



Annual Accounts 2012

Telephone conference

Delivery of 2010–2012 plan

1

Business expansion

SEB

2

Customer satisfaction

3





Operating leverage

4

Strong balance sheet



SEB is a much stronger bank in 2012

Resilience		2009		2012
	Core tier 1 ratio (B2.5)	11.7%		15.1%
	Liquidity reserves	>10%		~25%
	Customer deposits (average)	750bn		850bn
	Non-performing loans	28.6bn		13.8bn

Flexibility	Large Corporates	<ul style="list-style-type: none"> Expand Nordic and German platform 	<ul style="list-style-type: none"> 156 Nordic new clients 140 German new clients 	#1 Nordic corporate bank
	Swedish SMEs	<ul style="list-style-type: none"> Leverage corporate know-how 	<ul style="list-style-type: none"> 31,500 new full-service clients 	#2 Swedish (SKI)
	Savings	<ul style="list-style-type: none"> Create advisory driven and holistic offering 	<ul style="list-style-type: none"> SEK 107.3bn net new money 	#1 PB service Nordics

Results presented today exclude one-off effects announced last week



Press release

Stockholm 22 January 2013

Disclosure of adjustments to financial statements in connection with the annual accounts 2012

In the Annual Accounts to be presented on 31 January, SEB will disclose the financial impact of changed accounting principles, certain one-off adjustments and tax legislation. The Bank's business is continuing to develop well. In connection with the Annual Accounts, more detailed long-term financial targets will also be presented.

The adjustments that will be carried out in connection with the Annual Accounts 2012 include the financial effects arising from changed principles for pensions (IAS19) and financial instruments, one-off effects from the lowered Swedish corporate tax rate, new direction of IT infrastructure project and buy-backs of covered bonds.

"Our business is continuing to develop well. As we implement the IAS19 framework in the Annual Accounts, SEB increases transparency at the presentation of the 2012 results", says SEB's CFO **Jan Erik Back**.

The total effects in the results for the whole year of 2012, net, amount to SEK 7m. The common equity tier 1 ratio according to Basel III is unchanged at about 13.5 per cent, the estimate for year-end provided earlier. Free cash flow is increased by about SEK 1bn over time.

SEB's costs in the business, i.e. excluding IT-adjustments, are developing in line with the cost-cap for 2012, below SEK 23bn.

A telephone conference with Jan Erik Back and Ulf Grunnesjö, Head of Investor Relations, will be held at 18:30 (CET) today and can be accessed by telephone, +44(0)20 7162 0025. Please quote conference id: 928120.

[Read more and download detailed information encompassing the adjustments here](#)

For further information, please contact

Jan Erik Back, CFO, +46 8 22 19 00

Ulf Grunnesjö, Head of Investor Relations, +46 8 763 85 01; +46 70 763 85 01

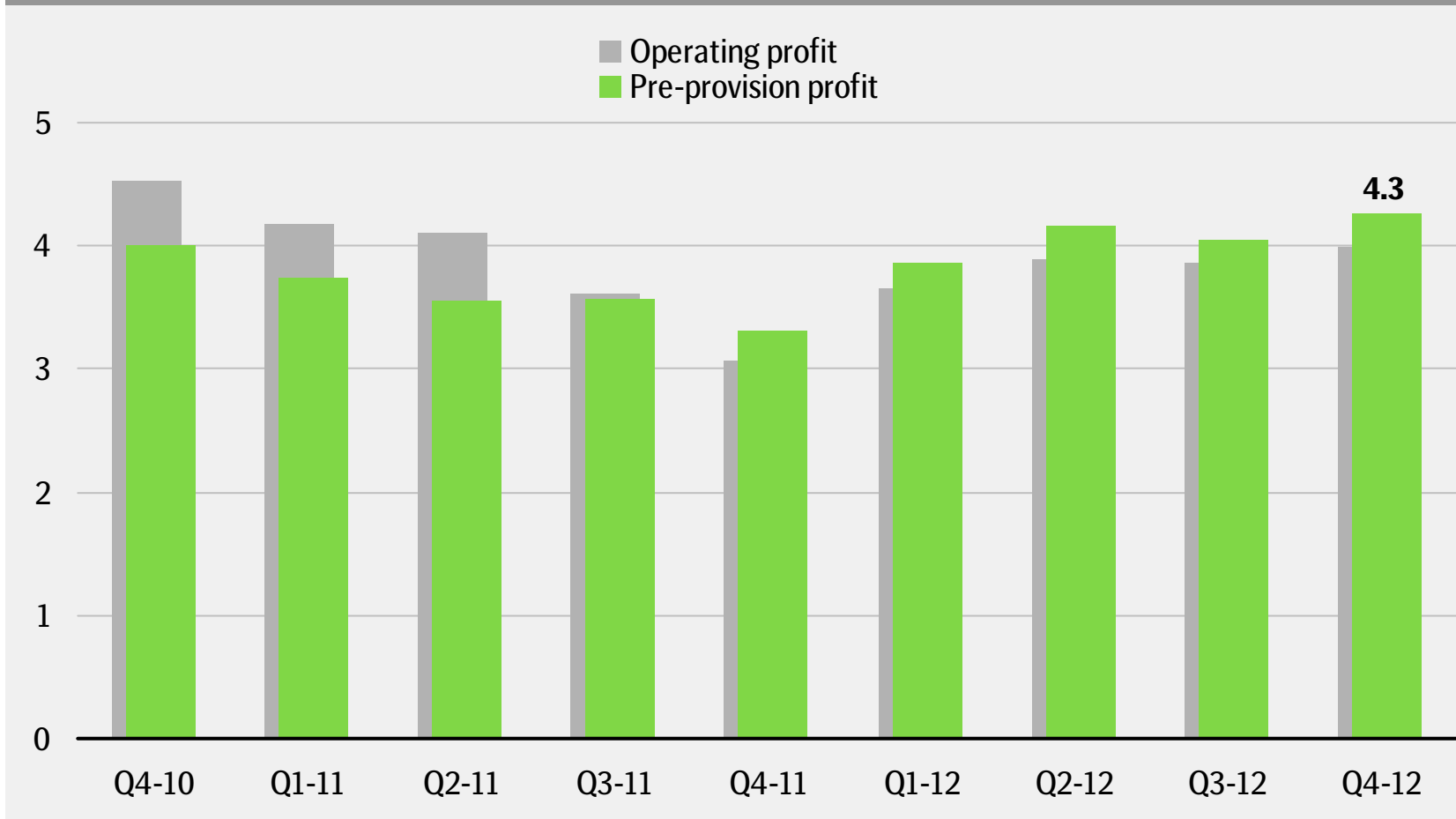
Results presentation excludes:

- Buy-back of covered bonds at negative income of SEK 402m
- IT impairment at cost of SEK 753m



Underlying business development

Pre-provision profit and operating profit (SEK bn)



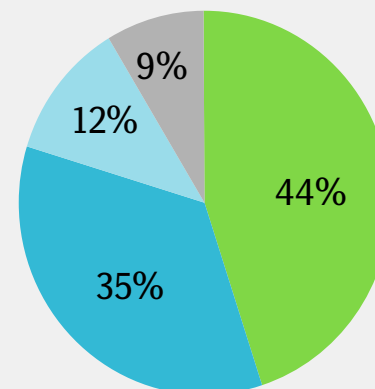
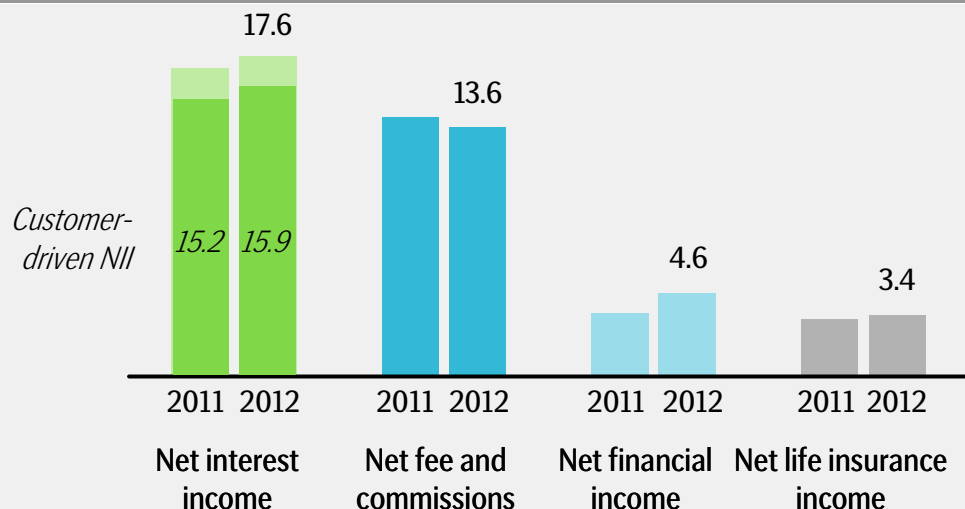
Notes: Excluding one-offs (bond buy-back and IT impairment in Q4 2012)
Estimated IAS 19 costs in 2010

Income statement

Profit and loss (SEK bn)

	Q4-12	% Q3-12	% Q4-11	FY 2011	FY 2012	%
Total Operating income	10,039	+4	+8	37,686	39,225	+4
Total Operating expenses	-5,771	+2	-4	-23,513	-22,899	-3
Profit before credit losses	4,268	+6	+29	14,173	16,326	+15
Net credit losses etc.	-274			780	-936	
Operating profit	3,994	+4	+30	14,953	15,390	+3

