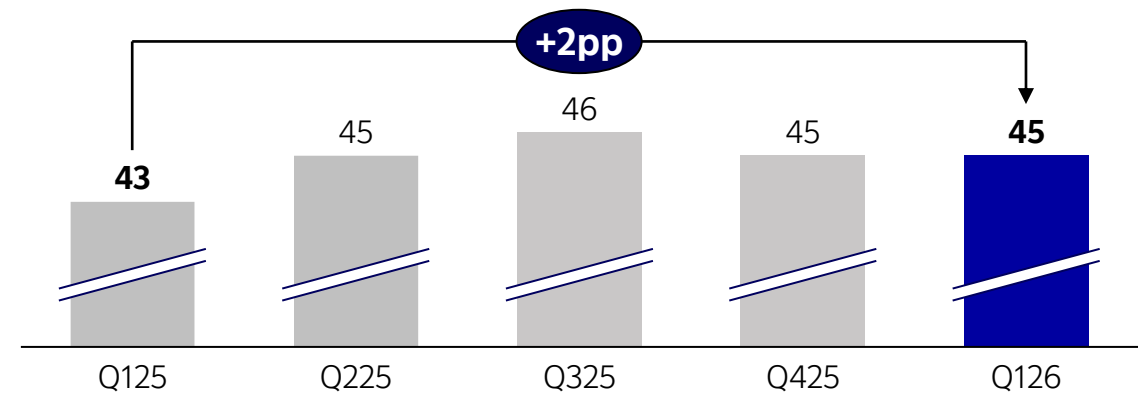


- Lending volumes up 8%, deposit volumes up 8% and investment product AuM up 11%
- Net interest income down 4% due to lower deposit margins
- Net fee and commission income up 7%, driven by higher lending fee income and savings income
- Cost-to-income ratio<sup>2</sup> 45% (43% Q125)

