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President and CEO

Q3

Telephone  
conference  
presentation  
January – September

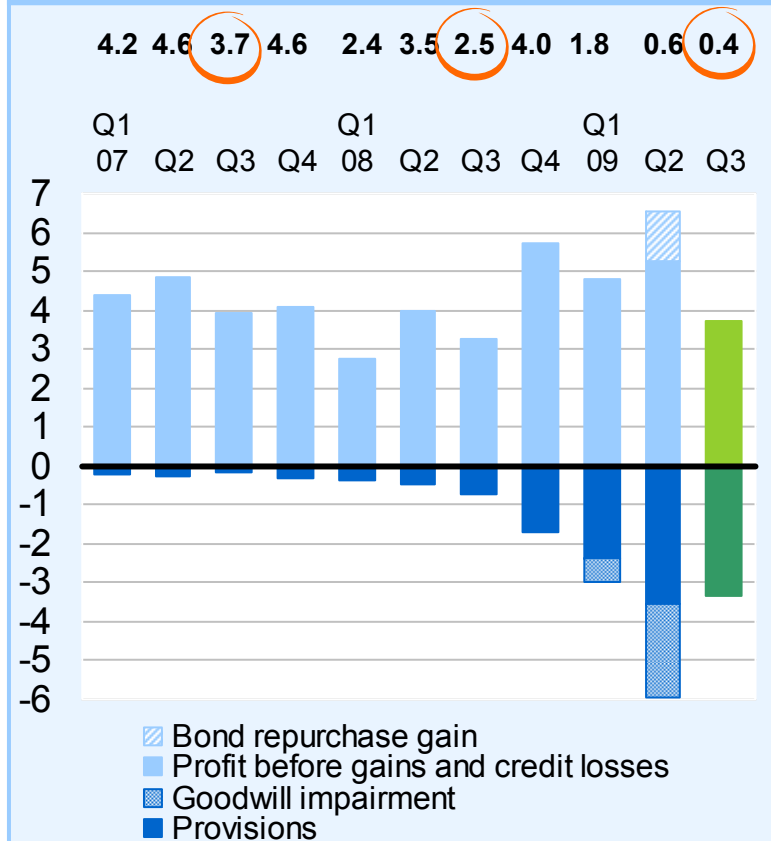
2009



# Highlights Q3 2009

- Strong underlying business
  - SEK 3.7bn before provisions for credit losses
  - SEK 620m cost of further strengthening the balance sheet
  - Seasonality and normalising markets
- Reduced cost level
  - -4% on a comparable basis YoY
  - Reduction of 1,219 FTEs since Dec
- Stabilisation of problem loans
  - Provisions: SEK 3.3bn
  - Reduced NPL formation rate
  - Stable reserve ratio

## Operating profit (SEK bn)



# Net interest income

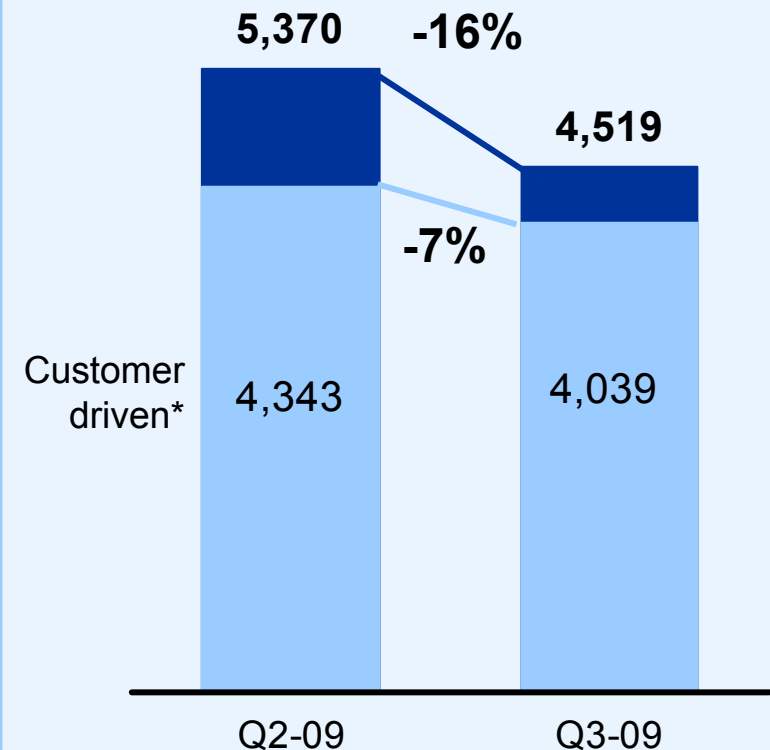


## Key Drivers in Q3

- ✓ Extended funding duration  
SEK -400m
- ✓ Normalised spread levels in bond  
investment portfolio  
SEK -350m
- ✓ Lower short-term rates  
SEK -300m
- ✓ Limited volume contribution

