

# Financial Results Q1 2023

26 April 2023

Johan Torgeby, President & CEO  
Masih Yazdi, CFO

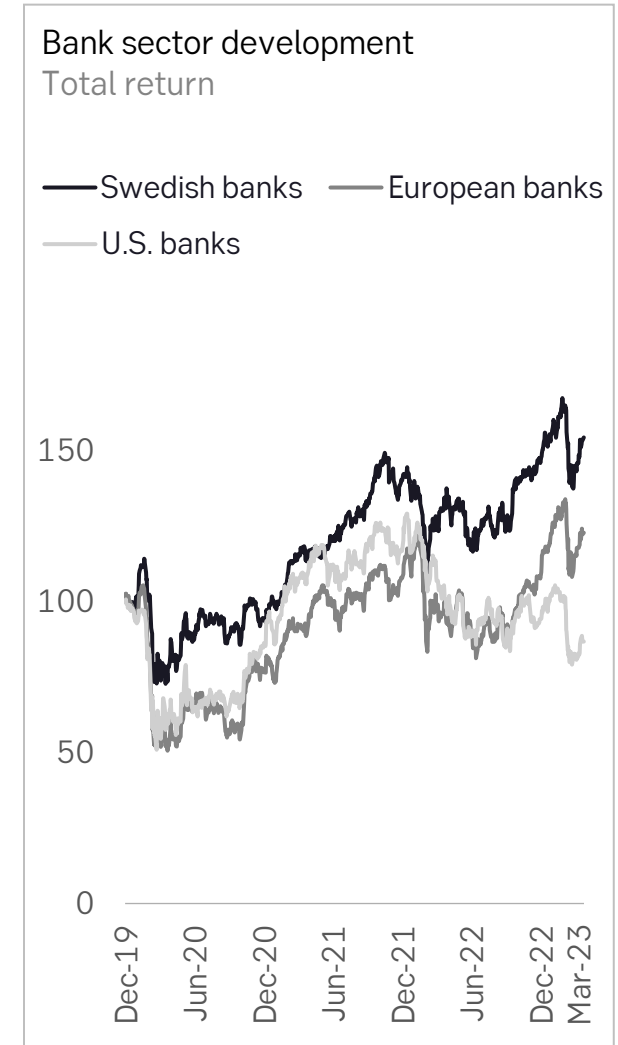
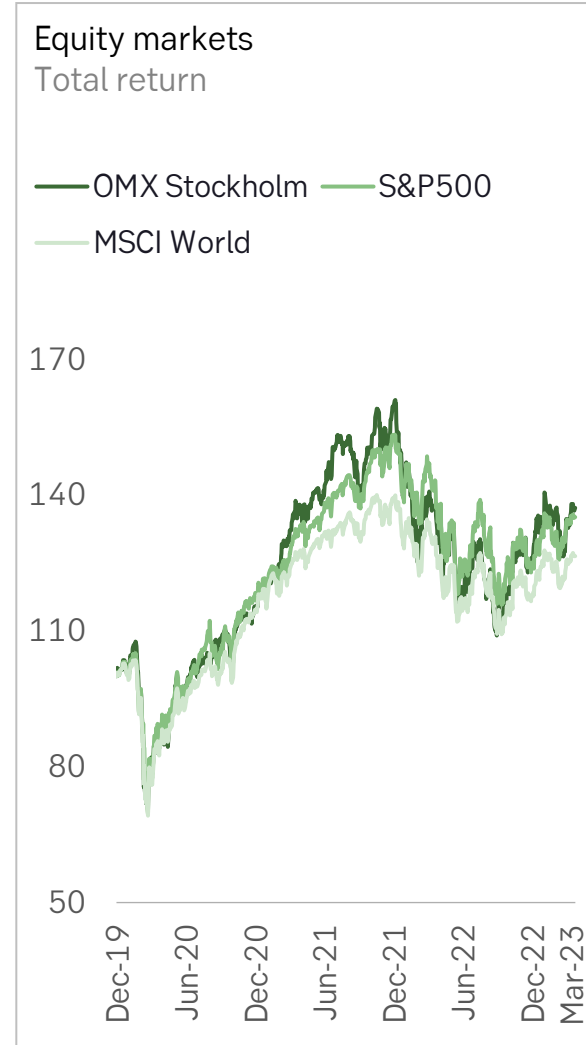
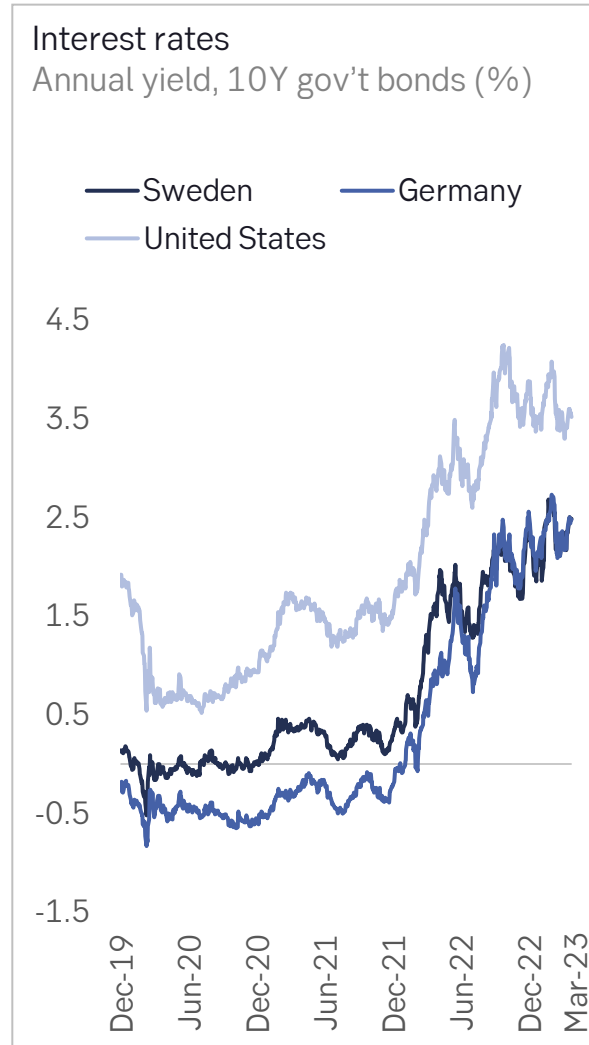
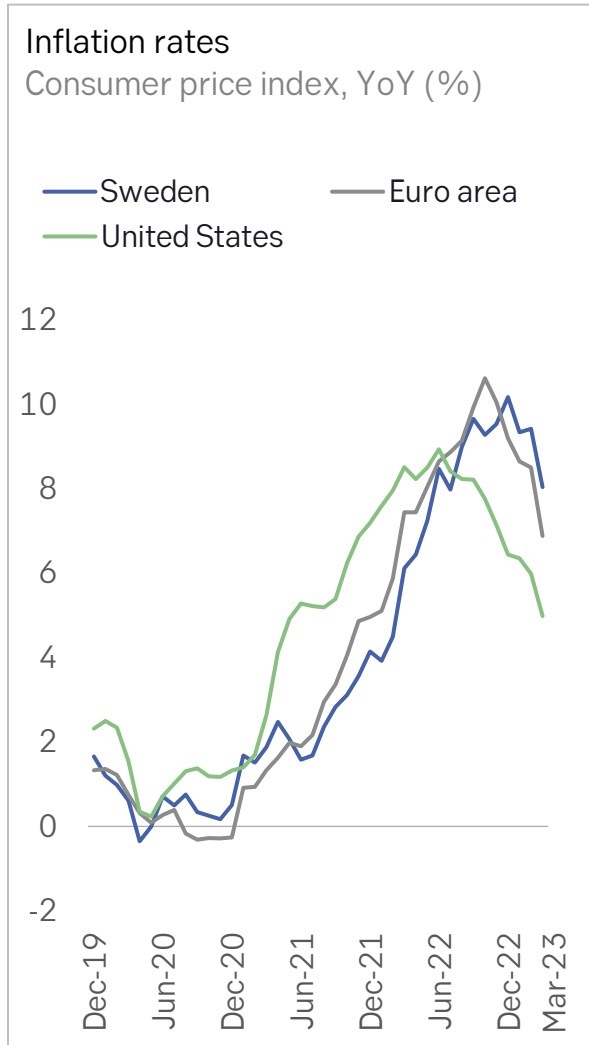


