

Telephone Conference Q2-18

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President & CEO

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Highlights Jan-Jun 2018

- Pick-up in customer activity following a muted start of the year
- Broad based demand for SEB's services
- Strong capital position, robust asset quality and good cost control

Financial summary year-to-date

| Profit & Loss | (SEK m) | H1 2018 | H1 2017 | % |
|------------------------------------|---------|----------------|----------------|-----------|
| Total Operating income | | 22,690 | 22,570 | 1 |
| Total Operating expenses | | -10,957 | -10,909 | 0 |
| Profit before credit losses | | 11,733 | 11,661 | 1 |
| Net credit losses etc. | | -309 | -490 | -37 |
| Operating profit before IAC | | 11,424 | 11,171 | 2 |
| IAC | | 4,506 | | |
| Operating profit | | 15,930 | 11,171 | 43 |

Credit loss level

Cost/income ratio

Common Equity Tier 1

Return on Equity*

3bps

0.48

19.3 %

13.9%

* Before IAC, RoE after IAC at 20.5 per cent

Financial summary Q2

| Profit & Loss | (SEK m) | Q2 2018 | Q1 2018 | % | Q2 2017 | % |
|------------------------------------|---------|----------------|----------------|------------|----------------|------------|
| Total Operating income | | 11,903 | 10,787 | <i>10</i> | 11,386 | <i>5</i> |
| Total Operating expenses | | -5,527 | -5,430 | <i>2</i> | -5,473 | <i>1</i> |
| Profit before credit losses | | 6,376 | 5,357 | <i>19</i> | 5,913 | <i>8</i> |
| Expected credit losses etc. | | -208 | -101 | <i>106</i> | -251 | <i>-17</i> |
| Operating profit before IAC | | 6,167 | 5,256 | <i>17</i> | 5,661 | <i>9</i> |
| IAC | | 4,506 | | | | |
| Operating profit | | 10,674 | 5,256 | <i>103</i> | 5,661 | <i>89</i> |

Credit loss level

Cost/income ratio

Common Equity Tier 1

Return on Equity*

4bps

0.46

19.3 %

16.5%

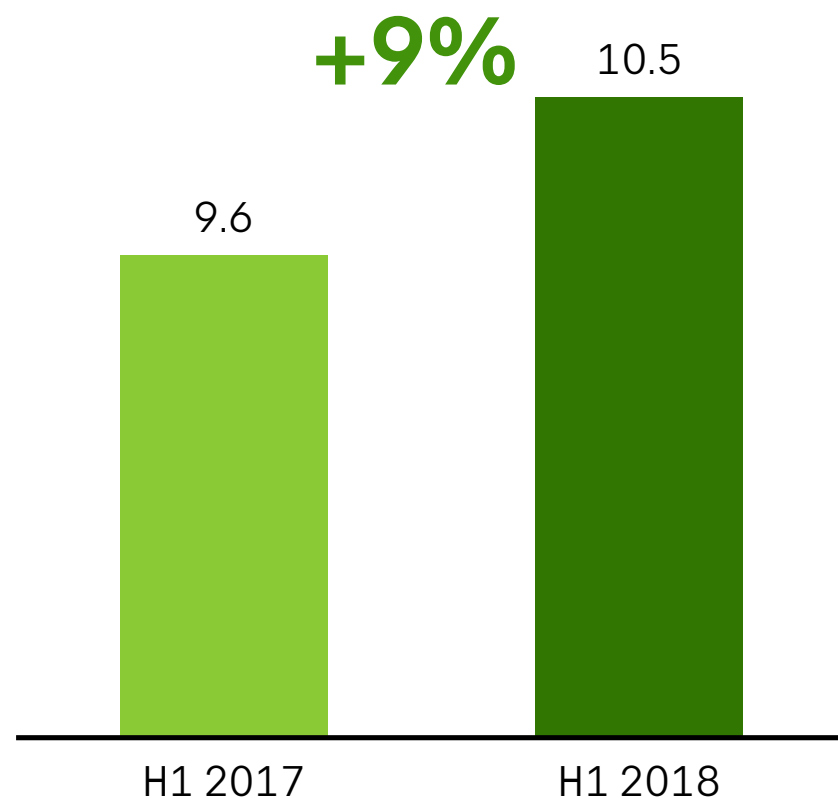
* Before IAC, RoE after IAC at 29.9 per cent