## Net interest income

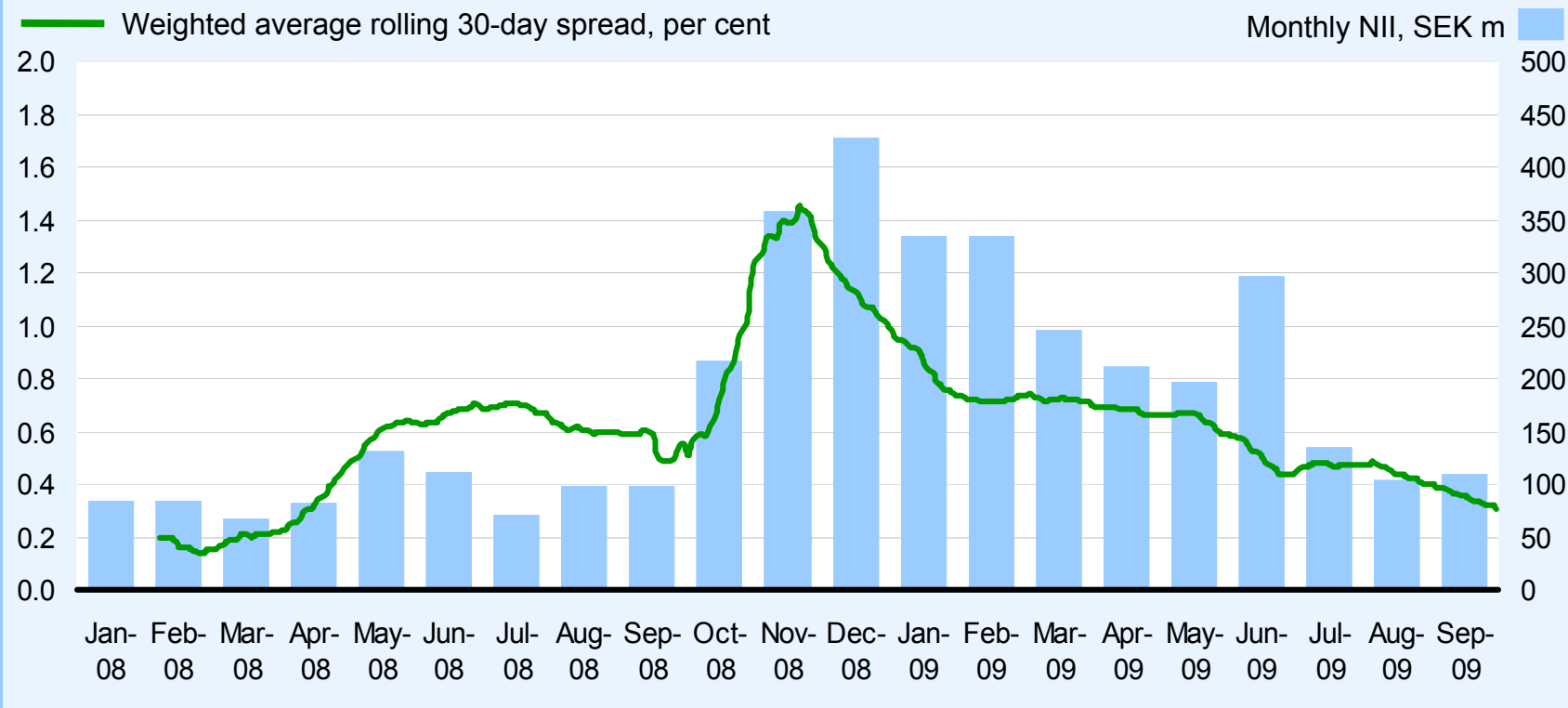
SEB Group, SEK m



\* volumes and margins on lending and deposits

# The financial turbulence created a temporary NII boost

Monthly NII (SEK m) from Bond investment portfolio vs. spread development



Temporary effects Q4 2008 – Q2 2009: SEK +1.5bn

# Net interest income normalising

+20%  
YTD

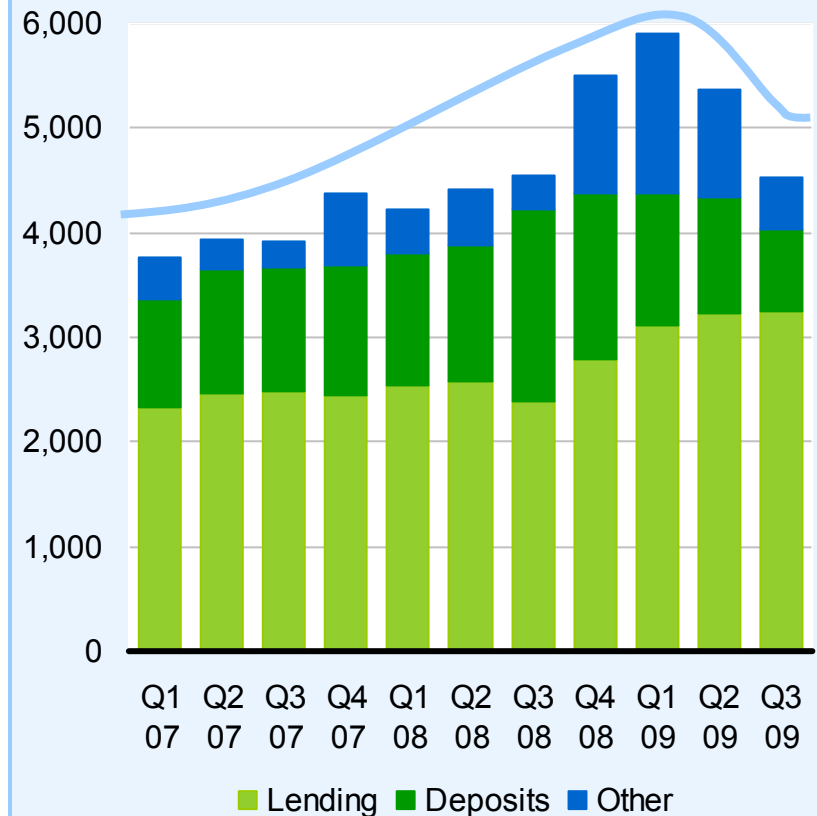
S|E|B

## Key Drivers vs. Q3 2008

- ✓ Gradually increased contribution from lending repricing but weak demand for new lending: SEK +800m
- ✓ Deposit margins significantly lower and limited impact from new volumes: SEK -1,000m

Back to “normal”