# Highlights in Q1 2023

- Return on equity amounted to 17.9 per cent on a CET1 capital ratio of 19.2 per cent. The capital buffer was 480 basis points above the regulatory capital requirement
- High demand for risk management services continued to benefit our Fixed Income, Currencies and Commodities business
- The Board of Directors resolved to utilise the authorisation granted by the 2023 Annual General Meeting, to initiate a new quarterly share buyback programme of SEK 1.25bn



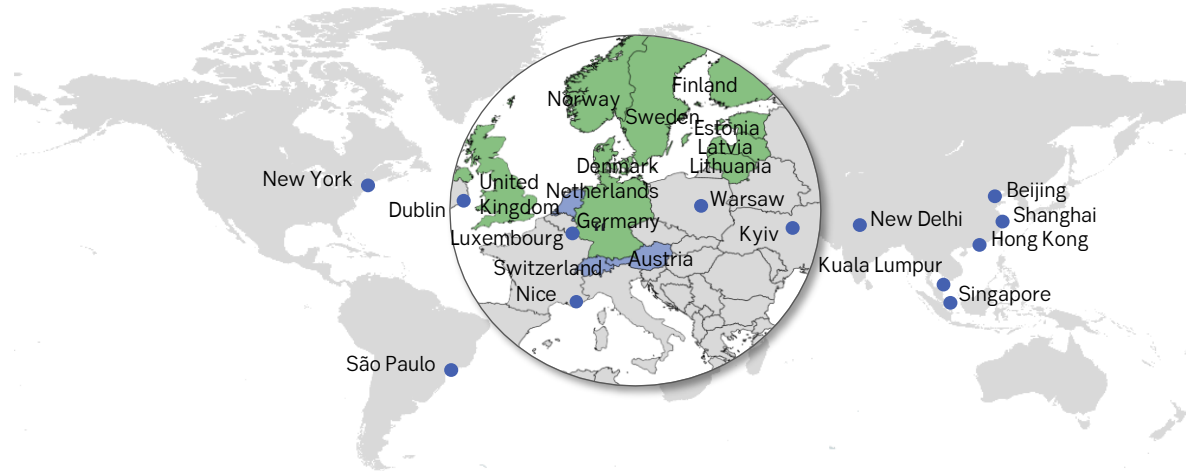
# Renewed volatility in global financial markets



Note: data for inflation rates per March 2023. Interest rates, equity markets and bank sector development per 24 April 2023. Equity markets and bank sector development are indexed by 31 December 2019

# Continued expansion leading to a diverse geographical footprint

*“A northern European corporate and investment bank with international reach”*

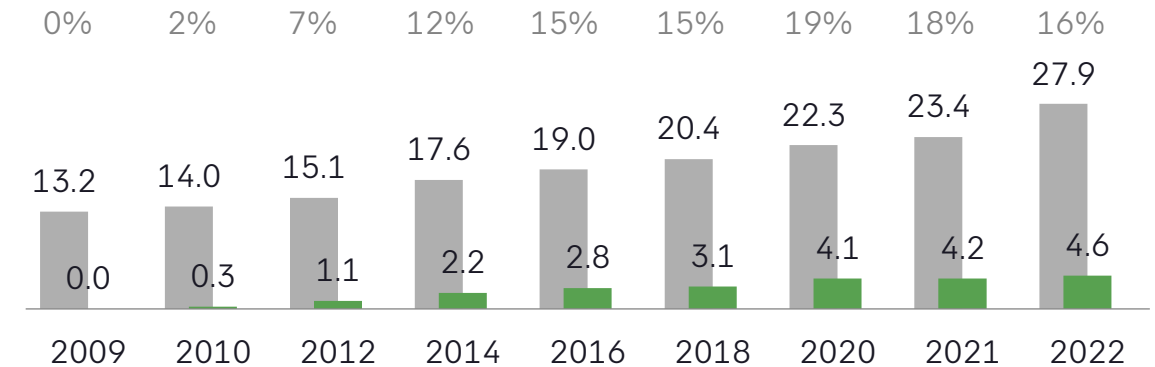


**Our operating model**  
Serving our clients locally

- Home markets including Nordics, Baltics, Germany and UK
- International Network spanning from New York to Shanghai <sup>1</sup>
- Modestly expanding in Austria, Switzerland and the Netherlands
- International business mainly focused on large corporate clients

**Successful geographical expansion**  
LC&FI client income, SEK bn

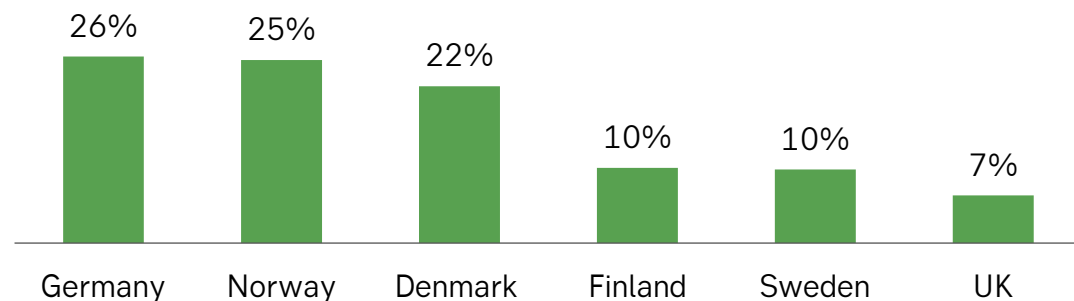
New clients' share of income



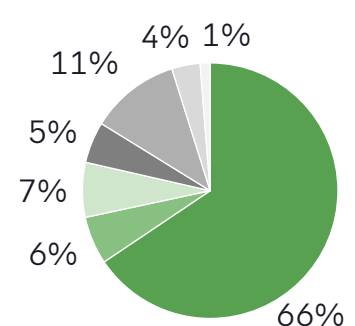
Note: client income based on internal definition. We are in the process of winding down our business in Russia. <sup>1</sup> Including Poland, Ukraine, China, Hong Kong, Singapore, India, the United States and Brazil. <sup>2</sup> New clients since 2010, including Sweden, Norway, Denmark, Finland, Germany and United Kingdom.

