



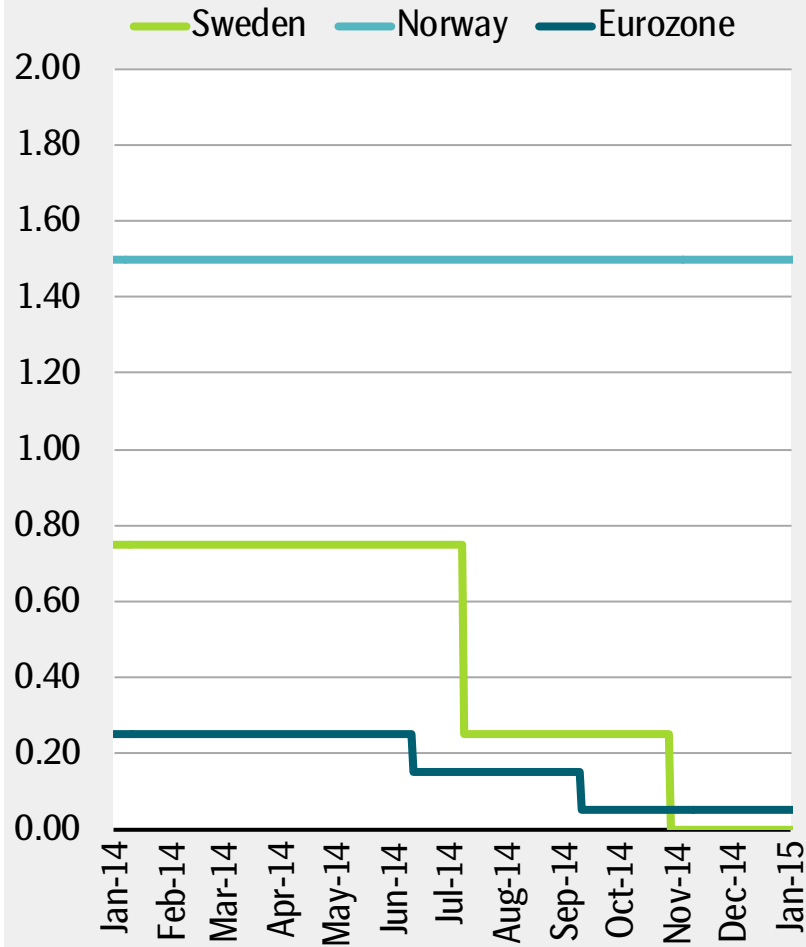
## Annual Accounts 2014

Annika Falkengren  
President & CEO

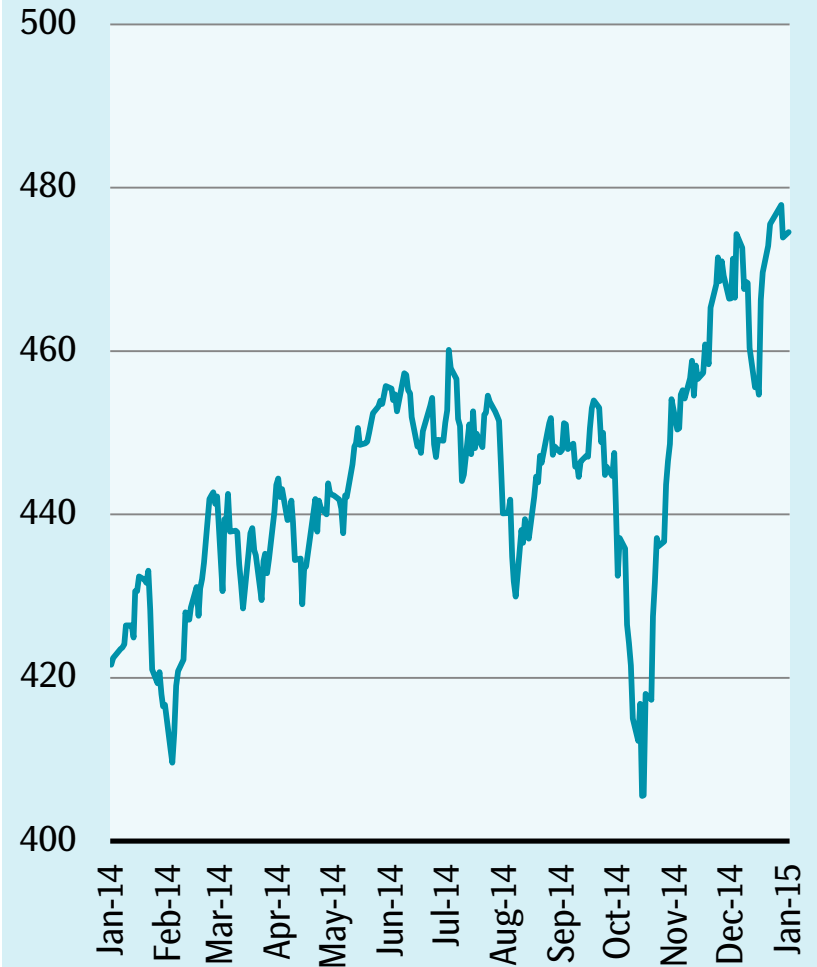


# Unique economic environment

## Key Interest rates %



## Swedish stock market (OMXSPI)



# Highlights 2014



**1** High activity among large corporate clients

**2** Diversified business mix underpins growth

**3** Continued strong balance sheet and asset quality

# Financial summary – 2014

## Profit and loss (SEK m)

	Jan-Dec '14	Jan-Dec '13	%	Jan-Dec '14 excl. one-offs	%
<b>Total operating income</b>	<b>46,936</b>	<b>41,553</b>	+13	<b>43,954</b>	+6
Total operating expenses	-22,143	-22,287	-1	-22,143	-1
<b>Profit before credit losses</b>	<b>24,793</b>	<b>19,266</b>	+29	<b>21,811</b>	+13
Net credit losses etc.	-1,445	-1,139	+27	-1,445	+27
<b>Operating profit</b>	<b>23,348</b>	<b>18,127</b>	+29	<b>20,366</b>	+12