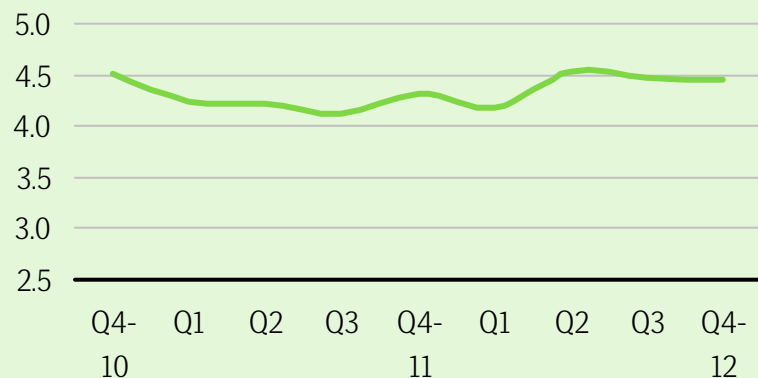
Operating income by type, 2011 vs. 2012 (SEK bn)



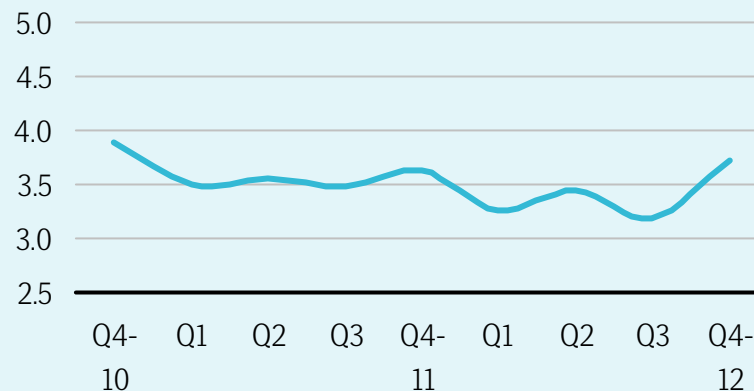
Note: Excluding one-offs (bond buy-back and IT impairment)

Stable income generation

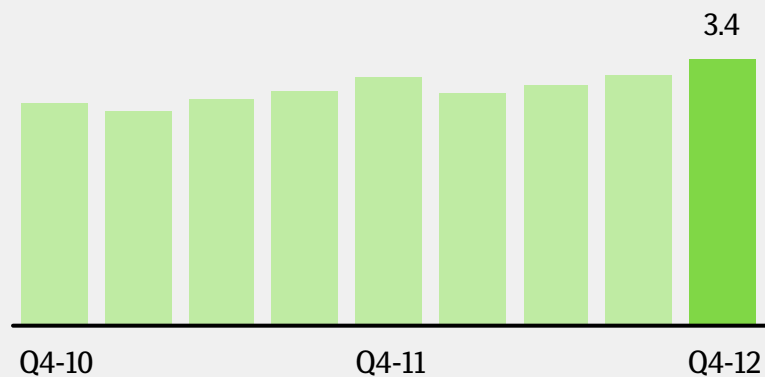
NII Q4 2010 – Q4 2012 (SEK bn)



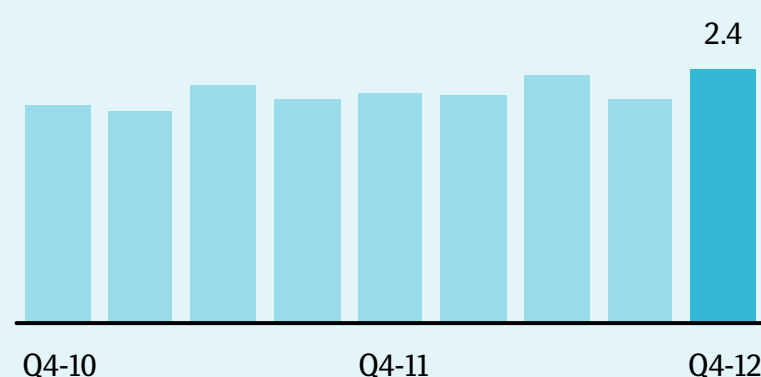
Net fee income Q4 2010 – Q4 2012 (SEK bn)



Contribution from lending (SEK bn)

