



Skandinaviska Enskilda Banken

*(Incorporated in the Kingdom of Sweden with limited liability)*

### **Structured Note Programme**

This Supplement (the **Supplement**) to the Information Memorandum dated 22nd June 2012, as supplemented on 7th August 2012 and 12th November 2012, in relation to the Structured Note Programme (the **Information Memorandum**), which comprises a Base Prospectus, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the **FSMA**) and is prepared in connection with the Structured Note Programme (the **Programme**) which was established by Skandinaviska Enskilda Banken AB (publ) (**SEB**).

In accordance with Sections 87Q(4)-(6) of the FSMA, investors who have agreed to purchase or subscribe for notes issued under the Programme before the Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances, which right shall expire by close of business on 14 February 2013. Investors can exercise their right to withdraw their acceptances by contacting the person from whom any such investor has agreed to purchase or subscribe for such notes before the above deadline.

Terms defined in the Information Memorandum have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Information Memorandum and any other supplements to the Information Memorandum issued by SEB.

SEB accepts responsibility for the information contained in this Supplement. To the best of the knowledge of SEB (which has 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.

On 31st January 2013, SEB published its interim report entitled "Annual Accounts 2012" (the **Interim Report**) containing its unaudited consolidated interim financial statements in respect of the year ended 31st December 2012 (the **2012 Financial Statements**), together with the publication entitled "Fact Book Annual Accounts 2012" relating thereto (the **2012 Fact Book**). Copies of the Interim Report and the 2012 Fact Book have been filed with the Financial Services Authority and are available at: <http://www.sebgroup.com/en/Investor-Relations/>.

Accordingly, the purpose of this Supplement is to (i) incorporate by reference the section entitled "Change in accounting principles and one-time character items" set out on page 2 of the Interim Report other than the table on that same page headed "PRO FORMA - Income statement excluding the items of a one-time character", the 2012 Financial Statements set out on pages 9 to 32 (inclusive) of the Interim Report, the section entitled "Restatement of Financial Statements – SEB Group" set out on page 33 of the Interim Report and the section entitled "Market Risk" set out on page 29 of the 2012 Fact Book; (ii) confirm that there has been no significant change in the financial or trading position since 31st December, 2012; and (iii) update the Summary of the Programme contained in the Information Memorandum to include a summary of the 2012 Financial Statements.

By virtue of this Supplement, the following documents shall be incorporated in, and to form part of, the Information Memorandum:

1. the 2012 Financial Statements set out on pages 9 to 32 (inclusive) of the Interim Report;
2. the section entitled "Change in accounting principles and one-time character items" set out on page 2 of the Interim Report other than the table on that same page headed "PRO FORMA - Income statement excluding the items of a one-time character";
3. the section entitled "Restatement of Financial Statements – SEB Group" set out on page 33 of the Interim Report; and
4. the section entitled "Market Risk" set out on page 29 of the 2012 Fact Book.

Since 31st December 2012, the last day of the financial period in respect of which the most recent unaudited interim financial statements of the Bank have been published, there has been no significant change in the financial or trading position of the Bank or the SEB Group.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive (Directive 2003/71/EC) except where such information or other documents are specifically incorporated by reference.

The non-incorporated parts of the Interim Report and the 2012 Fact Book are either not relevant for the investor or covered elsewhere in the Information Memorandum.

Further to the incorporation by reference of the above sections of the Interim Report and the 2012 Fact Book into the Information Memorandum, the Summary of the Programme beginning on page 10 of the Information Memorandum shall be deemed deleted and replaced with the following:

### **"SUMMARY OF THE PROGRAMME**

*This summary must be read as an introduction to this Information Memorandum. Any decision to invest in any Notes should be based on a consideration of this Information Memorandum as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area (an **EEA State**) no civil liability will attach to the Bank in any such Member State in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Information Memorandum. Where a claim relating to information contained in this Information Memorandum is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Information Memorandum before the legal proceedings are initiated.*

Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" shall have the same meanings in this summary.