# A profitable, cost-efficient and diversified business

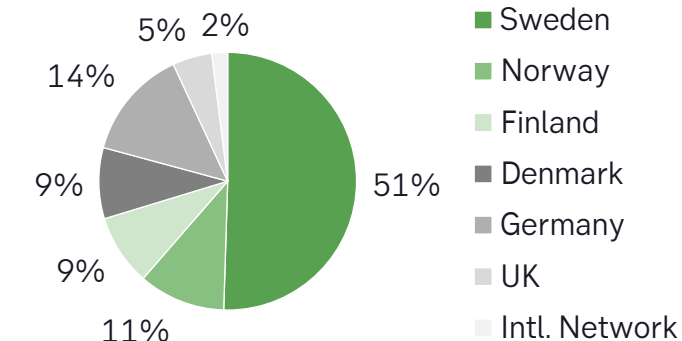
LC&FI new client income (from Nordic, German and UK expansion)  
SEK 4.6bn, 2022



LC&FI total client income  
SEK 14.0bn, 2010



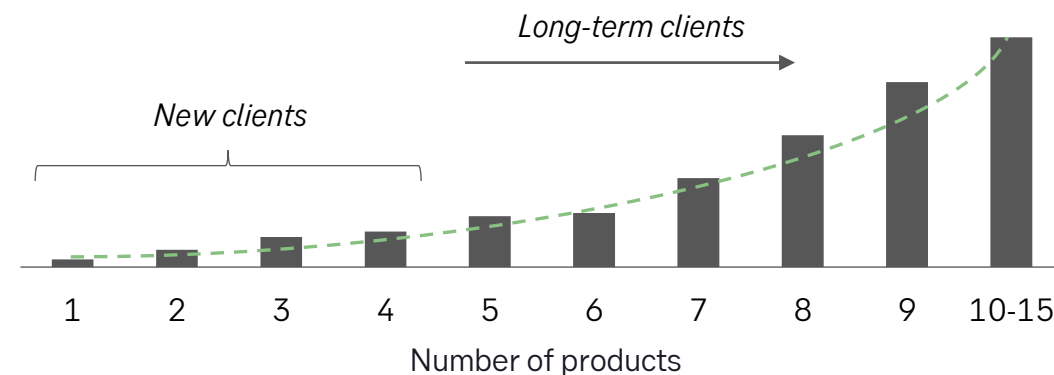
SEK 27.9bn, 2022



Key ratios  
2022<sup>1</sup>

	Germany	Norway	Denmark	Finland	UK	Intl. Network	LC&FI division
<b>RoBE</b>	14%	21%	16%	18%	13%	22%	<b>14.5%</b>
<b>C/I</b>	0.27	0.36	0.33	0.33	0.37	0.40	<b>0.38</b>
<b>FTEs</b>	148	214	151	155	76	271	<b>2,173</b>
<b>Client income CAGR<sup>2</sup></b>	13%	5%	24%	11%	25%	21%	<b>11%</b>

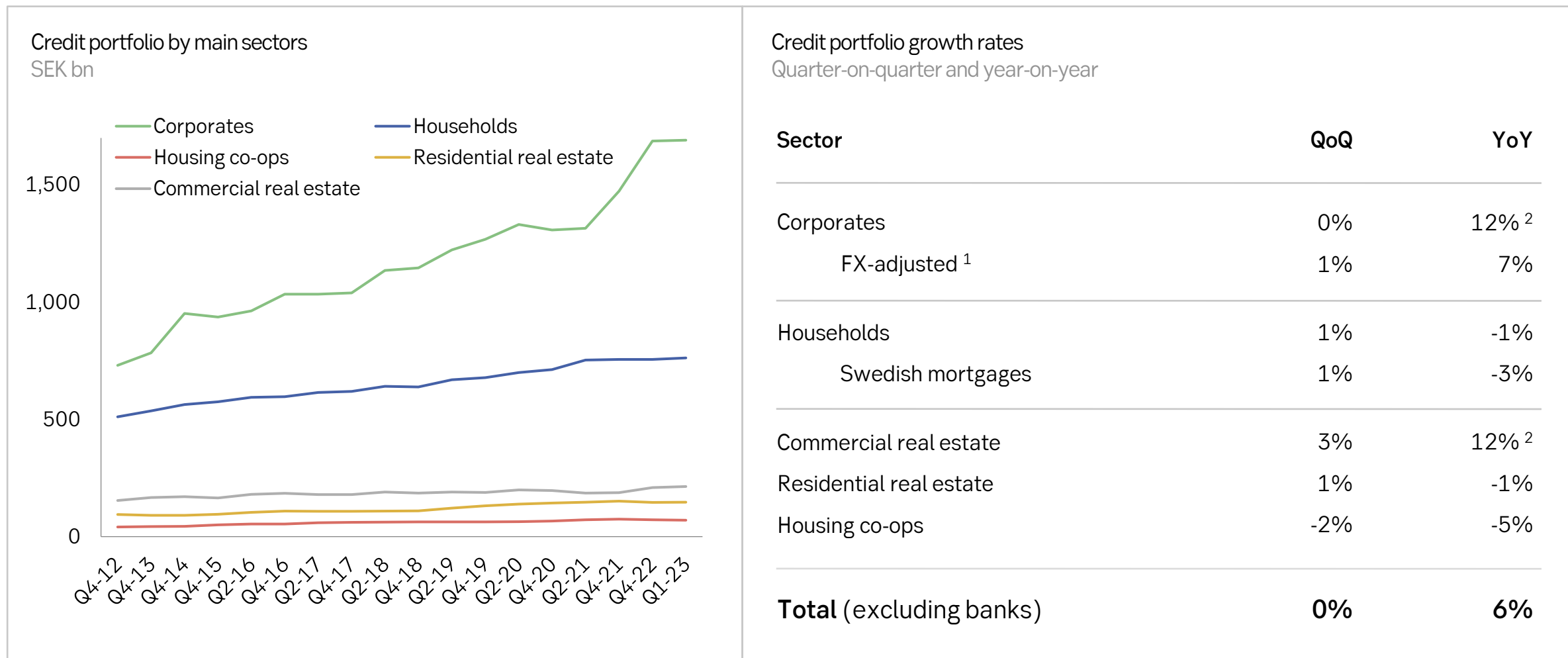
Average large corporate client income split by number of products  
Last 12 months, SEK m



Note: client income based on internal definition. Based on local client relations. <sup>1</sup> Numbers representing LC&FI division, based on Management reporting.

<sup>2</sup> CAGR of client income 2022 vs. 2019.