Net interest income development

SEK bn

Net interest income

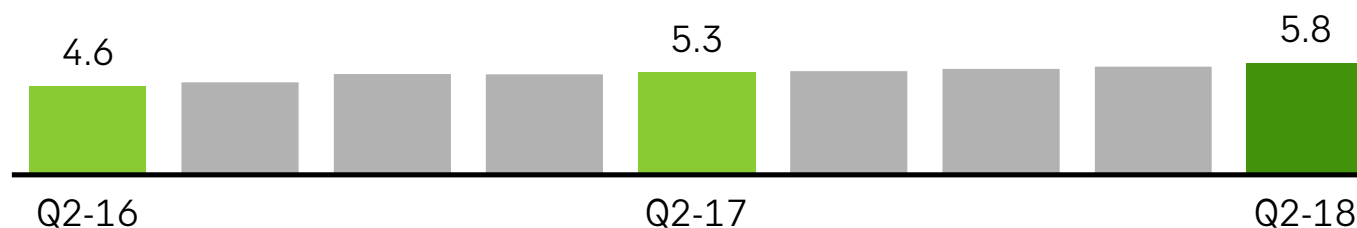
Jan-Jun 2018 vs. Jan-Jun 2017



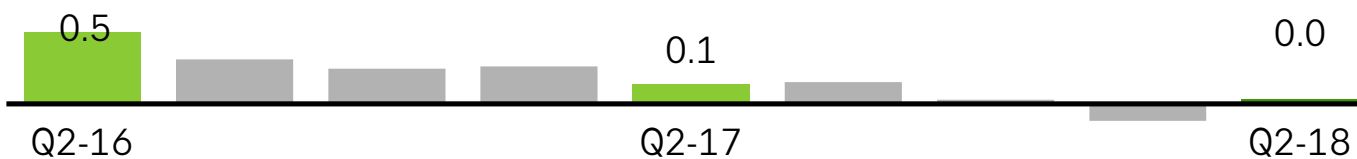
Net interest income type

Q2 2016 – Q2 2018

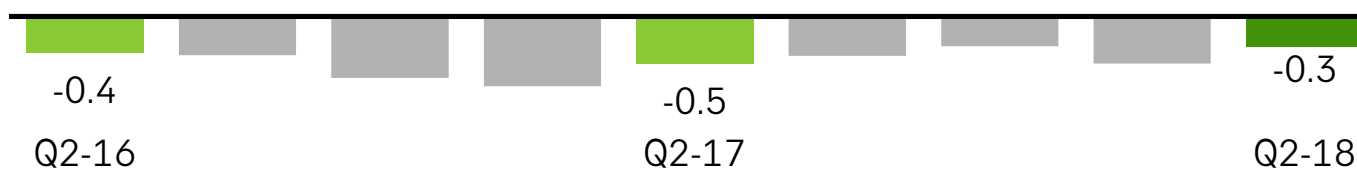
Lending



Deposits



Funding & other

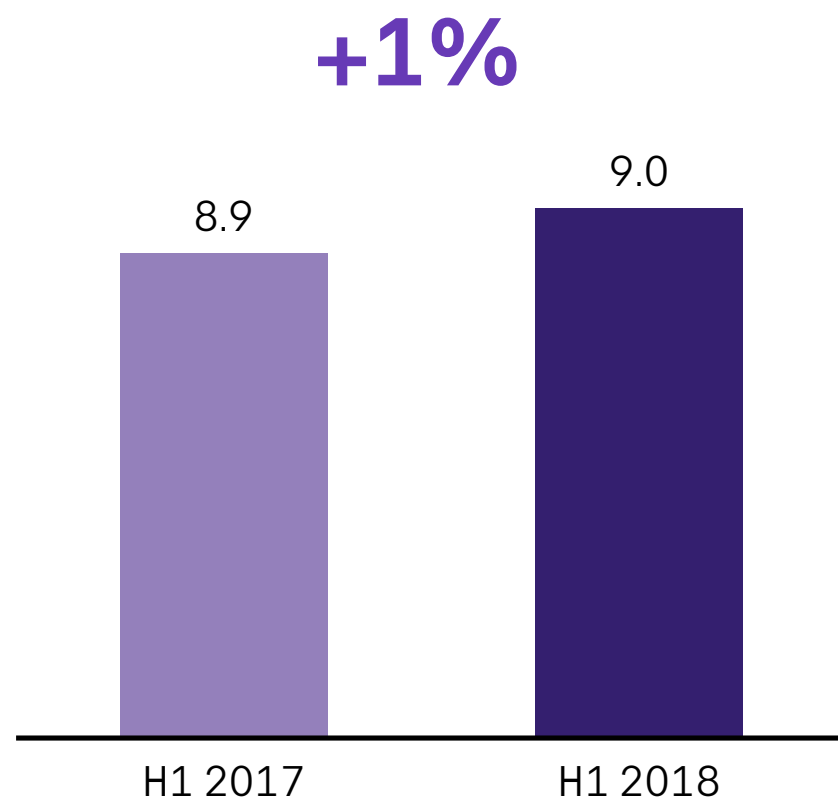


