

IMPORTANT NOTICE

In accessing the attached base prospectus supplement (the "Supplement") you agree to be bound by the following terms and conditions.

The information contained in the Supplement may be addressed to and/or targeted at persons who are residents of particular countries only as specified in the Base Prospectus (as defined in the Supplement) and is not intended for use, and should not be relied upon, by any person outside those countries. **Prior to relying on the information contained in the Supplement, you must ascertain from the Base Prospectus whether or not you are an intended addressee of, and eligible to view, the information contained therein.**

The Supplement and the Base Prospectus do not constitute, and may not be used in connection with, an offer to sell or the solicitation of an offer to buy securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities law of any such jurisdiction.

The securities described in the Supplement and the Base Prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States and may include notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, such securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")). The securities described in the Supplement and the Base Prospectus will only be offered in offshore transactions to non-U.S. persons in reliance upon Regulation S.

For a more complete description of restrictions on offers and sales of the securities described in the Supplement and the Base Prospectus, see pages i to viii and the sections "*Subscription and Sale*" in the Base Prospectus.

SUPPLEMENT NO. 3 DATED 4 FEBRUARY 2015 TO THE BASE PROSPECTUS DATED 8 MAY 2014



NORDEA BANK AB (publ)

(Incorporated with limited liability in the Kingdom of Sweden)

€50,000,000,000

Euro Medium Term Note Programme

This supplement no. 3 (the "**Supplement**") is supplemental to, and must be read in conjunction with, the base prospectus dated 8 May 2014, the base prospectus supplement dated 1 August 2014 and the base prospectus supplement dated 7 November 2014 (together, the "**Base Prospectus**" which also serves as a base listing particulars, the "**Base Listing Particulars**") prepared by Nordea Bank AB (publ) (the "**Issuer**") with respect to its €50,000,000,000 Euro Medium Term Note Programme (the "**Programme**") and constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.

Application has been made to the Irish Stock Exchange for the approval of this Supplement as a Base Listing Particulars supplement (the "**Base Listing Particulars Supplement**"). Save where expressly provided or the context otherwise requires, in the case of Exempt Notes, any reference in this Supplement to "Supplement" shall be deemed to be a reference to "Base Listing Particulars Supplement" and any reference to "Base Prospectus" shall be deemed to be a reference to "Base Listing Particulars".

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between (a) any statements in or incorporated by reference into this Supplement and (b) any statement in or incorporated by reference into the Base Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted since the publication of the Base Prospectus.

AMENDMENTS TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in the Base Prospectus shall be amended and/or supplemented in the manner described below.

FOURTH QUARTER REPORT 2014

On 28 January 2015, the Issuer published its fourth quarter report for the year ending 31 December 2014 (the "**Fourth Quarter Report 2014**"). The Fourth Quarter Report 2014 contains unaudited consolidated and individual financial statements. By virtue of this Supplement, the unaudited consolidated income statement, statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement, the Issuer's unaudited income statement and balance sheet and the related notes of the Fourth Quarter Report 2014 are set out in the annex hereto, and such annex forms part of this Supplement and the Base Prospectus.

GENERAL INFORMATION

The third paragraph of the "General Information" section on page 158 of the Base Prospectus is deleted and replaced by the following:

- "3. Since 31 December 2014, the date to which the latest unaudited financial statements of the Issuer were prepared, there has been no significant change in the financial or trading position of the Issuer or the Nordea Group."

UPDATE OF THE SUMMARY OF THE PROGRAMME

The Summary of the Programme included in the Base Prospectus is updated in Appendix 1 to this Supplement.

SELECTED FINANCIAL INFORMATION

The Selected Financial Information section on pages 125-127 of the Base Prospectus is replaced in its entirety with the updated Selected Financial Information in Appendix 2 to this Supplement.

ANNEX

Index

Nordea Bank AB (publ)

1. Unaudited consolidated income statement dated 31 December 2014	Page 5
2. Unaudited consolidated statement of comprehensive income dated 31 December 2014	Page 5
3. Unaudited consolidated balance sheet dated 31 December 2014	Page 6
4. Unaudited consolidated statement of changes in equity dated 31 December 2014	Page 7
5. Unaudited consolidated cash flow statement (condensed) dated 31 December 2014	Page 8
6. Notes to the Consolidated Financial Statements	Pages 9-26
7. Unaudited income statement dated 31 December 2014	Page 27
8. Unaudited balance sheet dated 31 December 2014	Page 28
9. Notes to the Nordea Bank Financial Statements	Pages 29-32

Income statement

EURm	Note	Q4 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Operating income					
Interest income		2,371	2,731	9,995	10,604
Interest expense		-1,015	-1,341	-4,513	-5,079
Net interest income		1,356	1,390	5,482	5,525
Fee and commission income		1,006	949	3,799	3,574
Fee and commission expense		-243	-246	-957	-932
Net fee and commission income	3	763	703	2,842	2,642
Net result from items at fair value	4	367	333	1,425	1,539
Profit from companies accounted for under the equity method		-1	21	18	79
Other operating income		28	22	457	106
Total operating income		2,513	2,469	10,224	9,891
Operating expenses					
General administrative expenses:					
Staff costs		-758	-739	-3,149	-2,978
Other expenses	5	-416	-480	-1,635	-1,835
Depreciation, amortisation and impairment charges of tangible and intangible assets		-53	-64	-582	-227
Total operating expenses		-1,227	-1,283	-5,366	-5,040
Profit before loan losses		1,286	1,186	4,858	4,851
Net loan losses	6	-129	-180	-534	-735
Operating profit		1,157	1,006	4,324	4,116
Income tax expense		-280	-246	-953	-1,009
Net profit for the period from continuing operations		877	760	3,371	3,107
Net profit for the period from discontinued operations, after tax	12	0	13	-39	9
Net profit for the period		877	773	3,332	3,116
Attributable to:					
Shareholders of Nordea Bank AB (publ)		877	773	3,332	3,116
Non-controlling interests		-	-	-	-
Total		877	773	3,332	3,116
Basic earnings per share, EUR - Total operations		0.22	0.19	0.83	0.77
Diluted earnings per share, EUR - Total operations		0.22	0.19	0.83	0.77

Statement of comprehensive income

EURm	Q4 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Net profit for the period	877	773	3,332	3,116
Items that may be reclassified subsequently to the income statement				
Currency translation differences during the period	-1,094	-285	-1,039	-999
Hedging of net investments in foreign operations:				
Valuation gains/losses during the period	490	115	435	464
Tax on valuation gains/losses during the period	-108	-25	-96	-102
Available for sale investments: ¹				
Valuation gains/losses during the period	-28	-8	40	31
Tax on valuation gains/losses during the period	7	3	-8	-6
Cash flow hedges:				
Valuation gains/losses during the period	38	-32	31	-2
Tax on valuation gains/losses during the period	-8	7	-7	-1
Items that may not be reclassified subsequently to the income statement				
Defined benefit plans:				
Remeasurement of defined benefit plans	-154	56	-518	155
Tax on remeasurement of defined benefit plans	36	-16	120	-39
Other comprehensive income, net of tax²	-821	-185	-1,042	-499
Total comprehensive income	56	588	2,290	2,617
Attributable to:				
Shareholders of Nordea Bank AB (publ)	56	588	2,290	2,617
Non-controlling interests	-	-	-	-
Total	56	588	2,290	2,617

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

² Of which EUR 0m for Q4 2014 and EUR -12m for Jan-Dec 2014 (Q4 2013: EUR -22m, Jan-Dec 2013: EUR -22m) related to discontinued operations.

Balance sheet

EURm	Note	31 Dec 2014	31 Dec 2013
Assets			
Cash and balances with central banks		31,067	33,529
Loans to central banks	7	6,958	11,769
Loans to credit institutions	7	12,217	10,743
Loans to the public	7	348,085	342,451
Interest-bearing securities		87,110	87,314
Financial instruments pledged as collateral		12,151	9,575
Shares		39,749	33,271
Derivatives		105,119	70,992
Fair value changes of the hedged items in portfolio hedge of interest rate risk		256	203
Investments in associated undertakings		487	630
Intangible assets		2,908	3,246
Properties and equipment		509	431
Investment properties		3,227	3,524
Deferred tax assets		130	62
Current tax assets		132	31
Retirement benefit assets		42	321
Other assets		17,581	11,064
Prepaid expenses and accrued income		1,614	2,383
Assets held for sale	12	-	8,895
Total assets		669,342	630,434
<i>Of which assets customer bearing the risk</i>		<i>29,125</i>	<i>24,912</i>
Liabilities			
Deposits by credit institutions		56,322	59,090
Deposits and borrowings from the public		197,254	200,743
Liabilities to policyholders		51,843	47,226
Debt securities in issue		194,274	185,602
Derivatives		97,340	65,924
Fair value changes of the hedged items in portfolio hedge of interest rate risk		3,418	1,734
Current tax liabilities		368	303
Other liabilities		26,973	24,737
Accrued expenses and prepaid income		1,943	3,677
Deferred tax liabilities		983	935
Provisions		305	177
Retirement benefit obligations		540	334
Subordinated liabilities		7,942	6,545
Liabilities held for sale	12	-	4,198
Total liabilities		639,505	601,225
Equity			
Non-controlling interests		2	2
Share capital		4,050	4,050
Share premium reserve		1,080	1,080
Other reserves		-1,201	-159
Retained earnings		25,906	24,236
Total equity		29,837	29,209
Total liabilities and equity		669,342	630,434
Assets pledged as security for own liabilities		163,041	174,418
Other assets pledged		11,265	7,467
Contingent liabilities		22,017	20,870
Credit commitments ¹		74,291	78,332
Other commitments		1,644	1,267

¹ Including unutilised portion of approved overdraft facilities of EUR 38,234m (31 Dec 2013: EUR 44,053).

Statement of changes in equity

Attributable to shareholders of Nordea Bank AB (publ)										
EURm	Other reserves:							Total	Non-controlling interests	Total equity
	Share capital ¹	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings			
Balance at 1 Jan 2014	4,050	1,080	-613	-18	81	391	24,236	29,207	2	29,209
Net profit for the period	-	-	-	-	-	-	3,332	3,332	-	3,332
Other comprehensive income, net of tax	-	-	-700	24	32	-398	-	-1,042	-	-1,042
<i>Total comprehensive income</i>	-	-	-700	24	32	-398	3,332	2,290	-	2,290
Share-based payments ²	-	-	-	-	-	-	16	16	-	16
Dividend for 2013	-	-	-	-	-	-	-1,734	-1,734	-	-1,734
Disposal of own shares ³	-	-	-	-	-	-	56	56	-	56
Balance at 31 Dec 2014	4,050	1,080	-1,313	6	113	-7	25,906	29,835	2	29,837

Attributable to shareholders of Nordea Bank AB (publ)										
EURm	Other reserves:							Total	Non-controlling interests	Total equity
	Share capital ¹	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings			
Balance at 1 Jan 2013	4,050	1,080	24	-15	56	275	22,530	28,000	5	28,005
Net profit for the period	-	-	-	-	-	-	3,116	3,116	-	3,116
Other comprehensive income, net of tax	-	-	-637	-3	25	116	-	-499	-	-499
<i>Total comprehensive income</i>	-	-	-637	-3	25	116	3,116	2,617	-	2,617
Share-based payments ²	-	-	-	-	-	-	17	17	-	17
Dividend for 2012	-	-	-	-	-	-	-1,370	-1,370	-	-1,370
Purchases of own shares ³	-	-	-	-	-	-	-57	-57	-	-57
Other changes	-	-	-	-	-	-	-	-	-3	-3
Balance at 31 Dec 2013	4,050	1,080	-613	-18	81	391	24,236	29,207	2	29,209

¹ Total shares registered were 4,050 million (31 Dec 2013: 4,050 million).

² The total holding of own shares related to Long Term Incentive Programme (LTIP) is 15.9 million (31 Dec 2013: 18.3 million).

³ Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares at 31 Dec 2014 were 23.0 million (31 Dec 2013: 31.8 million).

Cash flow statement, condensed - Total operations

EURm	Jan-Dec 2014	Jan-Dec 2013
<i>Operating activities</i>		
Operating profit	4,324	4,116
Profit for the period from discontinued operations, after tax	-39	9
Adjustments for items not included in cash flow	8,137	4,492
Income taxes paid	-966	-1,010
Cash flow from operating activities before changes in operating assets and liabilities	11,456	7,607
Changes in operating assets and liabilities	-22,280	-1,292
Cash flow from operating activities	-10,824	6,315
<i>Investing activities</i>		
Sale/acquisition of associated undertakings	481	-
Properties and equipment	-183	-120
Intangible assets	-271	-228
Net investments in debt securities, held to maturity	2,750	930
Other financial fixed assets	477	-10
Cash flow from investing activities	3,254	572
<i>Financing activities</i>		
Issued/amortised subordinated liabilities	638	-500
Divestment/repurchase of own shares incl change in trading portfolio	56	-57
Dividend paid	-1,734	-1,370
Cash flow from financing activities	-1,040	-1,927
Cash flow for the period	-8,610	4,960
Cash and cash equivalents at beginning of the period	45,670	42,808
Translation difference	2,623	-2,098
Cash and cash equivalents at end of the period	39,683	45,670
Change	-8,610	4,960
Cash and cash equivalents	31 Dec	31 Dec
The following items are included in cash and cash equivalents (EURm):	<u>2014</u>	<u>2013</u>
Cash and balances with central banks	31,067	33,529
Loans to central banks	6,454	9,313
Loans to credit institutions	2,162	2,290
Assets held for sale	-	538

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 the 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

Nordea's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU Commission. In addition, certain complementary rules in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25, with amendments in FFFS 2009:11, 2011:54, 2013:2, 2013:24 and 2014:18) have also been applied.