**Issuer:**

SEB is a leading Nordic financial services group with a strong commercial and investment banking focus, providing a wide range of financial services to corporate customers, financial institutions and private individuals. Its core markets are the Nordic countries of Sweden, Denmark, Finland and Norway and the Baltic countries of Estonia, Latvia and Lithuania. Its core strengths are its wholesale banking, investment banking, wealth management and private banking and life and pension businesses. It also has significant operations in Germany. As of 31st December, 2012, SEB had total assets of SEK 2,453 billion and total equity of SEK 109.5 billion. For the year ended 31st December, 2012, SEB's net profit was SEK 11.7 billion.

The Group's business is organised into five divisions:

- Merchant Banking – providing wholesale banking and investment banking

services to large companies and financial institutions in SEB's core markets;

- Retail Banking – providing retail banking services to private individuals and small and medium-sized enterprises (SMEs) in Sweden, and cards in the Nordic countries;
- Wealth Management – providing asset management and private banking services to institutions, foundations and private individuals in SEB's core markets, and managing SEB's mutual funds;
- Life – providing unit-linked and traditional life insurance mainly in Sweden, Denmark and the Baltic countries; and
- Baltic – providing retail, corporate and institutional banking services, such as trading and capital markets and transaction services, to Estonian, Latvian and Lithuanian clients. The financial consequences of other corporate business, such as corporate finance and structured finance, as well as wealth management and life services, provided in these countries are recorded in the Merchant Banking, Wealth and Life divisions, respectively.

At 31st December, 2012, SEB's customer base consisted of approximately 2,800 large corporate and institutional customers, approximately 400,000 SMEs and approximately four million private individuals. At that same date, SEB had approximately 298 retail branch offices in Sweden and the Baltic countries. Outside its core markets, SEB has a strategic presence, through its international network in 20 countries worldwide, to support and service mainly its large corporate and institutional customers. At 31st December, 2012, SEB had approximately 16,500 full-time equivalent employees (FTEs) in its continuing operations, of which about half were located outside Sweden.

SEB has leading market positions in its core business areas. Its Merchant Banking division is a leading corporate and investment bank in the Nordic region, with substantial market shares in foreign exchange trading and cash management. SEB was awarded the "overall best bank for large companies and institutions in the Nordics 2011" according to a compilation of all 2011 TNS Sifo Prospera surveys, published in April 2012. It is also the largest broker on NASDAQ OMX Stockholm and on the other Nordic stock exchanges (excluding Stockholm) in the aggregate based on market share measured by volume on the Stockholm, Oslo, Helsinki and Copenhagen stock exchanges. SEB's Retail Banking division is a leading provider of corporate charge cards and co-branded cards in the Nordic countries. In Sweden, SEB is the fourth largest retail bank as measured by customer loans and one of the two largest banks as measured by long-term savings. SEB is the second largest asset manager in the Nordic region with total assets under management within the SEB Group of SEK 1.328 billion at 31st December, 2012 (based on a comparison of total SEB assets under management and assets under management reported by other banks in the Nordic region). SEB also has a strong position in the mass affluent and private banking segments of the Swedish market. For example, SEB was the second largest entity in the total Swedish household savings market (excluding directly owned shares) with a market share of approximately 12 per cent. at 31st December, 2011 according to the quarterly publication *Sparbarometern*. In the Baltic countries, taken together, SEB is the second largest bank by lending market share (according to the most recently available central bank and bank association statistics in those countries). SEB is also a leading provider of unit-linked insurance in the Nordic region, where it was ranked first in Sweden by premium income (cash paid in under insurance policies) on existing unit-linked policies and new policies written and measured during the period from September 2011 to September 2012, with a market share of approximately 20 per cent. during the period. Also, SEB held approximately 12 per cent. of total household savings in unit-linked insurance and traditional life insurance plans in Sweden as at 31st December, 2011, in each case based on data from the Swedish Insurance Federation and *Sparbarometern*.