## Key financials

### Dividend per share

SEK 4:75



### Common Equity Tier 1

16.3%



### Return on Equity (excl. one-offs)

13.1%

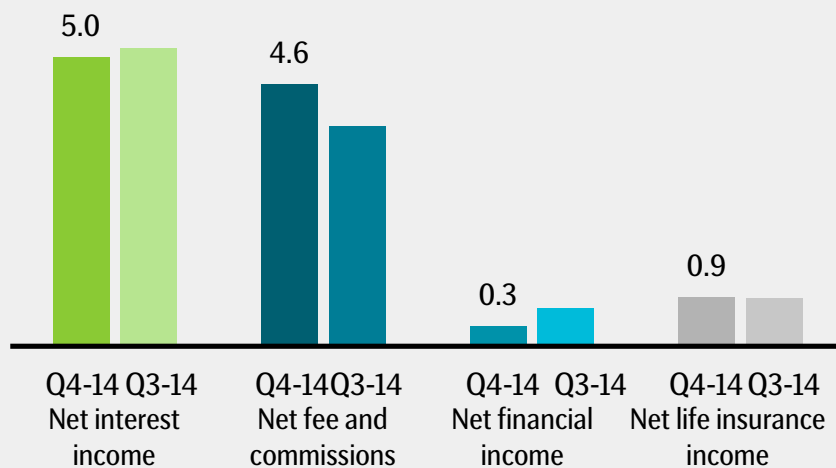


# Financial summary Q4 – excluding one-offs

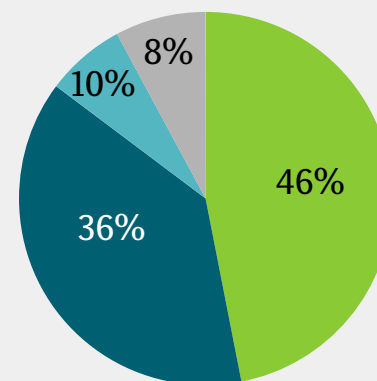
## Profit and loss (SEK m)

	Q4-14	Q3-14	%	Q4-13	%
<b>Total operating income</b>	<b>11,102</b>	<b>11,332</b>	-2	<b>11,030</b>	+1
Total operating expenses	-5,791	-5,495	+5	-5,661	+2
<b>Profit before credit losses</b>	<b>5,311</b>	<b>5,837</b>	-9	<b>5,369</b>	-1
Net credit losses etc.	-395	-493	+35	-360	+10
<b>Operating profit</b>	<b>4,916</b>	<b>5,344</b>	-8	<b>5,009</b>	-2