These statements are presented in accordance with IAS 34 "Interim Financial Reporting".

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2013 Annual Report.

The new standard IFRS 10 "Consolidated Financial Statements" was implemented on 1 January 2014 but has not had any significant impact on the financial statements.

The Swedish Financial Supervisory Authority has in addition issued amendments to FFFS 2008:25 in FFFS 2013:24 and 2014:18. These amendments were implemented as from 1 January 2014 except for the amendments in FFFS 2014:18 that were implemented in the third quarter 2014. The amendments in FFFS 2014:18 require changed capital adequacy disclosures (presented in Note 11 "Capital adequacy"). The amendments in FFFS 2013:24 have not had any significant impact on the financial statements.

Impact on capital adequacy from new or amended IFRS standards

IFRS 9 "Financial Instruments" covering classification and measurement, impairment and general hedging

has been adopted by the IASB but has not yet been implemented by Nordea.

The changes in classification and measurement are not expected to have a significant impact on Nordea's income statement or balance sheet as the mixed measurement model will be maintained. Significant reclassifications between fair value and amortised cost or impact on the capital adequacy or large exposures are not expected, but this is naturally dependent on the financial instruments on Nordea's balance sheet at transition.

The impairment requirements in IFRS 9 are based on an expected loss model as opposed to the current incurred loss model in IAS 39. In general, it is expected that the new requirements will increase loan loss provisions, decrease equity and have a negative impact on capital adequacy at transition. Nordea has not yet finalised any impact assessment.

The main change to the general hedging requirements is that the standard aligns hedge accounting more closely with the risk management activities. As Nordea generally uses macro (portfolio) hedge accounting Nordea's assessment is that the new requirements will not have any significant impact on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

The IASB has also adopted IFRS 15 "Revenue from Contracts with Customers". The new standard has not yet been implemented by Nordea. It is not expected that the standard will have any significant impact on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

Other amendments to IFRS are not assessed to have any significant impact on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

Exchange rates

	Jan-Dec 2014	Jan-Dec 2013
EUR 1 = SEK		
Income statement (average)	9.1012	8.6524
Balance sheet (at end of period)	9.3930	8.8591
EUR 1 = DKK		
Income statement (average)	7.4548	7.4579
Balance sheet (at end of period)	7.4453	7.4593
EUR 1 = NOK		
Income statement (average)	8.3597	7.8091
Balance sheet (at end of period)	9.0420	8.3630
EUR 1 = PLN		
Income statement (average)	4.1859	4.1969
Balance sheet (at end of period)	4.2732	4.1543
EUR 1 = RUB		
Income statement (average)	50.9996	42.3269
Balance sheet (at end of period)	72.3370	45.3246

Note 2 Segment reporting

	Operating segments							Total Group
	Retail Banking	Whole-sale Banking	Wealth Management	Group Corporate Centre	Other operating segments	Total operating segments	Reconciliation	
Jan-Dec 2014								
Total operating income, EURm	5,840	2,484	1,696	369	-10	10,379	-155	10,224
- of which internal transactions ¹ , EURm	-1,547	-221	16	1,694	58	0	-	-
Operating profit, EURm	2,383	1,523	902	90	-19	4,879	-555	4,324
Loans to the public ² , EURbn	224	57	9	-	-	290	58	348
Deposits and borrowings from the public ² , EURbn	110	41	11	-	-	162	35	197
Jan-Dec 2013								
Total operating income, EURm	5,618	2,550	1,514	400	32	10,114	-223	9,891
- of which internal transactions ¹ , EURm	-1,622	-283	22	1,816	67	0	-	-
Operating profit, EURm	2,068	1,432	728	138	23	4,389	-273	4,116
Loans to the public ² , EURbn	217	57	9	-	-	283	59	342
Deposits and borrowings from the public ² , EURbn	107	41	11	-	-	159	42	201

¹ IFRS 8 requires information on revenues from transactions between operating segments. Nordea has defined intersegment revenues as internal interest income and expense related to the funding of the operating segments by the internal bank in Group Corporate Centre.

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

Breakdown of Retail Banking, Wholesale Banking and Wealth Management

	Retail Banking Nordic ¹		Retail Banking Baltic countries ²		Retail Banking Other ³		Retail Banking Jan-Dec	
	Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec	
	2014	2013	2014	2013	2014	2013	2014	2013
Total operating income, EURm	5,775	5,532	175	166	-110	-80	5,840	5,618
- of which internal transactions, EURm	-1,335	-1,448	-41	-46	-171	-128	-1,547	-1,622
Operating profit, EURm	2,526	2,166	26	40	-169	-138	2,383	2,068
Loans to the public, EURbn	216	209	8	8	-	-	224	217
Deposits and borrowings from the public, EURbn	106	104	4	3	-	-	110	107

	Corporate & Institutional Banking		Shipping, Offshore & Oil Services		Nordea Bank Russia		Capital Markets unallocated		Wholesale Banking Other ⁴		Wholesale Banking Jan-Dec	
	Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Total operating income, EURm	1,525	1,499	365	339	303	244	280	442	11	26	2,484	2,550
- of which internal transactions, EURm	-146	-215	-62	-77	-32	-42	100	134	-81	-83	-221	-283
Operating profit, EURm	987	918	340	185	179	152	77	229	-60	-52	1,523	1,432
Loans to the public, EURbn	39	39	11	12	7	6	-	-	-	-	57	57
Deposits and borrowings from the public, EURbn	36	36	4	4	1	1	-	-	-	-	41	41

	Private Banking		Asset Management		Life & Pension unallocated		Wealth Management Other ⁵		Wealth Management Jan-Dec	
	Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec		Jan-Dec	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Total operating income, EURm	814	726	599	503	554	486	-271	-201	1,696	1,514
- of which internal transactions, EURm	12	15	0	0	0	1	4	6	16	22
Operating profit, EURm	403	316	373	283	348	277	-222	-148	902	728
Loans to the public, EURbn	9	9	-	-	-	-	-	-	9	9
Deposits and borrowings from the public, EURbn	11	11	-	-	-	-	-	-	11	11

¹ Retail Banking Nordic includes banking operations in Denmark, Finland, Norway and Sweden.

² Retail Banking Baltic countries includes banking operations in Estonia, Latvia and Lithuania.

³ Retail Banking Other includes the support areas Development & Projects, Distribution, Segments, Products and IT.

⁴ Wholesale Banking Other includes the area International Units and the support areas Transaction Products, Segment CIB and IT.

⁵ Wealth Management Other includes the area Savings and support areas, such as IT.

Note 2, continued

Reconciliation between total operating segments and financial statements

	Operating profit, EURm		Loans to the public, EURbn		Deposits and borrowings from the public, EURbn	
	Jan-Dec		31 Dec		31 Dec	
	2014	2013	2014	2013	2014	2013
Total operating segments	4,879	4,389	290	283	162	159
Group functions ¹	-129	-116	-	-	-	-
Unallocated items ²	-81	47	69	53	39	39
Differences in accounting policies ³	-345	-204	-11	6	-4	3
Total	4,324	4,116	348	342	197	201

¹ Consists of Group Risk Management, Group Internal Audit, Group Identity & Communications, Group Human Resources and

Group Executive Management.

² Including non-recurring items 2014 EUR -157m.

³ Impact from plan exchange rates used in the segment reporting. As from Q1 2014 the allocation principles have changed, which in addition leads to a difference between the measurement of the operating profit in the "Total operating segments" and the "Total Group". Comparative figures have been restated accordingly.

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 Group Executive Management. The main differences compared to the section "Business areas" in this report are that the information for CODM is prepared using plan exchange rates and to that different allocation principles between operating segments have been applied.

Financial results are presented for the main business areas Retail Banking, Wholesale Banking and Wealth Management, with a further breakdown on operating segments, and the operating segment Group Corporate Centre. Other operating segments below the quantitative thresholds in IFRS 8 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.

Note 3 Net fee and commission income

EURm	Q4 2014	Q3 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Asset management commissions	327	296	273	1,188	1,000
Life insurance	97	92	101	367	350
Brokerage, securities issues and corporate finance	65	59	80	281	296
Custody and issuer services	30	23	38	129	124
Deposits	9	11	13	39	50
Total savings and investments	528	481	505	2,004	1,820
Payments	104	98	110	406	417
Cards	129	147	127	529	508
Total payment and cards	233	245	237	935	925
Lending	155	124	124	541	510
Guarantees and documentary payments	46	45	51	181	187
Total lending related commissions	201	169	175	722	697
Other commission income	44	27	32	138	132
Fee and commission income	1,006	922	949	3,799	3,574
Savings and investments	-85	-111	-94	-363	-322
Payments	-22	-21	-23	-85	-90
Cards	-69	-64	-69	-253	-259
State guarantee fees	-32	-34	-33	-132	-132
Other commission expenses	-35	-25	-27	-124	-129
Fee and commission expenses	-243	-255	-246	-957	-932
Net fee and commission income	763	667	703	2,842	2,642

Note 4 Net result from items at fair value

EURm	Q4 2014	Q3 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Shares/participations and other share-related instruments	1,096	837	879	2,829	2,630
Interest-bearing securities and other interest-related instruments	792	195	397	3,119	238
Other financial instruments	-32	326	-74	409	90
Foreign exchange gains/losses	25	-170	157	-564	876
Investment properties	44	36	40	245	145
Change in technical provisions ¹ , Life insurance	-1,246	-798	-876	-3,834	-1,519
Change in collective bonus potential, Life insurance	-333	-171	-216	-871	-978
Insurance risk income, Life insurance	55	57	49	212	202
Insurance risk expense, Life insurance	-34	-21	-23	-120	-145
Total	367	291	333	1,425	1,539

Of which Life insurance

EURm	Q4 2014	Q3 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Shares/participations and other share-related instruments	1,005	444	849	2,398	2,418
Interest-bearing securities and other interest-related instruments	702	624	208	2,473	30
Other financial instruments	0	5	0	0	0
Foreign exchange gains/losses	-97	-108	27	-241	66
Investment properties	45	39	39	255	144
Change in technical provisions ¹ , Life insurance	-1,246	-798	-876	-3,834	-1,519
Change in collective bonus potential, Life insurance	-333	-171	-216	-871	-978
Insurance risk income, Life insurance	55	57	49	212	202
Insurance risk expense, Life insurance	-34	-21	-23	-120	-145
Total	97	71	57	272	218

¹ Premium income amounts to EUR 605m for Q4 2014 and EUR 2,270 for Jan-Dec 2014, (Q3 2014: EUR 517m, Q4 2013: EUR 531m, Jan-Dec 2013: EUR 2,278m).