Net fee and commission income

SEK bn

Net fee and commissions

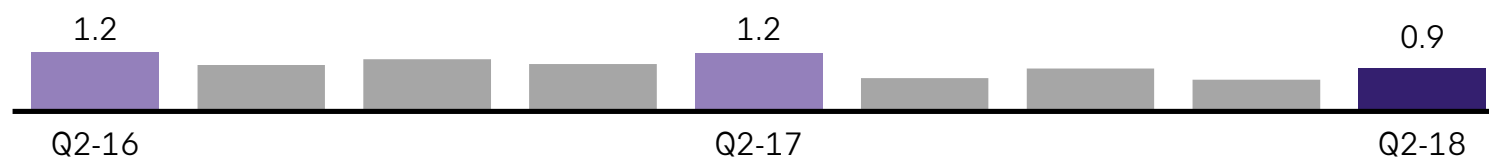
Jan-Jun 2018 vs. Jan-Jun 2017



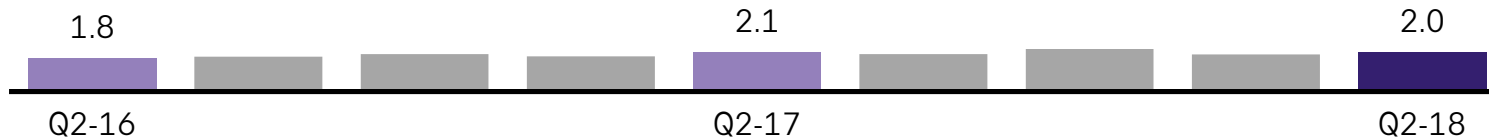
Gross fee and commissions by income type

Q2 2016 – Q2 2018

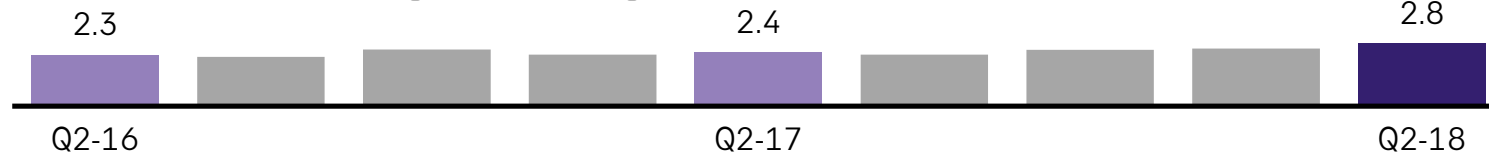
Advisory, secondary markets and derivatives