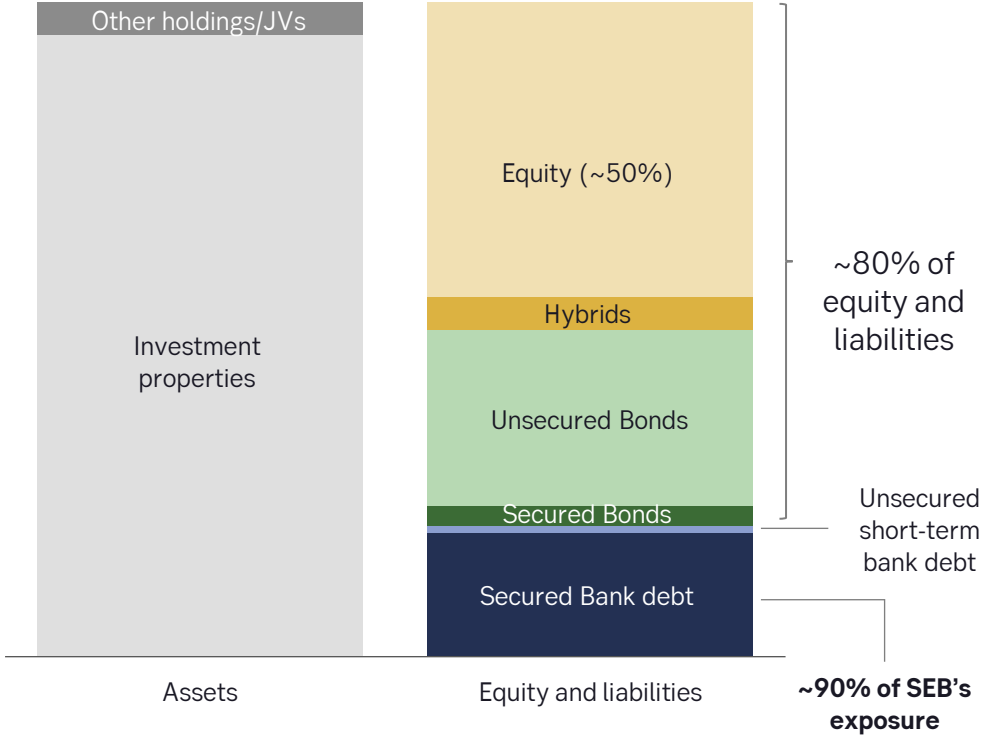
# Development of credit portfolio



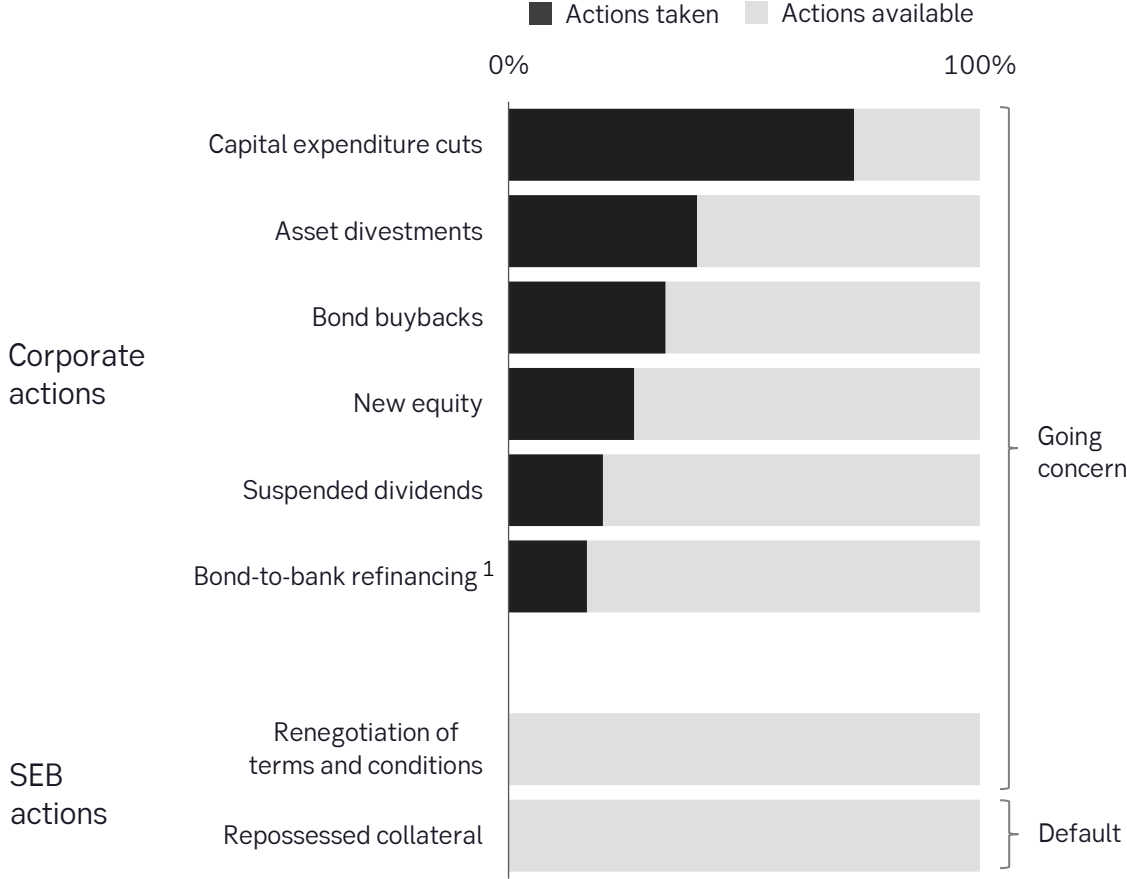
Note: credit portfolio include loans, contingent liabilities and derivatives. <sup>1</sup> Corporate FX-adjusted excluding derivatives. <sup>2</sup> Adjusted for industry code reclassifications, growth was 12% YoY for corporates and 7% YoY for commercial real estate.

# Real estate clients working on deleveraging activities

Average capital structure for large real estate companies as per Q4 2022  
Based on SEB's average client (listed real estate companies)