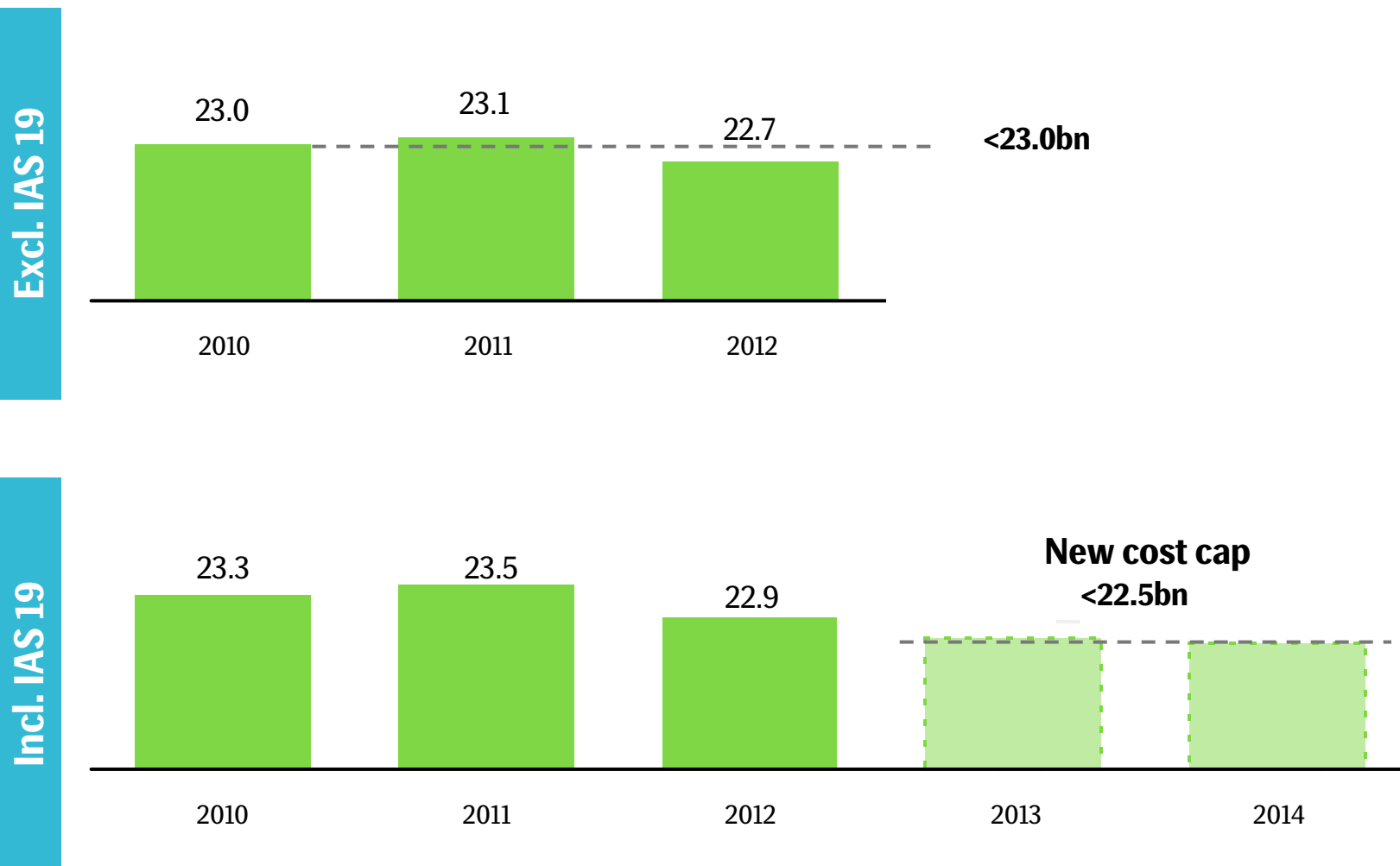


Payments, cards, lending etc. (SEK bn)



Cost-caps are working

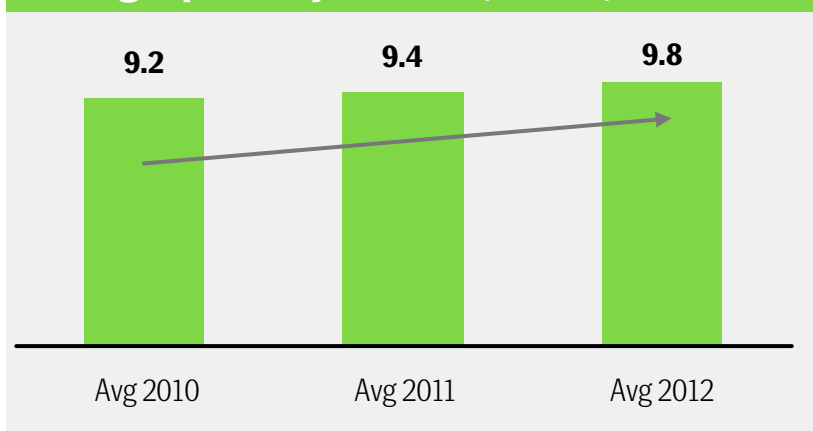
Operating expenses excluding one-offs, SEK bn



Notes: Excluding IT impairment
Estimated IAS 19 costs in 2010

Increased operating leverage

Average quarterly income (SEK bn)