### Lending<sup>1</sup>, EURbn

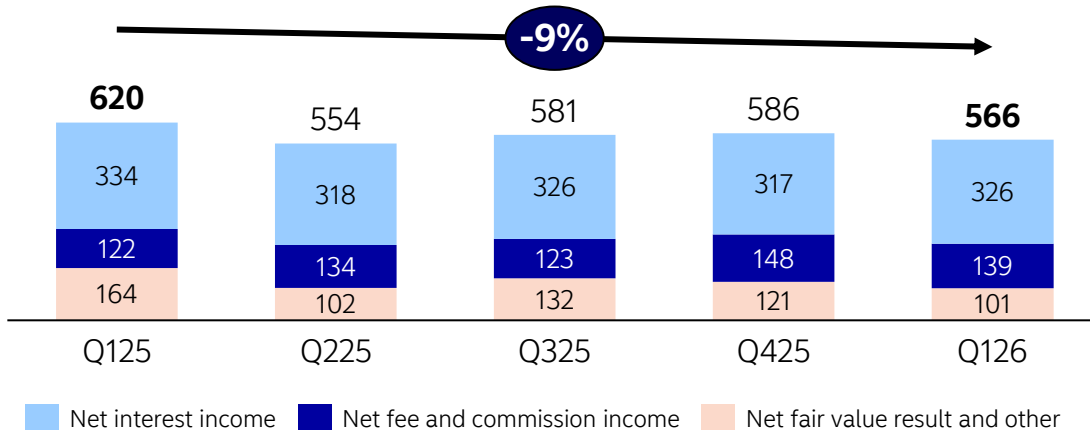


### Cost-to-income ratio<sup>2</sup>, %



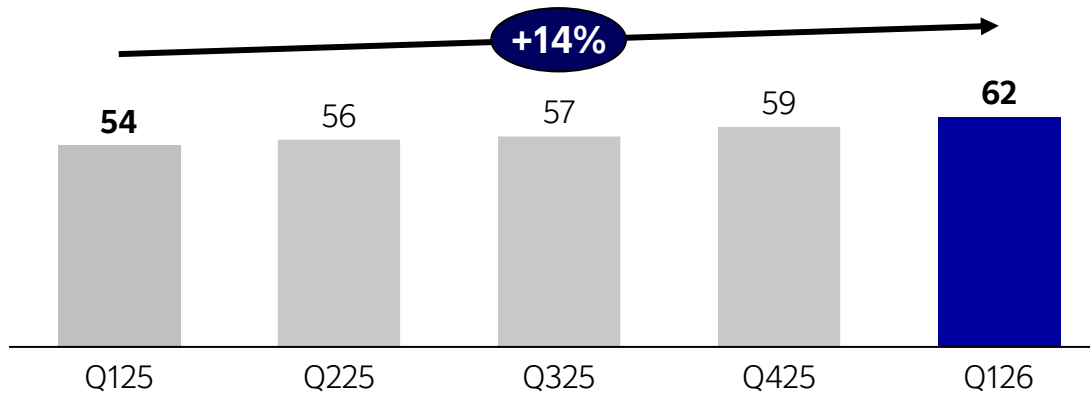
## Continued strong lending growth and profitability despite market turmoil

### Total income, EURm

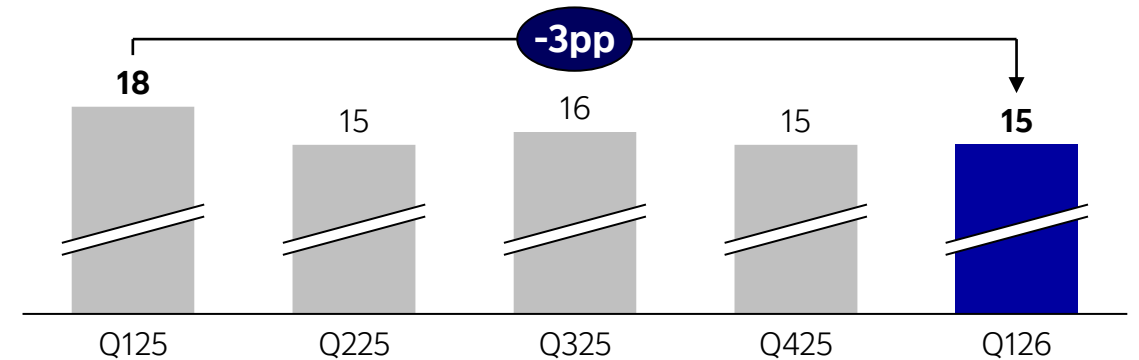


- Lending volumes up 14% and investment product AuM up 9%
- Net interest income down 2% due to lower interest rates
- Net fee and commission income up 14%, driven by DCM, lending fees and cash and asset management products
- Net fair value result down 39% with rates business and market making result adversely affected by market turmoil
- Return on allocated equity 15% (18% Q125)

### Lending<sup>1</sup>, EURbn



### Return on allocated equity<sup>2</sup>, %



# Why own Nordea

The best-performing financial services group in the Nordics in 2030

**Leading customer experience and faster-than-market income growth**

**Unique Nordic scale benefits driving efficiency and competitive advantage**

**Superior EPS growth and sustained high profitability**

**Outlook for 2026<sup>5</sup>: return on equity greater than 15% and cost-to-income ratio excluding regulatory fees around 45%**

## 2030 financial targets

### Return on equity

**>15%**

throughout period and significantly higher in 2030<sup>1</sup>

### Cost-to-income ratio<sup>2</sup>

**40–42%**

### Supported by

#### High credit quality

Loan losses ~10bp

#### Capital excellence and EUR >20bn in total shareholder distributions during 2026–30

60–70% payout ratio with semi-annual distributions<sup>3</sup>, and buy-backs<sup>4</sup>

### 2030 ambition

**Deliver earnings per share of EUR ~2.0**

1. Assuming CET1 ratio of around 15.5%

2. Excluding regulatory fees

3. Mid-year distribution paid from retained earnings

4. Used to distribute excess capital

5. Excluding items affecting comparability in the first quarter of 2026: EUR 190m expense related to restructuring costs (EUR 144m after tax). See pages 5 and 17 in the interim report for further details