Note 5 Other expenses

	Q4	Q3	Q4	Jan-Dec	Jan-Dec
EURm	2014	2014	2013	2014	2013
Information technology	-157	-130	-200	-558	-671
Marketing and representation	-29	-20	-32	-103	-116
Postage, transportation, telephone and office expenses	-45	-40	-44	-177	-192
Rents, premises and real estate	-85	-90	-90	-387	-373
Other	-100	-98	-114	-410	-483
Total	-416	-378	-480	-1,635	-1,835

Note 6 Net loan losses

	Q4	Q3	Q4	Jan-Dec	Jan-Dec
EURm	2014	2014	2013	2014	2013
Loan losses divided by class					
Realised loan losses	0	-2	0	-2	0
Allowances to cover realised loan losses	0	2	0	2	-
Recoveries on previous realised loan losses	-	-	0	0	0
Provisions	0	1	1	0	0
Reversal of previous provisions	0	22	0	23	1
Loans to credit institutions	0	23	1	23	1
Realised loan losses	-208	-115	-227	-633	-709
Allowances to cover realised loan losses	146	69	173	450	508
Recoveries on previous realised loan losses	20	24	21	81	76
Provisions	-256	-245	-289	-998	-1,131
Reversal of previous provisions	169	126	149	557	508
Loans to the public	-129	-141	-173	-543	-748
Realised loan losses	-2	0	0	-3	0
Allowances to cover realised loan losses	2	0	0	3	-
Recoveries on previous realised loan losses	-	-	0	-	0
Provisions	-28	-25	-9	-107	-25
Reversal of previous provisions	28	31	1	93	37
Off-balance sheet items	0	6	-8	-14	12
Net loan losses	-129	-112	-180	-534	-735

Key ratios

	Q4	Q3	Q4	Jan-Dec	Jan-Dec
	2014	2014	2013	2014	2013
Loan loss ratio, basis points	15	12	21	15	21
- of which individual	15	12	20	15	20
- of which collective	0	0	1	0	1

Note 7 Loans and impairment

	Total		
	31 Dec	30 Sep	31 Dec
EURm	2014	2014	2013
Loans, not impaired	363,584	378,214	361,218
Impaired loans	6,425	6,538	6,564
-of which performing	4,115	4,168	3,909
-of which non-performing	2,310	2,370	2,655
Loans before allowances	370,009	384,752	367,782
Allowances for individually assessed impaired loans	-2,329	-2,416	-2,397
-of which performing	-1,432	-1,447	-1,372
-of which non-performing	-897	-969	-1,025
Allowances for collectively assessed impaired loans	-420	-437	-422
Allowances	-2,749	-2,853	-2,819
Loans, carrying amount	367,260	381,899	364,963

	Central banks and credit institutions			The public		
	31 Dec	30 Sep	31 Dec	31 Dec	30 Sep	31 Dec
EURm	2014	2014	2013	2014	2014	2013
Loans, not impaired	19,177	22,085	22,515	344,407	356,129	338,703
Impaired loans	-	-	24	6,425	6,538	6,540
-of which performing	-	-	-	4,115	4,168	3,909
-of which non-performing	-	-	24	2,310	2,370	2,631
Loans before allowances	19,177	22,085	22,539	350,832	362,667	345,243
Allowances for individually assessed impaired loans	-	-	-24	-2,329	-2,416	-2,373
-of which performing	-	-	-	-1,432	-1,447	-1,372
-of which non-performing	-	-	-24	-897	-969	-1,001
Allowances for collectively assessed impaired loans	-2	-2	-3	-418	-435	-419
Allowances	-2	-2	-27	-2,747	-2,851	-2,792
Loans, carrying amount	19,175	22,083	22,512	348,085	359,816	342,451

Allowances and provisions

	31 Dec	30 Sep	31 Dec
EURm	2014	2014	2013
Allowances for items on the balance sheet	-2,749	-2,853	-2,819
Provisions for off balance sheet items	-72	-75	-61
Total allowances and provisions	-2,821	-2,928	-2,880

Key ratios

	31 Dec	30 Sep	31 Dec
	2014	2014	2013
Impairment rate, gross, basis points	174	170	178
Impairment rate, net, basis points	111	107	113
Total allowance rate, basis points	74	74	77
Allowances in relation to impaired loans, %	36	37	37
Total allowances in relation to impaired loans, %	43	44	43
Non-performing, not impaired, EURm	289	318	418

Note 8 Classification of financial instruments

EURm	Loans and receivables	Held to maturity	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Total
Financial assets							
Cash and balances with central banks	31,067	-	-	-	-	-	31,067
Loans to central banks	6,676	-	282	-	-	-	6,958
Loans to credit institutions	7,657	-	4,547	13	-	-	12,217
Loans to the public	246,862	-	49,517	51,706	-	-	348,085
Interest-bearing securities	-	2,630	34,418	18,541	-	31,521	87,110
Financial instruments pledged as collateral	-	-	12,151	-	-	-	12,151
Shares	-	-	8,445	31,300	-	4	39,749
Derivatives	-	-	102,279	-	2,840	-	105,119
Fair value changes of the hedged items in portfolio hedge of interest rate risk	256	-	-	-	-	-	256
Other assets	4,590	-	-	11,176	-	-	15,766
Prepaid expenses and accrued income	1,123	-	4	-	-	-	1,127
Total 31 Dec 2014	298,231	2,630	211,643	112,736	2,840	31,525	659,605
Total 31 Dec 2013 ¹	304,996	5,359	166,073	105,551	1,947	28,006	611,932

EURm	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Total
Financial liabilities					
Deposits by credit institutions	23,806	3,220	-	29,296	56,322
Deposits and borrowings from the public	24,577	8,343	-	164,334	197,254
Liabilities to policyholders, investment contracts	-	16,741	-	-	16,741
Debt securities in issue	8,001	42,619	-	143,654	194,274
Derivatives	95,118	-	2,222	-	97,340
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	3,418	3,418
Other liabilities	6,903	10,061	-	6,377	23,341
Accrued expenses and prepaid income	9	-	-	345	354
Subordinated liabilities	-	-	-	7,942	7,942
Total 31 Dec 2014	158,414	80,984	2,222	355,366	596,986
Total 31 Dec 2013 ¹	132,375	68,001	1,336	356,619	558,331

¹ The comparative figures have been restated to reflect a correction of the classification of liabilities linked to the development of assets in pooled schemes. The deposits have been moved from "Other financial liabilities" to "Designated at fair value through profit or loss". Corresponding assets have been moved from "Held for trading" to "Designated at fair value through profit or loss". There was no impact on the carrying amounts.

Note 9 Fair value of financial assets and liabilities

EURm	31 Dec 2014		31 Dec 2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	31,067	31,067	33,529	33,529
Loans	367,516	368,872	365,166	365,166
Interest-bearing securities	87,110	87,421	87,314	87,439
Financial instruments pledged as collateral	12,151	12,151	9,575	9,575
Shares	39,749	39,749	33,271	33,271
Derivatives	105,119	105,119	70,992	70,992
Other assets	15,766	15,766	10,179	10,179
Prepaid expenses and accrued income	1,127	1,127	1,906	1,906
Total	659,605	661,272	611,932	612,057
Financial liabilities				
Deposits and debt instruments	459,210	460,653	453,714	455,368
Liabilities to policyholders	16,741	16,741	13,737	13,737
Derivatives	97,340	97,340	65,924	65,924
Other liabilities	23,341	23,341	22,610	22,610
Accrued expenses and prepaid income	354	354	2,346	2,346
Total	596,986	598,429	558,331	559,985

The determination of fair value is described in the Annual report 2013, Note G42 "Assets and liabilities at fair value". The fair value for year 2014 has for loans been estimated by discounting the expected future cash flows with an assumed customer interest rate that would have been used on the market if the loans had been issued at the time of the measurement. The assumed customer interest rate is calculated as the benchmark interest rate plus the average margin on new lending in Retail Banking and Wholesale Banking respectively.

Note 10 Financial assets and liabilities held at fair value on the balance sheet**Categorisation into the fair value hierarchy**

EURm	Quoted prices in active markets for the same instrument (Level 1)	Of which Life	Valuation technique using observable data (Level 2)	Of which Life	Valuation technique using non- observable data (Level 3)	Of which Life	Total
Assets at fair value on the balance sheet¹							
Loans to central banks	-	-	282	-	-	-	282
Loans to credit institutions	-	-	4,560	7	-	-	4,560
Loans to the public	-	-	101,223	-	-	-	101,223
Interest-bearing securities ²	54,724	12,805	41,598	6,936	279	53	96,601
Shares ³	32,724	22,739	1,597	1,596	5,458	4,486	39,779
Derivatives	102	-	103,551	119	1,466	-	105,119
Other assets	-	-	11,176	-	-	-	11,176
Prepaid expenses and accrued income	-	-	4	-	-	-	4
Total 31 Dec 2014	87,550	35,544	263,991	8,658	7,203	4,539	358,744
Total 31 Dec 2013	87,475	30,764	208,347	8,362	5,755	2,946	301,577
Liabilities at fair value on the balance sheet¹							
Deposits by credit institutions	-	-	27,026	1,541	-	-	27,026
Deposits and borrowings from the public	-	-	32,920	-	-	-	32,920
Liabilities to policyholders	-	-	16,741	16,741	-	-	16,741
Debt securities in issue	42,619	-	8,001	-	-	-	50,620
Derivatives	91	-	95,623	56	1,626	-	97,340
Other liabilities	4,667	-	12,297	-	-	-	16,964
Accrued expenses and prepaid income	-	-	9	-	-	-	9
Total 31 Dec 2014	47,377	-	192,617	18,338	1,626	-	241,620
Total 31 Dec 2013	44,095	-	156,217	14,905	1,400	-	201,712

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

² Of which EUR 12,121m relates to the balance sheet item Financial instruments pledged as collateral.

³ Of which EUR 30m relates to the balance sheet item Financial instruments pledged as collateral.

Determination of fair values for items measured at fair value on the balance sheet

For information about valuation techniques and inputs used in the fair value measurement, see the Annual report 2013, Note G42 "Assets and liabilities at fair value".

Transfers between Level 1 and 2

During the period, Nordea transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 149m from Level 1 to Level 2 and EUR 1,290m from Level 2 to Level 1 of the fair value hierarchy. Nordea also transferred other liabilities of EUR 55m from Level 2 to Level 1. The reason for the transfers from Level 1 to Level 2 was that the instruments ceased to be actively traded during the period and fair values have now been obtained using valuation techniques with observable market inputs. The reason for the transfer from Level 2 to Level 1 was that the instruments have again been actively traded during the period and reliable quoted prices are obtained in the market. Transfers between levels are considered to have occurred at the end of the reporting period.

Note 10, continued

Movements in Level 3

EURm	Fair value gains/losses recognised in the income statement during the year			Recognised in OCI	Purchases / Issues	Sales	Settlements	Transfers into Level 3	Transfers out of Level 3	Translation differences	31 Dec
	1 Jan	Realised	Un-realised								
Interest-bearing securities	478	8	10	-2	163	-373	-3	-	-	-2	279
- of which Life insurance	104	5	5	-	19	-78	-	-	-	-2	53
Shares	3,841	388	313	-	2,417	-1,441	-22	-	-22	-16	5,458
- of which Life insurance	2,842	324	238	-	2,332	-1,196	-15	-	-22	-17	4,486
Derivatives (net)	37	-488	-197	-	-	-	488	-	-	-	-160
Other liabilities	1	-	-	-	-	-1	-	-	-	-	-
Total 2014, net	4,355	-92	126	-2	2,580	-1,813	463	-	-22	-18	5,577
Total 2013, net	4,824	596	-173	-	464	-1,402	237	-14	-137	-40	4,355

Unrealised gains and losses relate to those assets and liabilities held at the end of the reporting period. During the period Nordea transferred shares of EUR 22m from Level 3 to Level 2. The reason for the transfer from Level 3 to Level 2 was that observable market data became 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.

The valuation processes for fair value measurements in Level 3

For information about valuation processes for fair value measurement in level 3, see the Annual report 2013 Note G42 "Assets and liabilities at fair value".

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 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 the Annual report 2013 Note G1 "Accounting policies". The table below shows the aggregate difference yet to be recognised in the income statement at the beginning and end of the period and a reconciliation of how this aggregated difference has changed during the period (movement of deferred Day 1 profit).

Deferred day 1 profit - Derivatives, net

EURm	2014	2013
Opening balance at 1 Jan	38	24
Deferred profit on new transactions	9	26
Recognised in the income statement during the period	-11	-12
Closing balance at 31 Dec	36	38

Note 10, continued

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

EURm	Fair value	Of which Life ¹	Valuation techniques	Unobservable input	Range of fair value ⁴
Interest-bearing securities					
Mortgage and other credit institutions ²	235	9	Discounted cash flows	Credit spread	-8/8
Corporates	44	44	Discounted cash flows	Credit spread	-3/3
Total 31 Dec 2014	279	53			-11/11
Total 31 Dec 2013	478	104			-25/25
Shares					
Private equity funds	2,328	1,820	Net asset value ³		
Hedge funds	443	181	Net asset value ³		
Credit funds	487	377	Net asset value/market consensus ³		
Other funds	1,970	1,950	Net asset value/Fund prices ³		
Other	230	158	-		
Total 31 Dec 2014	5,458	4,486			-542/575
Total 31 Dec 2013	3,841	2,842			-381/381
Derivatives, net					
Interest rate derivatives	191	-	Option model	Correlations Volatilities	-13/9
Equity derivatives	-220	-	Option model	Correlations Volatilities Dividend	-18/12
Foreign exchange derivatives	-31	-	Option model	Correlations Volatilities	+/-0
Credit derivatives	-129	-	Credit derivative model	Correlations Recovery rates	-10/9
Other	29	-	Option model	Correlations Volatilities	+/-0
Total 31 Dec 2014	-160	-			-41/30
Total 31 Dec 2013	37	-			-31/25

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

² Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LIBOR) of 1.45% and a reasonable change of 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 delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in 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 the EVCA (European Venture Capital Association). Less than 15% of the private equity fund investments are internally adjusted/valued based on the IPEV guidelines. These carrying amounts are in a range of 0% to 95% compared to 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 the Annual Report 2013, Note G42 "Assets and liabilities at fair value".