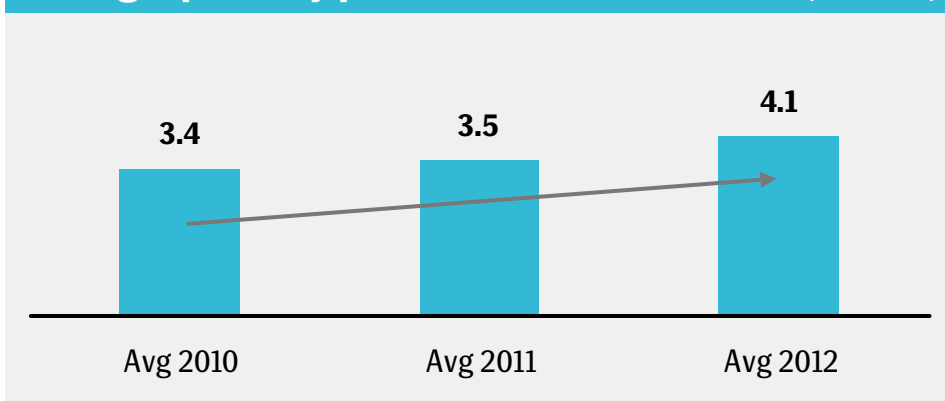


Average quarterly expenses (SEK bn)



Operating leverage

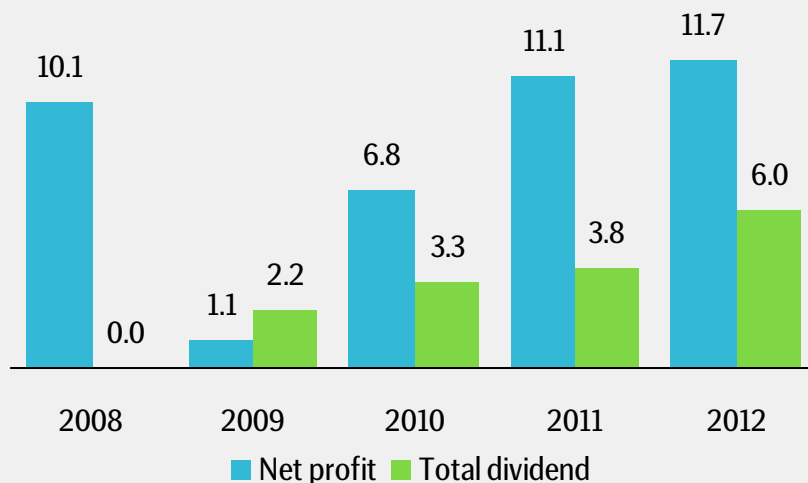
Average quarterly profit before credit losses (SEK bn)



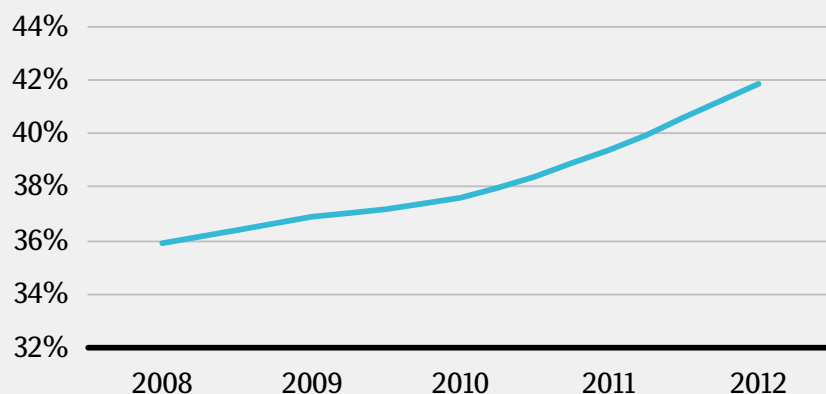
Notes: Excluding one-offs (restructuring in 2010, and bond buy-back and IT impairment in 2012)
Estimated IAS 19 costs in 2010

Proposed dividend SEK 2:75

Net profit and total dividend (SEK bn)



Dividend payout ratio, 5 year rolling avg (%)