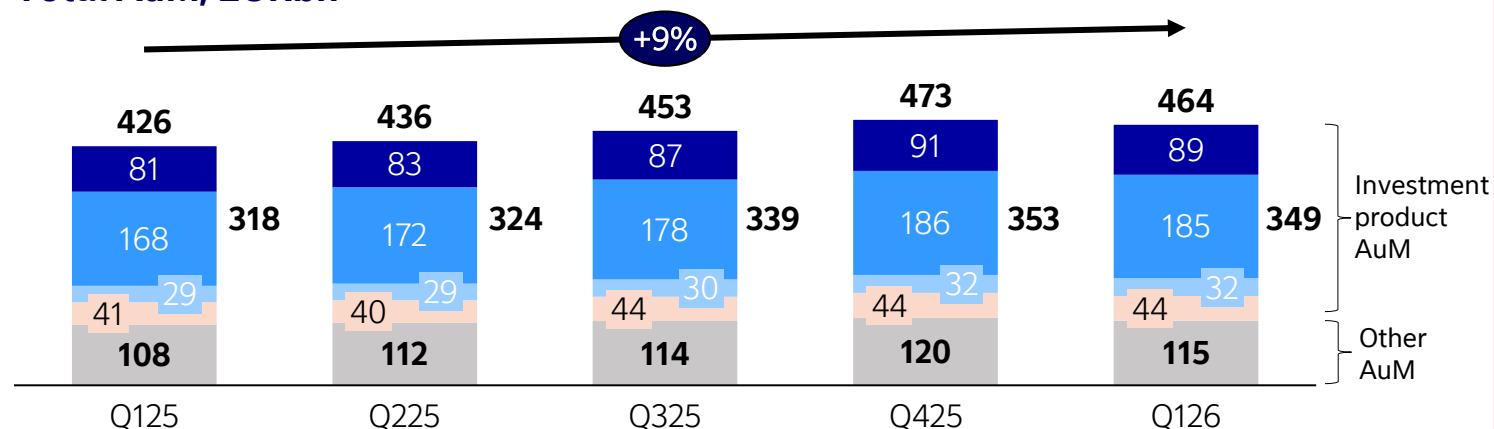
Nordea



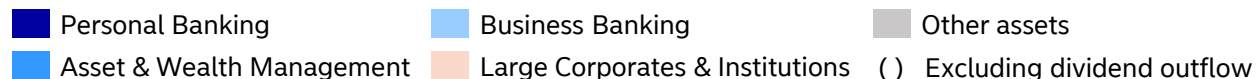
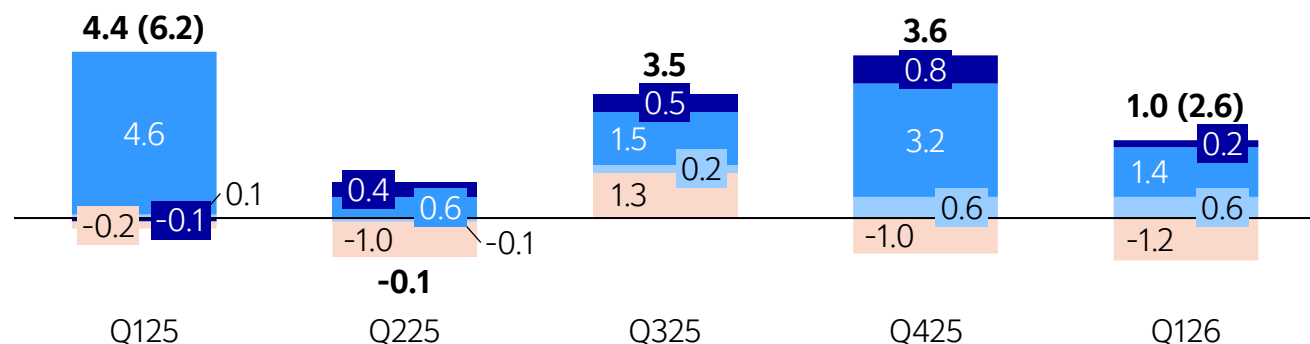
AuM

