

Copenhagen, Helsinki, Oslo, Stockholm, 24 April 2002

Interim Report First Quarter 2002

Stable underlying development

- Total income up 3% compared to fourth quarter, total expenses were unchanged
- Excluding Postgirot Bank expenses decreased by 4%
- Underlying loan losses considerably reduced
- Profit excluding investment earnings up 4% to EUR 409m
- Investment earnings down to EUR 4m due to weak markets
- Operating profit of EUR 371m compared to EUR 468m

Synergies on track

- Accumulated merger synergies of EUR 209m
- Integration of Postgirot Bank ahead of plan
- A number of "second wave projects" initiated

Progress in strategic areas

- Divestment of General Insurance continues according to plan
- Almost 3 million e-banking customers at the end of March 2002, target for year-end raised to 3.3 million
- Strong inflow, 13% (annualised), AuM increase to EUR 108bn

"We are reporting stable financial developments with cost containment and loan losses below the 2001 level. We have continued merger integration and delivered synergies according to plans and we have made the necessary preparations for the second wave of integration and synergies that will further develop our strong and unique market position", says Thorleif Krarup, Group CEO of Nordea.

Nordea is the leading financial services group in the Nordic and Baltic Sea region and operates through four business areas: Retail Banking, Corporate and Institutional Banking, Asset Management & Life, and General Insurance. The Nordea Group has nearly 11 million customers, 1,245 bank branches and 125 insurance service centres in 22 countries. The Nordea Group is a world leader in Internet banking, with almost 3 million e-customers. The Nordea share is listed in Stockholm, Helsinki and Copenhagen.

Operational income statement

	Q1	Q4	Change	Full year
EURm	2002	2001	%	2001
Net interest income	837	852	-2	3,465
Commission income	376	363	4	1,397
Trading	136	128	6	543
Income from insurance	116	72	61	524
Other	29	37	-22	161
Income	1,494	1,452	3	6,090
Personnel expenses	-586	-562	4	-2,188
Other expenses	-451	-476	-5	-1,701
Expenses	-1,037	-1,038	0	-3,889
Profit before loan losses	457	414	10	2,201
Loan losses	-63	-56	13	-373
Profit from companies accounted for under the equity method	15	35	-57	95
Profit excluding investment earnings	409	393	4	1,923
Treasury	11	30		124
Life insurance	0	45		-7
General insurance	-7	43		-13
Other	0	-4		48
Investment earnings	4	114	-96	152
Goodwill depreciation	-42	-39	8	-147
Operating profit	371	468	-21	1,928
Taxes	-102	55		-360
Minority interest	0	0		0
Net profit	269	523	-49	1,568

Ratios and key figures

Earnings per share, EUR	0.09	0.18	0.53
Share price, EUR	6.53	5.97	5.97
Shareholders' equity per share ¹ , EUR	3.90	4.00	4.00
Shares outstanding ² , million	2,965	2,965	2,965
Return on equity (excluding goodwill) ³ , %	13.0	24.5	19.2
Lending, EURbn	142	138	138
Deposits, EURbn	86	83	83
Shareholders' equity ¹ , EURbn	12	12	12
Total assets, EURbn	253	242	242
Assets under management, EURbn	108	105	105
Cost/income ratio, banking ⁴ , %	64	62	58
Combined ratio, general insurance, %	113	114	106
Tier 1 capital ratio, %	7.2	7.3	7.3
Total capital ratio, %	9.2	9.1	9.1
Risk-weighted assets, EURbn	140	136	136

¹ End of period after proposed dividend.

² Average number of shares Jan-March 2002 after full dilution was 2,985 million.

³ Excluding goodwill depreciation and excluding remaining goodwill, which has been deducted from shareholders' equity.

⁴ Before loan losses and goodwill depreciation.

Quarterly development

EURm	Note	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001
Net interest income		837	852	856	885	872
Commission income	1	376	363	314	359	361
Trading		136	128	131	128	156
Income from insurance		116	72	142	185	125
Other		29	37	36	52	36
Income		1,494	1,452	1,479	1,609	1,550
Personnel expenses		-586	-562	-529	-556	-541
Other expenses		-451	-476	-410	-410	-405
Expenses	2	-1,037	-1,038	-939	-966	-946
Profit before loan losses		457	414	540	643	604
Loan losses		-63	-56	-213	-59	-45
Profit from companies accounted for under the equity method		15	35	29	20	11
Profit excluding investment earnings		409	393	356	604	570
Treasury		11	30	1	25	68
Life insurance		0	45	-54	19	-17
General insurance		-7	43	-35	11	-32
Other		0	-4	-5	55	2
Investment earnings		4	114	-93	110	21
Goodwill depreciation		-42	-39	-35	-37	-36
Operating profit		371	468	228	677	555
Taxes		-102	55	-65	-193	-157
Minority interests		0	0	2	-1	-1
Net profit		269	523	165	483	397

Note 1 Commission income, EURm

Brokerage	55	76	56	60	79
Asset Management/Investment funds	126	115	104	116	113
Issue of securities	4	9	7	20	10
Lending	87	84	84	91	75
Deposits and payments	157	139	130	127	129
Foreign exchange	8	8	9	8	12
Other	22	17	6	16	20
Commission expenses	-77	-79	-77	-73	-73
Net commission income	382	369	319	365	365
Of which investment activities	-6	-6	-5	-6	-4
Commission income	376	363	314	359	361

Note 2 Expenses, EURm

Personnel ¹	586	567	535	560	545
Information technology ²	114	119	104	104	95
Marketing	27	39	25	25	29
Postage, telephone and office expenses	74	68	56	63	57
Rents, premises and real estate expenses	82	90	82	91	92
Other	164	166	149	132	137
Expenses	1,047	1,049	951	975	955
Of which investment activities	-10	-11	-12	-9	-9
Expenses	1,037	1,038	939	966	946

¹ Profit related personnel expenses including profit-sharing systems were EUR 17m in Q1 2002 (2001: EUR 115m).

² Refers to computer operations, service expenses and consulting fees. Total IT-related costs in Q1 2002, including personnel etc were EUR 205m (2001: EUR 805m).

The Group

Result summary

In the first quarter, adjusted for Postgirot Bank, underlying income showed a stable development and expenses were reduced.

Total income increased by 3% compared to the fourth quarter last year and was characterised by a slight reduction in net interest income, stable development in commission and trading income, and increased income from insurance. Total expenses were unchanged. Profit excluding investment earnings amounted to EUR 409m, an increase of 4% compared to the fourth quarter.

Investment earnings declined by EUR 110m and amounted to EUR 4m following higher interest rates and mixed developments in the Nordic and international equity markets.