Note 11 Capital adequacy

These figures are according to part 8 of CRR, in Sweden implemented in FFFS 2014:12

Summary of items included in own funds⁵

EURm	31 Dec 2014	31 Dec 2013
Calculation of own funds		
Equity in the consolidated situation	29,063	28,429
Proposed/actual dividend	-2,501	-1,734
Common Equity Tier 1 capital before regulatory adjustments	26,562	26,695
Deferred tax assets	-	-68
Intangible assets	-2,584	-2,987
IRB provisions shortfall (-) ¹	-344	-369
Deduction for investments in credit institutions (50%) ²	-	-99
Pension assets in excess of related liabilities ³	-33	0
Other items, net	-780	-60
Total regulatory adjustments to Common Equity Tier 1 capital	-3,741	-3,583
Common Equity Tier 1 capital (net after deduction)	22,821	23,112
Additional Tier 1 capital before regulatory adjustments	2,779	1,949
Total regulatory adjustments to Additional Tier 1 capital	-12	-616
Additional Tier 1 capital	2,767	1,332
Tier 1 capital (net after deduction)	25,588	24,444
Tier 2 capital before regulatory adjustments	5,011	4,789
IRB provisions excess (+)/shortfall (-) ¹	-	-369
Deduction for investments in credit institutions (50%) ²	-	-99
Deductions for investments in insurance companies	-505	-616
Pension assets in excess of related liabilities	-	-190
Other items, net	-45	81
Total regulatory adjustments to Tier 2 capital	-550	-1,193
Tier 2 capital	4,461	3,596
Own funds (net after deduction)⁴	30,049	28,040

¹ Shortfall is now deducted 100% CET1, previously 50% T1, 50% T2.

² CRD III deducted 50% T1, 50% T2, CRD IV risk weighted with 250%.

³ Based on conditional FSA approval.

⁴ Own Funds adjusted for IRB provision, i.e. adjusted own funds equal EUR 30,393m by 31 Dec 2014.

⁵ Terminology in table may differ from table Transitional Own Funds.

Own Funds excluding profit

EURm	31 Dec 2014	31 Dec 2013
Common Equity Tier 1 capital, excluding profit	22,270	21,729
Total Own Funds, excluding profit	29,498	26,657

Note 11, continued

Minimum capital requirement and REA

	31 Dec 2014 Minimum Capital requirement	31 Dec 2014 REA	31 Dec 2013 Minimum Capital requirement	31 Dec 2013 REA
EURm				
Credit risk	9,522	119,029	10,376	129,705
- of which counterparty credit risk	843	10,535	505	6,312
IRB	8,451	105,637	8,965	112,061
- of which corporate	5,743	71,792	6,787	84,844
- of which advanced	4,048	50,600	-	-
- of which foundation	1,695	21,192	6,787	84,844
- of which institutions	766	9,572	468	5,848
- of which retail	1,755	21,940	1,588	19,848
- of which secured by immovable property collateral	897	11,219	900	11,248
- of which other retail	858	10,721	688	8,600
- of which other	187	2,333	122	1,521
Standardised	1,071	13,392	1,411	17,644
- of which central governments or central banks	57	717	20	258
- of which regional governments or local authorities	17	211	14	170
- of which public sector entities	2	20	3	32
- of which multilateral development banks	-	-	-	-
- of which international organisations	-	-	-	-
- of which institutions	27	338	49	611
- of which corporate	154	1,921	301	3,768
- of which retail	255	3,181	476	5,949
- of which secured by mortgages on immovable properties	222	2,777	386	4,826
- of which in default	12	155	35	449
- of which associated with particularly high risk	53	666	-	-
- of which covered bonds	-	-	-	-
- of which institutions and corporates with a short-term credit assessment	-	-	-	-
- of which collective investments undertakings (CIU)	-	-	2	21
- of which equity	195	2,442	-	-
- of which other items	77	964	125	1,560
Credit Value Adjustment Risk	185	2,308	-	-
Market risk	584	7,296	700	8,753
- of which trading book, Internal Approach	312	3,898	410	5,131
- of which trading book, Standardised Approach	112	1,402	186	2,321
- of which banking book, Standardised Approach	160	1,996	104	1,301
Operational risk	1,347	16,842	1,344	16,796
Standardised	1,347	16,842	1,344	16,796
Sub total	11,638	145,475	12,420	155,254
Adjustment for Basel I floor				
Additional capital requirement according to Basel I floor	5,995	74,938	4,318	53,969
Total	17,633	220,413	16,738	209,223

Minimum Capital Requirement & Capital Buffers

Percentage	Minimum Capital requirement	Capital Buffers				Capital Buffers total	Total
		CCoB	CCyB	SII	SRB		
Common Equity Tier 1 capital	4.5	2.5	N/A	N/A	N/A	2.5	7.0
Tier 1 capital	6.0	2.5	N/A	N/A	N/A	2.5	8.5
Own funds	8.0	2.5	N/A	N/A	N/A	2.5	10.5
EURm							
Common Equity Tier 1 capital	6,546	3,637	-	-	-	3,637	10,183
Tier 1 capital	8,728	3,637	-	-	-	3,637	12,365
Own funds	11,638	3,637	-	-	-	3,637	15,275

Common Equity Tier 1 available to meet Capital Buffers

Percentage points of REA	31 Dec 2014
Common Equity Tier 1 capital ¹	11.2

¹ Including profit of the period.

Note 11, continued

Capital ratios

Percentage	31 Dec 2014	31 Dec 2013
Common Equity Tier 1 capital ratio, including profit	15.7	14.9
Tier 1 ratio, including profit	17.6	15.7
Total capital ratio, including profit	20.7	18.1
Common Equity Tier 1 capital ratio, excluding profit	15.3	14.0
Tier 1 ratio, excluding profit	17.2	14.9
Total Capital ratio, excluding profit	20.3	17.2

Capital ratios including Basel 1 floor

Percentage	31 Dec 2014	31 Dec 2013
Common Equity Tier 1 capital ratio, including profit	10.5	11.0
Tier 1 ratio, including profit	11.8	11.7
Total capital ratio, including profit	13.8	13.4
Common Equity Tier 1 capital ratio, excluding profit	10.3	10.4
Tier 1 ratio, excluding profit	11.5	11.0
Total Capital ratio, excluding profit	13.5	12.7

Leverage ratio¹

	31 Dec 2014
Tier 1 capital, transitional definition, EURm ²	25,382
Leverage ratio exposure, EURm	590,759
Leverage ratio, percentage	4.3

¹ Leverage ratio and volumes presented is based on three month average according to local FSA reporting process.

² Including profit of the period.

Credit risk exposures for which internal models are used, split by rating grade

	On-balance exposure, EURm	Off-balance exposure, EURm	Exposure value (EAD), EURm ¹	Of which EAD for off- balance, EURm	Exposure- weighted average risk weight:
Corporate, foundation IRB:	22,623	14,258	43,221	5,177	49.0
- of which rating grades 6	2,125	963	5,802	412	17.8
- of which rating grades 5	5,904	4,926	12,652	1,787	31.9
- of which rating grades 4	10,327	6,332	18,580	2,419	58.0
- of which rating grades 3	2,709	1,282	4,151	370	87.8
- of which rating grades 2	470	225	643	32	151.1
- of which rating grades 1	43	57	86	26	204.6
- of which unrated	453	300	483	90	115.6
- of which defaulted	593	173	824	41	0.0
Corporate, advanced IRB:	106,734	58,905	128,621	25,996	39.3
- of which rating grades 6	10,760	5,160	11,846	2,399	9.9
- of which rating grades 5	22,711	21,196	32,221	9,664	21.9
- of which rating grades 4	48,656	24,038	57,894	10,563	39.5
- of which rating grades 3	16,289	6,229	18,238	2,635	56.4
- of which rating grades 2	2,833	1,008	2,990	404	98.5
- of which rating grades 1	458	59	333	21	113.8
- of which unrated	1,001	667	1,196	309	69.0
- of which defaulted	4,027	548	3,901	1	129.7
Institutions, foundation IRB:	37,916	3,383	47,494	967	20.2
- of which rating grades 6	12,910	933	15,647	458	11.1
- of which rating grades 5	24,306	786	29,942	275	21.6
- of which rating grades 4	510	1,198	1,628	139	62.4
- of which rating grades 3	111	194	166	46	111.2
- of which rating grades 2	51	150	34	23	191.9
- of which rating grades 1	0	10	3	3	247.4
- of which unrated	28	112	74	24	127.8
- of which defaulted	-	-	0	-	0.0
Retail, of which secured by real estate:	128,767	5,358	132,453	3,686	8.5
- of which scoring grades A	81,047	4,300	83,992	2,945	3.3
- of which scoring grades B	28,092	697	28,625	533	7.5
- of which scoring grades C	12,027	230	12,168	140	15.2
- of which scoring grades D	3,887	84	3,936	48	28.7
- of which scoring grades E	1,618	38	1,633	15	57.9
- of which scoring grades F	654	4	656	2	88.7
- of which not scored	36	2	37	1	28.5
- of which defaulted	1,405	3	1,407	2	125.2
Retail, of which other retail:	28,228	12,653	34,987	7,733	30.6
- of which scoring grades A	7,987	6,890	11,934	4,143	8.9
- of which scoring grades B	6,745	2,807	8,294	1,783	19.4
- of which scoring grades C	4,304	1,502	5,033	962	31.7
- of which scoring grades D	3,024	807	3,389	497	38.5
- of which scoring grades E	2,849	305	2,958	178	40.9
- of which scoring grades F	2,237	134	2,226	80	55.6
- of which not scored	62	84	89	26	44.1
- of which defaulted	1,021	123	1,064	64	250.1
Other non credit-obligation assets:	2,689	17	2,343	7	99.6

Nordea does not have the following IRB exposure classes: equity exposures, items representing securitisation positions, central governments and central banks, qualifying revolving retail.

¹ Includes EAD for on-balance, off-balance, derivatives and securities financing.

Note 11, continued

Capital requirements for market risk

	Trading book, IM		Trading book, SA		Banking book, SA		Total	
	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement
EURm								
Interest rate risk & other ¹	958	77	1,113	89	-	-	2,071	166
Equity risk	286	23	277	22	-	-	563	45
Foreign exchange risk	334	27	-	-	1,996	160	2,330	187
Commodity risk	-	-	12	1	-	-	12	1
Settlement risk	-	-	0	0	0	0	0	0
Diversification effect	-633	-51	-	-	-	-	-633	-51
Stressed Value-at-Risk	1,849	148	-	-	-	-	1,849	148
Incremental Risk Measure	636	51	-	-	-	-	636	51
Comprehensive Risk Measure	468	37	-	-	-	-	468	37
Total	3,898	312	1,402	112	1,996	160	7,296	584

¹ Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

Note 12 Discontinued operations and disposal groups held for sale

EURm	Q4 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Net interest income	0	37	28	154
Net fee and commission income	0	12	0	38
Other operating income	7	4	21	7
Total operating income	7	53	49	199
Total operating expenses	-7	-28	-53	-118
Net loan losses	0	-7	-5	-26
Operating profit	0	18	-9	55
Income tax expense	0	-5	-1	-13
Net profit for the period from discontinued	0	13	-10	42
Net result for the period recognised on the measurement at fair value	-	-	-19	1
Transaction and transition cost (including cost to sell)	-	-	-10	-34
Net profit for the period from discontinued operations after measurement at fair value less cost to sell	0	13	-39	9

Basic earnings per share from discontinued operations, EUR	0.00	0.00	-0.01	0.00
Diluted earnings per share from discontinued operations, EUR	0.00	0.00	-0.01	0.00

Balance sheet - Condensed

EURm	31 Dec 2014	31 Dec 2013
Assets		
Loans to the public	-	6,144
Interest-bearing securities	-	1,534
Shares	-	385
Total other assets	-	832
Total assets held for sale	-	8,895
Liabilities		
Deposits by credit institutions	-	78
Deposits and borrowings from the public	-	3,384
Liabilities to policyholders	-	625
Total other liabilities	-	111
Total liabilities held for sale	-	4,198

Discontinued operations and assets/liabilities held for sale relate to Nordea's earlier announced decision to divest its Polish banking, financing and life insurance operations, including Nordea Bank Polska S.A., Nordea Finance Polska S.A. and Nordea Polska Towarzystwo Ubezpieczeń na Życie S.A., to PKO Bank Polski. All regulatory approvals were received and the transaction closed during the second quarter 2014, when also the operations were derecognised. As from the third quarter only the IT services still performed by Nordea are classified as discontinued operations. The disposal group is excluded from Note 2 "Segment reporting" as this is not part of the reporting to the Chief Operating Decision Maker (CODM). The majority of the business was previously reported in the Retail Banking Poland segment. The impact from discontinued operations on other comprehensive income can be found in the statement of comprehensive income.

Note 13 Risks and uncertainties

Nordea's revenue base reflects the Group's business with a large and diversified customer base, comprising household customers, corporate customers and financial institutions, representing different geographic areas and industries.

Nordea's main risk exposure is credit risk. The Group also assumes risks such as market risk, liquidity risk, operational risk and life insurance risk. For further information on risk composition, see the Annual Report.

The financial crisis and the deteriorated macroeconomic situation have not had any material impact on Nordea's financial position. However, the macroeconomic development remains uncertain.

None of the above exposures and risks is expected to have any significant adverse effect on the Group or its financial position in the medium term.