The Bank's share capital is divided into A and C shares. Each A share entitles the holder to one vote and each C share entitles the holder to 1/10 of a vote. Each holder of A Shares and C Shares is entitled to an equal share of any dividend approved at the Bank's annual general meeting. The Bank had a market capitalisation of approximately SEK 138,342.53 million as at 31st December, 2012.

The following tables summarise the Group's income statements and balance sheets and provide certain key ratios as at 31st December in each of 2012 and 2011. This financial information was extracted without material adjustment from the 2012 Financial Statements and, in the case of balance sheet data as at 31st December 2011, the Original 2011 Financial Statements.

#### Income statements

<b>SEKm</b>	<b>For the year ended 31st December, 2012</b>	<b>For the year ended 31st December, 2011</b>
Net interest income	17,635	16,901
Net fee and commission income	13,620	14,175
Net financial income	4,579	3,548
Net life insurance income	3,428	3,197
Net other income	(439)	(135)
<b>Total operating income</b>	<b>38,823</b>	<b>37,686</b>
Staff costs	(14,596)	(14,325)
Other expenses	(6,444)	(7,424)
Depreciation, amortisation and impairment of tangible and intangible assets	(2,612)	(1,764)
Restructuring costs	0	0
<b>Total operating expenses</b>	<b>(23,652)</b>	<b>(23,513)</b>
<b>Profit before credit losses</b>	<b>15,171</b>	<b>14,173</b>
Gains less losses from tangible and intangible assets	1	2
Net credit losses	(937)	778
<b>Operating profit</b>	<b>14,235</b>	<b>14,953</b>
Income tax expense	(2,093)	(2,942)
<b>Net profit from continuing operations</b>	<b>12,142</b>	<b>12,011</b>
Discontinued operations <sup>1)</sup>	(488)	(1,155)
<b>Net profit</b>	<b>11,654</b>	<b>10,856</b>
<b>Other comprehensive income (net of tax)</b>	<b>(816)</b>	<b>1,499</b>
<b>Total comprehensive income</b>	<b>10,838</b>	<b>12,355</b>

1) Includes both Retail Ukraine and, in the case of the year ended 31 December 2011, Retail Germany, although consolidation of Retail Germany ended when the sale was completed on 31st January, 2011.

#### Balance sheets

<b>SEKm</b>	<b>As at 31st December, 2012</b>	<b>As at 31st December, 2011</b>
Cash and cash balances with central banks	191,445	148,042
Other loans to central banks	17,718	80,548
Loans to credit institutions <sup>1)</sup>	126,023	128,763
Loans to the public	1,236,088	1,186,223
Financial assets at fair value <sup>2)</sup>	725,938	669,678
Available-for-sale financial assets <sup>2)</sup>	50,599	57,377
Held-to-maturity investments <sup>2)</sup>	82	282
Other assets	105,563	88,468
<b>Total assets</b>	<b>2,453,456</b>	<b>2,359,381</b>

## Balance sheets

SEKm	As at 31st December, 2012	As at 31st December, 2011
Deposits from credit institutions	170,656	201,274
Deposits and borrowing from the public	862,260	861,682
Liabilities to policyholders	285,973	269,683
Debt securities	661,851	589,873
Financial liabilities at fair value	237,001	232,247
Liabilities held for sale	0	1,962
Other liabilities	96,349	69,967
Provisions	5,572	5,845
Subordinated liabilities	24,281	25,109
Total equity	109,513	102,739
<b>Total liabilities and equity</b>	<b>2,453,456</b>	<b>2,359,381</b>

1) Loans to credit institutions and liquidity placements with other direct participants in interbank fund transfer systems.

2) Within these line items, bonds and other interest bearing securities including derivatives in aggregate in each year totalled

460,423

456,915

The table below shows certain key figures for SEB on a consolidated basis. The key figures relate to all operations, including those being sold as part of the Retail Ukraine and, in the case of 2011, Retail Germany sales, except that, for the purposes of this table only, Return on equity, Basic earnings per share and Cost/income ratio are each calculated on the basis of income statement figures which exclude Retail Ukraine in both years and Retail Germany in 2011.