Operating profit amounted to EUR 371m, a reduction of EUR 97m compared to the fourth quarter, reflecting considerably reduced investment earnings. Postgirot Bank, which was consolidated in the accounts from 1 December last year, contributed EUR 12m to profit before goodwill depreciation.

Net profit amounted to EUR 269m, corresponding to EUR 0.09 per share. Return on equity was 13.0% (excluding goodwill).

Development in the first quarter

Total lending increased by 3%, reflecting continued good demand for credit from retail customers as well as a stronger Swedish currency. Deposits from customers increased by 3%. During the last 12 months lending and deposits increased by 9% and 11%, respectively.

Sweden was the first G10 country to increase official interest rates, from 3.75% to 4.00%, in March. Generally, both long- and short-term interest rates increased in the Nordic area during the quarter.

Income

Net interest income amounted to EUR 837m (EUR 852m in the fourth quarter 2001). Average short-term interest rates were lower than in the previous quarter, which resulted in lower deposit margins. Increased short-term interest rates towards the end of the quarter are expected to ease the downward pressure on deposit margins going forward. Lending margins remained in aggregate largely unchanged. Margins on new loans to large corporates have stabilised at the higher level experienced in the second half of last year, whereas lending margins in the retail sector remained stable during the quarter.

The development of Nordic and international stock exchange indexes was mixed during the quarter. The

aggregate market indexes were largely unchanged. Turnover volumes on the Nordic exchanges also showed a mixed development. Commission income increased to EUR 376m (EUR 363m). Higher commissions from payment services following the acquisition of Postgirot Bank more than compensated for weak income within investment banking operations. Assets under management increased by 2% compared to the fourth quarter, reaching EUR 108bn, and asset management commissions were somewhat higher than in the fourth quarter. The distribution of fund management products in continental Europe has developed favourably during the first 18 months of operations, resulting in a high inflow of funds through a large number of distribution agreements.

Income from trading, mainly comprising income related to foreign exchange and derivatives trading with customers, was maintained at a high level and amounted to EUR 136m (EUR 128m).

Income from insurance, excluding investment income, increased to EUR 116m (EUR 72m) as the previous quarter was affected by the rebuilding of financial buffers in life insurance. Claims in General Insurance were somewhat higher than last quarter.

Other income, which primarily consists of property-related income, amounted to EUR 29m (EUR 37m).

Expenses

Expenses developed according to plan and were unchanged at EUR 1,037m (EUR 1,038m), despite the consolidation of Postgirot Bank. Adjusted for the acquisition of Postgirot Bank, total expenses decreased by 4%.

Loan losses

Loan losses amounted to EUR 63m (EUR 56m). Underlying loan losses were considerably reduced in the first quarter, since the losses charged in the fourth quarter included a reduction of the general provision made in the third quarter. No change in the general provisions was made in the first quarter. Loan losses in the first quarter corresponded to 0.18% of total loans, annualised. For 2001 as a whole the loan loss ratio was 0.29%.

At the end of the quarter, defaulted loans net amounted to EUR 841m (EUR 855m), representing 0.6% (0.6%) of total lending.

New regulations in Sweden regarding general loan loss provisions became compulsory as from 1 January 2002. Through the acquisition of Nordea Bank Norway (December 2000), a general provision for loan losses was introduced in the Nordea Group. After analysing and defining Nordea's loan loss reserves during the first

quarter of 2002 according to the new rules, the reserves at the end of 2001 (EUR 2,259m) have been reclassified (see page 24).

At the end of March Nordea's aggregated loan loss reserves amounted to EUR 2,291m of which EUR 1,839m refers to specific provisions, EUR 82m to provisions appraised by category and EUR 370m to general provisions. In addition, Nordea's transfer risk reserves amount to EUR 159m, not included in the figures above.

Investment earnings

Investment earnings totalled EUR 4m (EUR 114m) in the first quarter. Rising interest rates led to losses on the bond portfolios, whereas minor gains were achieved on the equity portfolios reflecting a mixed development in the relevant markets.

Taxes

Taxes for the quarter have been calculated assuming that the utilisation of a tax loss carry forward at the beginning of the year of approximately EUR 100m will be evenly distributed over all quarters in 2002.

Net profit

Net profit amounted to EUR 269m (EUR 523m). The reduction of net profit was driven by the positive tax revenue in the fourth quarter last year, and considerably reduced investment earnings in the first quarter.

Comparison with the first quarter 2001

Operating profit for the first quarter was EUR 184m lower than the corresponding period last year. The reduction was due to generally higher income last year primarily as a result of higher margins and more positive market conditions at that time. Expenses were 3% higher than last year when adjusting for Postgirot Bank.

The cost/income ratio (banking) was 64% (55%). The cost/income ratio (banking), excluding investment income, was 66% (58%). In the first quarter of 2002 Postgirot Bank represented an increase of 2%.

Credit quality

The composition of the loan portfolio with respect to customer groups is stable compared to previous quarters. Approximately 61% of the portfolio comprises loans to companies and 37% to households and 2% to the public sector, unchanged compared to twelve months earlier.

Within the personal customer sector, 81% of the portfolio consists of mortgages as compared to 73% at the end of March 2001. Other household lending includes consumer loans, overdraft facilities, car financing, credit cards etc. The higher proportion of mortgages means a strengthening of the average credit quality in this sector.

Loans to the telecom sector amount to EUR 6.9bn. Major Nordic operators and equipment manufacturers account for the majority of the exposure.

Integration progress

At the end of the first quarter, accumulated realised merger synergies amounted to EUR 209m. The Nordic integration of Nordea's business activities continues according to plan.

During the quarter EUR 15m of the restructuring reserve has been utilised. The remaining reserve at the end of the first quarter amounted to EUR 88m including EUR 43m related to the acquisition of Postgirot Bank.

Second wave of integration

The second wave integration programme consists of a limited number of high impact initiatives. The target of the integration programme is to create additional annual synergies of the same magnitude as the merger synergies (EUR 360m) by fully exploiting the benefits of operating as one integrated Group in a cross-border environment. The benefits will be realised progressively over a three-year period.

Approximately 20 potential main projects have been identified. A handful of projects have already been initiated, of which one is a project regarding a pan-European production system for investment funds. Other initiatives are the unification of all finance processes by establishing a common general ledger system, a common data warehouse solution and a finance shared services centre organisation, and the introduction of a trading infrastructure application to enable all customer transactions (FX/Money Market and derivatives) to be carried through in one common system.

Nordea aims at deciding on initiating further projects during 2002. The above-mentioned projects are expected to create annual synergies of approximately EUR 43m within three years. Expenses in the first quarter related to the three above mentioned projects amounted to EUR 10m.

