



**Bank of America Merrill Lynch**  
**28 September, 2016**

**Jan Erik Back**  
**CFO**

# Well diversified business in a strong economic environment

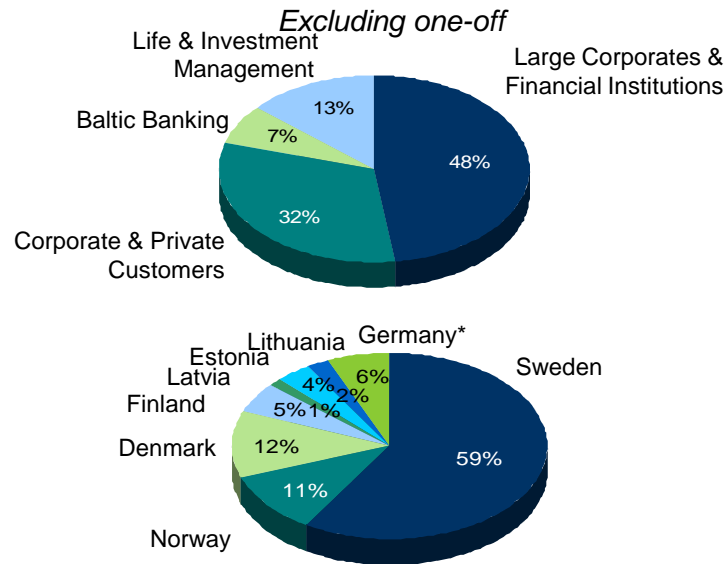
Operates principally in economically robust  
AAA rated European countries



- ❑ Universal banking in Sweden and the Baltics
- ❑ Principally corporate banking in the other Nordic countries and Germany

Diversified Business mix

Share of operating profit - full year 2015

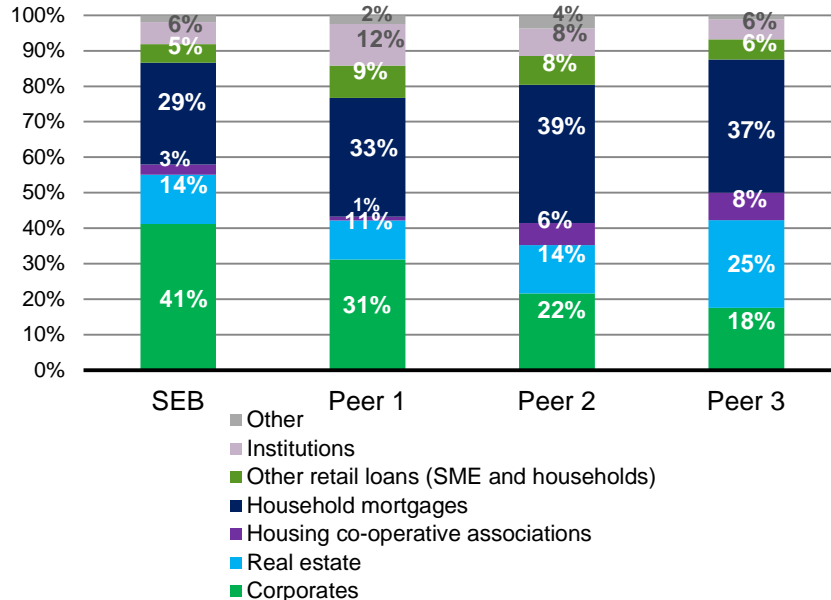


*Geography excluding International Network and Eliminations,  
Business divisions excluding Other and eliminations.*