SEK 2.75



Ambition going forward

**The leading Nordic bank for
corporates & institutions**

**Top universal bank in
Sweden and the Baltics**

Financial ambitions

**Dividend payout 40%
or above**

**Common Equity Tier 1
ratio of 13%**

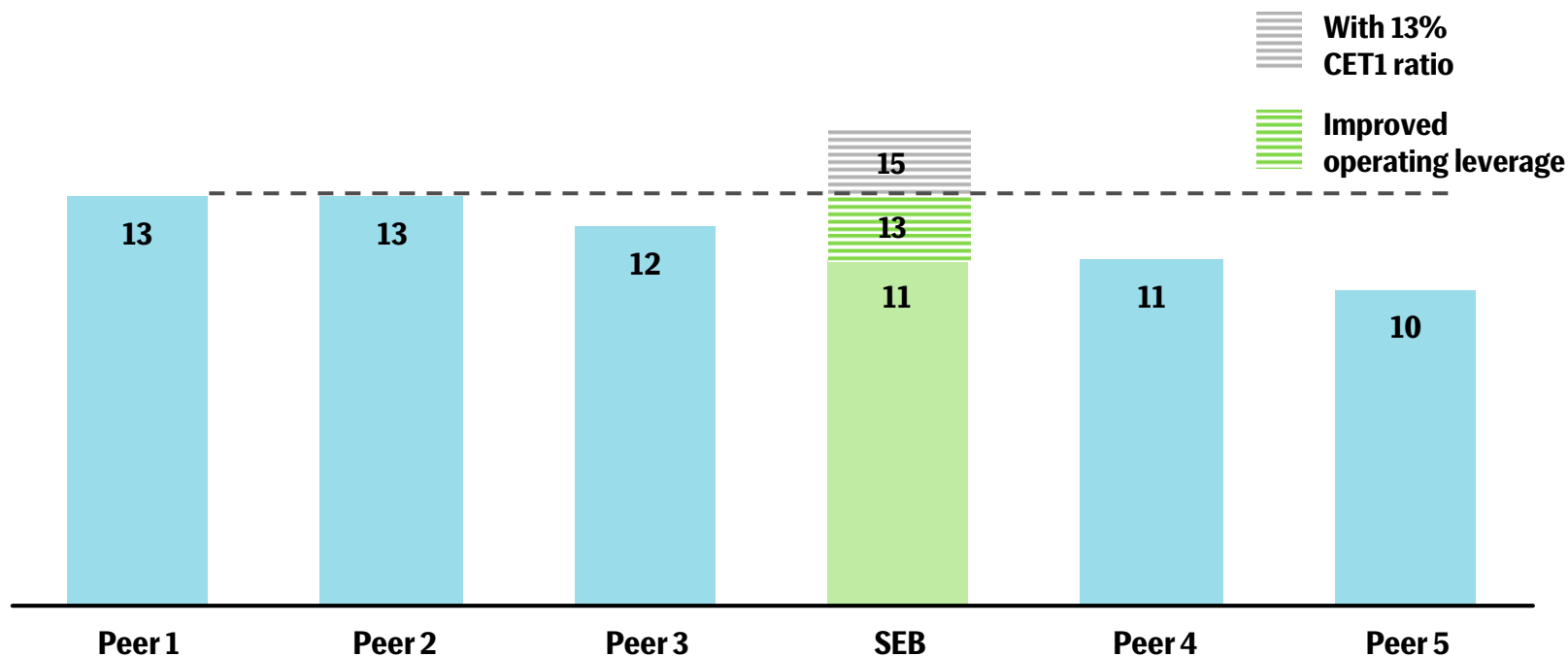
**Generate ROE that is
competitive with peers**

**Long-term ROE
aspiration 15%**



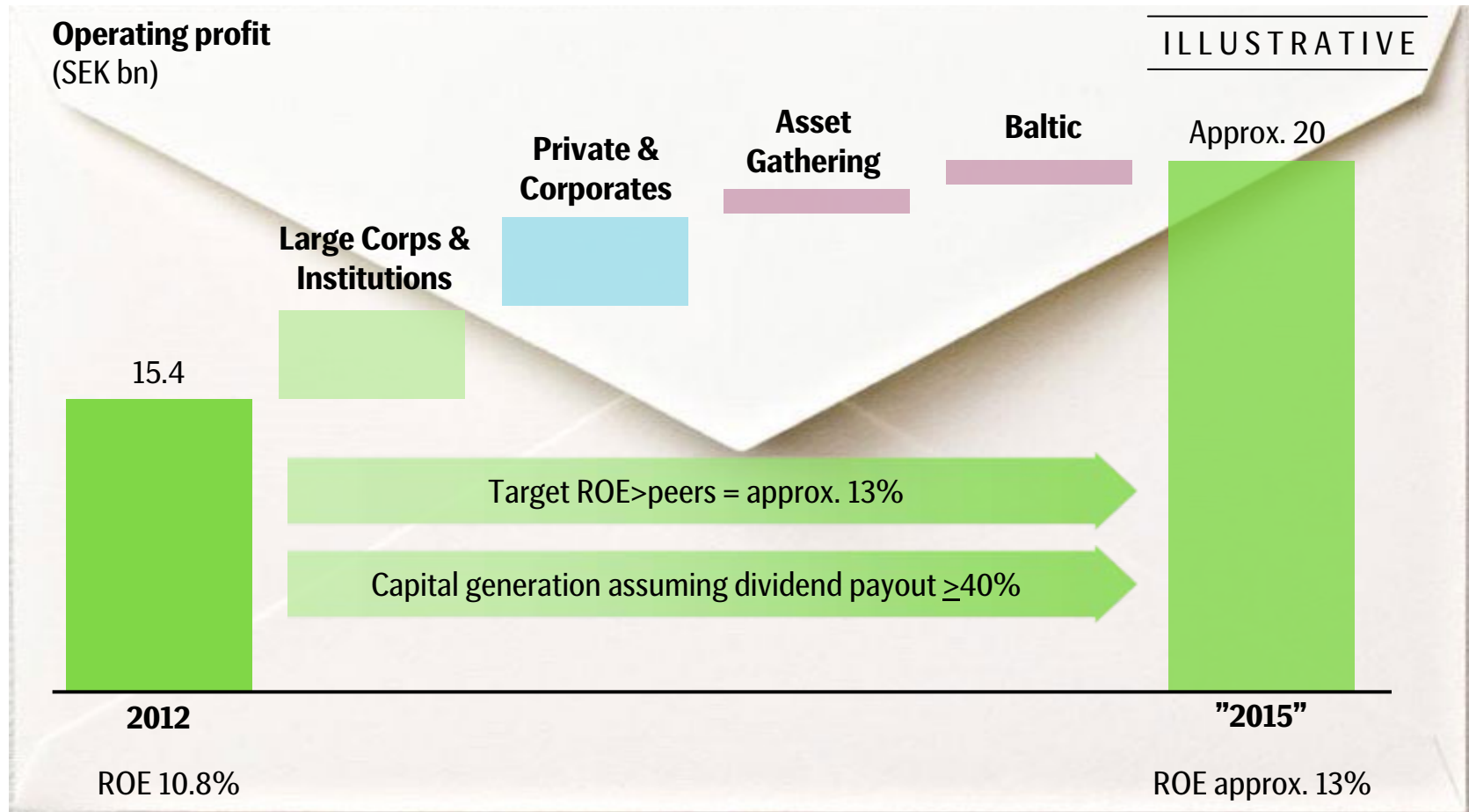
What is a competitive ROE in the near-term?