Strategic alternatives for General Insurance

Progress has been made on the planned divestment of the general insurance business with respect to operational, regulatory and tax issues. Nordea's ambition is to reduce its ownership stake in General Insurance to a minority position.

Shareholders' equity and capital ratio

Shareholders' equity amounted to EUR 11.5bn at the end of the first quarter. The fair value of the investments in the Group's pension foundations exceeded pension commitments not recognised in the balance sheet by EUR 127m. In the Swedish pension fund, the commitments exceeded the fair value of the assets by EUR 46m. If this situation remains unchanged at the end of the year, a

contribution to the Swedish pension fund will be made. No refund of surplus was made during the quarter.

In March, Nordea issued a EUR 500m subordinated bond. The purpose of the issue was to refinance existing subordinated loans maturing in 2002. The bond issue was favourably received in the market and Nordea achieved competitive pricing.

The Nordea share

The share price development for Nordic financial institutions has been mixed during the first quarter. The Nordea share traded at SEK 62.50 on 22 April, which was 12.6% higher than at the end of 2001. Total shareholder return for the first quarter was 6.3%.

Annual General Meeting

The Annual General Meeting is held on 24 April. The main resolutions will be announced in a separate press release.

The Board of Directors has proposed to the AGM a dividend of EUR 0.23 per share for 2001. The proposed record date for the dividend is 29 April (30 April in Denmark) and dividend payments are scheduled to be made on 7 May 2002.

Outlook

The macroeconomic situation is largely unchanged from the beginning of the year. There is an expectation of growth in the Nordic region in 2002 and thereby Nordea expects a growth, even if moderate, in the business volume and also in revenues.

In order to adjust to the changed business environment, Nordea will maintain a sharp focus on cost developments. Loan loss provisions are expected to be higher than the average of the last three years due to cyclical developments. The target over a business cycle, maximum 0.40% of loans and guarantees, remains unchanged and for 2002 loan losses are expected to stay below that level.

Results by business area first quarter 2002

	Business areas				General Insurance ¹	Group Treasury	Other	Total
	Retail Banking	Corporate and Institutional Banking	Asset Management & Life					
EURm			Asset Management	Life ¹				
Customer responsible units:								
Income	1,079	299	64	26	100	30	-104	1,494
Expenses	-644	-158	-39	-30	-124	-6	-36	-1,037
Loan losses	-15	-18					-30	-63
Equity method		9					6	15
Profit excluding investment earnings	420	132	25	-4	-24	24	-164	409
Investment earnings				-2	-7	11	2	4
Goodwill							-42	-42
Operating profit 2002: Q1	420	132	25	-6	-31	35	-204	371
2001: Q4	366	142	25	-6	1	38	-98	468
2001: Q3	425	-5	17	-24	-24	21	-182	228
2001: Q2	463	94	20	14	36	35	15	677
2001: Q1	454	145	28	-14	-31	80	-107	555
Return on equity, %	23	14						13.0
Cost/income ratio, banking, %	60	53	61			23		64
Combined ratio, %					113			113
Product responsible units:								
Income			131	45				
Expenses			-75	-41				
Investment earnings				0				
Product result 2002: Q1			56	4				
2001: Q4			55	4				
2001: Q3			50	-49				
2001: Q2			65	42				
2001: Q1			75	-14				

Postgirot Bank, excluding funding costs and goodwill depreciation has been allocated to the respective business areas as from 2002. Approximately 90% of income and costs in the first quarter is allocated to Retail Banking

¹ Income is reported as net of premiums, technical interest, claims, benefits and provisions.

Nordea's operations are organised into four business areas: Retail Banking, Corporate and Institutional Banking, Asset Management & Life and General Insurance. The business areas operate as decentralised profit centres. The Group's financial management operations are conducted by Group Treasury.

Within Nordea, customer responsibility is fundamental. Decentralised profit responsibility essentially means that the Group's total business relations with customers are reported in the customer responsible unit's income statement and balance sheet. When calculating return on allocated capital standard tax is applied.

From 2002 capital allocation is based on each business unit's actual risk exposure considering credit and insurance risk, market risk as well as operational and business risk. This framework optimises utilisation and distribution of capital between the different business areas. Economic profit constitutes the basis for evaluating strategic alternatives as well as for evaluation of financial performance.

Asset Management & Life has customer responsibility within investment management, in private banking outside the joint unit with Retail Banking, and for life and pensions distributed outside Retail Banking. In addition, the business area commands product responsibility for investment funds and life insurance products. The operating profit shown in the accompanying table includes the customer responsible units, while the product result also includes the Group's total earnings on investment funds and life insurance products, including sales and distribution costs within the retail branch network.

In addition to the four business areas, Group Treasury, with responsibility for managing the Group's own positions in securities portfolios and group funding activities, is also included in the table. The column "Other" includes income and expenses not allocated to business areas, ie funding costs for the cash acquisition of Nordea Bank Norway and Swedish Postgirot Bank, costs for subordinated debt, results from real estate holdings and business-related equity holdings, expenses for Group staffs, goodwill depreciation, central provisioning for loan losses and profits from companies accounted for under the equity method which are not included in customer responsible units.

Retail Banking

- **Operating profit increased to EUR 420m from EUR 366m**
- **Integration of Postgirot Bank into Retail Banking Sweden ahead of plan**
- **Firm development in sales of products and services**
- **Profitability at a high level**

Retail Banking develops, markets and distributes a broad range of financial products and has customer responsibility for personal and corporate customers.

Postgirot Bank was largely integrated into Retail Banking in the first quarter, and the main part of the remaining integration is expected to have taken place before the end of June this year. In the tables below Postgirot Bank is included in Retail Banking Sweden for the first quarter.

Market conditions

The economic environment stabilised somewhat in the first quarter. The decline in short-term interest rates was halted and there was a shift in market expectations indicating a possibility of higher interest rates globally later in 2002.

Customer demand was firm in the first quarter both in personal and corporate lending. Demand for electronic services and banking products developed well. The demand for savings products was, however, to some degree influenced by the uncertainty in the equity markets.

Business development

The growth in loan volume in the first quarter was 5%, thus continuing the strong development that has led to a growth rate of 11% for the past 12 months. Especially mortgage lending in Finland was strong in the first quarter, but also lending in Sweden, Denmark and Norway showed good volume growth. The total loan volume at the end of March 2002 amounted to EUR 102bn, around half of which comprised personal customer and corporate mortgages. The deposit volume at the end of March amounted to EUR 62bn. This is an increase of 10% for the past 12 months.

Lending to personal customers increased by EUR 4.6bn to EUR 49.2bn during the past 12 months, showing a growth rate of 10%. Deposits from personal customers increase slightly to a level of EUR 36.3bn at the end of March, which represented an increase of 8% for the past 12 months.