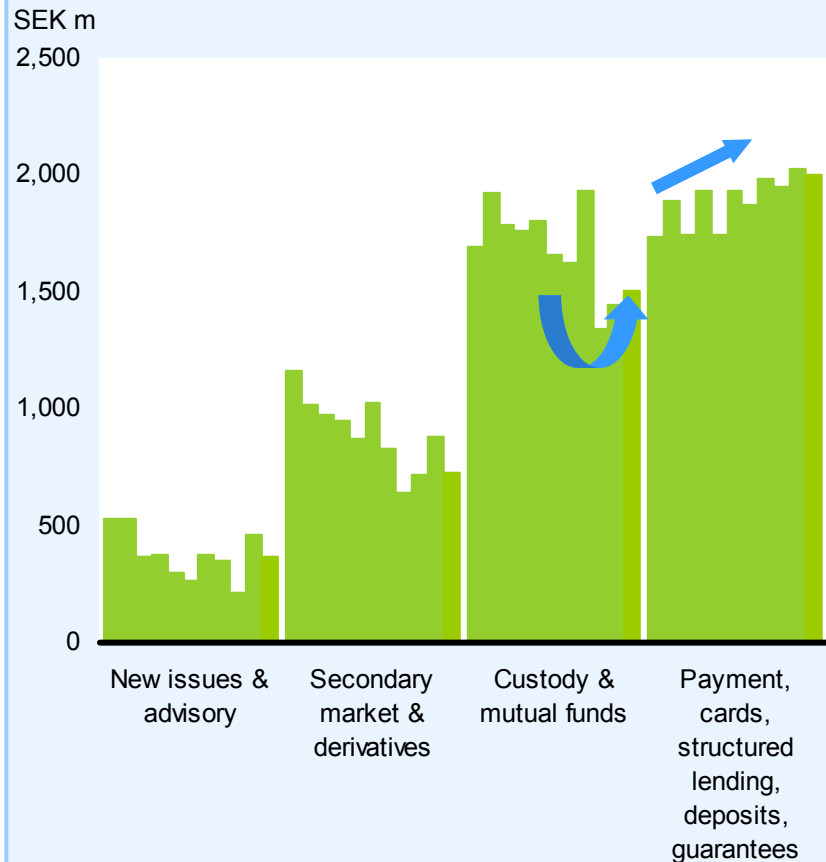
Net interest income, SEK m



# Commission income



## Gross fee and commission Q1 07–Q3 09

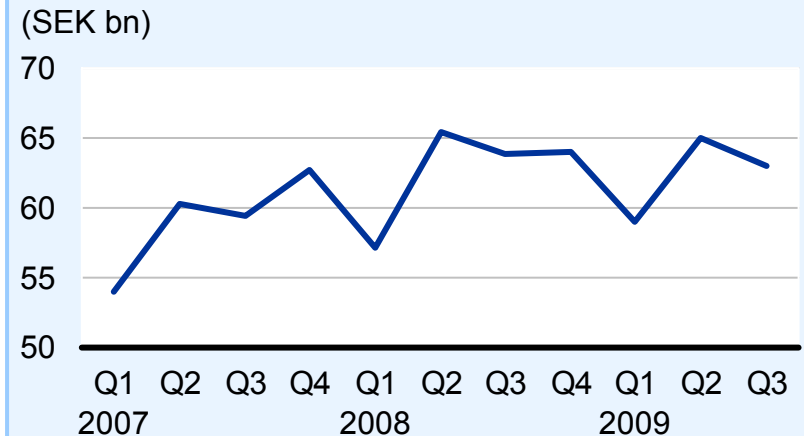


## Best Corporate Finance house in Nordic region\*

*Prospera*



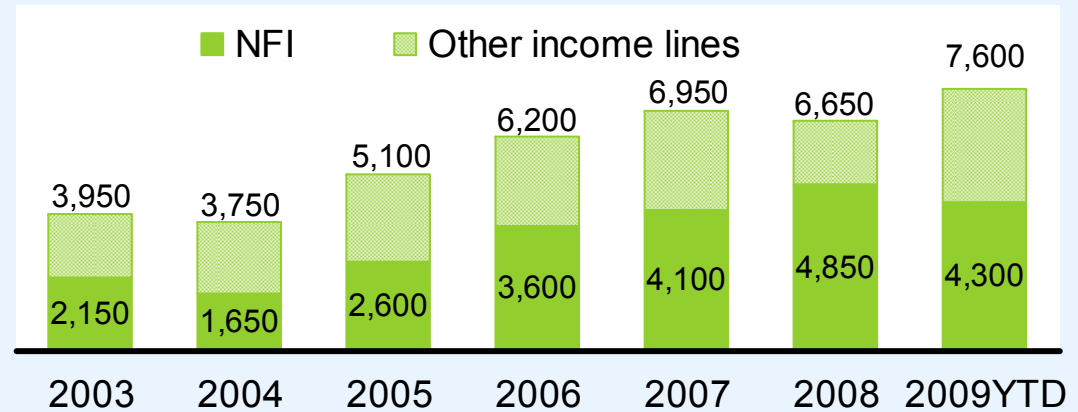
## Turnover Card



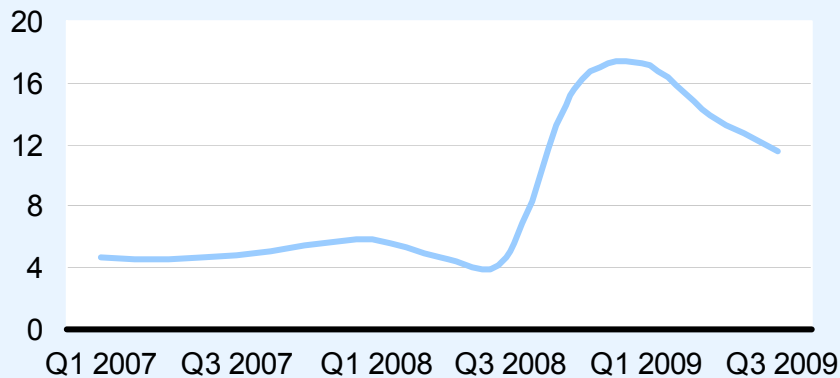
\* Rank based on completed deals. All Nordic involvement. Source: Thomson Financial