## Assets under management and net flows

Total AuM, EURbn



## Net flows in investment products, EURbn



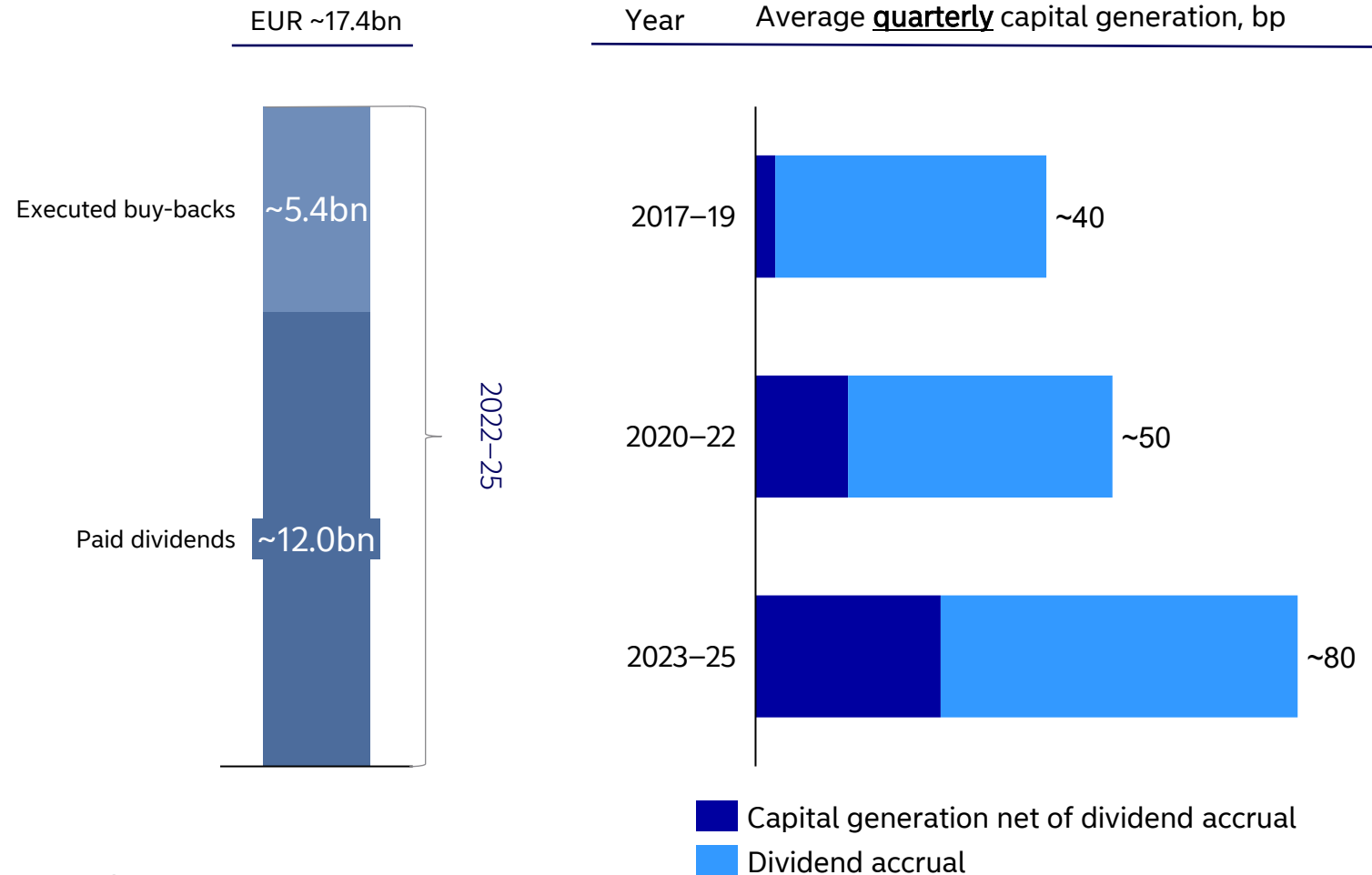
- **New way of reporting assets under management from Q126**

- Revised structure, including clearer distinction between investment products, which generate recurring fee income, and other assets, which generate mainly transactional fees
- Refined business area breakdown for investment product AuM
- Dividend payments fully included in net flows (previously divided between net flows and performance)