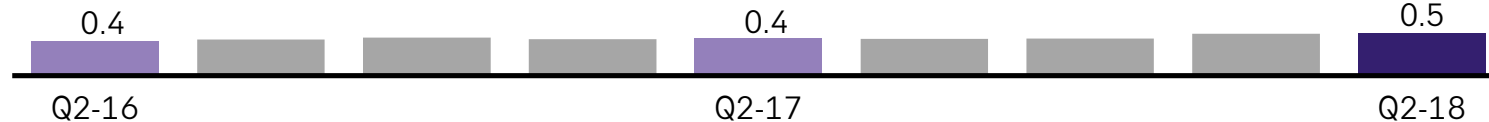
Custody and mutual funds



Payments, cards, lending, deposits & guarantees



Life insurance fees



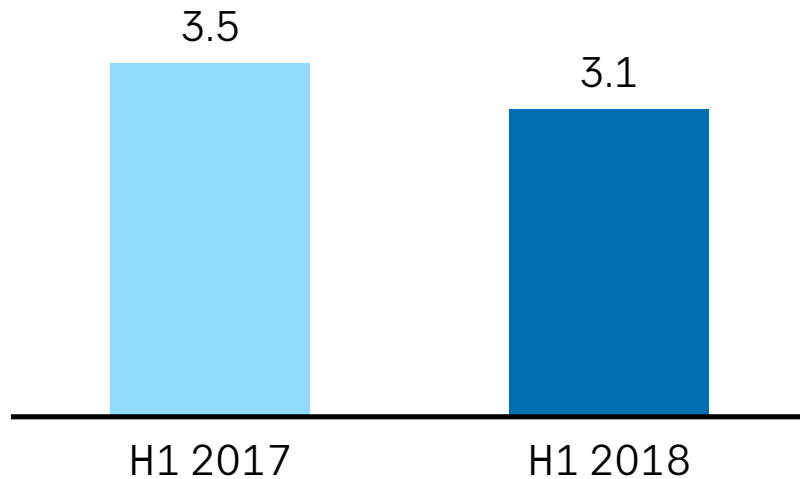
Net financial income development

SEK bn

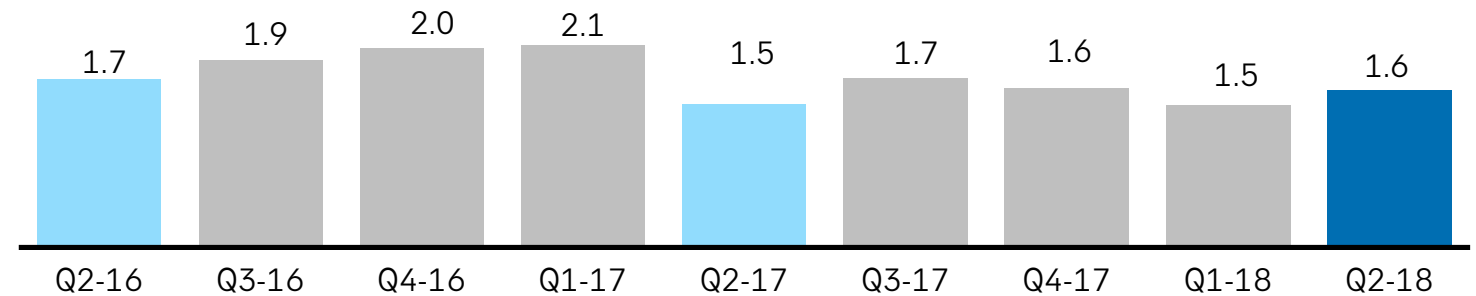
Net financial income

Jan-Jun 2018 vs. Jan-Jun 2017

-13%

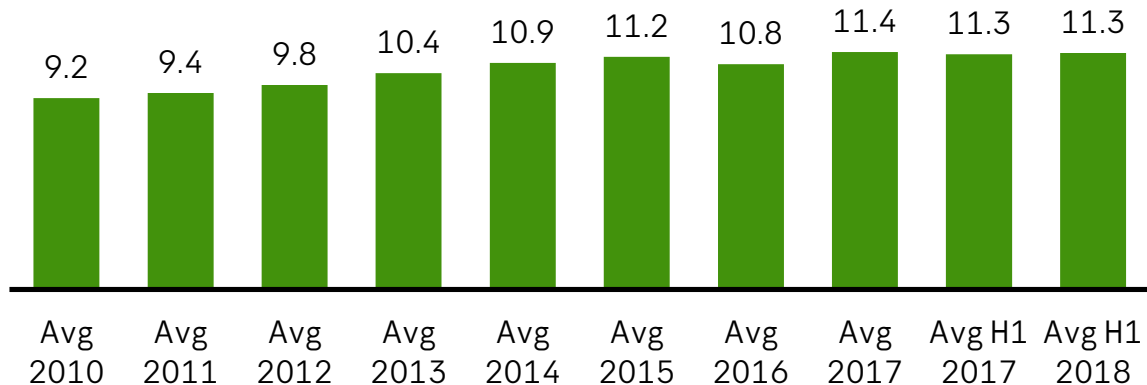