Lending to corporate customers increased by EUR 2.8bn to EUR 53.2bn in the first quarter, which represented an increase of 11% for the past 12 months. Deposits increased by EUR 3.1bn to EUR 25.6bn, representing an increase of 14% for the past 12 months.

Lending margins were unchanged for corporate and household customers compared to the fourth quarter. Average deposit margins were lower in the first quarter than in the fourth quarter of 2001, and they have remained stable since the end of last year.

In the first quarter, the net inflow of investment funds was EUR 2.1bn compared to EUR 1.3bn in the previous quarter.

Retail Banking Finland began selling general insurance products in the branches in the first quarter.

Electronic Banking

Retail Banking continued to see strong sales in the growing range of e-banking products and increasing usage. At the end of March the Group had 265,000 customers signed up for equity trading online. The target for e-banking customers by the end of 2002 is set to 3.3 million customers, with almost 3 million customers realised at the end of March.

A milestone was reached in January, when the number of e-business customers passed 2,000. Nordea had at the end of March 2,058 contracts with merchants using direct e-payments. Close to 700 of these were present on Nordea's Solo Market, a pan-Nordic electronic marketplace that connects Danish, Finnish, Norwegian and Swedish buyers and sellers. Nordea's e-business services also include e-invoicing, e-identification and signature and e-salary.

Nordea continued to strengthen its position as the most widely used e-bank during the first quarter. The number of log-ons was 24.4m, corresponding to an increase of 5.6m (30 %) compared to the first quarter of 2001. The number of payments increased to 28.9m in the first quarter, an increase of 5.7m (25%) compared to the first quarter 2001.

The rapid expansion in the use of e-banking services has considerably decreased the number of manual transactions in the branches, thus allowing for more focus on advisory services and enhanced cost-efficiency.

The number of manual transactions for personal customers in the branches and central back-offices decreased by 10% in the first quarter compared to the first quarter of 2001.

Result

Net interest income in the first quarter was supported by increased volumes. The decline in interest rates in November last year in Finland and Denmark led to some further depression of deposit margins, but the margins have remained stable since the end of last year, resulting in interest income slightly below previous quarter. The interest rate increase of 0.25% in Sweden in March

signalled an end to the declining interest rate cycle, which has put pressure on the net interest income since the second quarter of 2001.

Net commission income remained stable. Reduced commission income, as a result of lower brokerage income, was largely compensated by increased deposits and payments commissions stemming from the acquisition of Postgirot Bank.

Costs were slightly higher in the first quarter compared to the fourth quarter due to the inclusion of Postgirot Bank in Sweden. The cost/income ratio for the first quarter was 58% excluding Postgirot Bank and 60% including Postgirot Bank. Costs are developing according to plan with a focus on securing that cost reductions enabled by e-banking and the multi-channel development, as well as centralisation of production, are realised.

The loan losses in the first quarter were reduced compared to the fourth quarter of 2001 and amounted to EUR 15m.

The operating profit was EUR 420m, an increase of EUR 54m compared to the fourth quarter.

Return on equity was 23% in the first quarter, which was a significant increase from the level of 18% in the preceding quarter.

Operating profit

	Total		Retail Denmark		Retail Finland		Retail Norway		Retail Sweden ²		Poland & Baltic	
	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
EURm												
Net interest income	757	761	208	208	217	226	102	106	224	214	6	7
Net commissions & other income	322	333	76	90	81	87	38	41	123	112	4	3
Total income	1,079	1,094	284	298	298	313	140	147	347	326	10	10
Total expenses	-644	-633	-168	-167	-151	-167	-94	-103	-221	-186	-10	-9
Profit before loan losses	435	461	116	131	147	146	46	44	126	140	0	1
Loan losses	-15	-95 ¹	-14	-28	-1	-12	1	-11	0	-20	-1	0
Operating profit	420	366	102	103	146	134	47	33	126	120	-1	1
Cost/income ratio, %	60	58	59	56	51	53	67	70	64	57	100	95
Return on equity, %	23	18	19	18	38	30	13	6	23	20	-6	10

¹ EUR 24m refers to Nordic aircraft leasing transactions and is not allocated to individual markets.

² Postgirot Bank is included in Q1 2002.

Volumes

	Total		Retail Denmark		Retail Finland		Retail Norway		Retail Sweden		Poland & Baltic	
	Q1	Q4	Q1	Q4	Q1	Q4	Q1	Q4	Q1 ¹	Q4	Q1	Q4
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
EURbn												
Lending	102.4	97.9	27.6	26.4	22.4	21.4	17.7	17.3	34.0	32.2	0.7	0.5
Deposits	61.9	58.7	13.9	13.5	19.9	21.0	9.4	9.2	18.3	14.7	0.5	0.4

¹ Postgirot Bank is included in Q1 2002.

Key Figures per quarter

	Q1 ¹	Q4	Q3	Q2	Q1
	2002	2001	2001	2001	2001
Operating profit, EURm	420	366	425	463	454
Return on equity, %	23	18	22	24	25
Cost/income ratio, %	60	58	57	56	56
Customer base: personal customers, million	9.5	8.9	8.9	8.9	8.9
corporate customers, million	0.9	0.6	0.6	0.6	0.6
Number of employees (full-time equivalents)	23,600	22,700	22,700	22,600	22,600

¹ Postgirot Bank is included in Q1 2002.

Corporate and Institutional Banking

- **Stable corporate banking business**
- **Uncertain equity markets affected investment banking**
- **Total expenses reduced**

Corporate and Institutional Banking delivers a range of products and services to corporate and institutional customers, and has customer responsibility for large corporates, shipping, offshore and oil services companies, and financial institutions. Investment Banking services are offered through a separate legal entity, Nordea Securities.

Market conditions

The market outlook remained uncertain, generally leading to postponement of investment decisions and decisions on structural matters for corporate clients. Activity in equity-related business was subdued following the continued uncertainty in equity markets. Also, in the first quarter, customers' demand for financing was somewhat weaker.

Stock market development

	Market volume		Market index
	Q1 2002 EURbn	Q1 vs. Q4 %	Q1 2002 %
Denmark	14.6	7.2	2.3
Finland	53.0	6.0	-7.0
Norway	15.7	2.8	7.0
Sweden	93.6	-11.1	-2.9

Business development

Corporate Division's business flow was stable in the first quarter. The Government of Finland mandated Nordea as the main bank for their cash management services.

Shipping, Offshore and Oil Services faced somewhat weaker activity in shipping markets than in earlier quarters, but the income level was maintained from the fourth quarter 2001 due to active deal origination.

The business flow was stable in International Division. The partly owned International Moscow Bank, IMB, showed positive results.