Key ratios	2012	2011
Return on equity <sup>1)</sup> , %	11.52	12.31
Return on risk weighted assets <sup>2)</sup>	1.36	1.35
Basic earnings per share <sup>3)</sup> , SEK	5.53	5.46
Cost/income ratio <sup>4)</sup>	0.61	0.62
Credit loss level <sup>5)</sup> , %	0.08	(0.08)
Gross level of impaired loans <sup>6)</sup> , %	0.58	0.84
Net level of impaired loans <sup>7)</sup> %	0.28	0.39
Total capital ratio (Basel II transitional rules) <sup>8), 9)</sup> , %	11.47	12.50
Core Tier 1 capital ratio (Basel II transitional rules) <sup>9), 10)</sup> %	10.05	11.25

1) Net profit attributable to equity holders for the period as a percentage of average shareholders' equity.

2) Net profit attributable to equity holders for the period as a percentage of average risk weighted assets.

3) Net profit attributable to equity holders for the period divided by the average number of shares outstanding.

4) Total operating expenses divided by total operating income.

5) Net provisions and credit losses divided by lending to the general public and credit institutions and loan guarantees at the opening of the period. Net provisions and credit losses at 31st December, 2012 are net releases.

6) Gross level of impaired loans as a percentage of the sum of loans to the general public and credit institutions.

7) Net level of impaired loans (total impaired loans less specific reserves applied to them) as a percentage of the sum of loans to the general public and credit institutions less specific reserves.

8) The total capital of the financial group of undertakings, which includes both Group companies (other than insurance companies within the Group) and non-consolidated associated companies, adjusted according to the capital adequacy rules as a percentage of risk-weighted assets.

9) Numbers for 2011 and 2012 reflect amendments to the Basel II rules implemented in 2011 which are commonly referred to as Basel II.5.

10) The core Tier 1 capital of the financial group of undertakings as a percentage of risk-weighted assets.

On 31st January, 2013, SEB published its interim report entitled "Annual Accounts 2012" containing its unaudited consolidated interim financial results as at and for the twelve-month period ended 31st December, 2012. These results are summarised below:

## Income statements

SEKm

For the twelve months ended

	<u>31st December, 2012</u>
Total operating income	38,823
Total operating expenses	(23,513)
Operating profit	14,235
Net profit	11,654

### Balance sheet

SEKm	<u>As at 31st December, 2012</u>
Total assets	2 453 456

### Key ratios

Return on equity, %	11.52
Basic earnings per share, SEK	5.53
Cost/income ratio, continuing operations	0.61
Credit loss level, %	0.08
Net level of impaired loans, %	0.28
Total capital ratio, % (Basel II, with transitional floor)	11.47
Tier 1 capital ratio, % (Basel II, with transitional floor)	11.65

### Notes issued under the Programme:

Subject to compliance with all applicable legal and/or regulatory restrictions, the Issuer may issue Notes denominated in any currency agreed between the Issuer and the relevant Dealer, with any agreed maturity and at an issue price which is at par or at a discount to, or premium over, par.

Interest periods, interest rates and the terms of and/or amounts payable on redemption will be specified in the applicable Final Terms.

The Notes may be issued on a continuing basis to one or more of the Dealers and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis.

Notes may be distributed by way of private or public placement, subject to the restrictions set out under “*Subscription and Sale*”, and in each case on a syndicated or non-syndicated basis.