Net financial income development Q2 2016 – Q2 2018

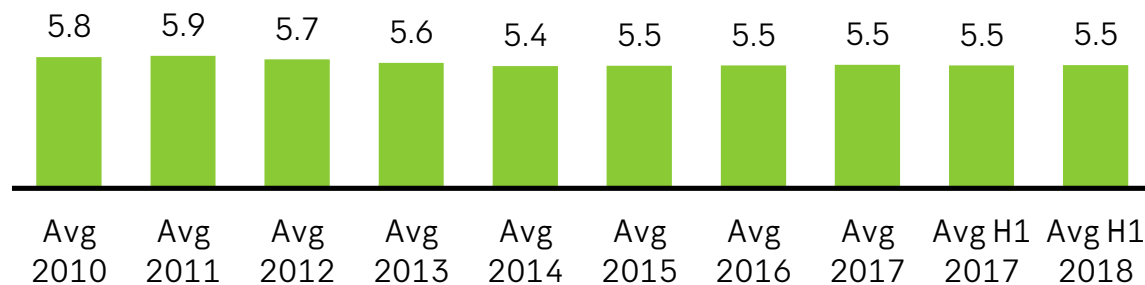


Operating leverage, excl. IAC

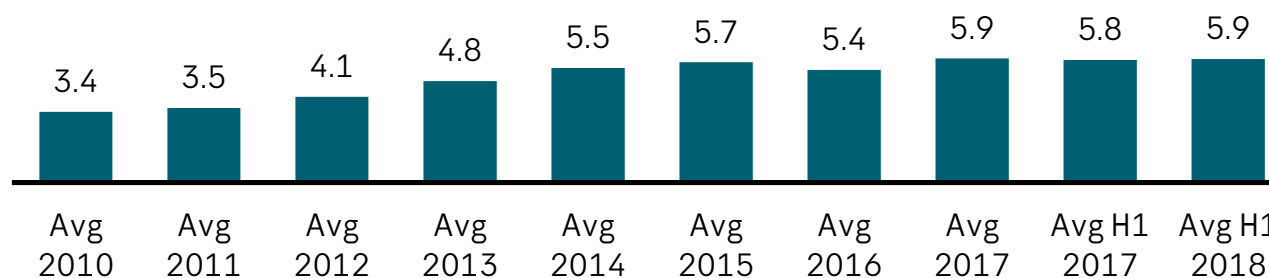
Average quarterly income (SEK bn)



Average quarterly expenses (SEK bn)



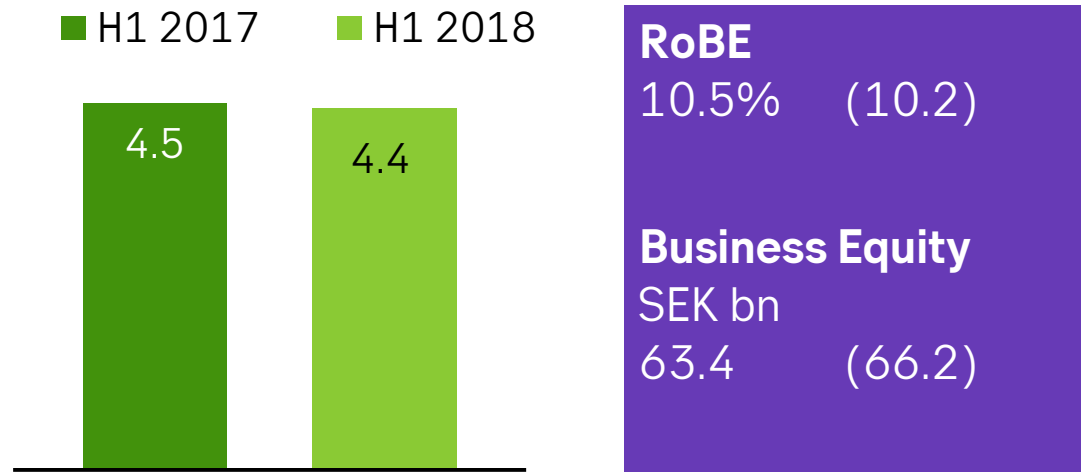
Average quarterly profit before credit losses (SEK bn)