Within the framework of the normal business operations, the Group faces claims in civil lawsuits and other disputes, most of which involve relatively limited amounts. None of these disputes are considered likely to have any significant adverse effect on the Group or its financial position in the next six months.

Business definitions

Return on equity

Net profit for the year excluding non-controlling interests as a percentage of average equity for the year. Average equity including net profit for the year and dividend until paid, non-controlling interests excluded.

Total shareholders return (TSR)

Total shareholders return measured as growth in the value of a shareholding during the year, assuming the dividends are reinvested at the time of the payment to purchase additional shares.

Risk-adjusted profit

Risk-adjusted profit is defined as total income minus total operating expenses, minus Expected losses and standard tax. In addition, Risk-adjusted profit excludes major non-recurring items.

Tier 1 capital

The Tier 1 capital of an institution consists of the sum of the Common equity tier 1 capital and Additional Tier 1 capital of the institution. 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 finally other deductions such as cash flow hedges.

Tier 1 capital ratio

Tier 1 capital as a percentage of risk exposure amount. The Common equity tier 1 capital ratio is calculated as Common equity tier 1 capital as a percentage of risk exposure amount.

Loan loss ratio

Net loan losses (annualised) divided by quarterly closing balance of loans to the public (lending).

Impairment rate, gross

Individually assessed impaired loans before allowances divided by total loans before allowances.

Impairment rate, net

Individually assessed impaired loans after allowances divided by total loans before allowances.

Total allowance rate

Total allowances divided by total loans before allowances.

Allowances in relation to impaired loans

Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

Total allowances in relation to impaired loans (provisioning ratio)

Total allowances divided by total impaired loans before allowances.

Non-performing, not impaired

Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Expected losses

Expected losses reflect the normalised loss level of the individual loan exposure over a business cycle as well as various portfolios.

Economic capital

Economic Capital 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. EC 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 various business areas. The aggregation of risks across the group gives rise to diversification effects resulting from the differences in risk drivers and the improbability that unexpected losses occur simultaneously.

RAROCAR

RAROCAR, % (Risk-adjusted return on capital at risk) is defined as Risk-adjusted profit relative to Economic capital.

For a list of further business definitions, see the Annual Report.

Nordea Bank AB (publ)

Income statement

EURm	Q4 2014	Q4 2013	Jan-Dec 2014	Jan-Dec 2013
Operating income				
<i>Interest income</i>	445	500	1,942	2,140
<i>Interest expense</i>	-292	-357	-1,293	-1,499
Net interest income	153	143	649	641
<i>Fee and commission income</i>	283	344	1,093	1,259
<i>Fee and commission expense</i>	-74	-67	-273	-250
Net fee and commission income	209	277	820	1,009
Net result from items at fair value	72	54	186	131
Dividends	1,982	1,527	2,333	1,827
Other operating income	224	198	975	674
Total operating income	2,640	2,199	4,963	4,282
Operating expenses				
General administrative expenses:				
Staff costs	-270	-245	-1,070	-982
Other expenses	-240	-303	-904	-1,018
Depreciation, amortisation and impairment charges of tangible and intangible assets	-32	-35	-261	-109
Total operating expenses	-542	-583	-2,235	-2,109
Profit before loan losses	2,098	1,616	2,728	2,173
Net loan losses	-38	-68	-98	-124
Impairment of securities held as financial non-current assets	-15	-4	-15	-4
Operating profit	2,045	1,544	2,615	2,045
Appropriations	-1	102	-1	102
Income tax expense	-177	-134	-189	-192
Net profit for the period	1,867	1,512	2,425	1,955

Nordea Bank AB (publ)

Balance sheet

EURm	31 Dec 2014	31 Dec 2013
Assets		
Cash and balances with central banks	931	45
Treasury bills	5,035	4,953
Loans to credit institutions	86,704	80,917
Loans to the public	39,809	34,155
Interest-bearing securities	11,321	11,128
Financial instruments pledged as collateral	43	737
Shares	6,061	5,351
Derivatives	5,981	4,219
Fair value changes of the hedged items in portfolio hedge of interest rate risk	1	-11
Investments in group undertakings	16,986	17,723
Investments in associated undertakings	7	7
Intangible assets	758	729
Properties and equipment	119	118
Deferred tax assets	14	28
Current tax assets	50	0
Other assets	3,727	2,533
Prepaid expenses and accrued income	884	1,291
Total assets	178,431	163,923
Liabilities		
Deposits by credit institutions	27,452	17,500
Deposits and borrowings from the public	49,367	47,531
Debt securities in issue	63,280	62,961
Derivatives	4,653	3,627
Fair value changes of the hedged items in portfolio hedge of interest rate risk	1,368	715
Current tax liabilities	4	11
Other liabilities	2,895	4,173
Accrued expenses and prepaid income	642	1,150
Deferred tax liabilities	0	10
Provisions	206	184
Retirement benefit obligations	171	166
Subordinated liabilities	7,728	5,971
Total liabilities	157,766	143,999
Untaxed reserves	4	3
Equity		
Share capital	4,050	4,050
Share premium reserve	1,080	1,080
Other reserves	-5	-2
Retained earnings	15,536	14,793
Total equity	20,661	19,921
Total liabilities and equity	178,431	163,923
Assets pledged as security for own liabilities	3,946	2,454
Other assets pledged	9,238	7,033
Contingent liabilities	71,103	70,385
Credit commitments ¹	23,824	26,713

¹ Including unutilised portion of approved overdraft facilities of EUR 14,114m (31 Dec 2013: EUR 12,845m).

Note 1 Capital adequacy

These figures are according to part 8 of CRR, in Sweden implemented in FFFS 2014:12

Summary of items included in own funds⁵

EURm	31 Dec 2014	31 Dec 2013
Calculation of own funds		
Equity in the consolidated situation	20,661	19,923
Proposed/actual dividend	-2,501	-1,734
Common Equity Tier 1 capital before regulatory adjustments	18,160	18,189
Deferred tax assets	-	-28
Intangible assets	-758	-729
IRB provisions shortfall (-) ¹	-	-81
Deduction for investments in credit institutions (50%) ²	-	-
Pension assets in excess of related liabilities ³	-	-
Other items, net	-238	-
Total regulatory adjustments to Common Equity Tier 1 capital	-996	-838
Common Equity Tier 1 capital (net after deduction)	17,164	17,351
Additional Tier 1 capital before regulatory adjustments	2,800	1,949
Total regulatory adjustments to Additional Tier 1 capital	-32	0
Additional Tier 1 capital	2,768	1,949
Tier 1 capital (net after deduction)	19,932	19,299
Tier 2 capital before regulatory adjustments	4,731	4,143
IRB provisions excess (+)/shortfall (-) ¹	55	-81
Deduction for investments in credit institutions (50%) ²	-	-
Deductions for investments in insurance companies	-505	-
Pension assets in excess of related liabilities	-	-
Other items, net	-45	-
Total regulatory adjustments to Tier 2 capital	-495	-81
Tier 2 capital	4,236	4,061
Own funds (net after deduction)^{4, 6}	24,168	23,361

¹ Shortfall is now deducted 100% CET1, previously 50% T1, 50% T2.

² CRD III deducted 50% T1, 50% T2, CRD IV risk weighted with 250%.

³ Based on conditional FSA approval.

⁴ Own Funds adjusted for IRB provision, i.e. Basel I Own funds EUR 24,113m by 31 Dec 2014.

⁵ Terminology in table may differ from table Transitional Own Funds.

Own Funds excluding profit

EURm	31 Dec 2014	31 Dec 2013
Common Equity Tier 1 capital, excluding profit and dividend	17,258	17,131
Total Own Funds, excluding profit and dividend	24,262	23,141

Note 1, continued

Minimum capital requirement and REA

	31 Dec 2014 Minimum Capital requirement	31 Dec 2014 REA	31 Dec 2013 Minimum Capital requirement	31 Dec 2013 REA
EURm				
Credit risk	5,759	71,986	6,296	78,700
- of which counterparty, credit risk	100	1,249	65	809
IRB	2,674	33,429	3,428	42,854
- of which corporate	2,130	26,622	3,100	38,749
- of which advanced	1,461	18,257	-	-
- of which foundation	669	8,365	3,100	38,749
- of which institutions	302	3,777	105	1,318
- of which retail	148	1,854	180	2,254
- of which secured by immovable property collateral	7	86	12	153
- of which other retail	141	1,768	168	2,101
- of which other	94	1,176	43	533
Standardised	3,085	38,557	2,868	35,846
- of which central governments or central banks	14	174	2	26
- of which regional governments or local authorities	1	8	-	-
- of which public sector entities	-	-	-	-
- of which multilateral development banks	-	-	-	-
- of which international organisations	-	-	-	-
- of which institutions	1,319	16,481	1,291	16,126
- of which corporate	57	718	53	664
- of which retail	28	345	0	1
- of which secured by mortgages on immovable properties	202	2,530	101	1,258
- of which in default	5	60	0	1
- of which associated with particularly high risk	-	-	-	-
- of which covered bonds	0	0	0	6
- of which institutions and corporates with a short-term credit assessment	-	-	-	-
- of which collective investments undertakings (CIU)	-	-	-	-
- of which equity	1,451	18,139	-	-
- of which other items	8	102	1,421	17,764
Credit Value Adjustment Risk	14	172	-	-
Market risk	218	2,724	128	1,596
- of which trading book, Internal Approach	42	524	34	429
- of which trading book, Standardised Approach	2	26	5	59
- of which banking book, Standardised Approach	174	2,174	89	1,108
Operational risk	322	4,028	250	3,121
Standardised	322	4,028	250	3,121
Sub total	6,313	78,910	6,674	83,417
Adjustment for Basel I floor				
Additional capital requirement according to Basel I floor	-	-	-	-
Total	6,313	78,910	6,674	83,417

Minimum Capital Requirement & Capital Buffers

Percentage	Minimum Capital requirement	Capital Buffers				Capital Buffers total	Total
		CCoB	CCyB	SII	SRB		
Common Equity Tier 1 capital	4.5	2.5	N/A	N/A	N/A	2.5	7.0
Tier 1 capital	6.0	2.5	N/A	N/A	N/A	2.5	8.5
Own funds	8.0	2.5	N/A	N/A	N/A	2.5	10.5
EURm							
Common Equity Tier 1 capital	3,551	1,973	-	-	-	1,973	5,524
Tier 1 capital	4,735	1,973	-	-	-	1,973	6,707
Own funds	6,313	1,973	-	-	-	1,973	8,286

Common Equity Tier 1 available to meet Capital Buffers

Percentage points of REA

Common Equity Tier 1 capital ¹	31 Dec 2014
	17.3

¹ Including profit of the period.

Note 1, continued
Capital ratios

Percentage	31 Dec 2014	31 Dec 2013
Common Equity Tier 1 capital ratio, including profit	21.8	20.8
Tier 1 ratio, including profit	25.3	23.1
Total Capital ratio, including profit	30.6	28.0
Common Equity Tier 1 capital ratio, excluding profit and dividend	21.9	20.5
Tier 1 ratio, excluding profit and dividend	25.4	22.9
Total Capital ratio, excluding profit and dividend	30.7	27.7

Capital ratios including Basel I floor

Percentage	31 Dec 2014	31 Dec 2013
Common Equity Tier 1 capital ratio, including profit	21.8	20.8
Tier 1 ratio, including profit	25.3	23.1
Total Capital ratio, including profit	30.6	28.0
Common Equity Tier 1 capital ratio, excluding profit and dividend	21.9	20.5
Tier 1 ratio, excluding profit and dividend	25.4	22.9
Total Capital ratio, excluding profit and dividend	30.7	27.7

Leverage ratio¹

Tier 1 capital, transitional definition, EURm ²	31 Dec 2014
Leverage ratio exposure, EURm	20,047
Leverage ratio, percentage	225,148
	8.9

¹ Leverage ratio and volumes presented is based on three month average according to local FSA reporting process.

² Including profit for the period.