## Operating income by type, Q4 2014 vs. Q3 2014 (SEK bn)



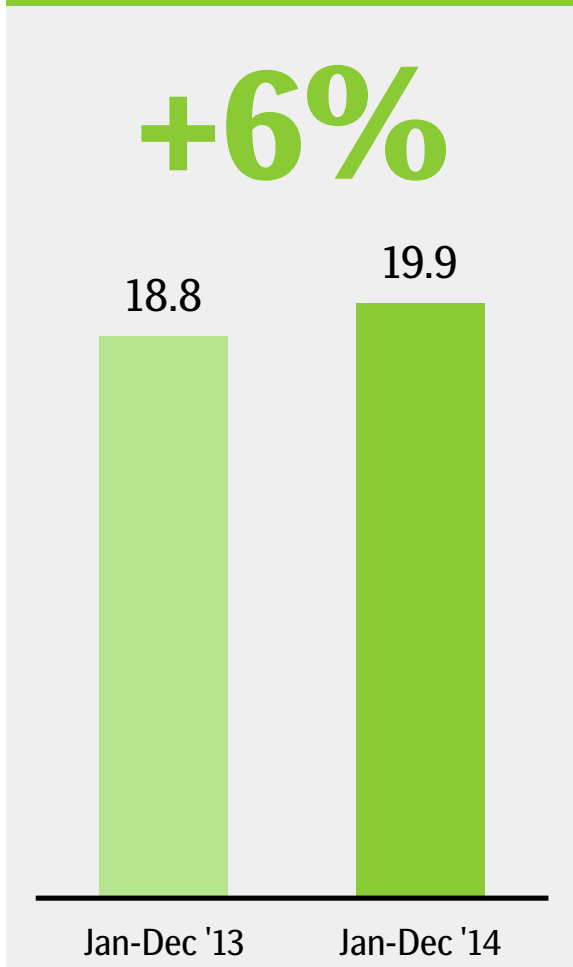
## Income distribution FY 2014



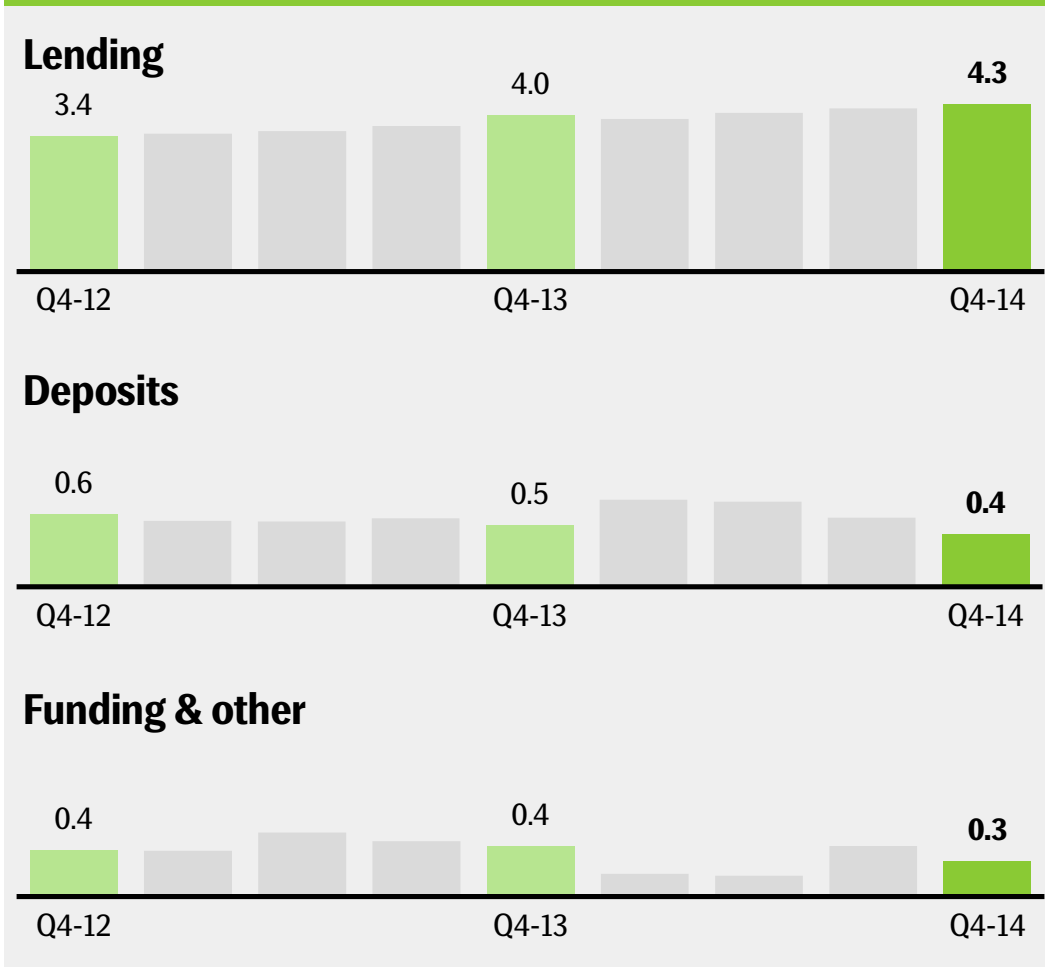
# Net interest income development

SEK bn

## Net interest income 2013 vs. 2014



## Net interest income type Q4 2012 – Q4 2014



# Net fee and commission income development

SEK bn

## Net fee and commissions 2013 vs. 2014

**+11%**

14.7

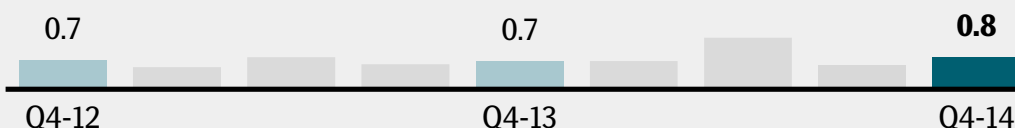
16.3

Jan-Dec '13

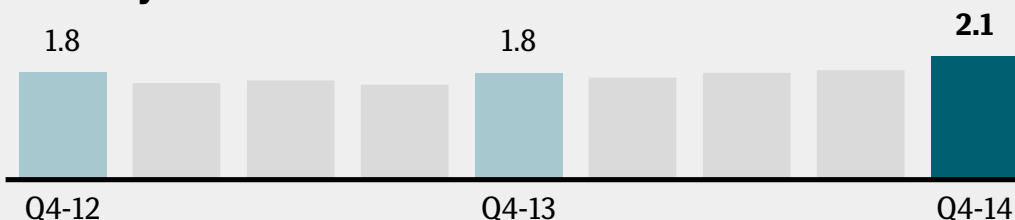
Jan-Dec '14

## Gross fee and commissions by income type Q4 2012 – Q4 2014

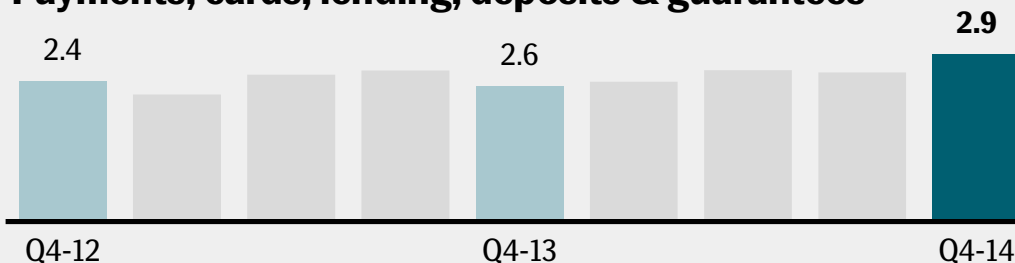
### Advisory, secondary markets and derivatives