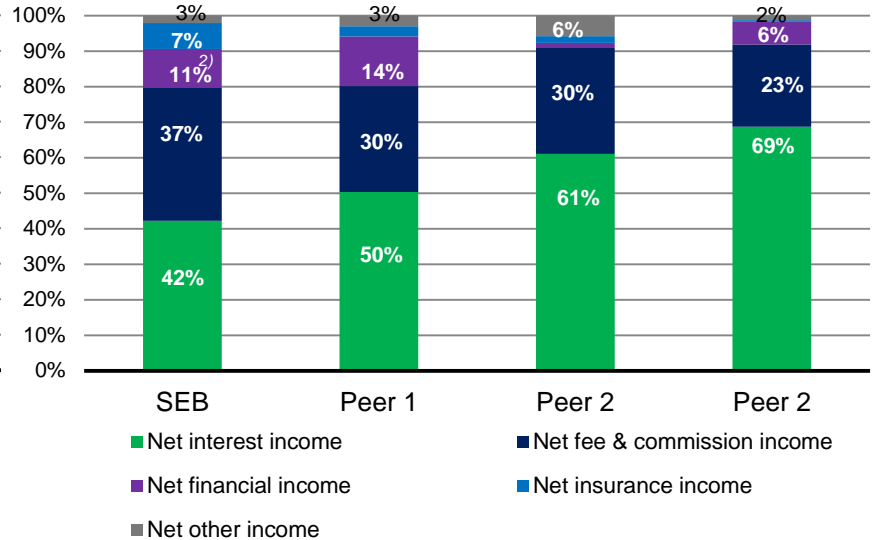
*\* Excluding Treasury operations*

# SEB's diversified business mix sustains earnings

Lowest Real Estate & Mortgage exposure  
Sector credit exposure composition (EAD) <sup>1)</sup> FY 2015



Least dependent on NII  
Operating income by revenue stream, FY 2015



- SEB corporate exposure is to 83% large Swedish, other Nordic and German international corporates with geographically diversified sales and income streams
- SEB has the lowest total real estate and mortgage exposure

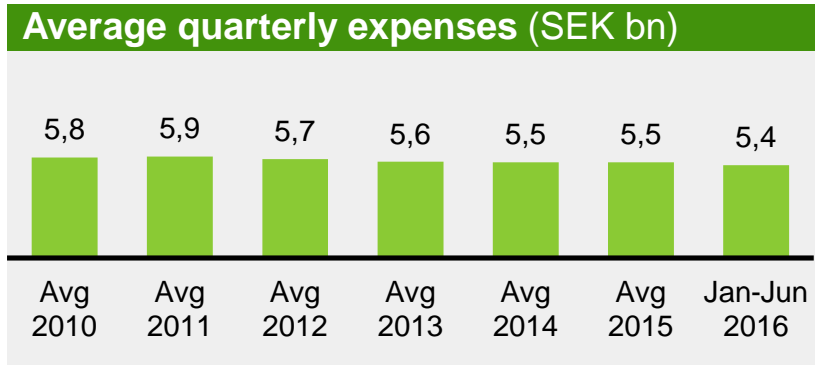
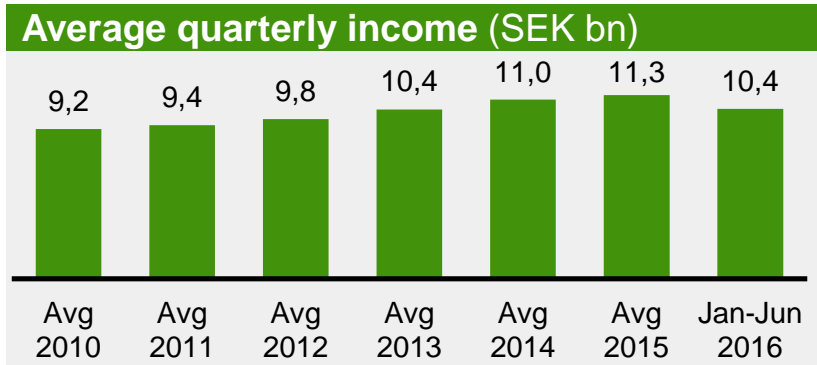
- SEB has its roots in servicing large corporates and institutions and high net worth individuals which is reflected in the broadest income generation base with less dependence on NII
- Some of SEB's domestic peers are more heavily focused on households and real estate lending rendering a greater dependence on NII

<sup>1)</sup> EAD = Risk Exposure Amount / Risk Weight

Source: Companies' Pillar 3 reports

<sup>2)</sup> Excluding one-off Swiss withholding tax cost

# Operating leverage, excluding one-offs



Notes: Excluding one-offs (restructuring in 2010, bond buy-back and IT impairment in 2012, sale of MasterCard shares and Euroline in 2014, Swiss withholding tax in 2015, Goodwill impairment, other one-off cost items and SEB Baltic VISA transaction in 2016) . Estimated IAS 19 costs in 2010.