Notes may: (i) bear interest at a fixed rate (Fixed Rate Notes) or floating rate (Floating Rate Notes); (ii) not bear interest (Zero Coupon Notes); (iii) bear interest and/or provide that the redemption amount is calculated by reference to one or more specified underlying assets or bases of reference such as indices, shares or GDRs/ADRs, currency exchange rates, commodities, fund shares or units, the credit of one or more underlying entities, bonds or other securities contracts such as derivatives or other assets; or reference any combination of the foregoing (each such underlying asset or basis of reference, a **Reference Item** and any Reference Item linked Notes which are specified as such in the applicable Final Terms, **Reference Item Linked Notes**); (iv) pay any interest and/or redemption amount in a currency other than the currency in which it is denominated (Dual Currency Note) (v) have such other terms and conditions as specified in the applicable Final Terms.

Notes may be issued for any maturity greater than one month or such other minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.

Notes may be issued which cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or which are redeemable at the option of the Issuer and/or the holders of the Notes upon giving notice to the holders of the Notes or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

### Risk Factors:

There are certain factors that may affect the Issuer’s ability to fulfil its obligations under the Notes issued under the Programme. These are described in detail under “*Risk Factors*” and include (but are not limited to): (i) the risk that SEB’s results can be adversely affected by general economic and other business conditions, (ii) the risk of increased credit provisioning adversely affecting SEB, (iii) the risk of declining property values adversely

affecting the collateral it takes in relation to real estate lending, (iv) the risk of market volatility adversely affecting its business, (v) the risk that regulatory change or enforcement initiatives could adversely affect SEB's business and (vi) a range of standard banking and life insurance risks including changes in interest and foreign exchange rates and operational, credit, market and liquidity risk, any of which, if not properly managed, could adversely affect SEB's business and results of operations.

In addition there are certain factors that are material for the purpose of assessing the market risks associated with Notes issued under the Programme.

Furthermore, where the applicable Final Terms specify one or more Reference Item(s), the relevant Notes will represent an investment linked to the performance of such Reference Item(s) and prospective investors should note that the return (if any) on their investment in the Notes will depend upon the performance of the relevant Reference Item(s). The Notes will not, however, at any time provide an investor with a right to claim against, or for delivery of, the relevant Reference Item(s). Investors should note further that Reference Item Linked Notes may be subject to specific disruption, adjustment and termination provisions which, on the occurrence of certain events, permit the Calculation Agent and/or the Issuer discretion to, amongst other things, adjust the terms of the affected Notes (including substituting one or more of the Reference Items for another Reference Item(s)), delay valuation of one or more Reference Items or the timing for payments of any amounts under the Notes and in certain circumstances to determine that the Notes should be early redeemed. The amount payable on such an early redemption may be significant less than the par amount of the relevant Notes and may be zero. Such provisions are discussed in more detail in the "Risk Factors" section below and are set out in full in the Terms and Conditions of the Reference Item Linked Notes.

Prospective investors in Reference Item Linked Notes should ensure that they understand the risks of transactions involving Reference Item Linked Notes and should reach an investment decision only after careful consideration of the suitability of such Reference Item Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Reference Item Linked Notes and the particular Reference Item(s) to which the value of, or payments in respect of, the relevant Reference Item Linked Notes may relate, as specified in the applicable Final Terms.

**PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE FINAL TERMS TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) ARE AND TO SEE HOW ANY AMOUNTS PAYABLE UNDER THE NOTES (INCLUDING ANY PERIODIC INTEREST PAYMENTS) ARE DETERMINED AND WHEN ANY SUCH AMOUNTS MAY BE PAYABLE BEFORE MAKING ANY DECISION TO PURCHASE ANY REFERENCE ITEM LINKED NOTES.**

**Dealers:** Skandinaviska Enskilda Banken AB (publ) and any other dealers appointed from time to time by the Bank.

**Fiscal Agent:** Citibank, N.A., London Branch.

**Programme Amount:** The Programme has an unlimited Programme Amount.

Copies of all documents incorporated by reference into the Information Memorandum can be obtained from SEB and the Paying Agent in London as described on page 46 of the Information Memorandum.

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

Save as disclosed in this Supplement and any supplement to the Information Memorandum previously issued, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Information Memorandum since the publication of the Information Memorandum.