# Net financial income

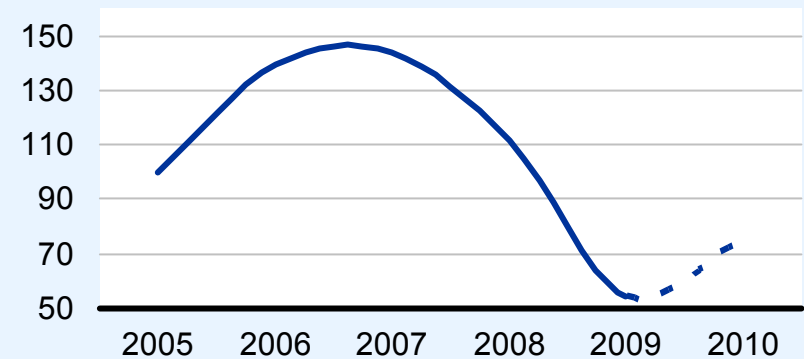
## TCM, excluding CPM Portfolio, SEK m



## EUR/SEK 365-day volatility (%)



## Equities volumes (index 2005)



# Net life income

## Changing mix

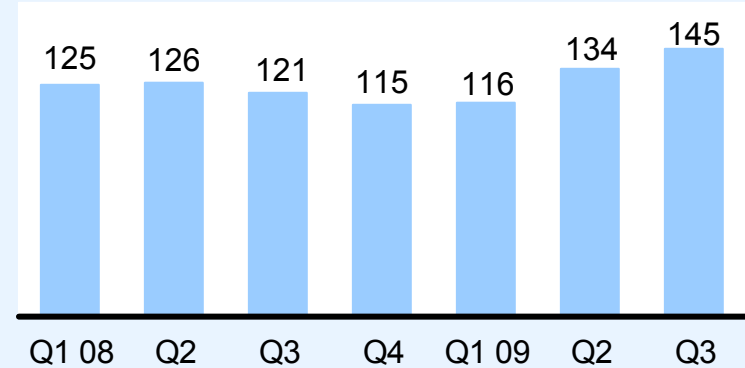
### % equity allocation



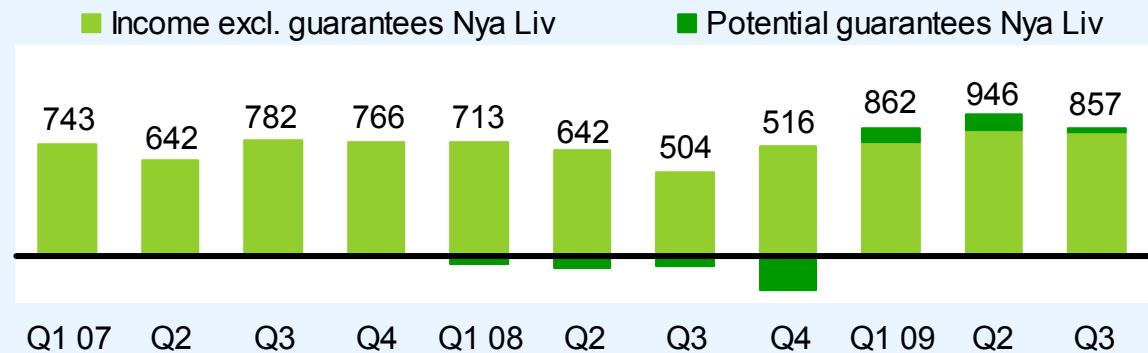
**27% → 36%**

## Growing volumes

AuM Unit Link, SEK bn



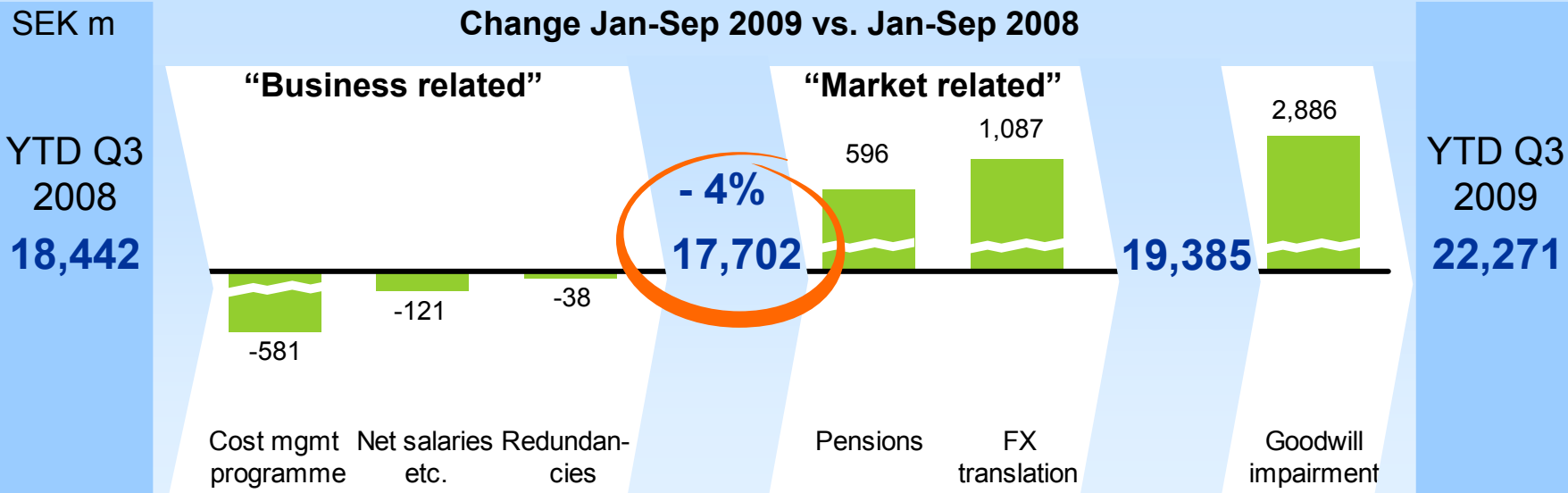
## Net Life Insurance Income, Q1 07–Q3 09, SEK m





# Decreasing underlying cost base

## Decreasing operating expenses on comparable basis



Accumulated since start of programme

**SEK 1,610m**

FTE development since year end

**Group: -1,219**

**Net 500: -490**

# Baltic provisions – stabilising NPL

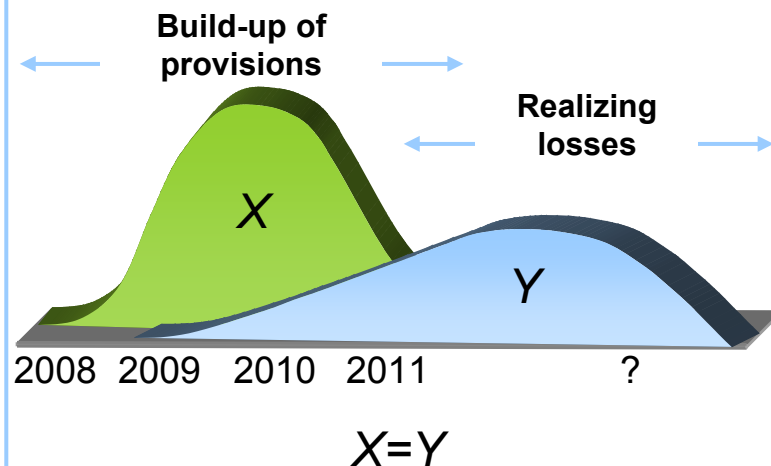
## Flow of new problem loans slowing



- ✓ Past due > 30 days +2%\*
- ✓ Past dues > 60 days: +5%\*

\* In local currencies, Q3 vs Q2, 2009

## Matching the cycles



- ✓ Initially collective reserves
- ✓ Identified specific provisions
- ✓ Realizing losses against provisions