# Strong capital position in an uncertain landscape

## Capital, liquidity and asset quality

CET1  
Basel III  
18.7%

Liquid  
resources  
~25%

NPL  
coverage  
ratio 64%

LCR  
129%

Loan to  
deposit ratio  
143%

Credit loss  
level 7 bps



Corporate risk weights



Bank tax



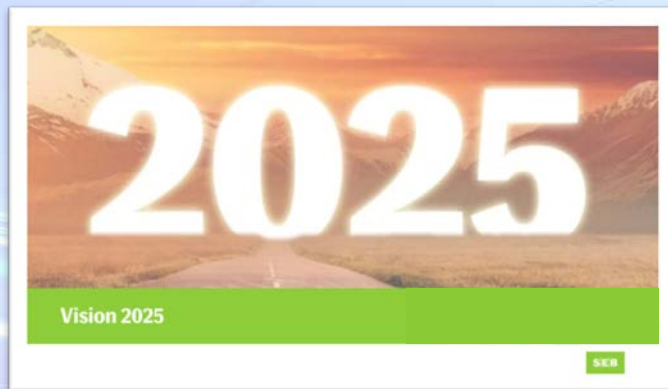
Basel IV

# A new vision has been established for the bank

Key beliefs about banking

SEB strengths in future market

Competitive landscape



To deliver  
**world-class service**  
to our customers





**Accelerate growth in Sweden**

**Continue to grow in the Nordics and Germany**

**Savings & pension growth**



**Service leadership**