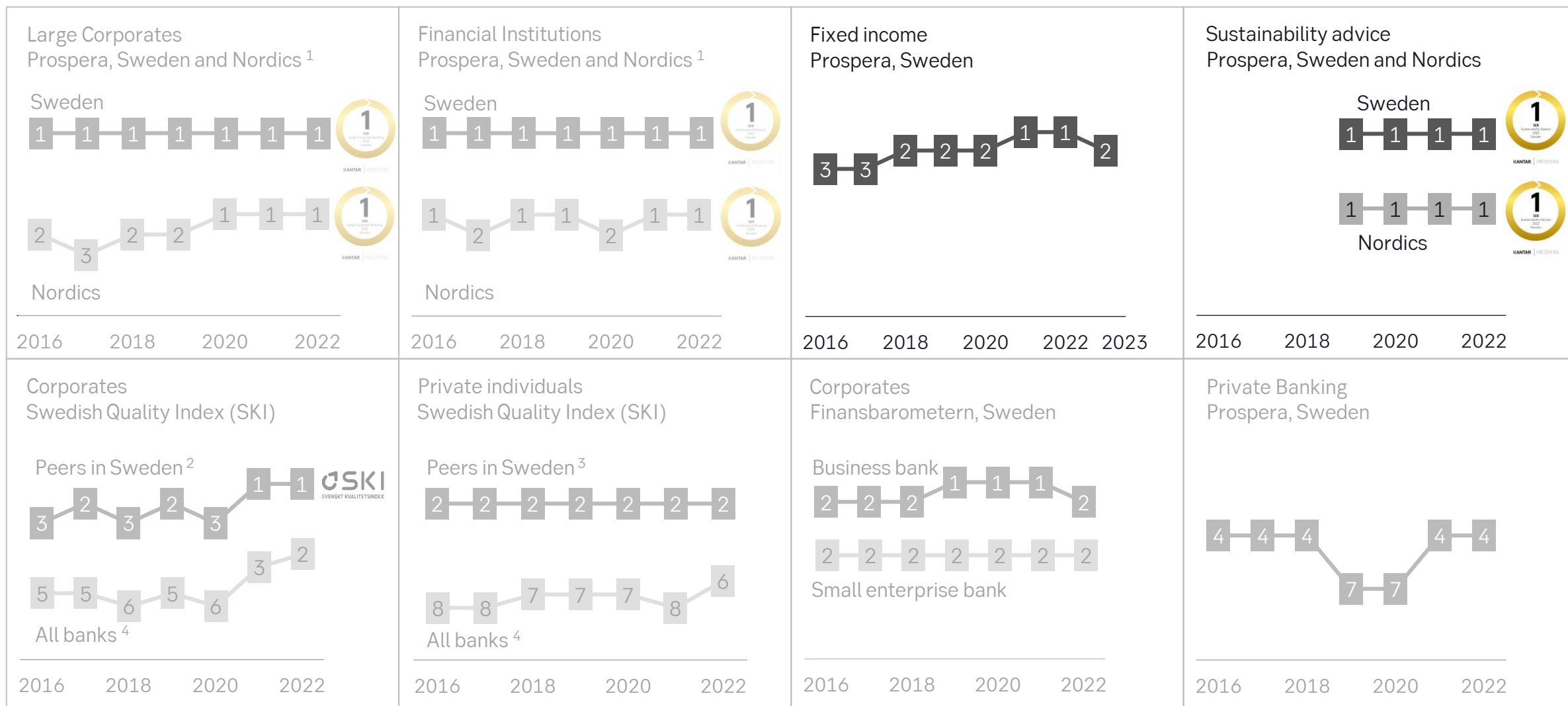


Actions related to SEB's real estate clients since June 2022  
Share of clients, based on top 30 clients rated "BBB" or lower



<sup>1</sup> Representing SEB's share of clients' bond-to-bank refinancing.

# Our efforts have resulted in positive feedback from our customers

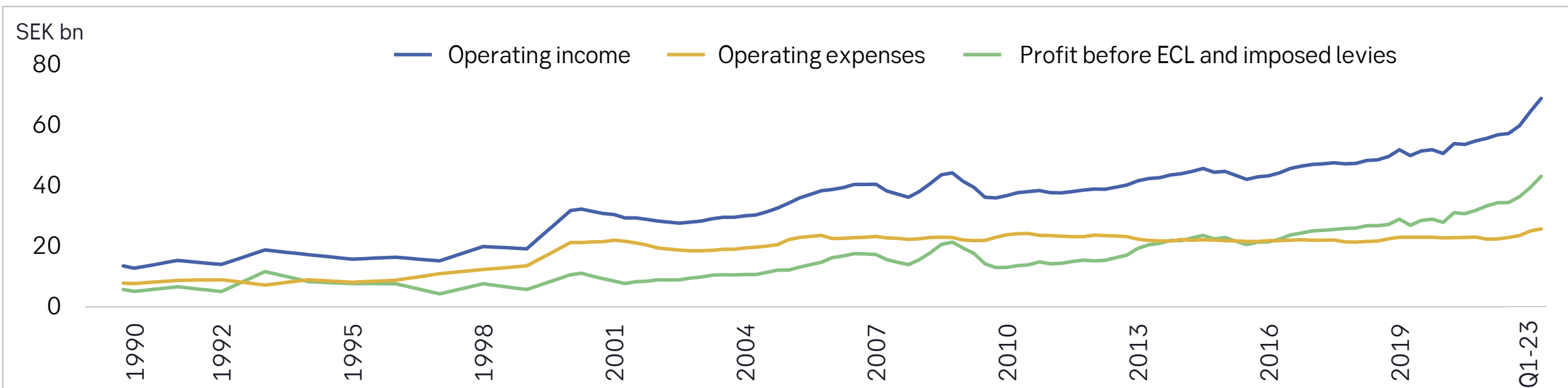


<sup>1</sup> All Tiers. <sup>2</sup> Ranking including SEB, Handelsbanken, Swedbank, Nordea, Danske Bank. <sup>3</sup> Ranking including SEB, Handelsbanken, Swedbank, Nordea.

<sup>4</sup> Banks with less than 300 respondents are summarised as one actor ('Other').



# Operating leverage over time



## Compound annual growth rate (CAGR)

	1990 – Q1 2023	2013 – Q1 2023	2017 – Q1 2023
Operating income	+6%	+6%	+8%
Operating expenses	+5%	+1%	+3%
Profit before ECL and imposed levies	+7%	+11%	+12%

Note: data based on rolling four quarters. Figures restated since 2016.