Customer activity in Markets Division remained at a stable level. The strong position as arranger of syndicated loans was consolidated, with the newly created centralised syndications unit contributing positively. The income increased strongly from the previous quarter.

Custody Services' business activity remained at the level of the previous quarter.

Trade finance activity has been relatively strong during the first quarter. To make the trade finance operations more efficient, it has been decided to centralise some local activities to national centres.

Investment Banking's business flow was weak in the first quarter due to a low deal volume in Corporate Finance services in addition to the uncertainty in equity markets. Investments to strengthen Nordea Securities' market position continued in the first quarter.

Balance sheet management

Total lending in Corporate and Institutional Banking was reduced in the first quarter by EUR 3.7bn to EUR 27.2bn.

A more focused approach for the use of economic capital has successively been applied, in line with implementing an economic capital measurement framework. Firstly, the focus has been shifted to shorter term commitments in terms of underwritings. Successful syndication helps to further manage the lending volumes. Secondly, the credit portfolio is being streamlined according to the Nordea strategy, to ensure full focus on Nordic-related business and international ship finance. This has resulted in a run-off process for some non-core lending.

Result

Total income in the first quarter was EUR 299m, down by EUR 21m or 7% from the fourth quarter of 2001. Reduced on-balance sheet lending volumes reduced the use of economic capital in accordance with the business area's strategy. Lower volumes also led to a reduction in net interest income by EUR 9m. Other income was down by EUR 12m from the previous quarter mainly due to lower commission income from equity market related services. Income from trading operations increased substantially in the first quarter, and the other areas had a stable development in terms of income.

Total expenses in the first quarter were EUR 158m, down by EUR 13m from the last quarter of 2001. Underlying expenses fell by EUR 4m when taking the non-recurring costs in the fourth quarter of 2001 of EUR 9m into account.

Loan losses excluding transfer risk were at a low level of EUR 16m. Provision for transfer risks amounted to EUR 2m. Operating profit totalled EUR 132m representing a return on equity of 14% and a cost/income ratio of 53%.

Operating profit by main area

	Total		Corporate Division		Shipping, Offshore and Oil Services Division		International Division ¹		Investment Banking ¹		Other		Markets ²	
	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001
EURm														
Net interest income	107	116	59	70	25	29	18	18	-	-	5	-1		
Other income	192	204	107	89	15	11	26	31	16	30	28	43		
Total income	299	320	166	159	40	40	44	49	16	30	33	42	120	99
Total expenses	-158	-171	-63	-65	-7	-10	-24	-23	-23	-39	-41	-34	-52	-49
Profit before loan losses	141	149	103	94	33	30	20	26	-7	-9	-8	8	68	50
Loan losses	-16	-28	-16	-33	-6	-9	4	-4	-	-	2	18	-	-
Transfer risk	-2	17	-	-	-	-	-2	17	-	-	0	0	-	-
Equity method	9	4	-	-	-	-	7	2	-	-	2	2	-	-
Operating profit	132	142	87	61	27	21	29	41	-7	-9	-4	28	68	50
Lending, EURbn	27.2	30.9	16.2	18.3	6.4	7.2	4.1	4.4	-	-	0.5	1.0	-	-

¹ Figures include income and cost related to the division's activities as a customer responsible unit. In addition, the division has income and cost related to its service and product responsibility and that are allocated to other customer responsible units within the Group.

² Markets has product responsibility for trading products such as FX, fixed income and related derivatives and is evaluated by monitoring the product result. The product result includes all income and expenses related to the respective products, which is allocated to the customer responsible unit within Corporate and Institutional Banking.

Key figures per quarter

	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001
Operating profit, EURm	132	142	-5	94	145
Return on equity, %	14	16	0	11	16
Cost/income ratio, %	53	53	51	53	48
Number of employees (full-time equivalents)	3,800	3,700	3,700	3,900	3,800

Asset Management & Life

- **Strong inflow, 13% (annualised), AuM increase to EUR 107.6bn**
- **Distribution of investment funds in Europe continued to grow strongly**
- **Nordea's funds won the pan-European "Best Equity Group of the Year" award from Lipper**
- **Investment Management continued to win non-Nordic institutional mandates in international competition**

Asset Management & Life includes the Group's activities within institutional investment management, life insurance and pensions, investment funds, private banking and in the retail savings market in general.

Market conditions

During the first quarter, the Finnish and Swedish equity markets dropped while the Danish and the Norwegian market rose slightly. Overall, assets under management suffered from negative market performance.

Business development

Strong inflow, 13% (annualised), brought AuM to EUR 107.6bn. This was in line with Nordea's overall target of 20% growth per year including market performance. However, the negative development in key equity markets limited total growth in assets under management, which ended the quarter at EUR 107.6bn.

Nordea's continually good investment performance was recognised through a number of awards for the Group's funds. In January, Nordea was again selected as Star Manager of the Year by Dagens Industri in Sweden. During February, Nordea SICAV funds won "Best Equity Group" and "Best Fund in Category" from Lipper in Switzerland and Austria. In March Nordea won Lipper's "Best Fund in Category" in the UK and Germany. Finally, Lipper chose Nordea as the winner of the prestigious "Best Equity Group" award at the European level.

Investment Management

Net inflows in Investment Management amounted to EUR 1.7bn in the quarter. This is an improvement compared to the net outflow of EUR 0.8bn in the fourth quarter 2001. In total, 31 mandates were won during the quarter while 14 mandates were lost. The average gross margin for Investment Management fell by 2bp to 20bp from the fourth quarter, while assets under management reached EUR 74bn, an increase of EUR 1.9bn.

Investment Funds

Net inflows into Nordea's Investment Funds amounted to EUR 2.1bn during the quarter. Eleven new funds were launched in the Nordic area. Many of these were cross-border launches creating synergies by leveraging existing competencies. In European Fund Distribution, strong inflows continued, reaching EUR 435 m for the quarter. The European distribution channel is thus exceeding targets and generated profits for Nordea in excess of EUR 1m per month in the first quarter.

Market shares in first quarter 2002

	Nordic	Denmark	Finland	Norway	Sweden
Net inflow	19.5%	33.1%	10.9%	8.0%	12.2%
AuM	20.3%	26.8%	26.6%	8.6%	18.6% ¹

¹ Market share in Sweden as of end 2001

Average gross margin on Nordea's funds was 105bp, 4bp higher than during the previous quarter, reflecting good inflows with consequent transaction income. Assets under management in Nordea funds were EUR 38bn at the end of the quarter, up EUR 2bn from the last quarter.

European Private Banking

Asset under management in European Private Banking increased to EUR 6.8bn, up from EUR 6.6bn in the fourth quarter. All areas in the business unit developed positively during the quarter.