### Custody and mutual funds



### Payments, cards, lending, deposits & guarantees



# Net financial income development

SEK bn

## Net financial income 2013 vs. 2014

**-28%**

Divisions  
4.6

4.1

Divisions  
3.6

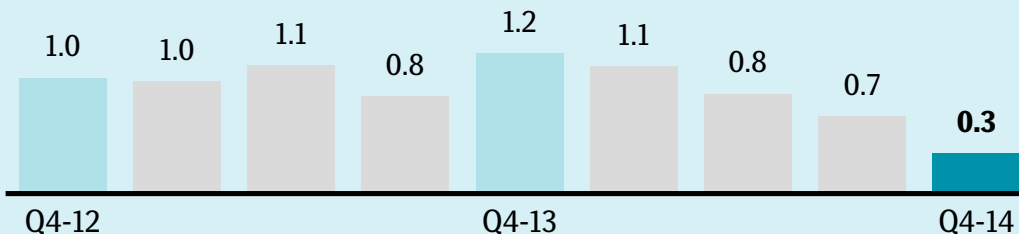
2.9

Jan-Dec '13

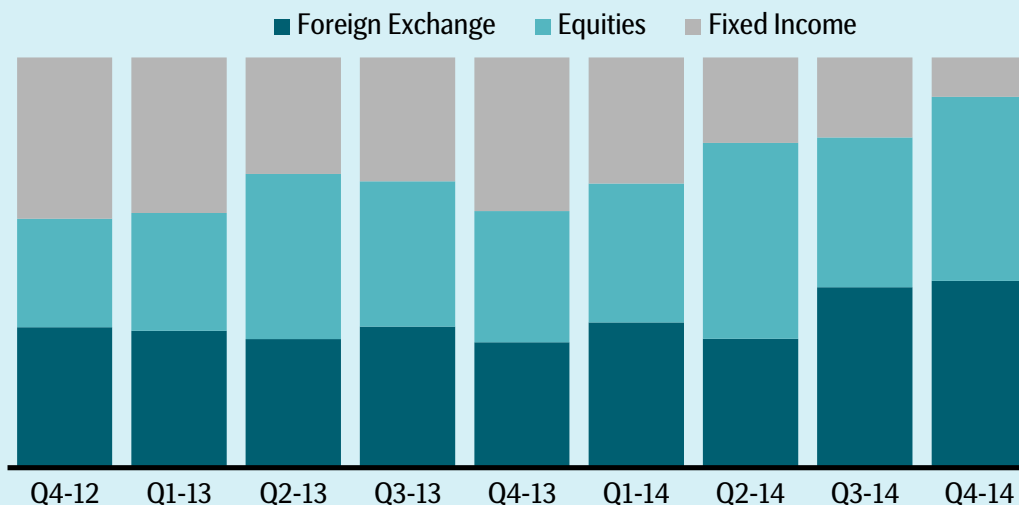
Jan-Dec '14

## Net financial income development Q4 2012 – Q4 2014

### SEB Group



### Markets – distribution of income





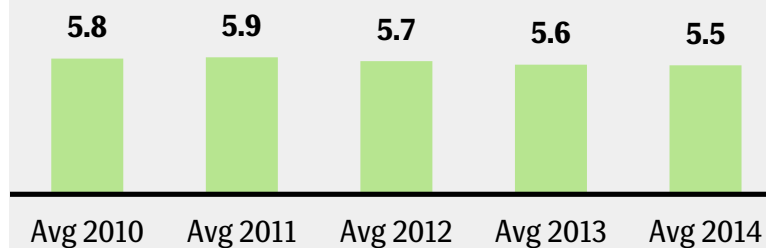
# Operating leverage

Excluding one-offs

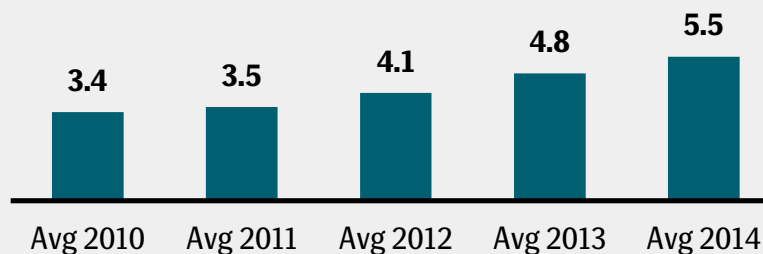
## Average quarterly income (SEK bn)



## Average quarterly expenses (SEK bn)



## Average quarterly profit before credit losses (SEK bn)



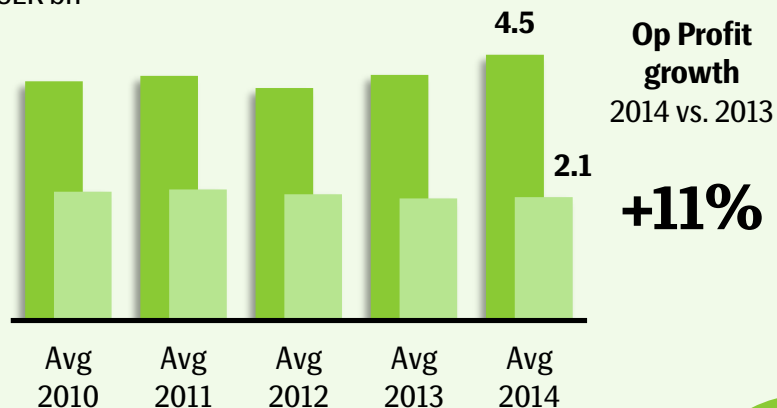
Notes: Excluding one-offs (restructuring in 2010, bond buy-back and IT impairment in 2012, sale of MasterCard shares and Euroline in 2014) Estimated IAS 19 costs in 2010

