



2013 was another year of low growth and interest rates declined to record-low levels. In this environment, Nordea delivered a stable income level and saw a continued inflow of relationship customers. Costs have been kept flat now for 13th consecutive quarters, net loan losses decreased and the operating profit increased, thus giving a continued strong and stable capital generation. The core tier 1 capital ratio increased to 14.9 per cent, up by 1.8 percentage points, and the dividend proposal increased to EUR 0.43 per share (EUR 0.34).

With loan demand foreseen to be lower in the coming years, customer activity lower and interest rates lower than previously expected, Nordea will increase its focus on cost efficiency and will accelerate and expand its cost efficiency program. This will enable Nordea to adjust its capacity to the lower activity level and to maintain its position as a strong bank. It will strengthen the foundation which is fundamental for meeting customer needs and for the relationship strategy.

The relationship strategy continued to be instrumental to Nordea in 2013 and Nordea is developing the future relationship bank with the 2015 plan. Since 2007, Nordea has consistently followed this strategy, which is based on long-term customer relationships. It has proven superior when working with customers, as Nordea studies closely the situation and needs of each customer. In this challenging macro environment Nordea is committed to serving customers and thus supporting the economy.

Nordea is less vulnerable to market turbulence than other banks due to its well-diversified business model. Nordea strives towards safeguarding its high credit rating, which further enables strong liquidity and funding position. This is vital in the process where you want to offer the right products and services at the right price to each customer.

The regulatory requirements on capital, liquidity and funding, following the global financial and sovereign debt crises, imply a cost and new demands for all

banks. These will be reflected in business models and in other changes in the global banking market for years to come.

For the third year in a row, British financial magazine World Finance named Nordea the "Best banking Group in the Nordics". Prospera survey showed that large companies in the Nordics rank Nordea the best bank in the Nordics, which was confirmed by the Euromoney awards "Best Bank" and "Best Investment Bank" in the Nordics and Baltics.

Nordea's AA rating was confirmed by Fitch, Moody's and Standard & Poor's, providing further proof of Nordea's strong financial position and solid earnings. Few banks in Europe have as high a rating as Nordea, which enables Nordea to have strong access to funding at competitive prices. AA rating level reflects that Nordea's repayment ability is perceived to be very good.

Nordea's vision is to be a Great European bank, acknowledged for its people, creating superior value for customers and shareholders. Nordea is making it possible for customers to reach their goals by providing a wide range of products, services and solutions within banking, asset management and insurance. Nordea has around 11 million customers, approximately 900 branch office locations and is among the ten largest universal banks in Europe in terms of total market capitalization. The Nordea share is listed on the NASDAQ OMX Nordic Exchange in Stockholm, Helsinki and Copenhagen.