ROE 2014 – Consensus analyst estimate (Post Q3 2012, %)

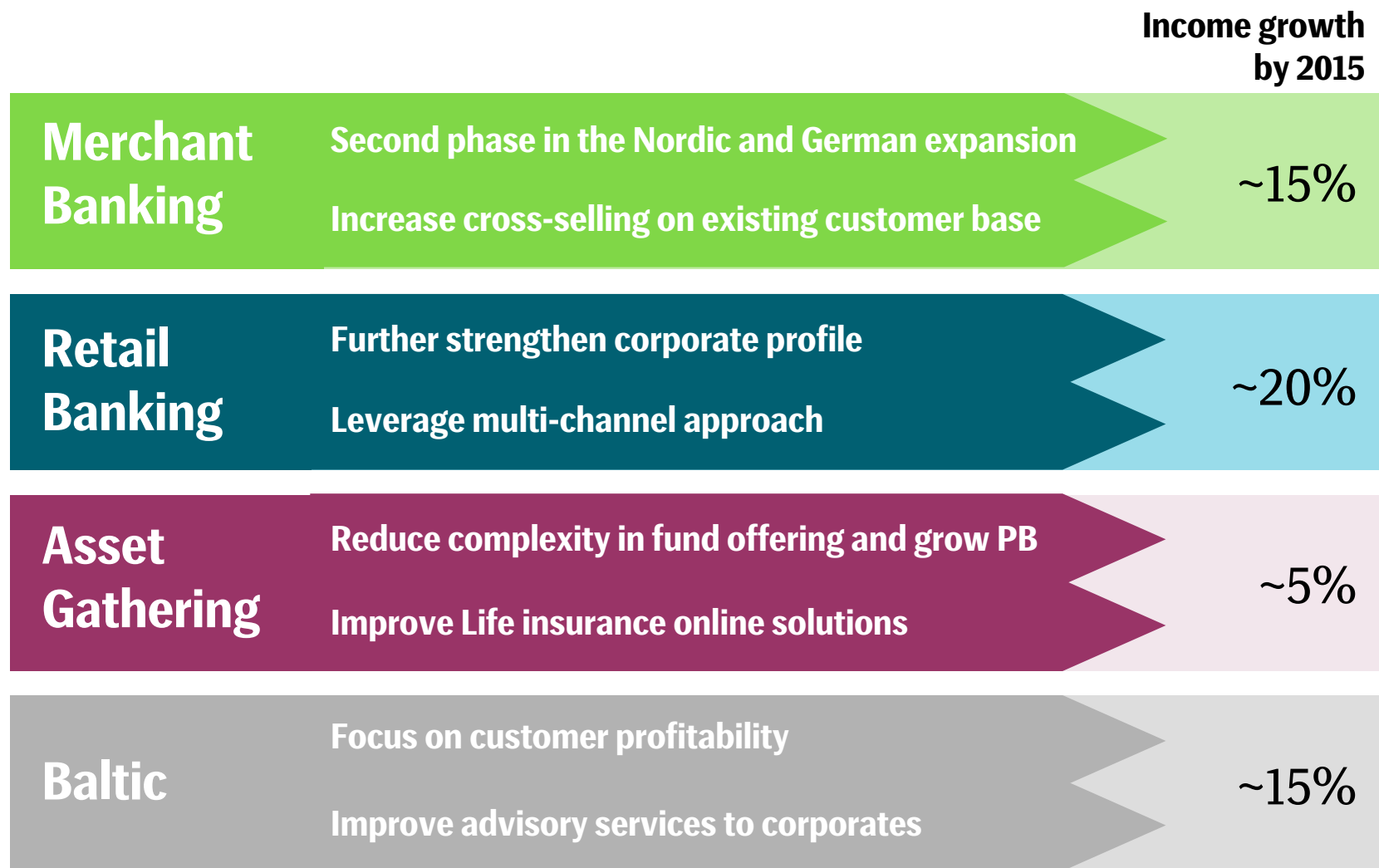


Source: Research reports

Back-of-the-envelope calculation for competitive ROE