# All divisions driving operating leverage

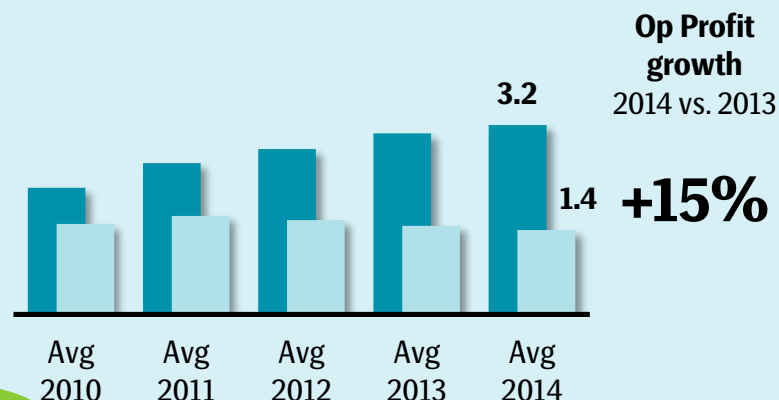
Operating income  
Operating expenses

## Merchant Banking

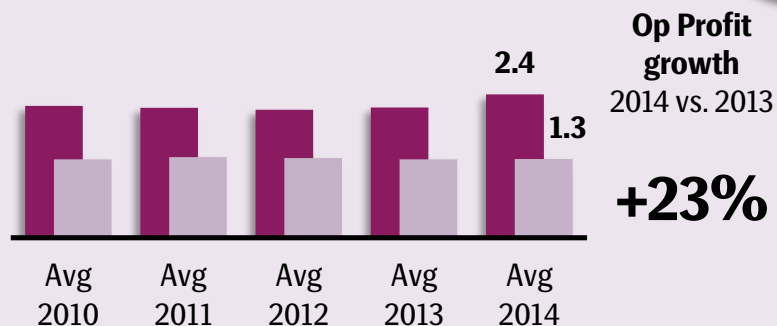
SEK bn



## Retail Banking

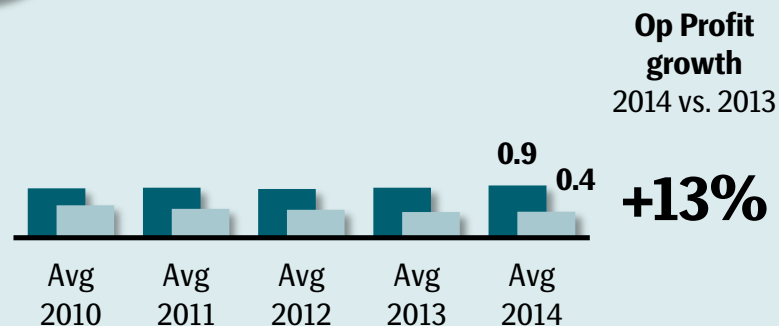


## Life & Wealth



**SEB Group  
Op profit\***  
**+12%**

## Baltic

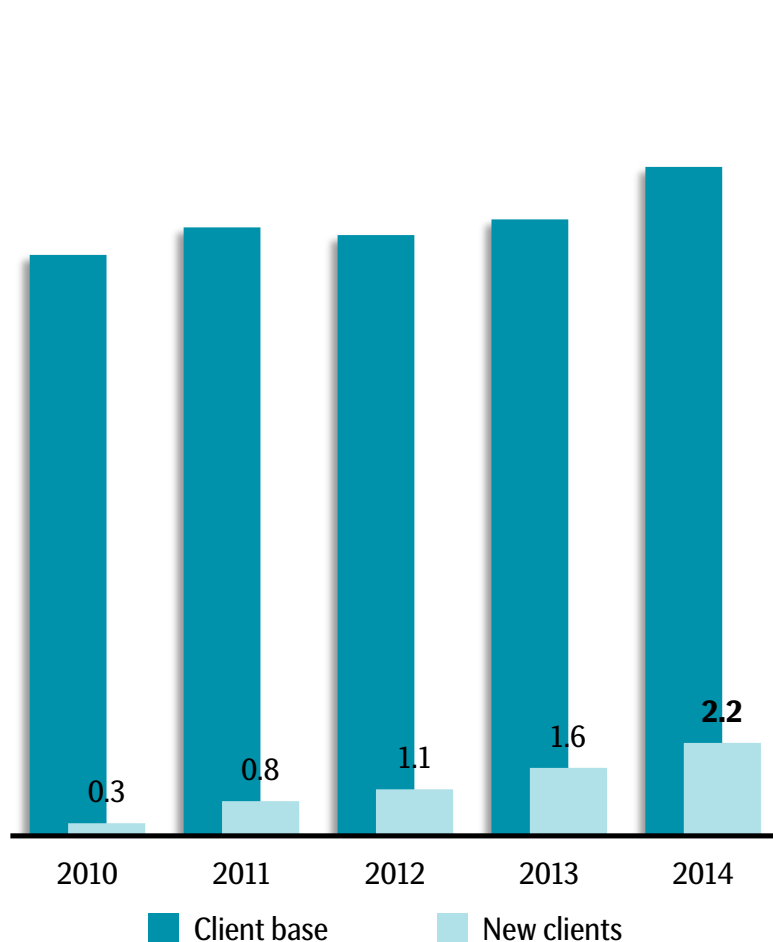


\* Excluding one-off gains

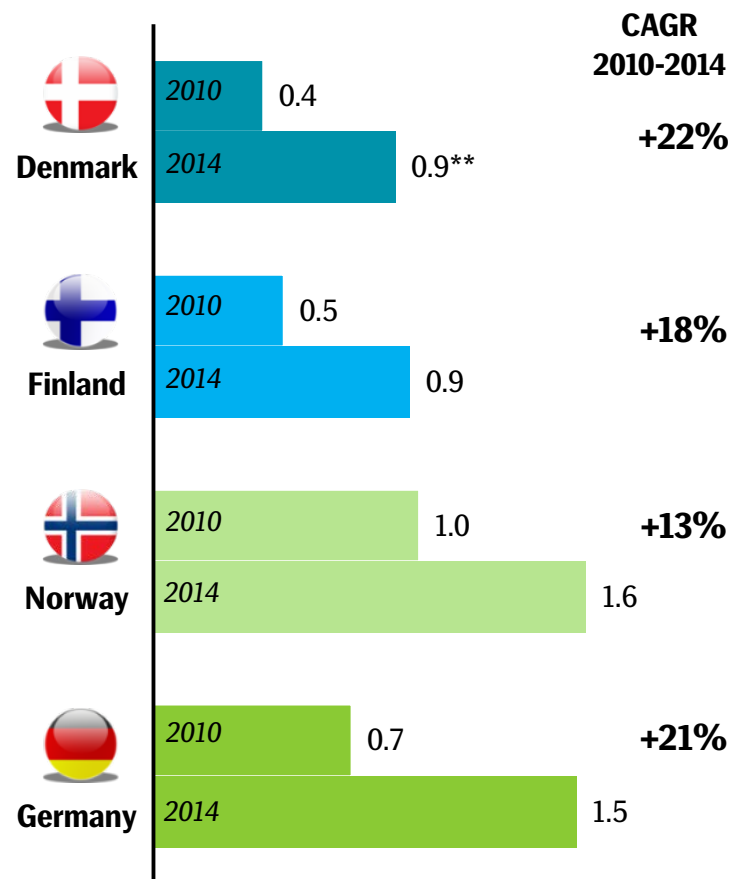
# Growth initiatives fuelling geographical diversification