# Financial Results Q1 2023

Masih Yazdi, CFO

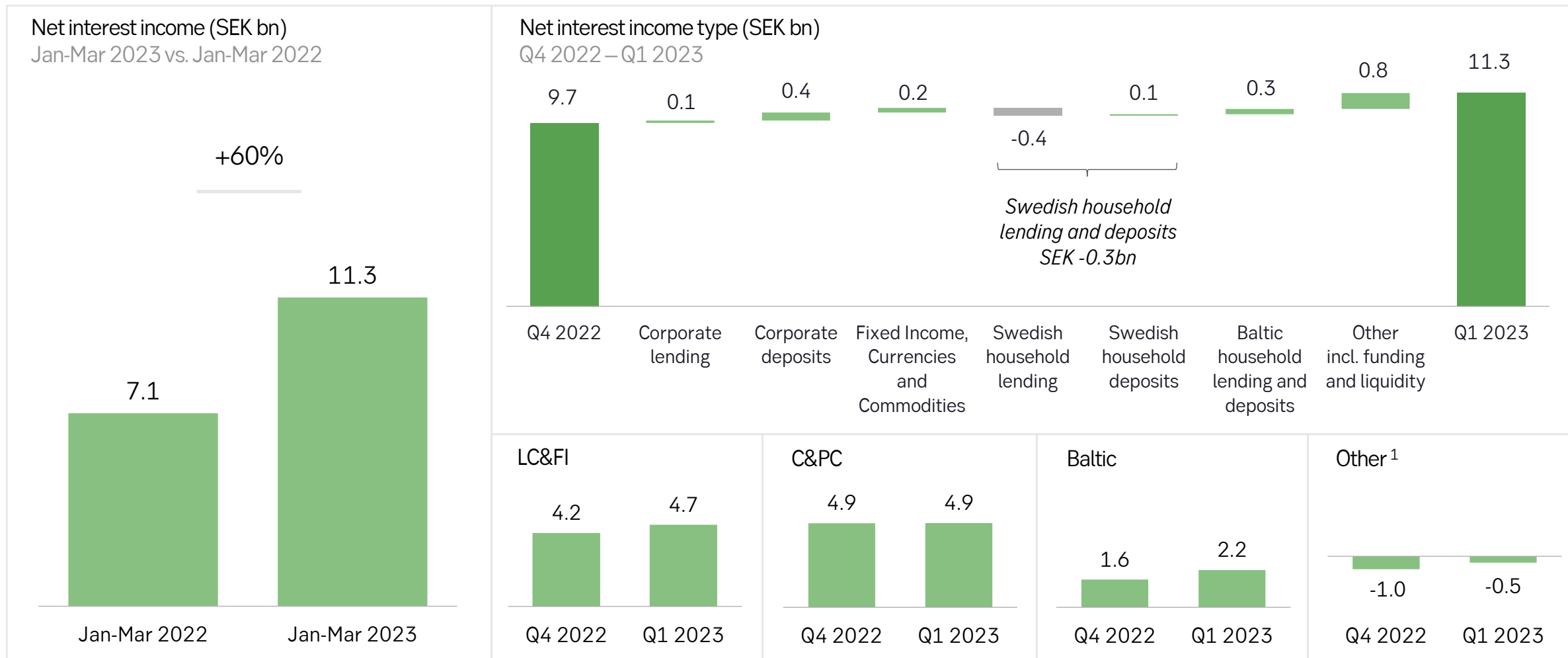


# Financial summary Q1 2023

SEK m	Q1 2023	Q4 2022		Q1 2022		
<b>Total operating income</b>	<b>19,060</b>	<b>18,798</b>	<b>+1%</b>	<b>14,739</b>	<b>+29%</b>	<b>Net ECL level</b> 4 bps  <b>C/I</b> 0.34  <b>CET1</b> 19.2%  <b>RoE</b> 17.9%
Net interest income	11,297	9,715	+16%	7,062	+60%	
Net fee and commission income	5,170	5,410	-4%	5,381	-4%	
Net financial income	2,403	3,476	-31%	2,321	+4%	
Total operating expenses	-6,465	-6,757	-4%	-5,793	+12%	
<b>Profit before ECL and imposed levies</b>	<b>12,594</b>	<b>12,041</b>	<b>+5%</b>	<b>8,945</b>	<b>+41%</b>	
Net expected credit losses	-272	-506	-46%	-535	-49%	
Imposed levies	-702	-578	+21%	-582	+21%	
<b>Operating profit before IAC <sup>1</sup></b>	<b>11,620</b>	<b>10,957</b>	<b>+6%</b>	<b>7,828</b>	<b>+48%</b>	
Items affecting comparability	0	-1,399		0		
<b>Operating profit</b>	<b>11,620</b>	<b>9,558</b>	<b>+22%</b>	<b>7,828</b>	<b>+48%</b>	

<sup>1</sup> Items affecting comparability.

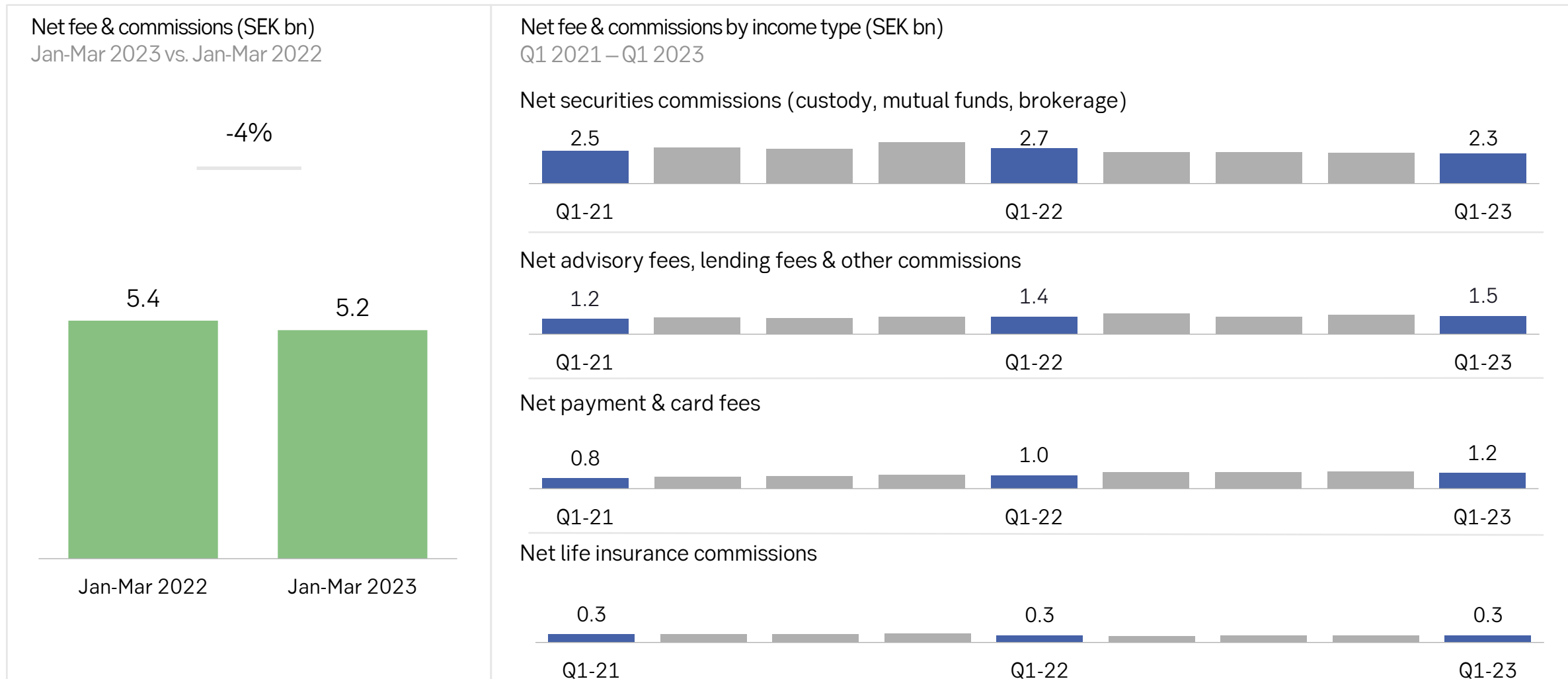
# Net interest income development



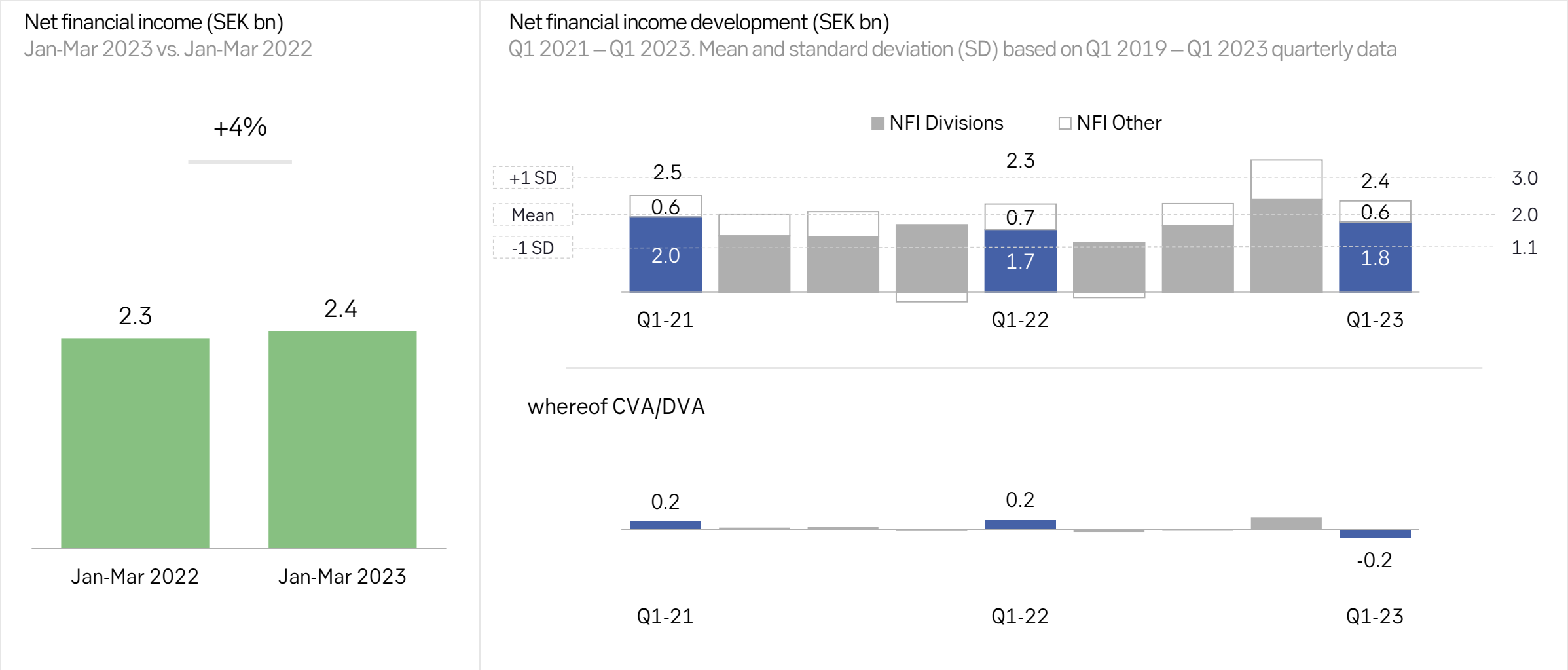
<sup>1</sup>"Other" includes division PWM&FO, Life, Investment Management, Group Functions and Eliminations.