Credit risk exposures for which internal models are used, split by rating grade

	On-balance exposure, EURm	Off-balance exposure, EURm	Exposure value (EAD), EURm ¹	Of which EAD for off- balance, EURm	Exposure- weighted average risk weight:
Corporate, foundation IRB:	5,172	11,619	16,040	10,890	52.2
- of which rating grades 6	1,660	335	1,976	315	19.7
- of which rating grades 5	1,417	3,243	4,383	2,946	33.7
- of which rating grades 4	1,444	6,411	7,539	6,083	59.8
- of which rating grades 3	302	1,303	1,508	1,249	96.6
- of which rating grades 2	92	216	284	194	163.7
- of which rating grades 1	3	29	31	28	221.0
- of which unrated	2	2	4	1	121.3
- of which defaulted	251	81	315	74	0.0
Corporate, advanced IRB:	20,770	33,353	42,752	22,725	42.7
- of which rating grades 6	726	2,085	1,713	1,069	12.9
- of which rating grades 5	4,867	10,914	11,625	6,833	23.7
- of which rating grades 4	10,887	14,542	20,990	10,535	43.0
- of which rating grades 3	3,442	4,239	6,913	3,478	64.2
- of which rating grades 2	451	521	806	470	115.7
- of which rating grades 1	21	33	54	33	130.3
- of which unrated	160	879	397	267	89.6
- of which defaulted	216	139	254	39	174.7
Institutions, foundation IRB:	15,352	829	16,985	373	22.2
- of which rating grades 6	6,661	247	7,421	59	9.8
- of which rating grades 5	8,382	204	8,997	73	29.2
- of which rating grades 4	235	336	498	234	68.6
- of which rating grades 3	64	38	60	5	103.0
- of which rating grades 2	3	-	1	-	176.6
- of which rating grades 1	-	-	-	-	-
- of which unrated	6	4	10	3	136.6
- of which defaulted	-	-	0	-	0.0
Retail, of which secured by real estate:	831	271	1,018	187	8.5
- of which scoring grades A	330	124	416	86	3.0
- of which scoring grades B	279	84	337	58	6.8
- of which scoring grades C	155	48	188	33	13.0
- of which scoring grades D	54	14	63	10	23.7
- of which scoring grades E	-	-	-	-	-
- of which scoring grades F	3	0	3	0	63.3
- of which not scored	1	0	1	0	22.2
- of which defaulted	9	0	9	0	95.6
Retail, of which other retail:	3,573	2,692	5,354	1,783	33.0
- of which scoring grades A	1,063	1,425	2,021	958	10.8
- of which scoring grades B	1,189	646	1,618	430	23.0
- of which scoring grades C	677	368	912	236	37.0
- of which scoring grades D	294	178	405	111	47.9
- of which scoring grades E	154	47	184	29	54.1
- of which scoring grades F	83	14	92	9	78.9
- of which not scored	7	5	10	3	55.8
- of which defaulted	106	9	112	6	417.5
Other non credit-obligation assets:	1,148	0	1,148	0	102.4

Nordea does not have the following IRB exposure classes: equity exposures, items representing securitisation positions, central governments and central banks, qualifying revolving retail.

¹ Includes EAD for on-balance, off-balance, derivatives and securities financing.

Note 1, continued

Capital requirements for market risk

	Trading book, IM		Trading book, SA		Banking book, SA		Total	
	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement
EURm								
Interest rate risk & other ¹	2	0	0	0	-	-	2	0
Equity risk	130	10	26	2	-	-	156	12
Foreign exchange risk	25	2	-	-	2,174	174	2,199	176
Commodity risk	-	-	0	0	-	-	0	0
Settlement risk	-	-	0	0	-	-	0	0
Diversification effect	-2	0	-	-	-	-	-2	0
Stressed Value-at-Risk	369	30	-	-	-	-	369	30
Incremental Risk Measure	0	0	-	-	-	-	0	0
Comprehensive Risk Measure	0	0	-	-	-	-	0	0
Total	524	42	26	2	2,174	174	2,724	218

¹ Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

APPENDIX 1 SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

Italics in particular Elements denote placeholders for completing the issue specific summary relating to a Tranche of Notes for which such issue specific summary is to be prepared.

*Words and expressions defined in the "Terms and Conditions of the Notes" (the "**Conditions**") below or elsewhere in the Base Prospectus have the same meanings in this summary.*

Section A – Introduction and Warnings		
A.1	Introduction:	This summary should be read as introduction to the Base Prospectus and the applicable Final Terms. Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in such Notes.
A.2	Consent:	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "Public Offer".</p> <p><i>Not applicable; the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency)./The Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Notes by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) on the following basis:(a) the relevant Public Offer must occur during the period from and including [] to but excluding [] (the "Offer Period") in [] [and []] (the "Public Offer Jurisdiction(s)") and (b) the relevant Authorised Offeror must have agreed to the Authorised Offeror Terms [and satisfy the following additional conditions: []]./The Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Notes by [] on the following basis: (a) the relevant Public Offer must occur during the period from and including [] to but excluding [] (the "Offer Period") in [] [and []] (the "Public Offer Jurisdiction(s)") and (b) the relevant Authorised Offeror must have agreed to the Authorised Offeror Terms [and satisfy the following additional conditions: []].</i></p> <p>Authorised Offerors will provide information to an Investor on the terms and conditions of the Public Offer of the relevant Notes at the time such Public Offer is made by the Authorised Offeror to the Investor.</p>

Section B – Issuer		
B.1	The legal name of the Issuer: The commercial name of the Issuer:	Nordea Bank AB (publ) (" Nordea Bank AB " or the " Issuer "). Nordea.
B.2	The domicile and legal form of the Issuer, legislation under which the Issuer operates and its country of incorporation:	The Issuer is a public (<i>publ</i>) limited liability company incorporated under Swedish law and is subject to the Swedish Companies Act (2005:551) and is licensed to conduct banking operations in accordance with the Banking and Finance Business Act (2004:297). The Issuer is registered at the Swedish Companies Registration Office under the name Nordea Bank AB with registration no. 516406-0120 and its registered office is located in Stockholm, Sweden.
B.4b	Trends:	Not applicable. There are no clear trends affecting the Issuer or the markets in which it and the Nordea Group operate.
B.5	The Group:	<p>The Issuer is the parent company of the Nordea Group. The Nordea Group is a large financial services group in the Nordic markets (Denmark, Finland, Norway and Sweden) with additional operations in Russia, the Baltic countries and Luxembourg, as well as branches in a number of other international locations. The three main subsidiaries of Nordea Bank AB are Nordea Bank Danmark A/S in Denmark, Nordea Bank Finland Plc in Finland and Nordea Bank Norge ASA in Norway.</p> <p>The Issuer believes that the Nordea Group has the largest customer base of any financial services group based in the Nordic markets (based on a comparison of Nordic bank annual reports by Nordea Markets (Nordea Bank Finland Plc)). As of 31 December 2013, the Nordea Group had total assets of EUR 630 billion and tier 1 capital of EUR 24.4 billion, and was the largest Nordic-based asset manager with EUR 233 billion in assets under management.</p>
B.9	Profit forecast or profit estimate:	Not applicable. The Issuer does not make a profit forecast or profit estimate in the Base Prospectus.
B.10	Audit report qualifications:	Not applicable. There are no qualifications in the audit reports for the Issuer.
B.12	Selected key financial information:	The tables below show certain selected summarised financial information which, without material changes, is derived from, and must be read together with, the Nordea Group's audited consolidated financial statements for the year ending 31 December 2013 set out in Annex 1 to the Base Prospectus and the auditor's report and notes thereto and the Nordea Group's unaudited consolidated financial statements for the year ending 31 December 2014 set out in the Annex to this Supplement and the notes thereto ⁱ .

ⁱ By virtue of the Supplement dated 4 February 2015, selected key information for the year ending 31 December 2014 has been included.

		Group			
		2014	2013	2012	
		(EUR millions)			
		Income Statement			
		Total operating income	10,224	9,891	9,998
		Net loan losses	-534	-735	-895
		Net profit for the period	3,332	3,116	3,126
		Balance Sheet			
		Total assets.....	669,342	630,434	668,178
		Total liabilities	639,505	601,225	640,173
		Total equity	29,837	29,209	28,005
		Total liabilities and equity	669,342	630,434	668,178
		Cash Flow Statement			
		Cash flow from operating activities before changes in operating assets and liabilities.....	11,456	7,607	6,633
		Cash flow from operating activities	-10,842	6,315	19,754
		Cash flow from investing activities	3,254	572	774
		Cash flow from financing activities	-1,040	-1,927	-170
		Cash flow for the period	-8,610	4,960	20,358
		Change	-8,610	4,960	20,358
		There has been no material adverse change in the ordinary course of business or in the prospects or condition of the Issuer since 31 December 2013, being the date of its last published audited financial statements.			
		There has been no significant change in the financial or trading position of the Issuer which has occurred since 31 December 2014 ⁱⁱ , being the date of its last published unaudited financial statements.			
B.13	Recent events:	Not applicable. There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency since the date of its last published audited or unaudited financial statements.			
B.14	Dependence upon other entities within the Group:	Not applicable. The Issuer is not dependent on other entities within the Nordea Group.			
B.15	The Issuer's principal activities:	The Nordea Group's organisational structure is built around three main business areas: Retail Banking, Wholesale Banking and Wealth Management. In addition to these business areas, the Nordea Group's organisation includes the following two Group functions: Group Corporate Centre and Group Risk Management.			
		The Issuer conducts banking operations in Sweden within the scope of the Nordea Group's business organisation. The Issuer develops and markets financial products and services to personal customers, corporate customers and			

ⁱⁱ By virtue of the Supplement dated 4 February 2015, the date since which there has been no significant change in the financial or trading position of the Issuer has been updated from 30 June 2014 to 31 December 2014.

		the public sector.								
B.16	Controlling persons:	Not applicable. To the best of the Issuer's knowledge, the Nordea Group is not directly or indirectly owned or controlled by any single person or group of persons acting together.								
B.17	Ratings assigned to the Issuer or its debt securities:	<p>As of the date of the Base Prospectus, the long term (senior) debt ratings of the Issuer areⁱⁱⁱ:</p> <table><tr><th>Rating Agency</th><th>Rating</th></tr><tr><td>Moody's Investors Service Limited</td><td>Aa3 (Negative outlook)</td></tr><tr><td>Standard & Poor's Credit Market Services Europe Limited</td><td>AA- (Negative outlook)</td></tr><tr><td>Fitch Ratings Limited</td><td>AA-</td></tr></table> <p><i>The Notes to be issued have not been assigned any ratings solicited by the Issuer./The Notes to be issued are expected to be rated:</i></p> <p><i>Standard & Poor's Credit Market Services Europe Limited: [].</i></p> <p><i>Moody's Investors Service Limited: [].</i></p> <p><i>Fitch Ratings Limited: [].</i></p>	Rating Agency	Rating	Moody's Investors Service Limited	Aa3 (Negative outlook)	Standard & Poor's Credit Market Services Europe Limited	AA- (Negative outlook)	Fitch Ratings Limited	AA-
Rating Agency	Rating									
Moody's Investors Service Limited	Aa3 (Negative outlook)									
Standard & Poor's Credit Market Services Europe Limited	AA- (Negative outlook)									
Fitch Ratings Limited	AA-									

Section C – The Notes		
C.1	Type and class of securities:	<p>Forms of Notes: Notes may be issued in bearer form, in registered form or (in the case of VP Notes, VPS Notes, Swedish Notes and Swiss Franc Notes) in uncertificated and dematerialised book entry form.</p> <p>Each Tranche of Notes in bearer form (except Swiss Franc Notes) will initially be in the form of a Temporary Global Note. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.</p> <p>Global Notes may be issued in Classic Global Note or New Global Note form, as specified in the relevant Final Terms.</p> <p>Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the relevant Final Terms. Each Global Registered Note will be exchangeable for Individual Note Certificates in accordance with its terms.</p>

ⁱⁱⁱ By virtue of the Supplement dated 1 August 2014, the Issuer wishes to clarify that the rating provided by Moody's Investors Service Limited has a negative outlook.

		<p>Notes in bearer form will not be exchangeable for Notes in registered form and Notes in registered form will not be exchangeable for Notes in bearer form.</p> <p><i>The Notes are [bearer Notes which are [not] issued in New Global Note form/registered Notes/VP Notes/VPS Notes/Swedish Notes in uncertificated and dematerialised book entry form].</i></p> <p>Issuance in Series: Notes are issued in series (each a "Series") and Notes of each Series will all be subject to identical terms (except issue price, issue date and interest commencement date, which may or may not be identical) whether as to currency, denomination, interest or maturity or otherwise, save that a Series may comprise Notes in bearer form and in registered form. Further Notes may be issued as part of an existing Series (each a "Tranche"), which will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches.</p> <p><i>The Series number of the Notes is []. [The Tranche number is [].]</i></p> <p>Security Identification Number(s): The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg or, in the case of VP Notes, the VP or, in the case of VPS Notes, the VPS or, in the case of Swedish Notes, Euroclear Sweden or, in the case of Swiss Franc Notes, the SIS. Each Tranche of Notes will be allocated an International Securities Identification Number (ISIN), Common Code and/or other securities identifier, which will be contained in the Final Terms relating thereto. Notes issued in Series comprising more than one Tranche may be assigned a temporary ISIN and Common Code or other securities identifier on issue.</p> <p><i>The Notes will be cleared through []. The Notes have been assigned the following securities identifiers: [].</i></p> <p>Conditions: "Terms and Conditions of the Notes" in the Base Prospectus, as completed by the relevant Final Terms.</p>
C.2	Currency of the securities issue:	<p>Currencies: U.S. dollars, euro, sterling, Yen, Swiss francs, Renminbi and/or such other currency or currencies as may be agreed with the relevant Dealer(s), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p><i>The currency of the Notes is [].</i></p> <p>Denominations: Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to (i) a minimum denomination of €1,000 (or its equivalent in any other currency); and (ii) compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p><i>The Notes are issued in denomination(s) of [].</i></p>
C.5	Restrictions on free transferability:	<p>Each Dealer and each purchaser of Notes must observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Notes or distribute the Base Prospectus or any offering material in relation to the Notes. In particular, Nordea Bank AB has not registered, and will not register, the Notes under the Securities Act or any other securities laws. Subject thereto (and, in the case of beneficial owners of global Notes, in accordance with the applicable procedures of the relevant clearing system(s) in which such Notes are held), the Notes will be freely transferable.</p>