SEK bn

## Large Corporate & FI - Total Client Income



## MB operating result per geography\*



\*FX adjusted

\*\*Excluding one extraordinary item

# The leading Nordic Corporate Bank

## The clients confirmed our #1 position



## Key transactions 2014



Acquisition of  
Frank Mohn AS

Sole Financial Advisor  
Joint Bookrunner Bond  
Sole Underwriter Acquisition Facility

**SEB**



RIGHTS issue  
Loan facility

Joint Global Coordinator  
Bookrunner  
MLA


**SEB**



Rights issue  
Loan facility

Joint Global Coordinator,  
Coordinator  
MLA

**SEB**



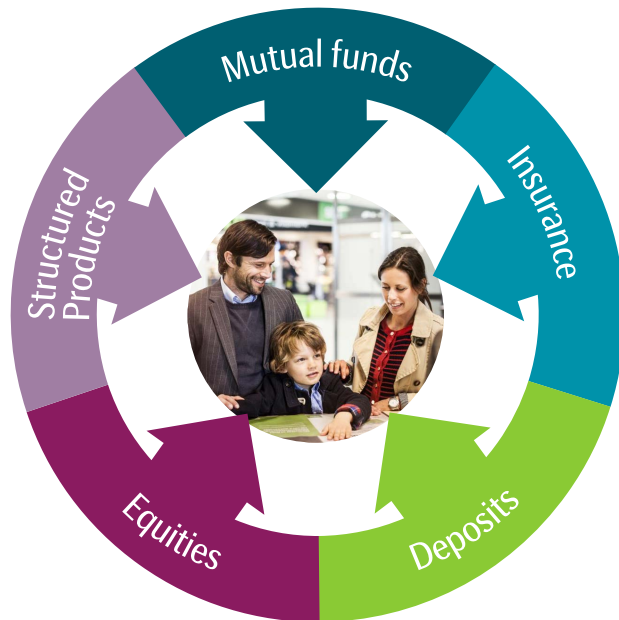
Acquisition finance

MLA

**SEB**

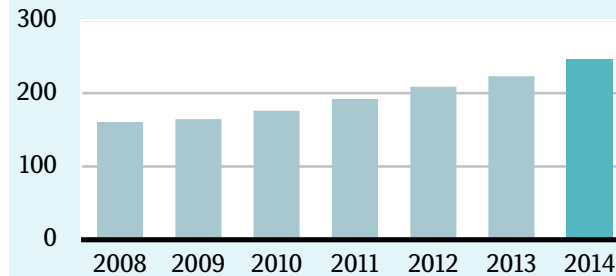


# Growing asset gathering franchise



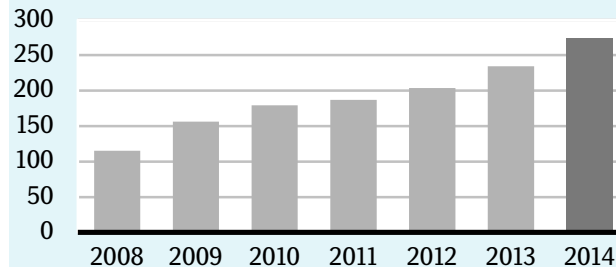
Traditional life <sup>Advice driven</sup>  
**Long-term focus**  
 Performance <sup>#1 Private Banking</sup>  
 Holistic  
 Asset allocation

**Household deposits (SEK bn)**



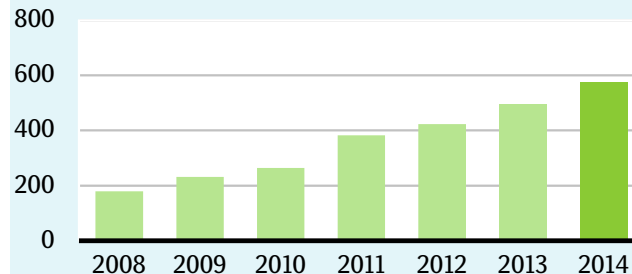
**+7%  
CAGR**

**Unit-linked AuM (SEK bn)**



**+16%  
CAGR**

**Private Banking AuM (SEK bn)**



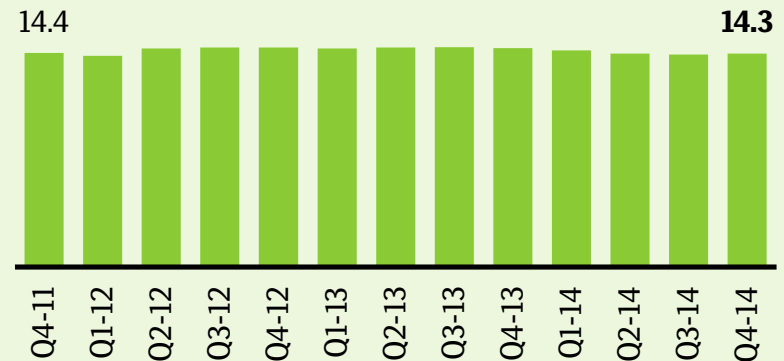
**+21%  
CAGR**

# Baltic countries display resilience and innovation

## Key figures

**97,000** Home-bank corporate clients  
**860,000** Home-bank private clients  
**113** Branches  
**2** Shared service centres  
**4,900** Employees