Large Corporates & Financial Institutions

Operating profit & key figures

SEK bn

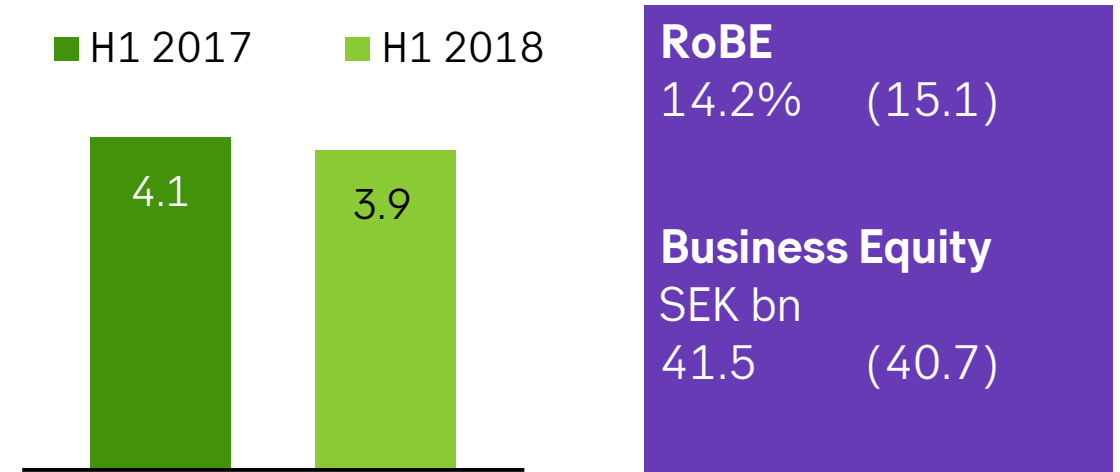


- Corporate activity picked up overall
- Volume growth and stable margins
- Operating profit +40 % QoQ

Corporate & Private Customers

Operating profit & key figures

SEK bn

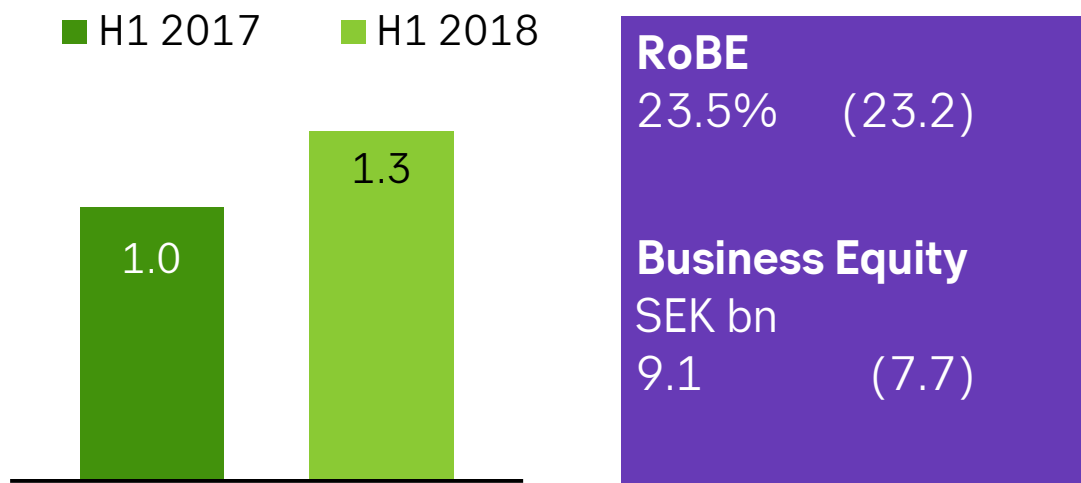


- Cont. corporate and household lending growth
- 4 800 new SME customers since year-end
- First Swedish bank to launch green mortgages