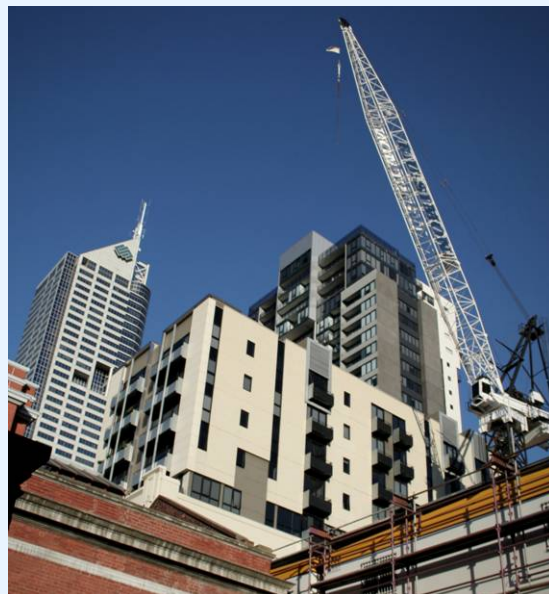
# Proactive Baltic work-out process

## Leasing



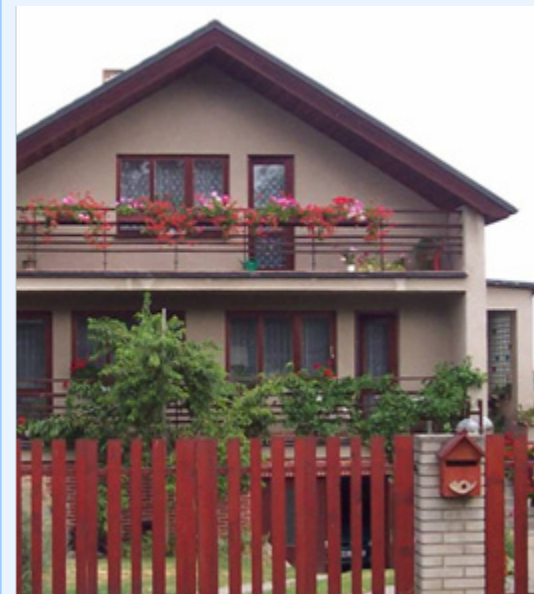
- Total lending SEK 19bn
- Multiple distribution channels
- Sales > inflow

## Real estate Holding Companies



- Total lending SEK 27bn
- Established valuation methodology
- Real estate expertise