**Digitisation**

**Next generation competences**

**Grow in areas of strength**

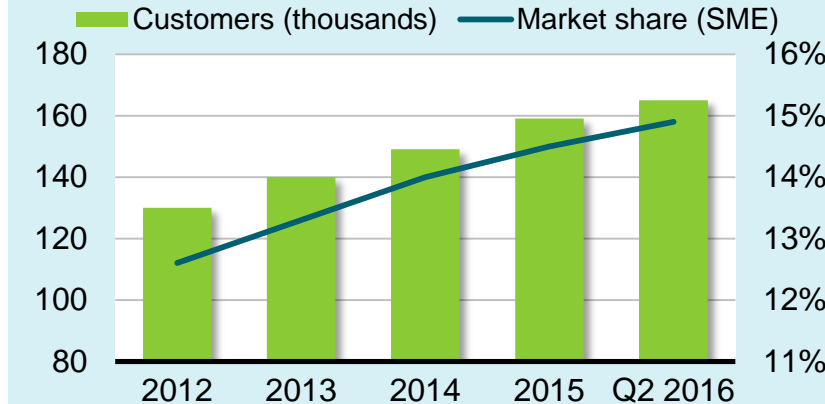
**Resilience and flexibility**

**Leading customer experience**

# Example Growth: Corporate customers and volumes continue to increase

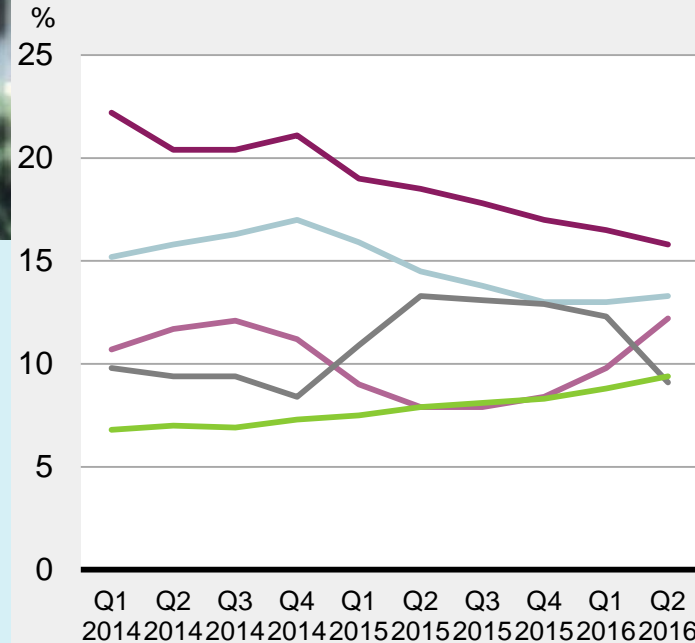


## C&PC: Continued inflow of SMEs



## SEB Pension & Försäkring

Market shares total pension market, rolling 12-months



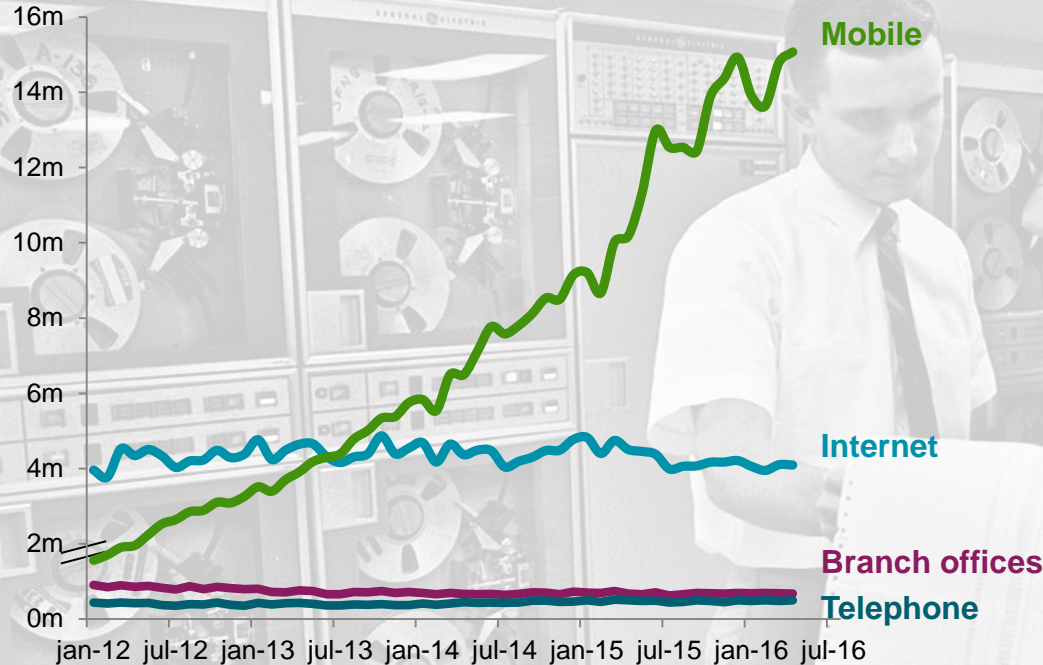
Peer 1 15.8 %  
Peer 2 13.2 %  
Peer 3 12.2 %  
**SEB 9.4 %**  
Peer 4 9.1 %



# Digitisation isn't something new in banking



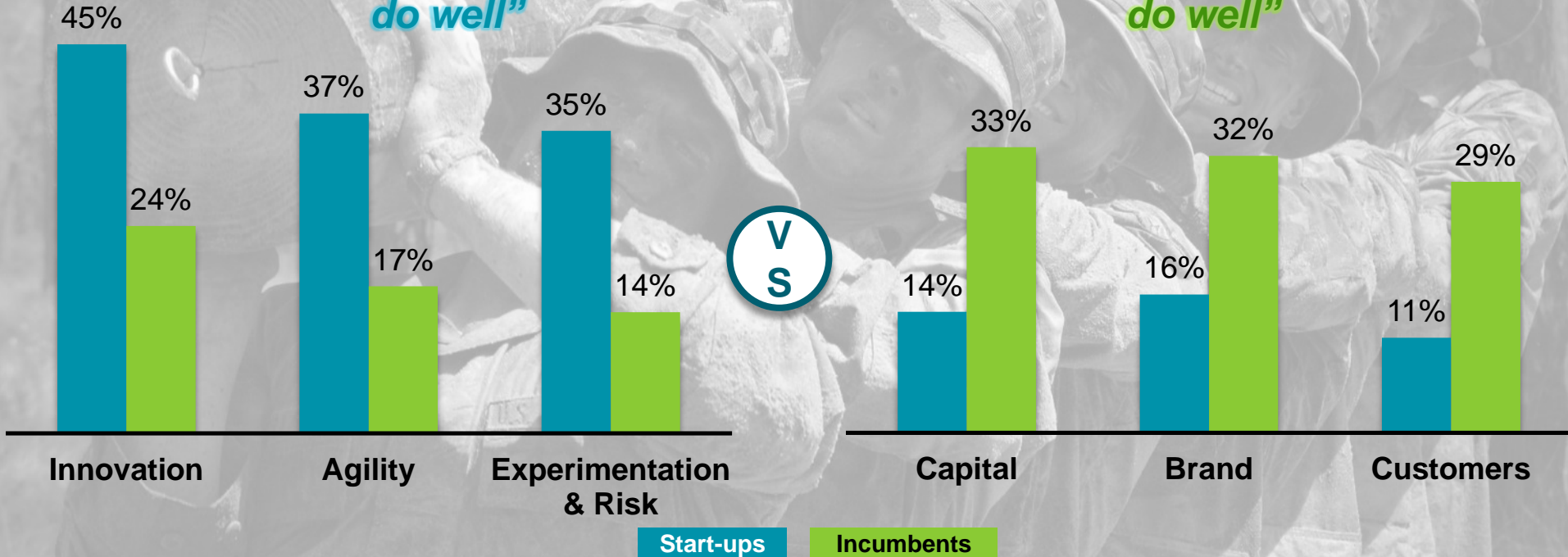
SEBs customers no. of visits (monthly)