Nordic Private Banking

Assets under management in Nordic Private Banking fell by EUR 0.2bn to EUR 21.8bn as uncertainty in equity markets continued. Trading activity also remained subdued, which influenced income negatively. However, focus on costs reduced the impact on the result of this business unit, for which part of the result is included under Retail Banking.

Life

Net written premiums decreased by EUR 85m compared to the previous quarter, and totalled EUR 693m in the first quarter 2002. This is in line with expectations, as premiums ordinarily are higher in the fourth quarter. Furthermore, the general uncertainty surrounding the savings markets influenced the sales of unit-linked products negatively.

Investment return (excluding unit-linked business) was 2.0% (annualised) in the first quarter of 2002 compared to 13.2% (annualised) in the fourth quarter of 2001. Financial buffers, which were increased considerably in the fourth quarter of 2001, were decreased by EUR 80m to EUR 1,696m during the first quarter 2002.

Long-Term Savings & Life

Total savings held by retail customers of Nordea (not included in assets under management as such) were virtually unchanged during the first quarter. Overall asset allocation has shifted slightly towards savings accounts, with Unit Linked products experiencing the greatest relative loss.

Result

Financial markets continued to be volatile in the first quarter. With weak performance in the two first months, and a positive development in March, profits for the combined business area improved slightly from the previous quarter.

For the Asset Management activities, revenues decreased by EUR 2m compared to fourth quarter, ending at EUR 131m. However focus on costs reduced operating costs by EUR 3m to a total of EUR 75m in the first quarter. The product result was EUR 56m, up EUR 1m from the previous quarter.

Product result from Life activities of the business area was unchanged at EUR 4m in the first quarter. Investment return was 2.0% and financial buffers were reduced by EUR 80m (5%).

Volumes, inflow and margins

EURbn	Total			Denmark		Finland		Norway		Sweden	
	Q1 2002	Q1 Inflow	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001	Q1 2002	Q4 2001
Investment Funds ¹	37.8	2.1	35.7	11.0	10.1	4.2	4.1	1.5	1.5	18.0	17.5
Investment Management	74.0	1.7	72.1								
of which Investment Funds	34.6	1.5	33.0								
of which Group Internal Insurance ²	20.7	0.0	20.1								
Nordic Private Banking	21.8	0.9	22.0								
European Private Banking	6.8	0.2	6.6								
Real estate	1.8		1.7								
Total	107.6	3.3	105.2								
Investment fund margins, % ³	1.05		1.01	0.65	0.55	1.46	1.33	1.03	0.99	1.18	1.18
Investment Management margins, % ⁴	0.20		0.22								

¹ Including EUR 3.1bn and 2.5bn outside the Nordic countries for the first and fourth quarter, respectively.

² Unit-Linked insurance is generally included under Investment Funds.

³ For Denmark net margins are included, whereas in the other markets, gross margin (before costs of fund management) are included.

⁴ Margin calculation includes management of Nordea Investment Funds and Group Internal Insurance.

Key figures per quarter – Asset Management activities

EURm	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001
Revenues	131	133	117	133	145
of which allocated to Retail Banking	58	45	48	59	63
Expenses	-48	-63	-52	-54	-54
Distribution expenses in Retail Banking	-27	-15	-15	-14	-16
Product result	56	55	50	65	75
Operating profit, customer responsible units	25	25	17	20	28
Cost/income ratio, % - CRUs	61	64	69	67	58
Assets under management, EURbn	108	105	87	101	97
Number of employees (full-time equivalents)	840	830	800	800	800

Key figures per quarter – Life activities

EURm	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001
Premiums written, net of reinsurance	693	778	458	746	684
Technical result	4	-41	5	23	3
Investment earnings on shareholders' equity	0	45	-54	19	-17
Product result	4	4	-49	42	-14
of which customer responsible units	-6	-6	-24	14	-14
Equities	5,330	5,001	4,384	5,455	5,023
Bonds	11,453	11,205	10,813	10,636	10,503
Property	1,782	1,740	1,663	1,502	1,463
Unit-linked	3,533	3,378	2,952	3,353	3,116
Total investments	22,098	21,324	19,812	20,946	20,105
Investment return, % pa ¹	2.0	13.2	-12.4	6.8	-10.0
Technical provisions	21,242	20,534	19,120	20,027	19,122
Financial buffers	1,696	1,776	1,563	2,185	2,198
Number of employees (full-time equivalents)	816	802	827	835	856

¹ Exclusive of unit linked business.

General Insurance

- **Stable development in gross premiums**
- **Higher claims**
- **Takeover of portfolio in Estonia**

General Insurance comprises the activities within direct general insurance and reinsurance.

The reorganisation of the General Insurance activities in order to reduce Nordea's ownership stake in General Insurance continues according to plan.

Market conditions

Prices continue to increase in the international reinsurance market. Renewals in Asia in April resulted in price increases in the range of 25% to 50% for that market.

Business development

General Insurance is planning to expand its position in the Nordic and Baltic market to become the best online insurance company in the Nordic and Baltic Sea region. In the coming two to three years General Insurance will offer customers new possibilities within self service, online offers and purchase of insurance products. Commercial customers can now make cargo insurance declarations on the Internet. Another new feature is the customer's possibility to see status on reported claims online.

In Denmark, health insurance is now offered to all companies with three or more employees without a medical report upon writing the insurance. Health insurance is expected to be one of the key growth areas in the years to come.

The acquisition of a portfolio from the Estonian Nordika Kindlustus has been approved by the Estonian authorities. General Insurance takes over a portfolio with premium income around EUR 4.5m and 90 employees.

Result

The development in gross premiums is stable at a high level in the first quarter. The Norwegian business continues to be the main contributor to growth. The premium rate increases implemented in Denmark have, as expected, led to a slight decrease for the commercial line compared to the fourth quarter of 2001.

In Finland premiums have developed as expected with approximately 3,350 insurances policies sold in the first quarter.

Due to seasonal changes and unfavourable weather conditions, the claims ratio was at a higher level in the first quarter.

The expenses have increased in the first quarter of 2002, resulting in an expense ratio of 30%.

The investment earnings were affected by losses in the bond portfolio as a result of higher interest rates, outweighed by gains in the equity portfolio. The investment return was 1.2% at the end of Q1 corresponding to a return of 4.8%, annualised.