## Baltic credit portfolio (EUR bn)



# Continued resilience and flexibility



Net credit loss level 0.09%

NPL coverage ratio 59%

LCR 115%

Liquidity resources 25%

CET1 16.3%

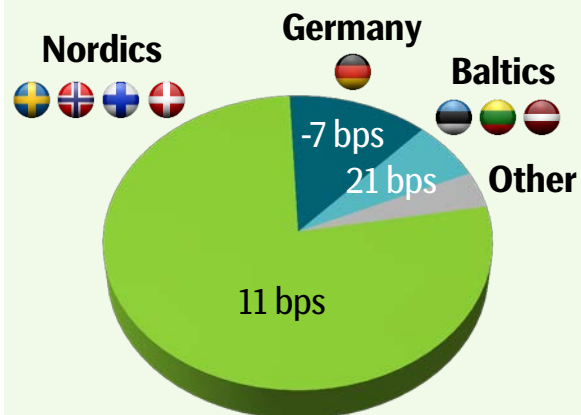
Asset Quality

Liquidity

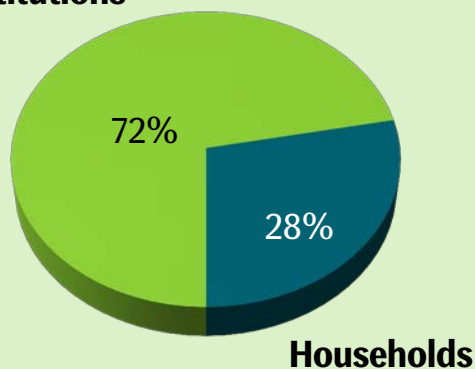
Capital

# Solid credit portfolio and strong asset quality

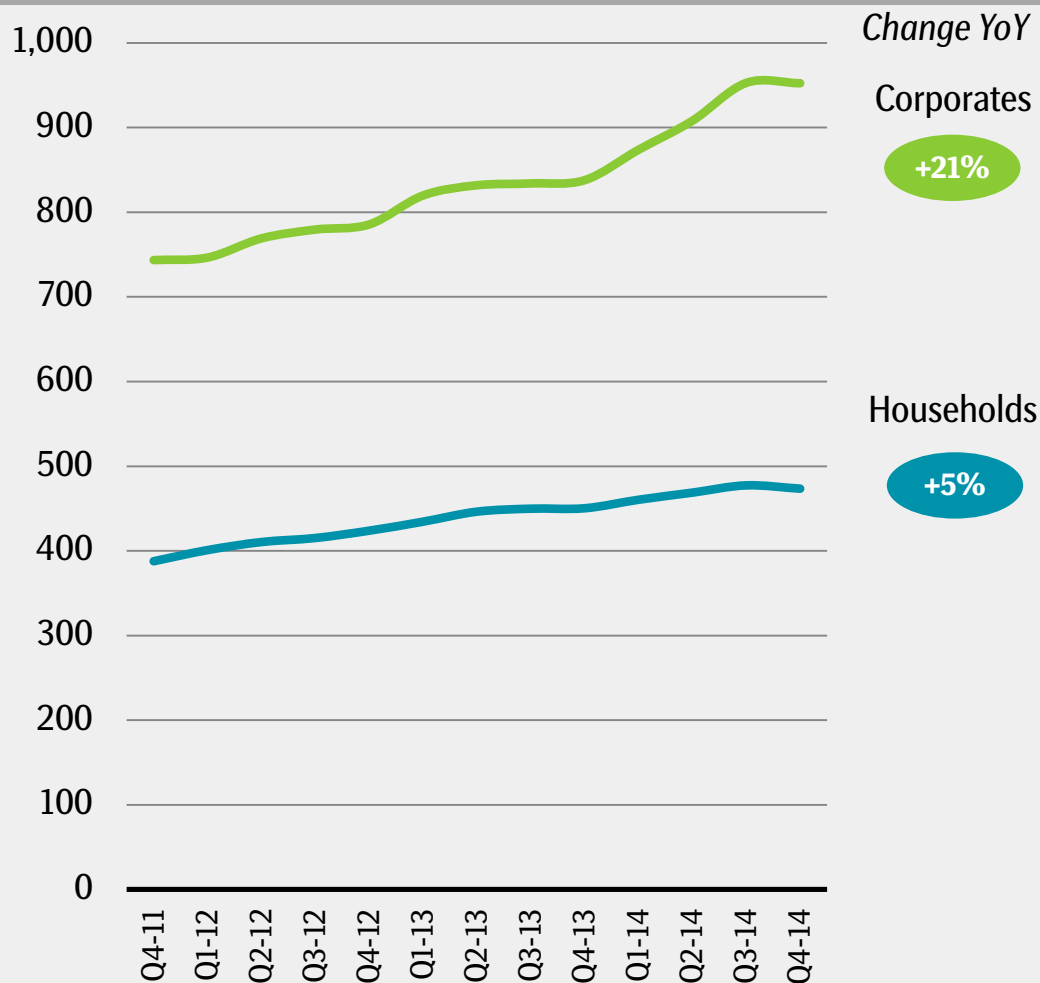
**Credit portfolio (credit loss level)**