Baltic Banking

Operating profit & key figures

SEK bn

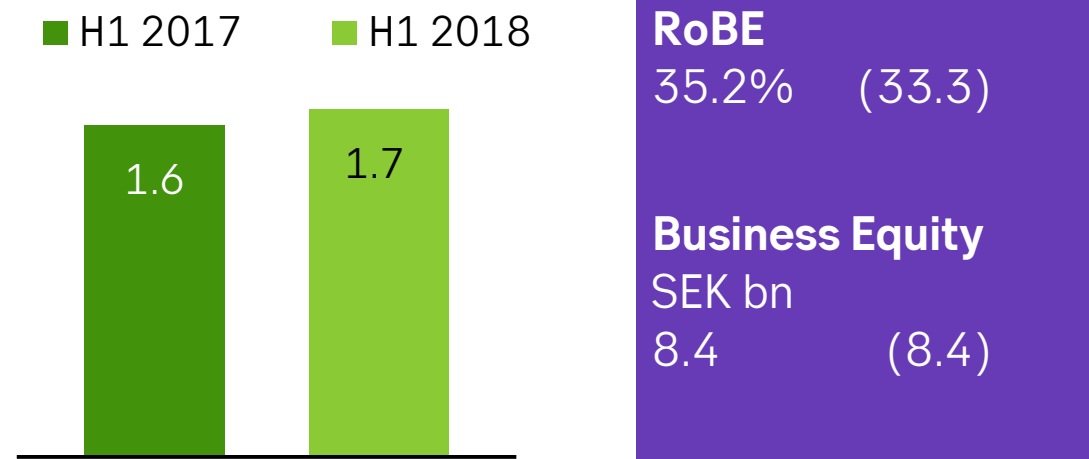


- Continued improvement in business sentiment in all segments and loan growth in all countries
- Increased customer activity and digital banking solution usage

Life & Investment Management

Operating profit & key figures

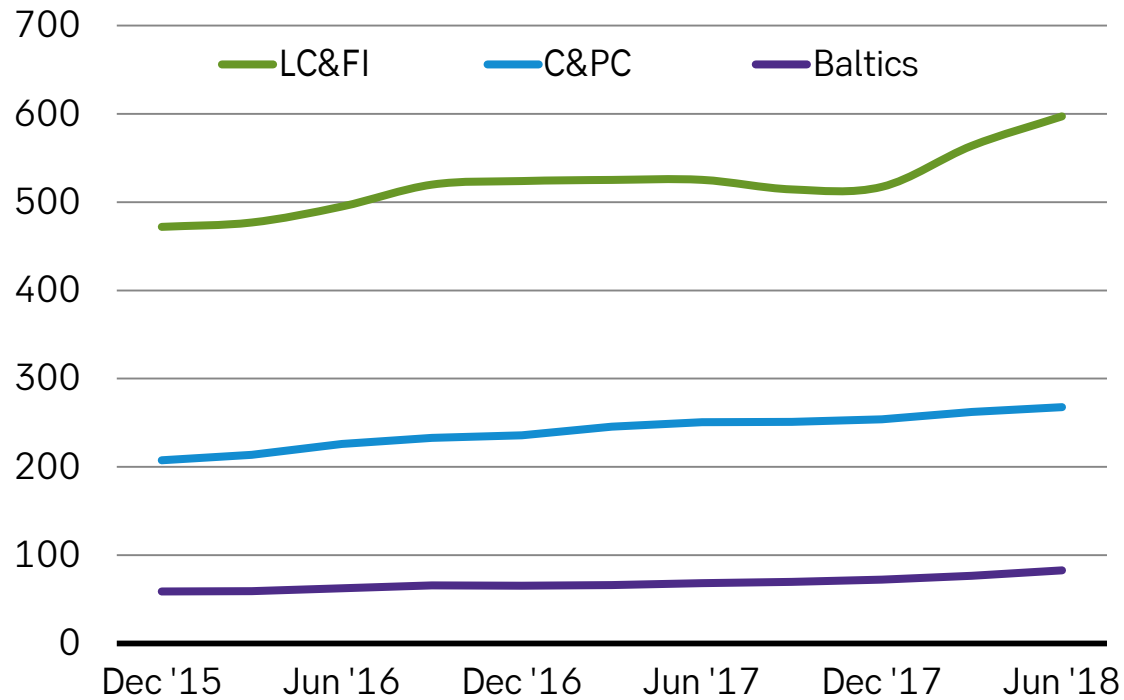
SEK bn



- Sale of SEB Pension in Denmark finalised
- Enhanced integration of sustainability into fund offering
- Net new inflow in AuM of SEK 34bn