Key figures per quarter

	Q1	Q4	Q3	Q2	Q1
EURm	2002	2001	2001	2001	2001
Gross earned premiums	505	494	470	453	428
Technical result	-24	-42	11	25	1
Investment earnings	-7	43	-35	11	-32
Operating profit	-31	1	-24	36	-31
Combined ratio, %	113	114	105	100	106
Core operating ratio, % ¹	-6	-10	3	7	0
Operating ratio, % ²	-8	0	-6	10	-9
Return on equity, %	-15	8	-18	26	-21
Shares	455	437	372	444	412
Bonds	1,860	1,790	1,628	1,518	1,438
Property	434	430	426	407	412
Investments	2,749	2,657	2,426	2,369	2,262
Investment return, % pa ³	4.8	2.9	-2.8	4.8	1.2
Number of employees (full-time equivalents)	4,430	4,290	4,280	4,220	4,210

¹ Technical result/premiums on own account² Operating profit/premiums on own account³ Before interest allocation to technical result

Group Treasury

- **Issuance of EUR 500m subordinated debt**
- **Reduced market risk exposure**

Group Treasury is responsible for the Group's own investment portfolio and market risk taking in financial instruments (excluding investments within insurance), as well as Group funding and asset and liability management.

Market conditions

The Federal Reserve and ECB kept official interest rates unchanged during the quarter. In the Nordic area the Swedish Riksbank was the first G10 central bank to increase official rates from 3.75% to 4.00% in March.

The global stock markets were largely unchanged in the quarter, falling until the end of February and recovering in March. In the Nordic area, the Norwegian market was the best performing while the Swedish market had the most negative development.

Business development

The market risk exposure in Group Treasury was reduced in the first quarter compared to the end of 2001.

During the first quarter Nordea has been an active issuer of structured notes in the domestic markets. Increased customer demand for mortgage products also supported large issuance of mortgage bonds in the Swedish, Danish and Norwegian markets.

In March Nordea issued a 12-year EUR 500m subordinated bond. The purpose of the transaction was to refinance subordinated debt maturing this year. The bond was successfully launched with over 100 European investors participating, and it was well oversubscribed. At the end of March, the price risk involved in Group Treasury's trading positions calculated as a parallel shift assuming a change in market interest rates of 100 basis points was EUR 108m compared to EUR 157m in beginning of the quarter.

The risk related to equities calculated as VaR was unchanged compared to the end of 2001 at EUR 72m. The VaR figure includes all equities including listed, unlisted and private equity.

Result

The operating result totalled EUR 35m. Investment earnings totalled EUR 11m in the first quarter. Losses on the fixed income portfolio amounted to EUR 6m as a result of rising interest rates, despite a lowered bond market exposure. Income from equities was positive, EUR 17m due to positive development on certain specific stock holdings. The operating profit related to Group Funding activities was EUR 24m during the quarter.

Operating profit by main area

EURm	Total		Investment and Risk Trading				Group Funding	
	Q1 2002	Q4 2001	Fixed-income portfolios		Equity portfolios		Q1 2002	Q4 2001
			Q1 2002	Q4 2001	Q1 2002	Q4 2001		
Income			-5	0	18	34	30	16
Expenses			-1	-2	-1	-2	-6	-8
Profit excluding investment earnings	24	8					24	8
Investment earnings	11	30	-6	-2	17	32		
Operating profit	35	38						

Key figures per quarter

	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001
Operating profit, EURm	35	38	21	35	80 ¹
Cost/income ratio, %	23	17	23	22	11
Bonds, EURbn	15.1	13.4	11.9	11.7	12.9
Shares, EURbn	0.7	0.6	0.6	0.7	0.8
Investments	15.8	14.0	12.5	12.4	13.7
Number of employees (full-time equivalents)	106	101	103	106	105

¹ Including a reclassification gain of EUR 68m

Wednesday 24 April 2002

Thorleif Krarup
Group Chief Executive Officer

- A conference call with management will be arranged on 24 April 2002 at 7:00 pm, CET.
(Please dial +44 (0)20 8781 0577 password Nordea, 10 minutes in advance.)
- This interim report is available on the Internet.
- A slide presentation is available on the Internet.

For further information:

Arne Liljedahl, Group CFO/EVP	+46 8 614 7996	
Sigurd Carlsen, Head of Investor Relations	+46 8 614 7852	(or +46 70 204 9878)
Erik Evrén, Head of Group Media Relations	+46 8 614 8611	(or +46 70 946 5389)

Financial calendar:

The Annual General Meeting will be held on 24 April.

The interim report for the second quarter 2002 will be published on 22 August.

The Capital Markets day will be arranged on 23 September in London.

The interim report for the third quarter 2002 will be published on 22 October.

This report is published in four additional language versions; Danish, Finnish, Norwegian and Swedish. In the event of any inconsistencies between those language versions and this English version, the English version shall prevail.

This interim report has not been subject to review by auditors.

Statutory income statement

EURm	Note	Jan-Mar 2002	Jan-Mar 2001
Interest income		2,509	3,057
Interest expenses		-1,615	-2,125
Net interest income		894	932
Dividends received		5	23
Net commission income		386	365
Net result from financial operations	1	82	149
Other operating income		29	28
Total operating income		1,396	1,497
General administrative expenses:			
Personnel expenses		-501	-475
Other expenses		-358	-323
Depreciation according to plan		-78	-65
Total operating expenses		-937	-863
Profit before loan losses		459	634
Loan losses, net	2	-63	-46
Change in value of property taken over for protection of claims	2	-	1
Profit from companies accounted for under the equity method		15	11
Operating profit, banking		411	600
Operating profit, insurance	3	-35	-53
Total operating profit		376	547
Pension adjustments		-5	8
Taxes		-102	-157
Minority interests		0	-1
Net profit		269	397

Notes

Note 1	Jan-Mar 2002	Jan-Mar 2001
Net result from financial operations, EURm		
Shares/participations and other share-related instruments	21	-23
Interest-bearing securities and other interest-related instruments	-5	123
Other	4	1
Foreign exchange gains/losses	62	48
Total	82	149

Note 2	Jan-Mar 2002	Jan-Mar 2001
Loan losses, net, EURm		
<i>Individually appraised receivables</i>		
Losses incurred during the period	68	83
Previous provisions utilised	-52	-72
Provisions for possible loan losses	138	153
Recovery of previously incurred losses	-26	-22
Reversal of previous provisions	-65	-103
	63	39
<i>Receivables appraised by category</i>		
Losses incurred during the period	6	8
Recovery of previously incurred losses	-4	-4
Reversal/provision to reserves for possible loan losses	-4	-4
	-2	0
<i>General reserve</i>	-	-
Reversal/provision to general reserve	-	..
Transfer risk	2	6
Contingent liabilities	0	1
Total loan losses, net	63	46
Change in value of property taken over for protection of claims	-	-1
Loan losses, operational income statement	63	45