**Corporate & Institutions**



**Credit portfolio by sector (SEK bn)**





# Financial targets

Return on Equity

Competitive with peers  
– long-term aspiration of 15%

Common Equity  
Tier 1 ratio

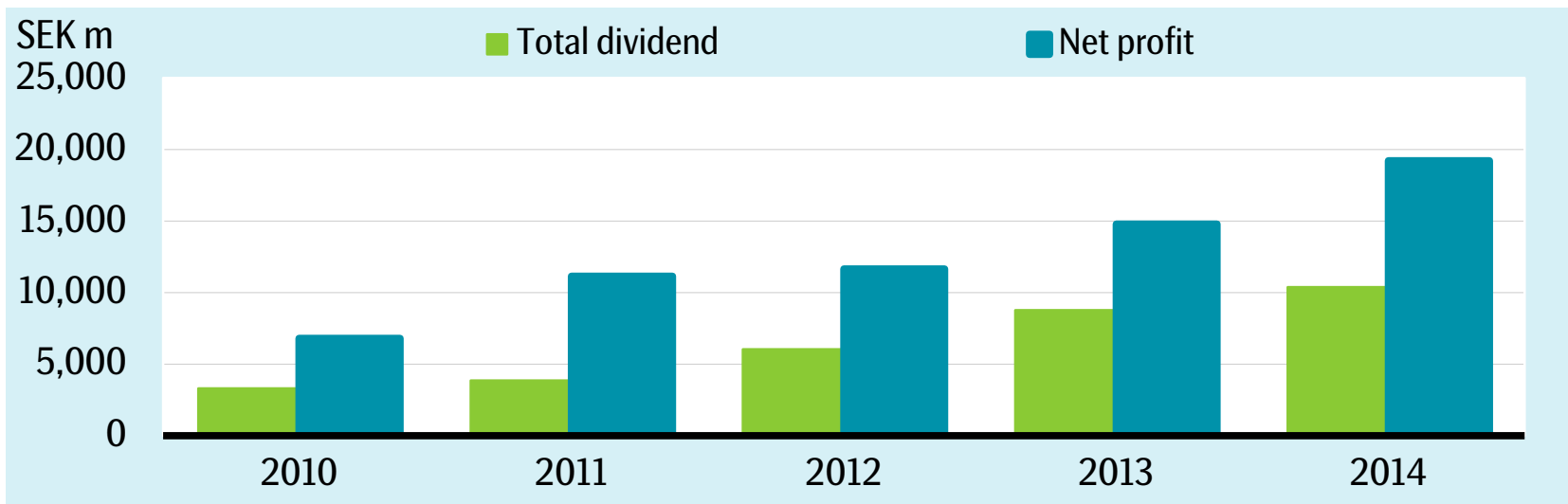
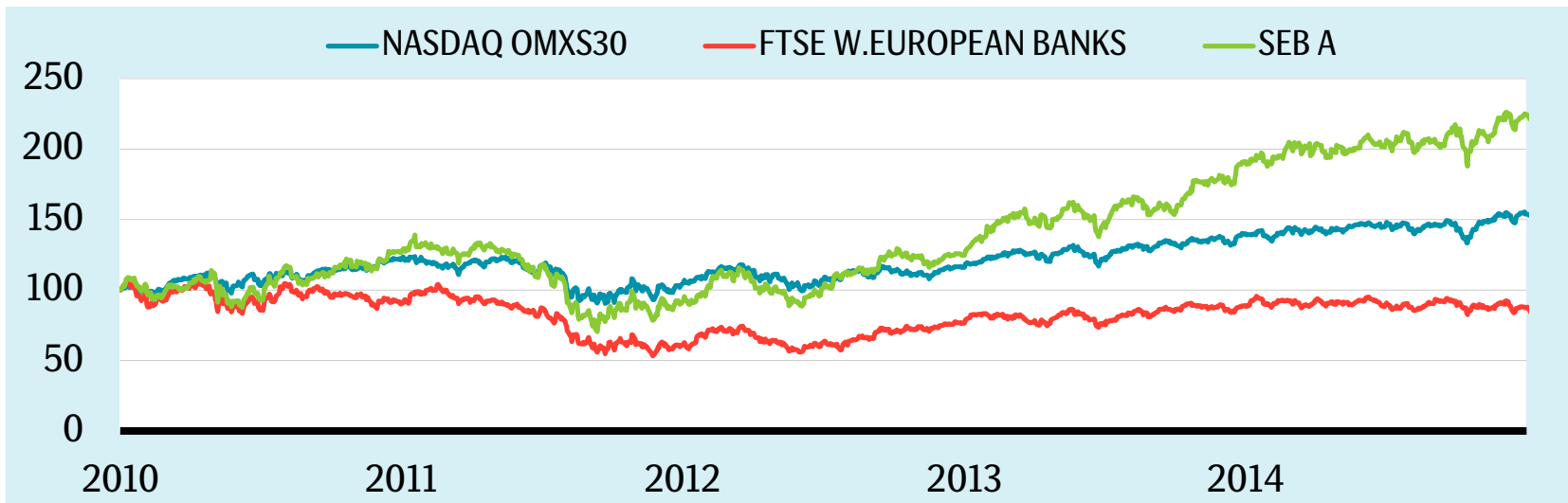
150bps buffer over regulatory  
requirement

Pay-out ratio

40% or above of EPS

# SEB share and dividend development

2010 – 2014



# Going forward

A photograph of three business professionals sitting around a table in a meeting. On the left, a man in a dark suit and tie is looking towards the center. In the middle, a woman with blonde hair wearing a pink top is smiling and looking towards the right. On the right, a woman with dark hair is smiling and looking towards the center. The background shows a framed picture of a landscape on the wall.

**Focus on customer relationships**

**Continued disciplined execution**

**Resilience and long-term perspective  
in challenging economic climate**