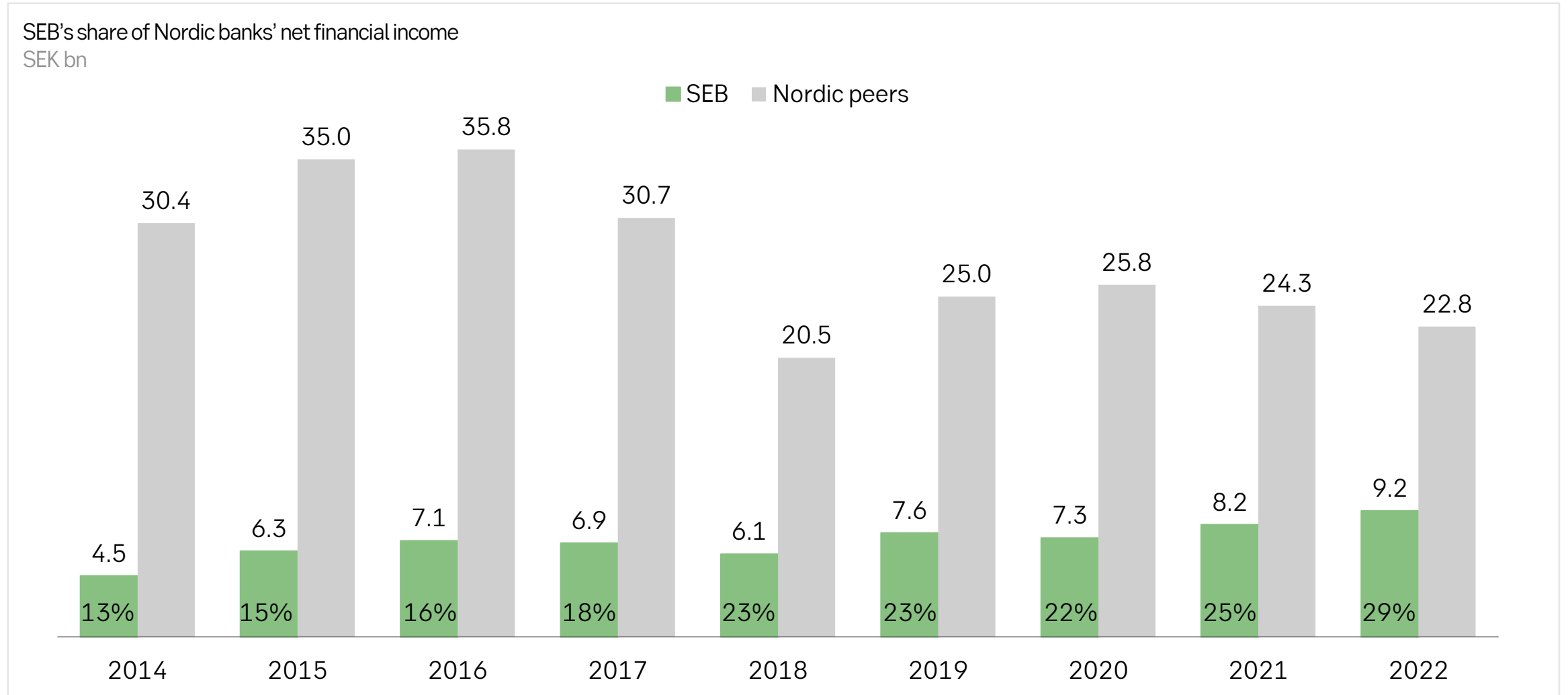
# Net fee & commission income development