Capital excellence

# Strong capital generation supporting returns

## Shareholder returns supported by continued strong capital generation

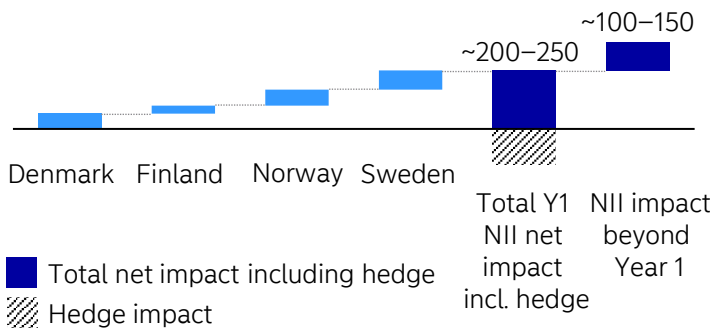


- **Capital return commitment reaffirmed**
  - Strong capital generation
  - Unchanged dividend policy, with mid-year dividend<sup>1</sup>
  - Share buy-backs to distribute excess capital
- **EUR 500m share buy-back programme launched on 18 December completed**
- **Planned distribution of mid-year dividend for 2026, corresponding to approximately 50% of net profit for first half of 2026**

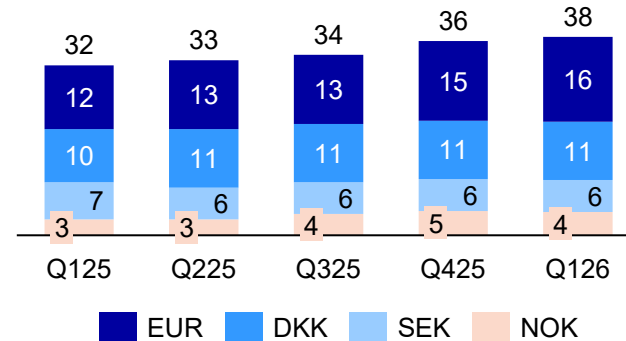
Net interest income sensitivity

**Net interest income sensitivity to policy rate changes**

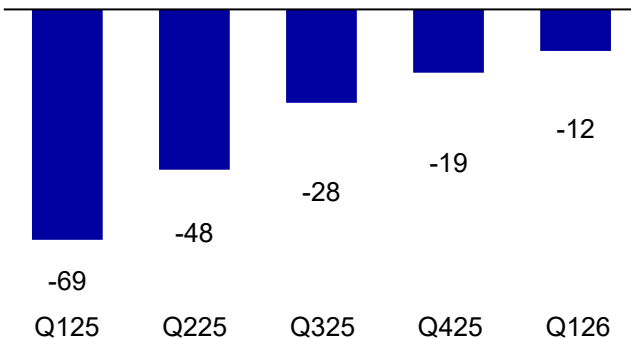
**Sensitivity to +50bp parallel shift in policy rates<sup>1</sup>, EURm**



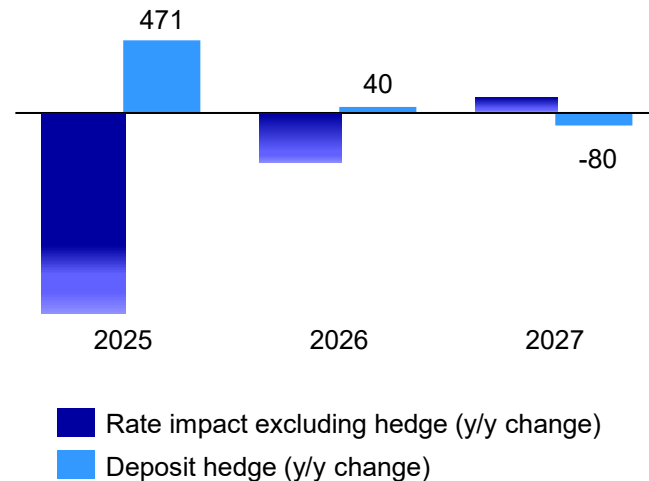
**Deposit hedge – nominal volume, EURbn**



**Quarterly NII impact from deposit hedge (absolute), EURm**



**Deposit hedge continuing to reduce NII volatility, EURm<sup>2</sup>**



• **NII impact largely driven by policy rates and pass-through**

- Actual pass-through varying between account types and countries, and throughout rate cycles
- Sensitivity reflecting modelled risk over cycle – NII impact lower following initial rate cuts and higher thereafter