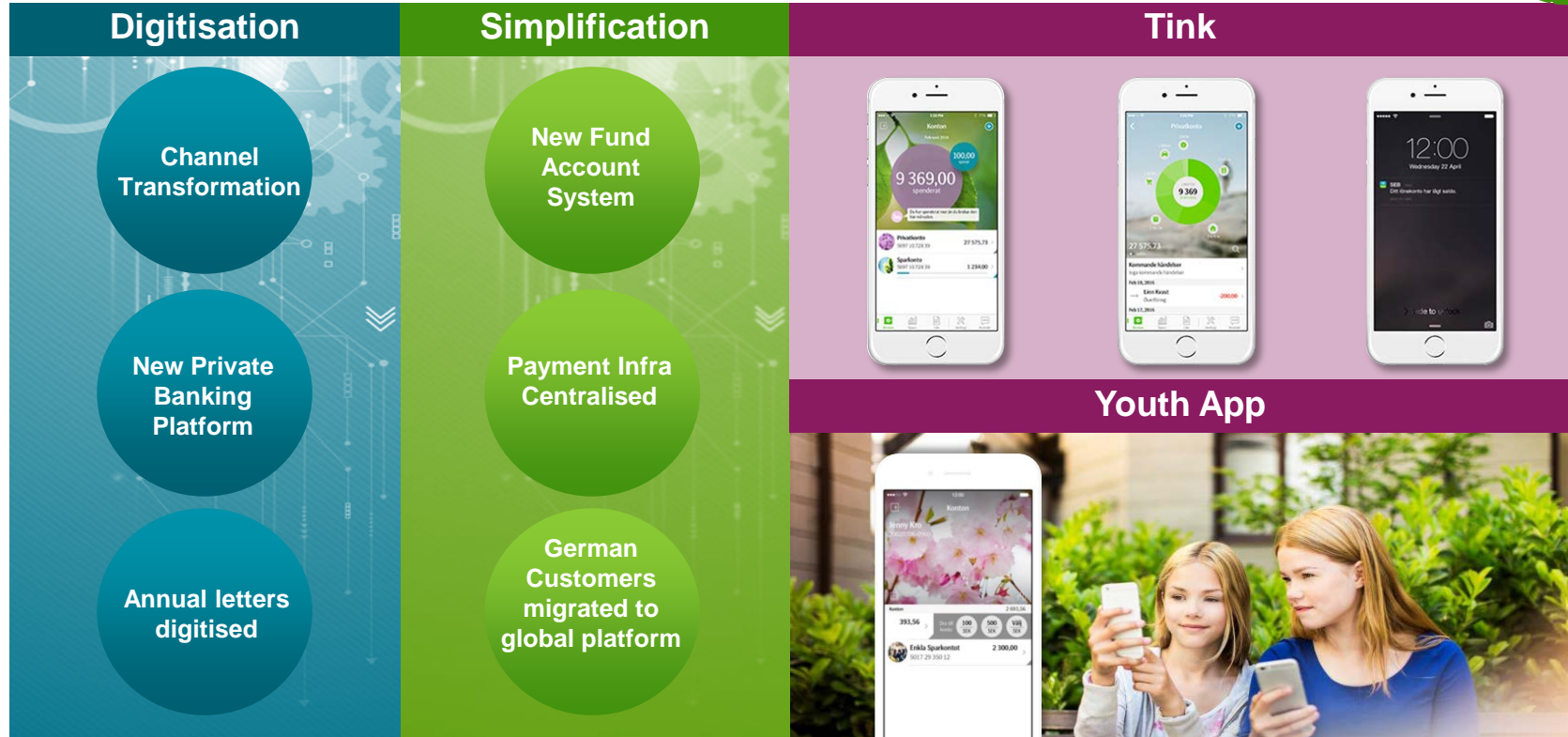
# Fintechs and banks are good at different things