Increased corporate activity

Corporate lending (SEK bn)



| Growth rates | QoQ | YoY |
|------------------|-----|-----|
| LC&FI | 6% | 14% |
| - FX-adjusted | 3% | 8% |
| C&PC | 2% | 7% |
| Baltics | 8% | 21% |
| - FX-adjusted | 7% | 12% |

League Tables (2018 YTD)



M&A Nordics

1. INTERNATIONAL PEER

2. **SEB**

3. NORDIC PEER

4. INTERNATIONAL PEER

5. INTERNATIONAL PEER



M&A Sweden

1. **SEB**

2. INTERNATIONAL PEER

3. INTERNATIONAL PEER

4. INTERNATIONAL PEER

5. INTERNATIONAL PEER

SEB Pension's* part of SEB Group

| | H1 2018 | | | H1 2017 | | |
|------------------------------------|-------------------------|---------------------------------|-------------------------|-------------------------|---------------------------------|-------------------------|
| SEB Group (SEK m) | Reported Jan-Jun '18 | <i>of which SEB Pension</i> | Proforma Jan-Jun '18 | Reported Jan-Jun '17 | <i>of which SEB Pension</i> | Proforma Jan-Jun '17 |
| Total Operating income | 22,690 | 360 | 22,330 | 22,570 | 549 | 22,021 |
| Total Operating expenses | -10,957 | -152 | -10,805 | -10,909 | -191 | -10,718 |
| Profit before credit losses | 11,733 | 208 | 11,525 | 11,661 | 358 | 11,303 |
| Net expected credit losses etc. | -309 | 0 | -309 | -491 | 0 | -491 |
| Operating profit before IAC | 11,424 | 208 | 11,216 | 11,171 | 358 | 10,813 |
| IAC | 4,506 | | 4,506 | | | |
| Operating profit | 15,930 | 208 | 15,722 | 11,171 | 358 | 10,813 |
| Income tax expense | -1,911 | -29 | -1,882 | -2,392 | -50 | -2,342 |
| Net profit | 14,019 | 179 | 13,840 | 8,779 | 308 | 8,471 |

*Included up until divestment on June 7 2018

Strong asset quality and balance sheet

| (SEK bn) | | 2009 | 2017 | Jun 2018 |
|-----------------------|---------------------------------|-----------------------------------|---------|----------|
| Asset quality | Net Expected credit loss level* | 0.92% | 0.05% | 0.03% |
| | | | | |
| Funding and liquidity | Customer deposits** | 750bn | 1 026bn | 1 172bn |
| | Liquidity coverage ratio* | N.A. | 145% | 136% |
| Capital | CET 1 ratio (Basel 3) | 11.7% | 19.4% | 19.3% |
| | CET1 buffer above requirement | N.A. | 220bps | 260bps |
| | Total capital ratio (Basel 3) | 14.7% <small>Basel 2.5</small> | 24.2% | 24.7% |
| | Leverage ratio (Basel 3) | N.A. <small>Basel 2.5</small> | 5.2% | 4.7% |

* According to valid regulations for respective period ** Including margins of safety and registered bonds

Business plan focus on growth & transformation



Full focus on Swedish businesses



World-class service



Continue to grow in the Nordics and Germany



Savings & pension growth



Digitalisation

Continuous learning & Competence



Some core beliefs about the future

Customers expect services to be **smarter, faster, safer** and at their terms



Anything that can be **automated** will be automated

Long term relationships are built on **trust** and **valuable** data driven **advice**



People is at the core of everything we do, and the determinant for success

Sustainability will be key for customers, employees and other stakeholders





Reinvigorate
Growth



Accelerate
Transformation



The journey towards...

...**world-class service**
to our customers
continues