C.8	The rights attaching to the securities, including ranking and limitations to those rights:	<p>Status of the Notes: Notes may be issued on a subordinated or an unsubordinated basis.</p> <p><i>The Notes are [Unsubordinated Notes/Subordinated Notes].</i></p> <p>Taxation: All payments in respect of the Notes will be made without withholding or deduction for or on account of Swedish withholding taxes unless required by law. If such withholdings are required by Swedish law the Issuer will in certain circumstances pay certain additional amounts as described in, and subject to exceptions set out in, Condition 8 (<i>Taxation</i>).</p> <p>Governing Law: English law governs the Notes and all non-contractual obligations arising out of or in connection with them except that (i) the subordination provisions applicable to Subordinated Notes are governed by Swedish law; (ii) the registration of VP Notes in the VP are governed by Danish law; (iii) the registration of VPS Notes in the VPS are governed by Norwegian law; and (iv) the registration of Swedish Notes in the book entry system and register maintained by Euroclear Sweden (the "Euroclear Sweden Register") are governed by Swedish law. Holders of the Notes are entitled to the rights and subject to the obligations and liabilities arising under such regulations and legislation of such jurisdictions.</p> <p>Negative Pledge: None.</p> <p>Cross Default: None.</p> <p>Substitution and Variation: The Issuer may substitute or vary the terms of the Subordinated Notes as provided in Condition 17 (<i>Substitution and Variation</i>) if so specified in the relevant Final Terms. Such Notes may not be substituted or varied without the prior approval of the Swedish Financial Supervisory Authority (<i>Finansinspektionen</i>) ("SFSA").</p> <p><i>Condition 17 (Substitution and Variation) is [not] applicable to the Notes.</i></p> <p>Enforcement of Notes in Global Form: In the case of Notes in global form or in uncertificated and dematerialised book entry form, investors' rights will be supported by a deed of covenant dated 8 May 2014 (as amended and/or restated and/or replaced from time to time).</p> <p>Limitations on the rights attaching to the Notes: This part of the Element is not applicable, as there are no such limitations on rights attaching to the Notes.</p>
C.9	The rights attaching to the securities (continued), including information as to interest, maturity, yield and the representative of the Holders:	<p>See Element C.8 for a description of the rights attaching to the Notes, ranking and limitations.</p> <p>Interest: Notes may be interest bearing or non-interest bearing. See Condition 5 (<i>Interest</i>). Notes may be issued as fixed rate, floating rate (based on LIBOR, EURIBOR, BBSW, BKBM, CDOR, CIBOR, HIBOR, JIBAR, MOSPRIME, NIBOR, SHIBOR, STIBOR, TIBOR, TIIE, TRLIBOR or WIBOR), reset, zero coupon or partly paid. In respect of each Tranche of interest-bearing Notes, the date from which interest becomes payable and the due dates for interest will be specified in the relevant Final Terms.</p>
		<p><i>The Notes do not bear interest./The Notes are interest-bearing:</i></p> <p><i>Nominal interest rate: [].</i></p>

		<p><i>Interest Commencement Date: [].</i></p> <p><i>Interest Payment Date(s): [].</i></p> <p><i>[Reset Date(s): [].]</i></p> <p><i>[Reference Rate: [].]</i></p> <p><i>[Margin: +/- [].]</i></p> <p><i>[Maximum Rate of Interest: [].]</i></p> <p><i>[Minimum Rate of Interest: [].]</i></p> <p><i>[Day Count Fraction: [].]</i></p> <p>Maturities: Any maturity subject to a minimum maturity of 30 days subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p><i>Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed on [].</i></p> <p>Redemption: Notes may be redeemable at par or at such other redemption amount as may be specified in the relevant Final Terms.</p> <p>Early redemption of the Notes will be permitted for taxation reasons. In relation to Subordinated Notes only, redemption is permitted as a result of a Capital Event or a Tax Event. Notes denominated in Sterling may not be redeemed prior to one year and one day from the date of issue (the "Issue Date").</p> <p>No early redemption of Subordinated Notes may take place without the prior written consent of the SFSA.</p> <p><i>Unless previously redeemed, or purchased and cancelled, each Note will be redeemed at [par/its final redemption amount of [] per Calculation Amount]. [The Notes are Subordinated Notes and early redemption is permitted as a result of a Capital Event or a Tax Event [only with the prior written consent of the SFSA].]</i></p> <p>Optional Redemption: Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or (in the case of Unsubordinated Notes only) the Holder to the extent (if at all) specified in the relevant Final Terms.</p> <p><i>The Notes do [not] provide for early redemption at the option of [either] the Issuer [and/or] the Holder. [The Notes may be redeemed at the option of the Issuer [in whole]/[in whole or in part] on [] at [], plus accrued interest (if any) to such date, on the Issuer's giving not less than 30 nor more than 60 days' notice to the Holder.]/[The Issuer shall, at the option of the Holder of any Note redeem such Note on [] at [] together with interest (if any) accrued to such date, on the Holder's giving not less than 45 days' notice to the Issuer.]</i></p> <p>Withholding Tax Redemption: Except as described in "Optional Redemption" above, early redemption will only be permitted if, as a result of any change in the laws of the Kingdom of Sweden or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any other jurisdiction or any political subdivision thereof or any authority or agency</p>
--	--	---

		<p>therein or thereof, having power to tax in which the Issuer is treated as having a permanent establishment, under the income tax laws of such jurisdiction or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date of such Notes or, in the case of Unsubordinated Notes, any earlier date specified in the relevant Final Terms on the occasion of the next payment due in respect of such Notes the Issuer would be required to pay additional amounts as provided in Condition 8. In such circumstances, the Issuer may, at its option and with respect to Subordinated Notes, subject to the prior approval of the SFSA, having given not less than thirty nor more than sixty days' notice (ending, in the case of Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders in accordance with Condition 14 (which notice shall be irrevocable) redeem in whole (but not, unless and to the extent that the relevant Final Terms specifies otherwise, in part in relation to Unsubordinated Notes) the Notes of the relevant Series at its Outstanding Principal Amount (or such other redemption amount as may be specified in the relevant Final Terms or at the redemption amount referred to in Condition 6(h), together with accrued interest (if any) thereon.</p> <p>"Outstanding Principal Amount" means, the principal amount of the Note on the Issue Date as reduced by any partial redemptions or repurchases from time to time.</p> <p>Issue Price: Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer at the time of issuance in accordance with prevailing market conditions.</p> <p><i>The Issue Price of the Notes is [].</i></p> <p>Yield: The yield of each Tranche of Notes bearing interest at a fixed rate will be calculated on an annual or semi-annual basis using the relevant Issue Price at the relevant Issue Date.</p> <p><i>Based upon the Issue Price of [], at the Issue Date the anticipated yield of the Notes is [] per cent. per annum.</i></p> <p>Representative of the Noteholders: Not applicable. This part of the Element relates to representative(s) of the Noteholders. There is no trustee.</p>
C.10	Derivative components in interest payment:	<p>Not applicable.</p> <p>This Element requires that an explanation be given of how the value of an investment in Notes with interest payments linked to derivative components is affected by the value of the underlying instrument(s). No such Notes will be issued under the Programme.</p>
C.11 C.21	Listing and trading:	<p>Each Series may be admitted to listing on the Official List of the Irish Stock Exchange and to trading on its Main Market and/or admitted to listing elsewhere as may be agreed between the Issuer and the relevant Dealer and as specified in the relevant Final Terms. Unlisted Notes may also be issued.</p> <p><i>The Notes are unlisted Notes./Application will be made for the Notes to be admitted to listing on [] and to trading on [] effective as of [].</i></p>

Section D - Risks

D.2	Risks specific to the Issuer:	<p>In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in the Base Prospectus a number of factors which could materially adversely affect its business and ability to make payments due under the Notes. These factors include:</p> <p><i>Risks relating to current macroeconomic conditions</i></p> <p>Risks related to the European economic crisis have had and, despite the recent period of moderate stabilisation, may continue to have, a negative impact on global economic activity and the financial markets. If these conditions continue to persist, or should there be any further turbulence in these or other markets, this could have a material adverse effect on the Nordea Group's ability to access capital and liquidity on financial terms acceptable to the Nordea Group.</p> <p>Furthermore, the Nordea Group's performance is significantly influenced by the general economic condition in the countries in which it operates, in particular the Nordic markets (Denmark, Finland, Norway and Sweden). Negative economic developments and conditions in the markets in which it operates can adversely affect its business, financial condition and results of operations, and measures implemented by the Nordea Group might not be satisfactory to reduce any credit, market and liquidity risks.</p> <p><i>Risks relating to the Nordea Group's credit portfolio</i></p> <p>Adverse changes in the credit quality of the Nordea Group's borrowers and counterparties or a decrease in collateral values are likely to affect the recoverability and value of the Nordea Group's assets and require an increase in its individual provisions and potentially in collective provisions for impaired loans. A significant increase in the size of the Nordea Group's allowance for loan losses and loan losses not covered by allowances would have a material adverse effect on the Nordea Group's business, financial condition and results of operations.</p> <p>The Nordea Group is exposed to counterparty credit risk, settlement risk and transfer risk on transactions executed in the financial services industry and its transactions in financial instruments. If counterparties default on their obligations, this could have a material adverse effect on the Nordea Group's business, financial condition and results of operations.</p> <p><i>Risks relating to market exposure</i></p> <p>The value of financial instruments held by Nordea Group are sensitive to volatility of and correlations between various market variables, including interest rates, credit spreads, equity prices and foreign exchange rates. Write-downs or realise impairment charges may have a material adverse effect on the Nordea Group's business, financial condition and results of operations, while the performance of financial markets and volatile market conditions could result in a significant decline in the Nordea Group's trading and investment income, or result in a trading loss.</p> <p><i>The Nordea Group is exposed to structural market risk</i></p>
-----	--------------------------------------	--

		<p>The Nordea Group is exposed to structural interest income risk when there is a mismatch between the interest rate re-pricing periods, volumes or reference rates of its assets, liabilities and derivatives. It is also exposed to currency translation risk primarily as a result of its Swedish and Norwegian banking businesses, as it prepares its consolidated financial statements in its functional currency, the euro. Any mismatch in any given period in the event of changes in interest rates, or failure to successfully hedge currency risk exposure, could have a material adverse effect on the Nordea Group's financial condition and results of operations.</p> <p><i>Risks relating to liquidity and capital requirements</i></p> <p>A substantial part of the Nordea Group's liquidity and funding requirements is met through reliance on customer deposits, as well as ongoing access to wholesale lending markets, including issuance of long-term debt market instruments such as covered bonds. Turbulence in the global financial markets and economy may adversely affect the Nordea Group's liquidity and the willingness of certain counterparties and customers to do business with the Nordea Group.</p> <p>The Nordea Group's business performance could be affected if the capital adequacy ratios it is required to maintain under the legislative package comprising Directive 2013/36/EU, Regulation (EU) No. 575/2013 and any regulatory capital rules or regulations, or other requirements, which are applicable to the Issuer or the Nordea Group and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer or the Nordea Group (on a solo or consolidated basis, as the case may be) to the extent required by Directive 2013/36/EU or Regulation (EU) No. 575/2013, including for the avoidance of doubt any regulatory technical standards released by the European Banking Authority (or any successor or replacement thereof) ("CRD IV") are reduced or perceived to be inadequate.</p> <p>The Nordea Group's funding costs and its access to the debt capital markets depend significantly on its credit ratings. A reduction in credit ratings could adversely affect the Nordea Group's access to liquidity and its competitive position, and therefore, have a material adverse effect on its business, financial condition and results of operations.</p> <p><i>Other risks relating to the Nordea Group's business</i></p> <p>The Nordea Group's business operations are dependent on the ability to process a large number of complex transactions across different markets in many currencies and operations are carried out through a number of entities. Although the Nordea Group has implemented risk controls and taken other actions to mitigate exposures and/or losses, there can be no assurances that such procedures will be effective in controlling each of the operational risks faced by the Nordea Group, or that the Nordea Group's reputation will not be damaged by the occurrence of any operational risks.</p> <p>The Nordea Group's operations in Russia and the Baltic countries which are typically more volatile and less developed economically and politically than markets in Western Europe and North America – present various risks that do not apply, or apply to a lesser degree, to its businesses in the Nordic markets. Additionally, some of these markets are typically more volatile and less developed economically and politically than markets in Western Europe and North America.</p> <p>The Nordea Group's performance is, to a large extent, dependent on the talents and efforts of highly skilled individuals, and the continued ability of the</p>
--	--	--