## Residential mortgages

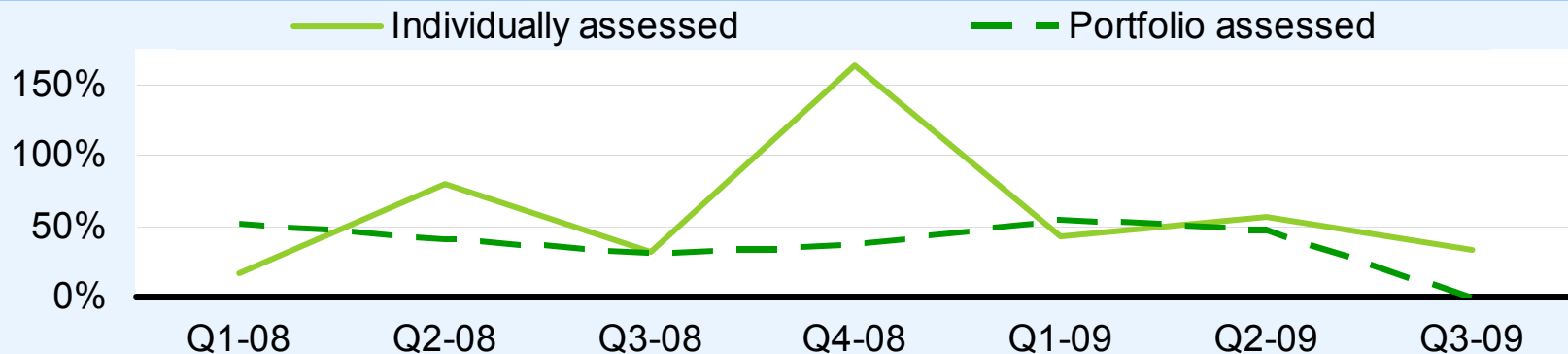


- Total lending SEK 50bn
- Constructive dialogue with customers

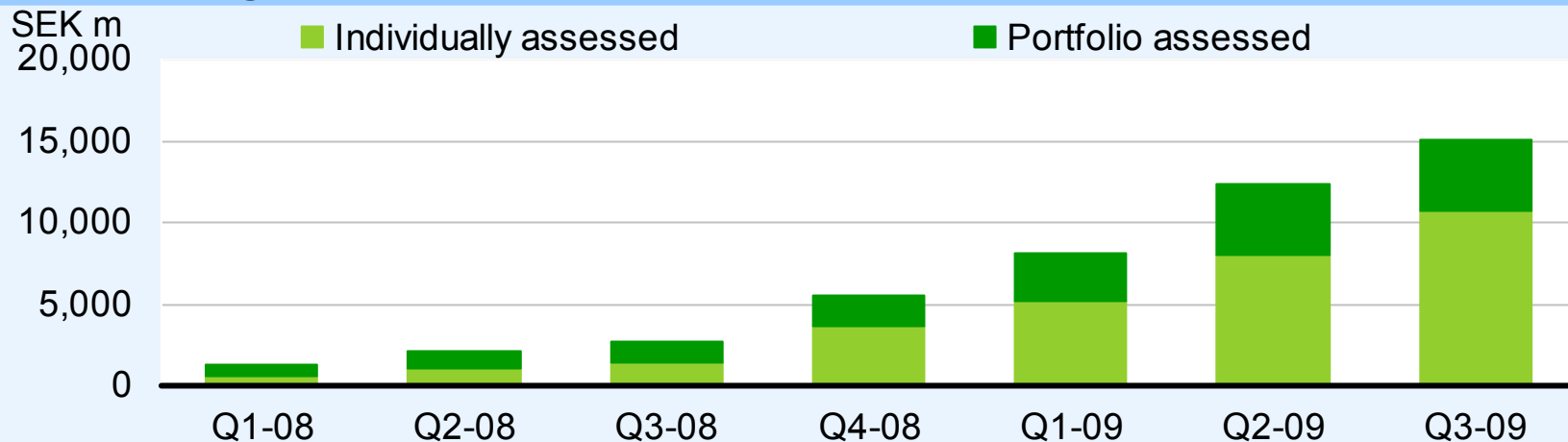
**260 staff are dealing with work-outs in the Group full-time**