*"What fintechs do well"*

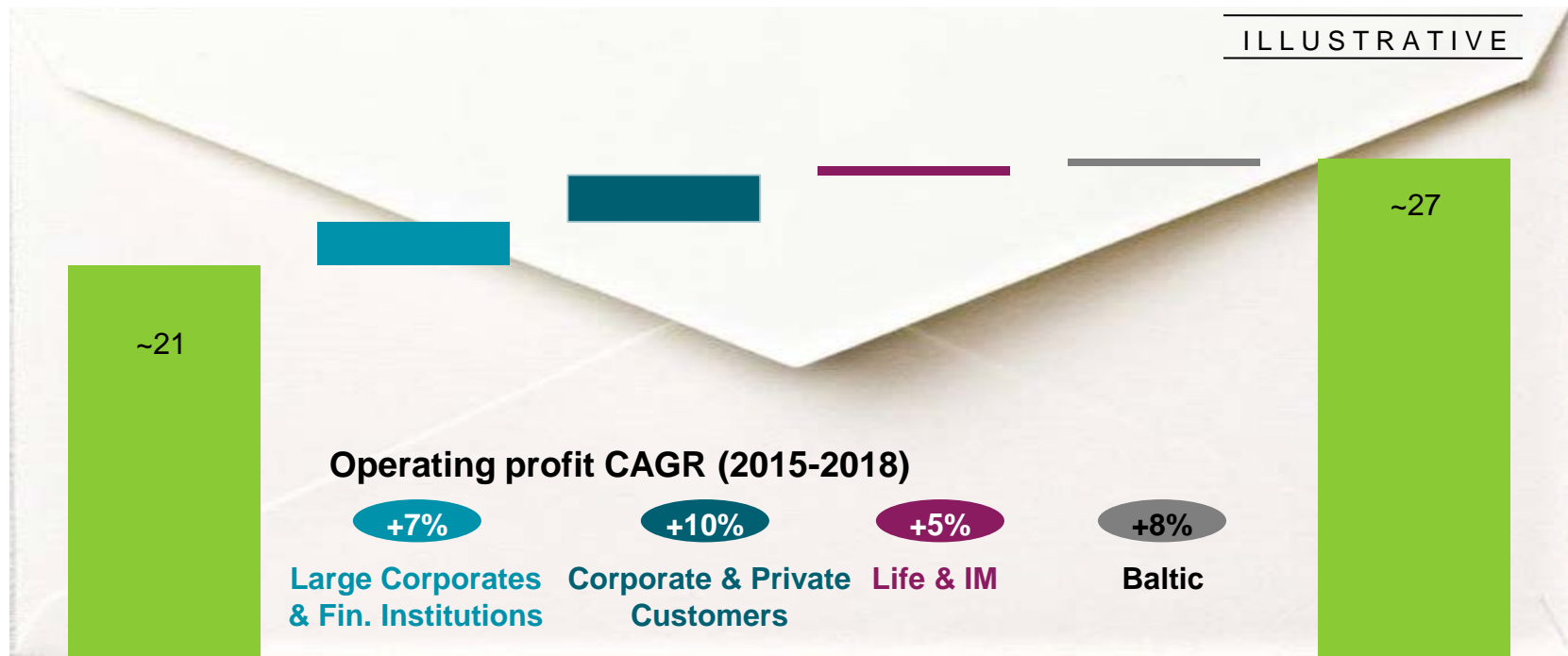
*"What banks do well"*



# Example Transform: Delivery Highlights Q2 2016



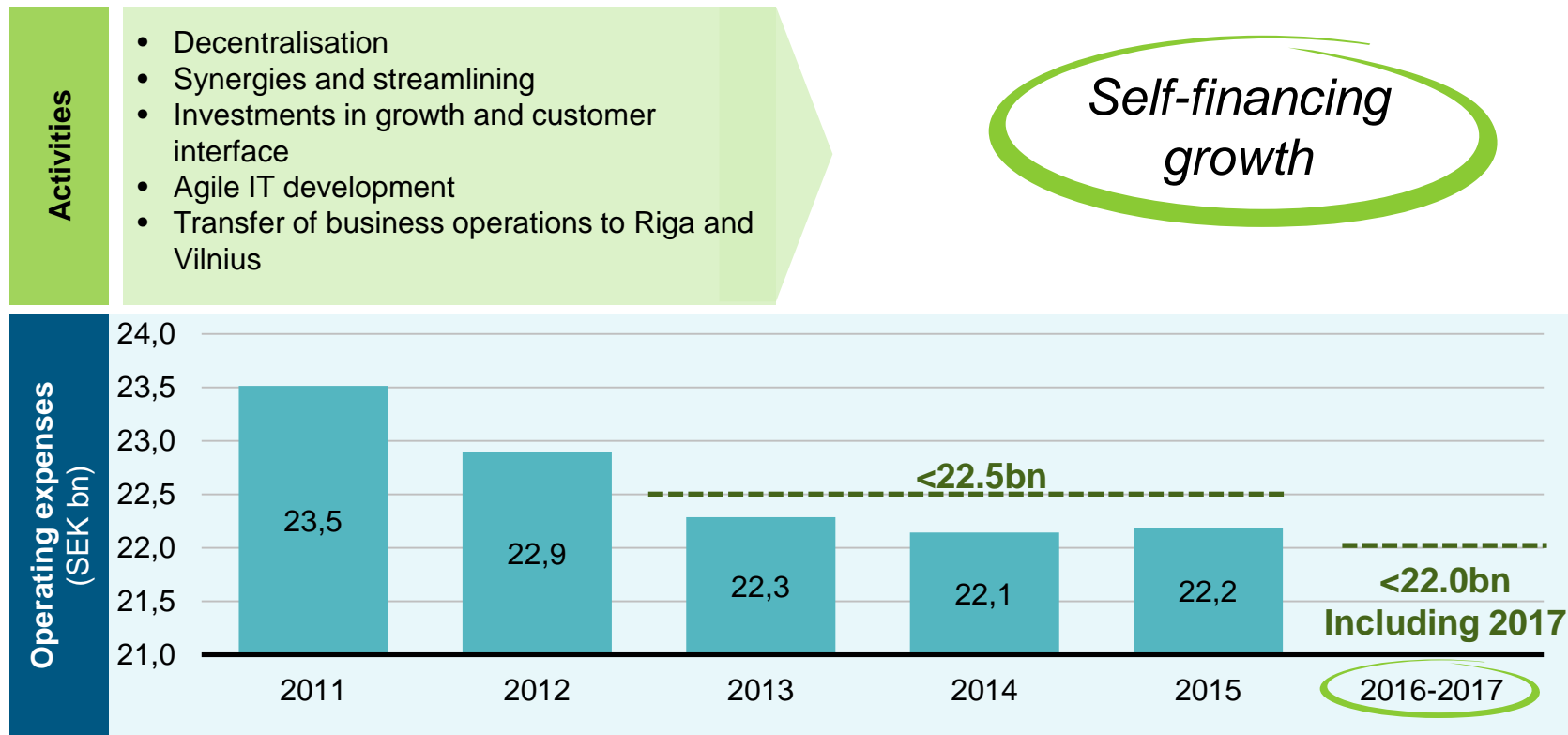
# The trajectory of profitable growth continues...



2015

2018  
RoE ~ 14 %  
CET1 ~ 18 %

# Increased leverage on existing cost caps



*Note: 2015 and earlier not restated*



# Financial ambitions

**Dividend payout  
40% or above**

**Common Equity  
Tier 1 with  
~150bps buffer**

**Cost cap  
SEK 22.0bn  
(until 2017)**

**RoE long-term aspiration 15%**  
competitive with peers



# Going forward

**Focus on meeting changing customer behaviour**

**Continued disciplined execution**

**Increased emphasis on resilience and long-term perspective in challenging economic climate**