		<p>Nordea Group to compete effectively and implement its strategy depends on its ability to attract new employees and retain and motivate existing employees. New regulatory restrictions, such as the newly introduced limits on certain types of remuneration paid by credit institutions and investment firms set forth in CRD IV, could adversely affect the Nordea Group's ability to attract new employees and retain and motivate existing employees. Any loss of the services of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel in the future could have an adverse effect on the Nordea Group's business.</p> <p>There is competition for the types of banking and other products and services that the Nordea Group provides and there can be no assurances that the Nordea Group can maintain its competitive position.</p> <p><i>Risks relating to the legal and regulatory environments in which the Nordea Group operates</i></p> <p>The Nordea Group is subject to substantial regulation and oversight by a number of different regulators as well as laws and regulations, administrative actions and policies in each of the jurisdictions in which it operates, all of which are subject to change, and compliance with which may from time to time require significant costs.</p> <p>The Nordea Group may incur substantial costs in monitoring and complying with new capital adequacy and recovery and resolution framework requirements, which may also impact existing business models. In addition, there can also be no assurances that breaches of legislation or regulations by the Nordea Group will not occur and, to the extent that such a breach does occur, that significant liability or penalties will not be incurred.</p> <p>In the ordinary course of its business, the Nordea Group is subject to regulatory oversight and liability risk and is involved in a variety of claims, disputes, legal proceedings and governmental investigations in jurisdictions where it is active. These types of claims and proceedings expose the Nordea Group to monetary damages, direct or indirect costs (including legal costs), direct or indirect financial loss, civil and criminal penalties, loss of licences or authorisations, or loss of reputation, as well as the potential for regulatory restrictions on its businesses.</p> <p>The Nordea Group's activities are subject to tax at various rates around the world computed in accordance with local legislation and practice. Legislative changes or decisions by tax authorities may impair the present or previous tax position of the Nordea Group.</p>
D.3	Risks specific to the Notes:	<p>There are also risks related to any issue of Notes under the Programme and specific types of Notes, which prospective investors should carefully consider and make sure they understand prior to making any investment decision with respect to the Notes, including:</p> <ul style="list-style-type: none"> • The Notes may not be a suitable investment for all investors. • The Notes may not be freely transferred. • There may be no active trading market for the Notes. • Noteholders are subject to market volatility. • Ratings may not always mirror the risk related to individual Notes.

	<ul style="list-style-type: none"> • Fixed Rate Notes are subject to interest rate risks. • There are risks relating to Partly Paid Notes. • There are risks relating to fixed/floating rate Notes. • There are risks relating to reset Notes. • The Notes may be issued at a substantial discount or premium. • The Notes are subject to risks related to exchange rates and exchange controls. • Noteholders are subject to credit risk on the Issuer. • The Notes may be redeemed prior to maturity. • Some Notes are subordinated to other liabilities of the Issuer. • The Issuer is not prohibited from issuing further debt, which may rank <i>pari passu</i> with or senior to the Subordinated Notes. • CRD IV introduces capital requirements that are in addition to the minimum capital ratio. • Remedies in case of default on Subordinated Notes are severely limited. • Noteholders' rights and obligations may be amended at meetings of Noteholders. • The terms and conditions of the Notes may be changed. • The Issuer could, in certain circumstances, substitute or vary the terms of Subordinated Notes. • Changes in laws and regulations may affect the terms and conditions of the Notes. • The Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples. • The amount of Notes to be issued under the Programme may be changed. • Regulatory action in the event of a failure of the Issuer could materially adversely affect the value of the Notes. • Payments under the Notes may be subject to withholding tax pursuant to the U.S. Foreign Account Tax Compliance Act. • Investors will have to rely on Euroclear's, Clearstream, Luxembourg's, VP's, VPS's, Euroclear Sweden's or SIS's (as the case may be) procedures for transfer, payment and communication with the Issuer. <p>In addition to the above, there are risks specific to Notes denominated in Renminbi, including:</p> <ul style="list-style-type: none"> • Renminbi is not freely convertible. Convertibility restrictions may affect the ability of the Issuer to source Renminbi to finance its
--	--

		<p>obligations under Notes denominated in Renminbi.</p> <ul style="list-style-type: none"> • The limited availability of the Renminbi outside the People's Republic of China (due to restrictions) may affect the ability of the Issuer to source Renminbi to finance its obligations under Notes denominated in Renminbi. • Changes in economic and political conditions may have an impact on the value of the Renminbi against the U.S. Dollar. Furthermore, changes in policies may also heighten the interest rate volatility. These factors could result in a decline of the value of a holder's investment. • All payments will be made in accordance with the modes of payment prescribed in the terms and conditions and no other means of payment may be utilised by the Issuer. • Under the PRC Enterprise Income Tax Law, non-resident enterprise holders of Renminbi-denominated Notes may become subject to income tax on the gains from the transfer of their holdings of Renminbi-denominated Notes.
--	--	--

Section E - Offer		
E.2b	Reasons for the offer and use of proceeds:	<i>The net proceeds of the issue of the Notes will be used for [the general banking and other corporate purposes of the Nordea Group/[]].</i>
E.3	Terms and Conditions of the Offer:	<i>Not applicable; the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency)./A Public Offer of the Notes will take place in the Public Offer Jurisdiction(s) during the Offer Period. [Summarise details of the Public Offer included in the "Distribution—Public Offer" and "Terms and Conditions of the Offer" items in Part B of the Final Terms.] Any investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation and settlement arrangements.</i>
E.4	Interests material to the Issue:	<p>The Issuer has appointed Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Nordea Bank AB (publ), Nordea Bank Danmark A/S, Nordea Bank Finland Plc, Nordea Bank Norge ASA, The Royal Bank of Scotland plc, Société Générale, UBS Limited and UniCredit Bank AG as principal dealers for the Programme and UBS AG as Swiss dealer for the Programme (together with any other dealer appointed from time to time by the Issuer, either generally in relation to the Programme or in relation to a particular Series of Notes, the "Dealers").</p> <p>The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in the Dealership Agreement made between the Issuer and the Dealers. Notes may be distributed by way of private or public placement, in each case on a syndicated or a non-syndicated basis.</p> <p>Interests material to the issue/offer of Notes may arise principally as a result of the ordinary business activities of the Dealers and their affiliates, in the course</p>

		<p>of which they may make, hold and actively trade investments that may involve Notes and/or instruments of the Issuer or the Issuer's affiliates, including Notes, and may hedge their credit exposure to the Issuer. Such hedging may include the purchase of credit default swaps or the creation of short positions in Notes of the Issuer or the Issuer's affiliates, including potentially the Notes. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such Notes.</p> <p><i>So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer./[].</i></p>
E.7	Estimated expenses:	<p>It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of Notes. Other Authorised Offerors may, however, charge expenses to investors. Any expenses chargeable by an Authorised Offeror to an investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer. Such expenses (if any) will be determined on a case by case basis.</p> <p><i>No expenses are being charged to an investor in the Notes by the Issuer [or any Authorised Offeror]./The Authorised Offeror(s) will charge expenses to investors. The estimated expenses chargeable to investors by the Authorised Offeror(s) are [].</i></p>

APPENDIX 2

SELECTED FINANCIAL INFORMATION

The tables below show certain selected summarised financial information which, without material changes, is derived from the Nordea Group's audited consolidated financial statements for the year ending 31 December 2013, which are set out in Annex 1 to the Base Prospectus and the Nordea Group's unaudited consolidated financial statements for the year ending 31 December 2014, which are set out in the Annex to this Supplement and the notes thereto.

The Nordea Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards ("IFRS") and interpretations of such standards by the International Financial Reporting Interpretations Committee, as endorsed by the EU Commission. In addition, certain complementary rules in the Swedish Act on Annual Reports in Credit Institutions and Securities Companies (1995:1559) and the recommendation RFR 1 "Supplementary Accounting Rules for Groups", and UFR statements issued by the Swedish Financial Reporting Board as well as the accounting regulations of the SFSA's (FFFS 2008:25, with amendments in FFFS 2009:11 and 2011:54), have also been applied.

The tables below shall be read together with the auditor's report and the notes thereto.

Income Statement

	Group		
	Year ended 31 December		
	2014	2013	2012
	(EUR millions)		
Interest income	9,995	10,604	11,939
Interest expense	-4,513	-5,079	-6,376
Net interest income.....	5,482	5,525	5,563
Fee and commission income.....	3,799	3,574	3,258
Fee and commission expense.....	-957	-932	-790
Net fee and commission income.....	2,842	2,642	2,468
Net result from items at fair value	1,425	1,539	1,774
Profit from companies accounted for under the equity method	18	79	93
Other operating income.....	457	106	100
Total operating income	10,224	9,891	9,998
Operating expenses			
General administrative expenses:			
Staff costs	-3,149	-2,978	-2,989
Other expenses	-1,635	-1,835	-1,808
Depreciation, amortisation and impairment charges of tangible and intangible assets ...	-582	-227	-267
Total operating expenses.....	-5,366	-5,040	-5,064
Profit before loan losses	4,858	4,851	4,934
Net loan losses.....	-534	-735	-895
Operating profit	4,324	4,116	4,039
Income tax expense	-953	-1,009	-970
Net profit for the period from continuing operations.....	3,371	3,107	3,069
Net profit for the period from discontinued operations, after tax....	-39	9	57
Net profit for the period	3,332	3,116	3,126
Attributable to:			
Shareholders of Nordea Bank AB (publ).....	3,332	3,116	3,119
Non-controlling interests.....	-	-	7
Total.....	3,332	3,116	3,126

Balance Sheet

	Group		
	31 December		
	2014	2013	2012
	(EUR millions)		
Assets			
Cash and balances with central banks.....	31,067	33,529	36,060
Loans to central banks.....	6,958	11,769	8,005
Loans to credit institutions.....	12,217	10,743	10,569
Loans to the public.....	348,085	342,451	346,251
Interest-bearing securities.....	87,110	87,314	86,626
Financial instruments pledged as collateral.....	12,151	9,575	7,970
Shares.....	39,749	33,271	28,128
Derivatives.....	105,119	70,992	118,789
Fair value changes of the hedged items in portfolio hedge of interest rate risk.....	256	203	-711
Investments in associated undertakings.....	487	630	585
Intangible assets.....	2,908	3,246	3,425
Property and equipment.....	509	431	474
Investment property.....	3,227	3,524	3,408
Deferred tax assets.....	130	62	266
Current tax assets.....	132	31	78
Retirement benefit assets.....	42	321	142
Other assets.....	17,581	11,064	15,554
Prepaid expenses and accrued income.....	1,614	2,383	2,559
Assets held for sale.....	-	8,895	-
Total assets.....	669,342	630,434	668,178
Liabilities			
Deposits by credit institutions.....	56,322	59,090	55,426
Deposits and borrowings from the public.....	197,254	200,743	200,678
Liabilities to policyholders.....	51,843	47,226	45,320
Debt securities in issue.....	194,274	185,602	183,908
Derivatives.....	97,340	65,924	114,203
Fair value changes of the hedged items in portfolio hedge of interest rate risk.....	3,418	1,734	1,940
Current tax liabilities.....	368	303	391
Other liabilities.....	26,973	24,737	24,773
Accrued expenses and prepaid income.....	1,943	3,677	3,903
Deferred tax liabilities.....	983	935	976
Provisions.....	305	177	389
Retirement benefit obligations.....	540	334	469
Subordinated liabilities.....	7,942	6,545	7,797
Liabilities held for sale.....	-	4,198	-
Total liabilities.....	639,505	601,225	640,173
Equity			
Non-controlling interests.....	2	2	5
Share capital.....	4,050	4,050	4,050
Share premium reserve.....	1,080	1,080	1,080
Other reserves.....	-1,201	-159	340
Retained earnings.....	25,906	24,236	22,530
Total equity.....	29,837	29,209	28,005
Total liabilities and equity.....	669,342	630,434	668,178
Assets pledged as security for own liabilities.....	163,041	174,418	159,924
Other assets pledged.....	11,265	7,467	10,344
Contingent liabilities.....	22,017	20,870	21,157
Credit commitments.....	74,291	78,332	84,914
Other commitments.....	1,644	1,267	1,294

Cash Flow Statement

	Group		
	Year ended 31 December		
	2014	2013	2012
	<i>(EUR millions)</i>		
Operating activities			
Operating profit	4,324	4,116	4,039
Profit for the period from discontinued operations, after tax	-39	9	57
Adjustment for items not included in cash flow	8,137	4,492	3,199
Income taxes paid	-966	-1,010	-662
Cash flow from operating activities before changes in operating assets and liabilities	11,456	7,607	6,633
Cash flow from operating activities	-10,824	6,315	19,754
Cash flow from investing activities	3,254	572	774
Cash flow from financing activities	-1,040	-1,927	-170
Cash flow for the period	-8,610	4,960	20,358
Cash and cash equivalents at the beginning of period	45,670	42,808	22,606
Translation differences	2,623	-2,098	-156
Cash and cash equivalents at the end of period	39,683	45,670	42,808
Change	-8,610	4,960	20,358