# Net financial income development

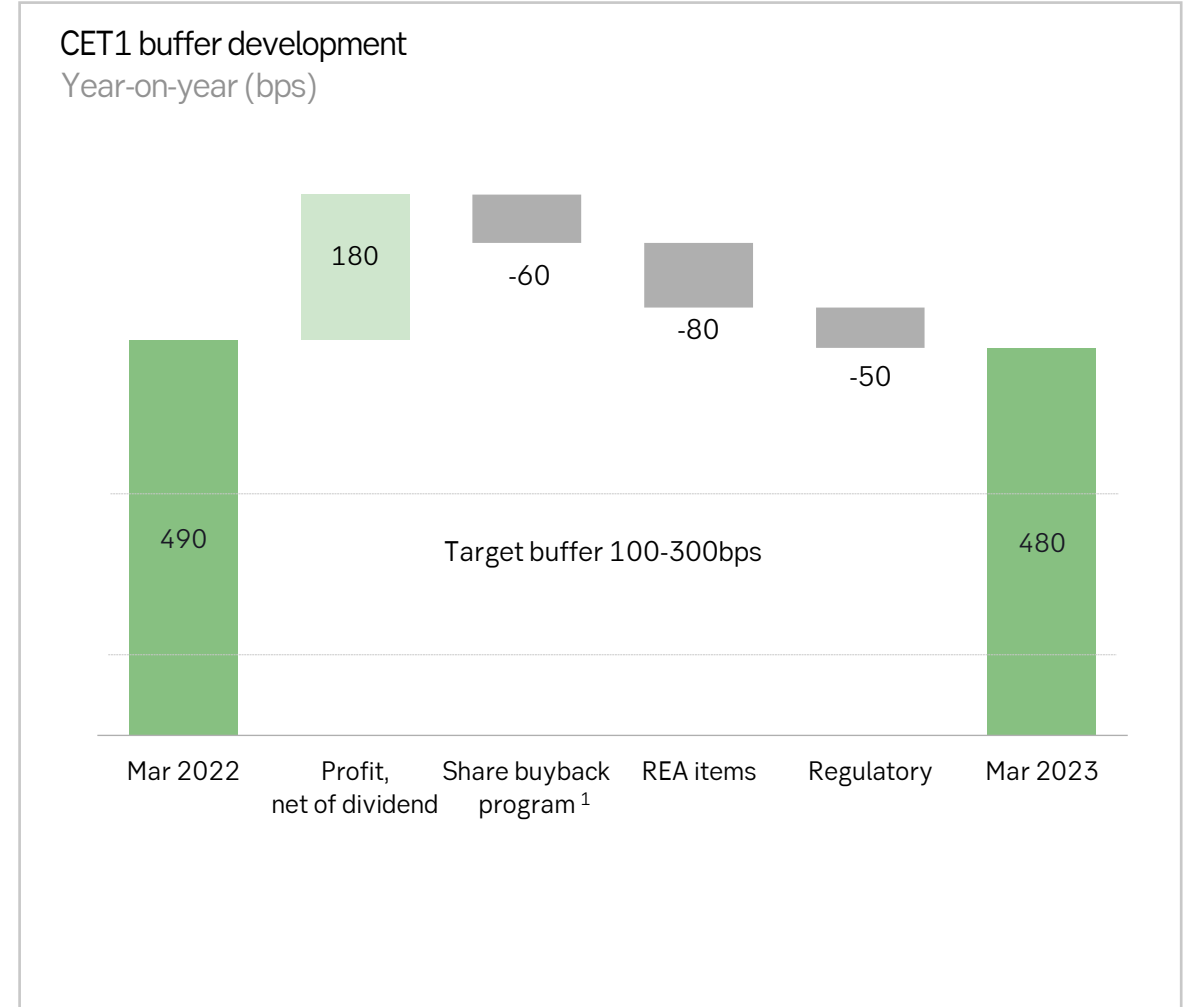
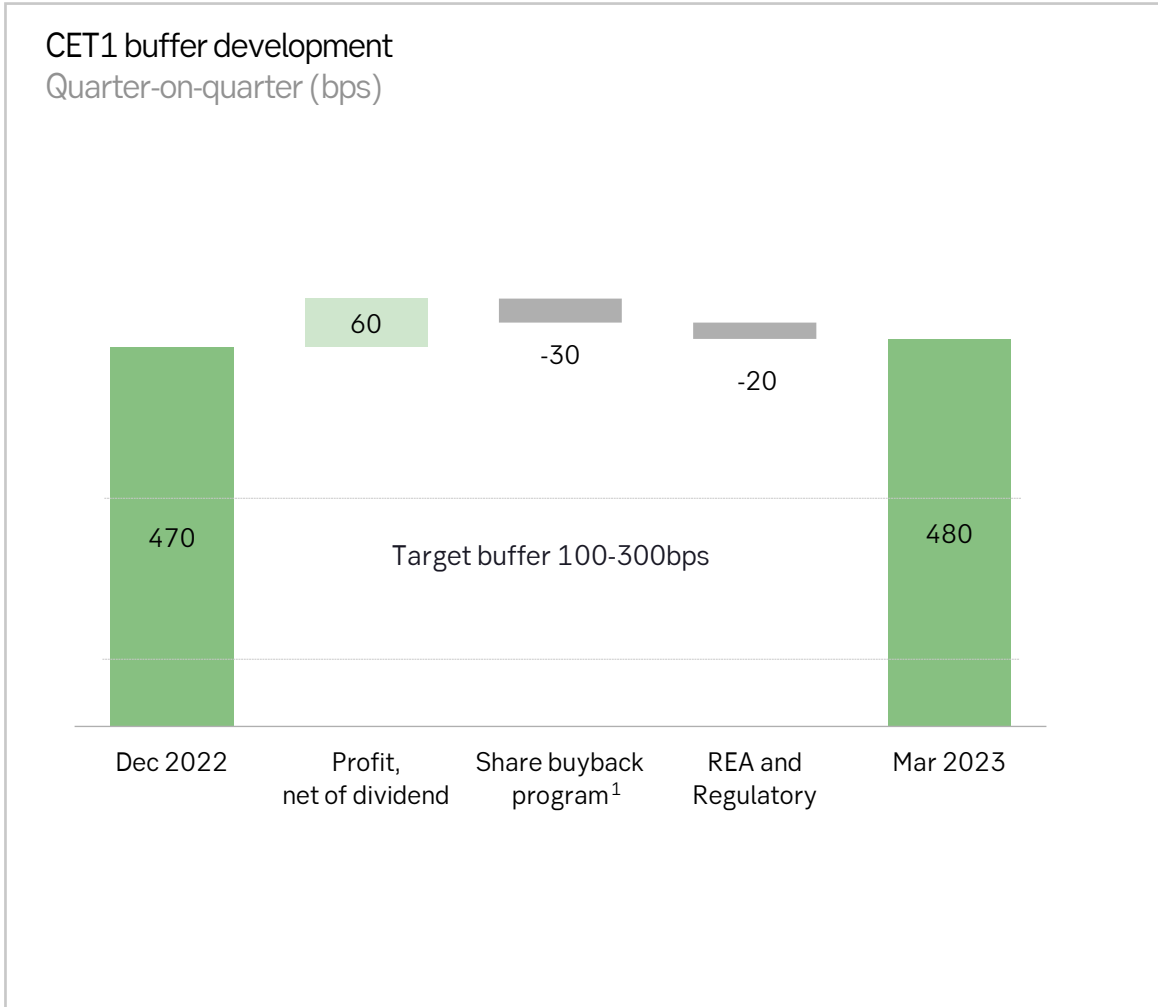


# Customers choose SEB for risk management to a higher degree



Note: Nordic peers including Danske Bank, DNB, Handelsbanken, Nordea and Swedbank, numbers excluding items affecting comparability.

# Capital development



<sup>1</sup> SEB has received supervisory approval to repurchase shares for up to SEK 2.5bn until 31 October 2023, and has deducted this amount in full from the CET1 capital.



# Strong asset quality and balance sheet

2022

## Asset quality

Net expected credit loss level 7 bps

## Funding & liquidity

Customer deposits (SEK) 1,702bn

Liquidity coverage ratio 143%

Net Stable Funding Ratio (NSFR) 109%

## Capital

CET1 ratio (Basel 3) 19.0%

CET1 buffer above requirement 470 bps

Total capital ratio (Basel 3) 22.5%

Leverage ratio (Basel 3) 5.0%

Q1 2023

## Asset quality

Net expected credit loss level 4 bps

## Funding & liquidity

Customer deposits (SEK) 1,789bn

Liquidity coverage ratio 137%

Net Stable Funding Ratio (NSFR) 111%

## Capital

CET1 ratio (Basel 3) 19.2%

CET1 buffer above requirement 480 bps

Total capital ratio (Basel 3) 22.7%

Leverage ratio (Basel 3) 4.7%

# SEB Group financial targets

~50%

Dividend payout ratio of EPS <sup>1</sup>

100-300<sub>bps</sub>

CET1 ratio above requirement

Return on Equity  
competitive with peers  
(Long-term aspiration 15%)



**Share repurchases** will be the main form of capital distribution when SEB's capital buffer exceeds, and is projected to remain above, the targeted range of 100-300 basis points.

<sup>1</sup> Excluding items affecting comparability.



A wide-angle aerial photograph of a valley. In the foreground, dark, jagged rock formations are visible. Below them, a river winds through a lush green valley, forming several loops and meanders. The river is surrounded by dense forests and open fields. In the background, rolling mountains and hills are visible under a blue sky with scattered white clouds. The lighting suggests late afternoon or early morning, with long shadows and warm tones.

Thank you for your attention