Note 3 Operating profit, insurance, EURm	Jan-Mar 2002	Jan-Mar 2001
General Insurance		
Earned premiums, net of reinsurance	410	358
Technical interest	31	26
Claims incurred, net of reinsurance	-341	-286
<u>Insurance operating expenses, net of reinsurance</u>	<u>-124</u>	<u>-97</u>
Technical result	-24	1
Investment activities		
Interest etc	31	30
Realised and unrealised investment gains	-5	-30
Investment expenses	-1	-2
<u>Technical interest transferred to insurance activities</u>	<u>-32</u>	<u>-30</u>
<u>Total profit on investment activities</u>	<u>-7</u>	<u>-32</u>
Profit before tax, General Insurance	-31	-31
Life Insurance and Pensions		
Premiums written, net of reinsurance	655	648
Investment return	109	-543
Claims incurred and benefits paid and change in provisions (incl change in bonus equalisation reserves)	-721	-69
<u>Insurance operating expenses, net of reinsurance</u>	<u>-39</u>	<u>-33</u>
Technical result	4	3
Investment activities		
Interest etc	207	164
Realised and unrealised investment gains	-73	-790
Investment expenses	-6	-5
Pension return tax etc	-19	68
<u>Investment return transferred to insurance activities</u>	<u>-109</u>	<u>546</u>
<u>Total profit on investment activities</u>	<u>0</u>	<u>-17</u>
Profit before tax, Life Insurance and Pensions	4	-14
Operating profit, before group adjustments	-27	-45
Group adjustments (goodwill depreciation)	-8	-8
Operating profit, insurance	-35	-53

Accounting principles

Accounting principles and methods of calculation are unchanged compared to the annual accounts 2001.

From 1 January 2002, general provisions for loan losses are compulsory according to FSA rules. Through the acquisition of Nordea Bank Norway (December 2000), a general provision for loan losses was introduced in the Nordea Group. The provision refers to loans not yet identified as defaulted. At the end of 2001 the general provision amounted to EUR 235m of which EUR 36m remained from the general provision made in the third quarter of 2001 (EUR 100m). After analysing and defining Nordea's loan loss reserves during the first quarter 2002 according to the new rules, the reserves at the end of 2001 (EUR 2,259m) (excluding transfer risks EUR 155m) were reclassified as follows:

EURm	
Specific	1,803
Appraised by category	92
General	364
Total	<u>2,259</u>

Exchange rates applied

	Jan - Mar 2002	Jan - Mar 2001	Jan - Dec 2001
<u>EUR 1 = SEK</u>			
Income statement (average)	9.1328	8.9642	9.2684
Balance sheet (at end of period)	9.0304	9.1570	9.3012
<u>EUR 1 = DKK</u>			
Income statement (average)	7.4317	7.4624	7.4515
Balance sheet (at end of period)	7.4336	7.4627	7.4365
<u>EUR 1 = NOK</u>			
Income statement (average)	7.7934	8.1981	8.0516
Balance sheet (at end of period)	7.7030	8.0570	7.9515

Statutory balance sheet, end of period

EURbn	Mar 2002	Dec 2001
Loans and advances to credit institutions	26	24
Lending	142	138
Interest-bearing securities	32	33
Shares	1	1
Shares in group and associated undertakings	1	1
Intangible assets	3	3
Land and buildings	2	2
Other assets, banking ¹	21	16
Assets, insurance ¹	25	24
Total assets	253	242
Deposits by credit institutions	35	30
Deposits	86	83
Other borrowings from the public	2	5
Debt securities in issue	67	61
Other liabilities, banking	20	23
Liabilities, insurance	24	22
Subordinated liabilities	7	6
Minority interests	0	0
Shareholders' equity	12	12
Total liabilities and shareholders' equity	253	242
¹ Investments, customers and policyholders bear the whole risk.	7	6

Movements in shareholders' equity, EURm	Jan - Mar 2002
Shareholders' equity at 1 January	11,819
Dividend ¹	-682
Own shares ²	-3
Currency translation adjustment	112
Net profit for the period	269
At end of period	11,515

¹ Board proposal.

² Number of own shares at the end of March 17.5 million (end of Dec 2001 17.9 million). Average number of own shares Jan-March 17.5 million.

Capital adequacy	Mar 2002	Dec 2001
Tier 1 capital, EURm	10,048	9,900
Capital base, EURm	12,848	12,353
Risk-weighted assets, (banking), EURbn	140	136
Tier 1 capital ratio, %	7.2	7.3
Total capital ratio, %	9.2	9.1

Notes

Derivatives	Interest-rate derivatives		Equity derivatives		Foreign exchange derivatives	
	Market value	Book value	Market value	Book value	Market value	Book value
EURm 31 March 2002						
Positive values	6,184	5,965	356	250	3,496	3,213
Negative values	6,261	6,072	208	168	3,438	2,962

Cash flow statement, EURm	Jan - Mar	Jan - Mar
	2002	2001
Net cash inflow/(outflow) from operating activities before changes in ordinary business assets and liabilities	1,619	465
Changes in ordinary business assets and liabilities	-8,724	-5,580
Net cash inflow/(outflow) from operating activities	-7,105	-5,115
Net cash inflow/(outflow) from capital expenditure and financial investments	1,118	3,669
Net cash inflow/(outflow) from financing	5,992	2,007
Increase/(decrease) in cash	5	561
Cash and cash equivalents at beginning of period	8,323	5,831
Cash and cash equivalents at end of period	8,328	6,392

Loan portfolio, EURm	March 31, 2002			December 31, 2001		
	Total lending	Defaulted		Total lending	Defaulted	
		Net	Provisions		Net	Provisions
Companies	87,003	688	1,919	84,088	655	1,866
Households	52,218	153	372	50,716	200	393
Public sector	2,695	0	0	2,766	0	0
Total	141,916	841	2,291	137,570	855	2,259

Defaulted loans, EURm	Mar	Dec	Sep	Jun	Mar
	2002	2001	2001	2001	2001
Defaulted loans, gross	3,132	3,114 ¹	3,120	3,040	3,059
Provisions	-2,291	-2,259	-2,267	-2,122	-2,218
of which specific	-1,839	-1,803
appraised by category	-82	-92
general	-370	-364
Defaulted loans, net	841	855¹	853	918	841
Provisions/defaulted loans, gross, %	73	73	73	70	73
Defaulted loans, net/lending, %	0.6	0.6	0.6	0.7	0.6

Property taken over for protection of claims

Land and buildings	13	13	17	12	12
Shares and participations	38	35	33	19	8
Other	1	1	1	8	5
Total	52	49	51	39	25

¹ According to new FSA rules, loans with interest deferrals are classified as defaulted. The figures for Dec 2001 are restated including EUR 28m of such loans (previously reported as problem loans).