# Development of Baltic non-performing loans

## Quarterly growth rate



## Outstanding volumes

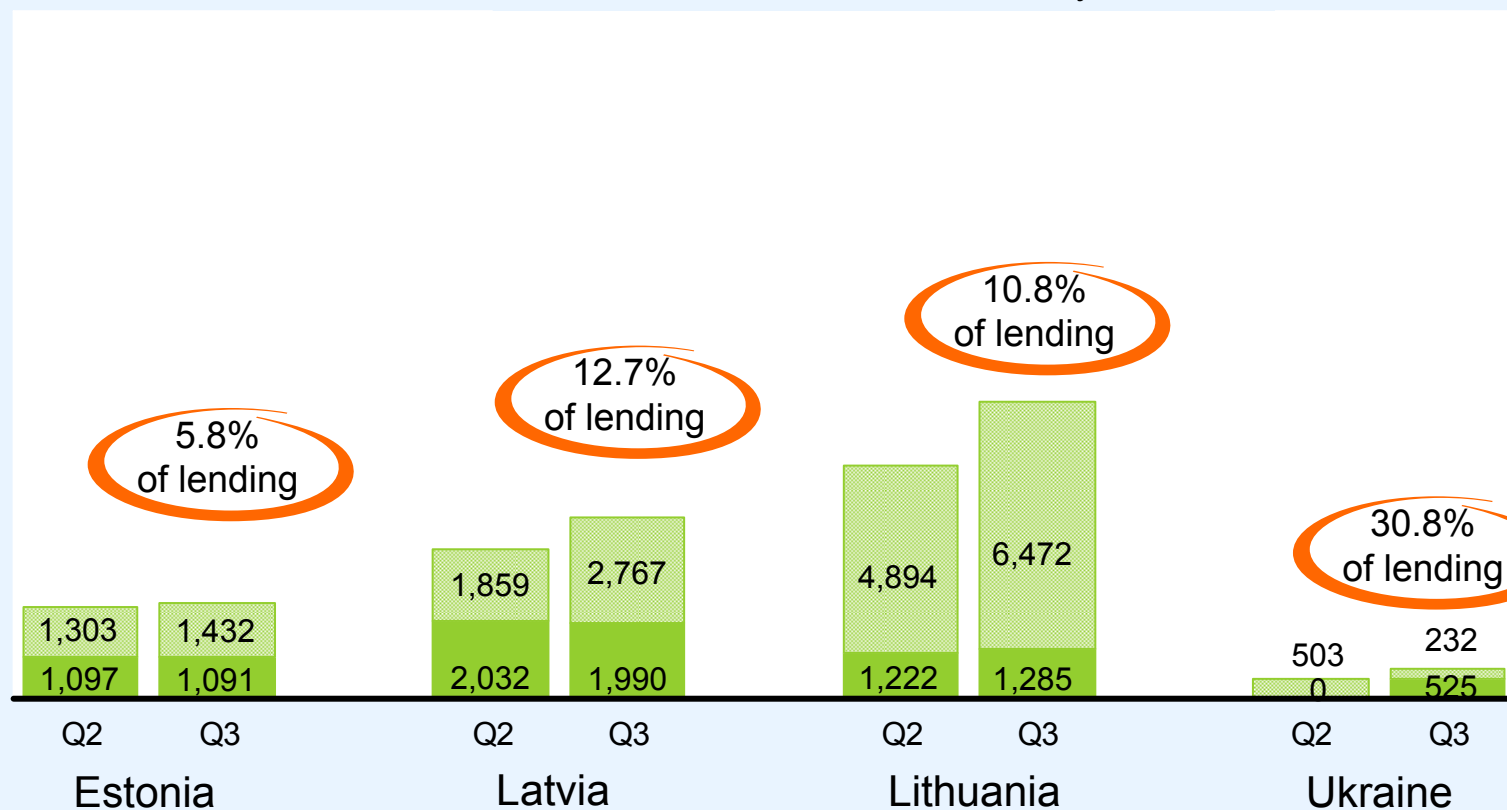


# Development of non-performing loans

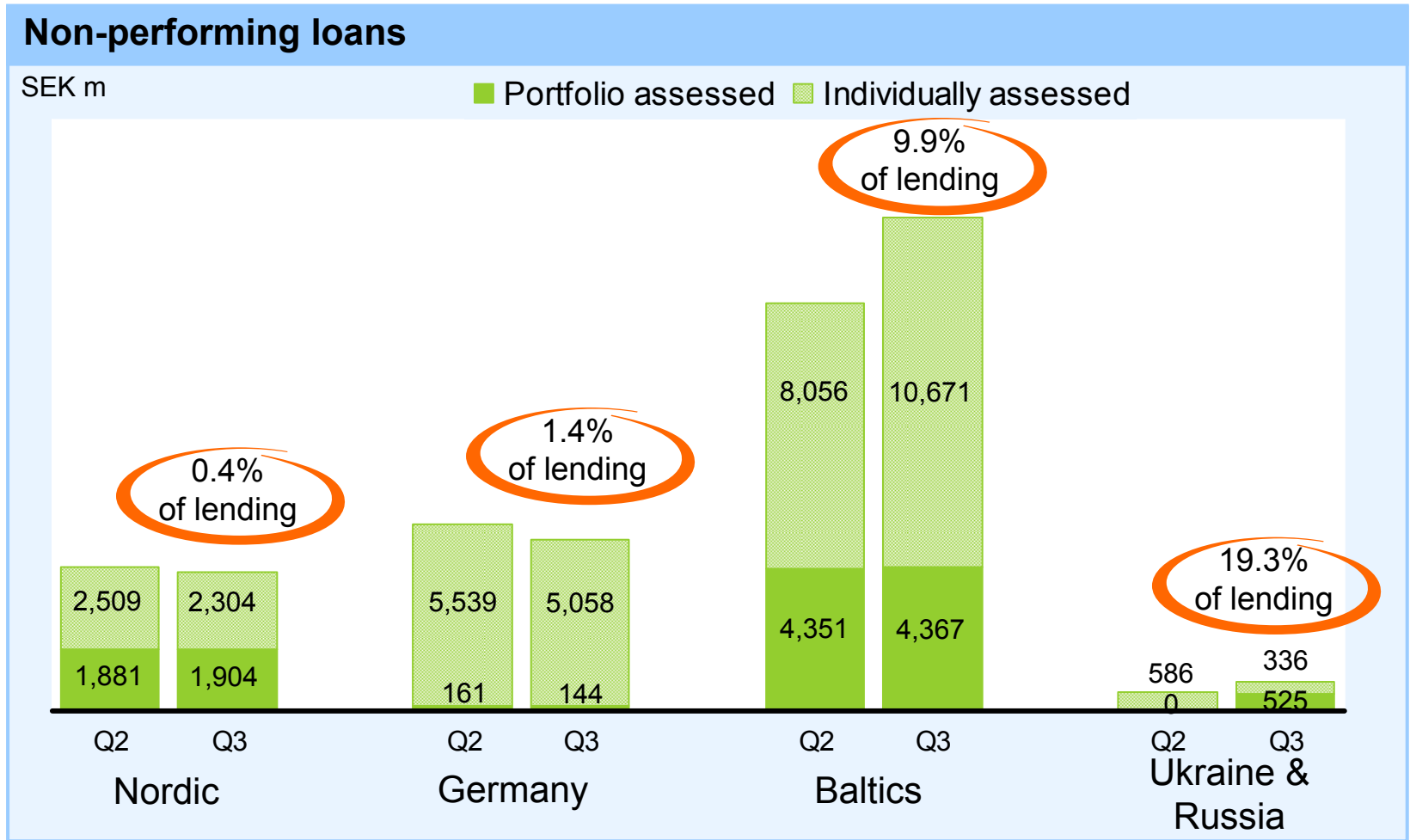
## Non-performing loans

SEK m

■ Portfolio assessed ■ Individually assessed



# Development of non-performing loans



# Well prepared for new regulations



## SEB has a strong balance sheet

Tier 1  
13.5%

15 months  
matched  
funding

Liquidity  
reserves  
>10% assets

Leverage  
ratio 5.3%  
(FDIC)

Reserve  
ratio 72%



Normalisation after the financial crisis  
Signs of stabilisation in the Baltic countries

SEB has strengthened its financial position  
Prompt addressing of problem credits

Continued pro-active customer support

**Q1 2009**





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*Financially yours*