• **Group NII also impacted by other drivers**

- Volumes and loan/deposit pricing
- Wholesale funding costs

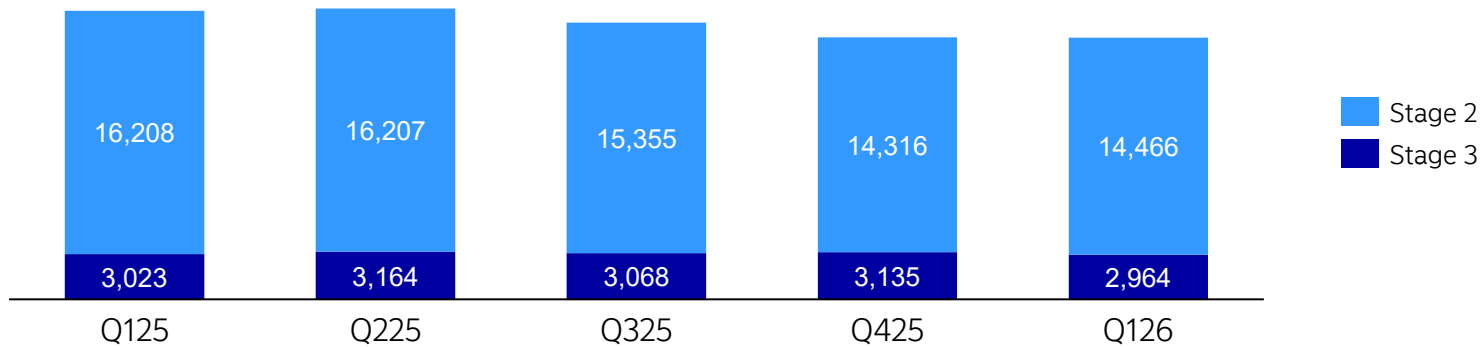
• **Deposit hedging reduces sensitivity to interest rate changes**

- Average hedge maturity ~3 years
- Additional NII impact in Y2–Y3 as assets repriced and hedges rolled over

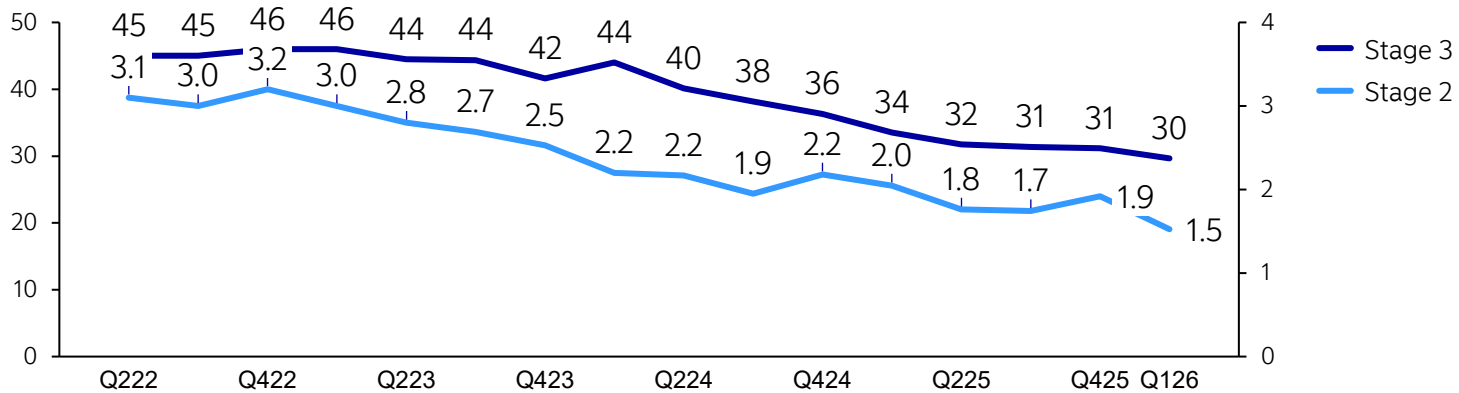
Impairments and provisioning coverage

**Reduction in impaired exposures**

**Stage 2 and 3 loans at amortised cost, EURm**



**Coverage ratio, %**



- **Stage 3 loans down at 0.96% of total loans**
  - 5% decrease in stage 3 loans, driven by write-offs and decrease in exposure
- **Stage 2 loans unchanged at 5% of total loans**
- **Coverage ratio for stage 3 portfolio down at 30%**
  - Both stage 3 lending and allowances down
  - Solid coverage reflecting high levels of collateral
- **Coverage ratio for stage 2 lower following MJ release**
- **Coverage ratios in line with Nordic and similar SSM peers**