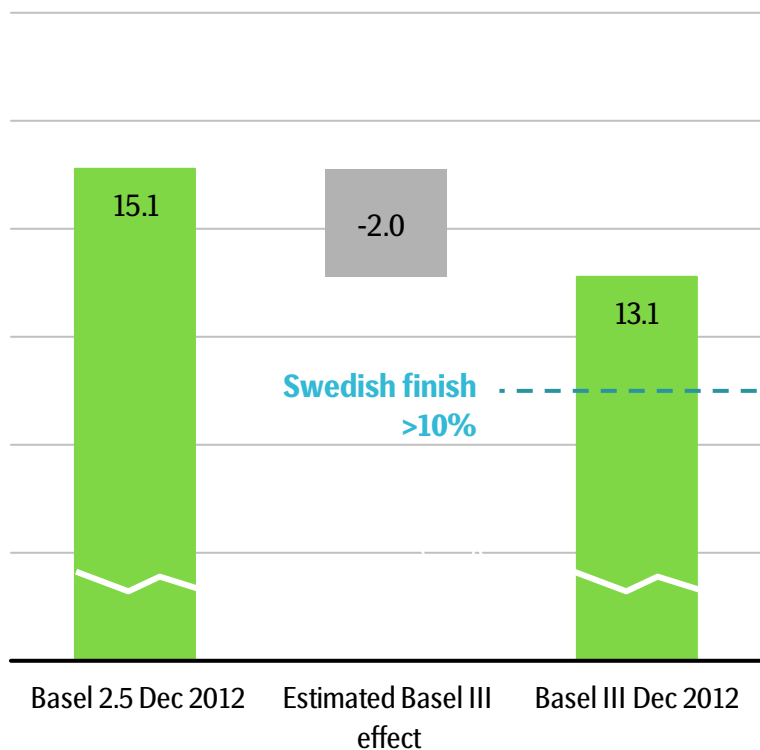


Actions to raise divisional performance

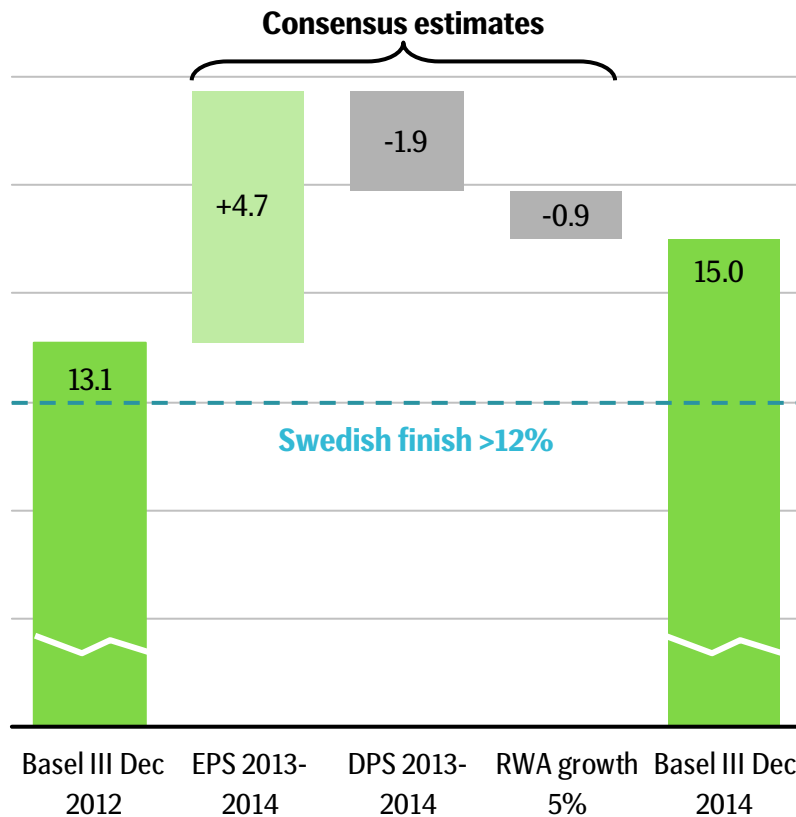


SEB's road to Basel III Common Equity Tier 1 ratio

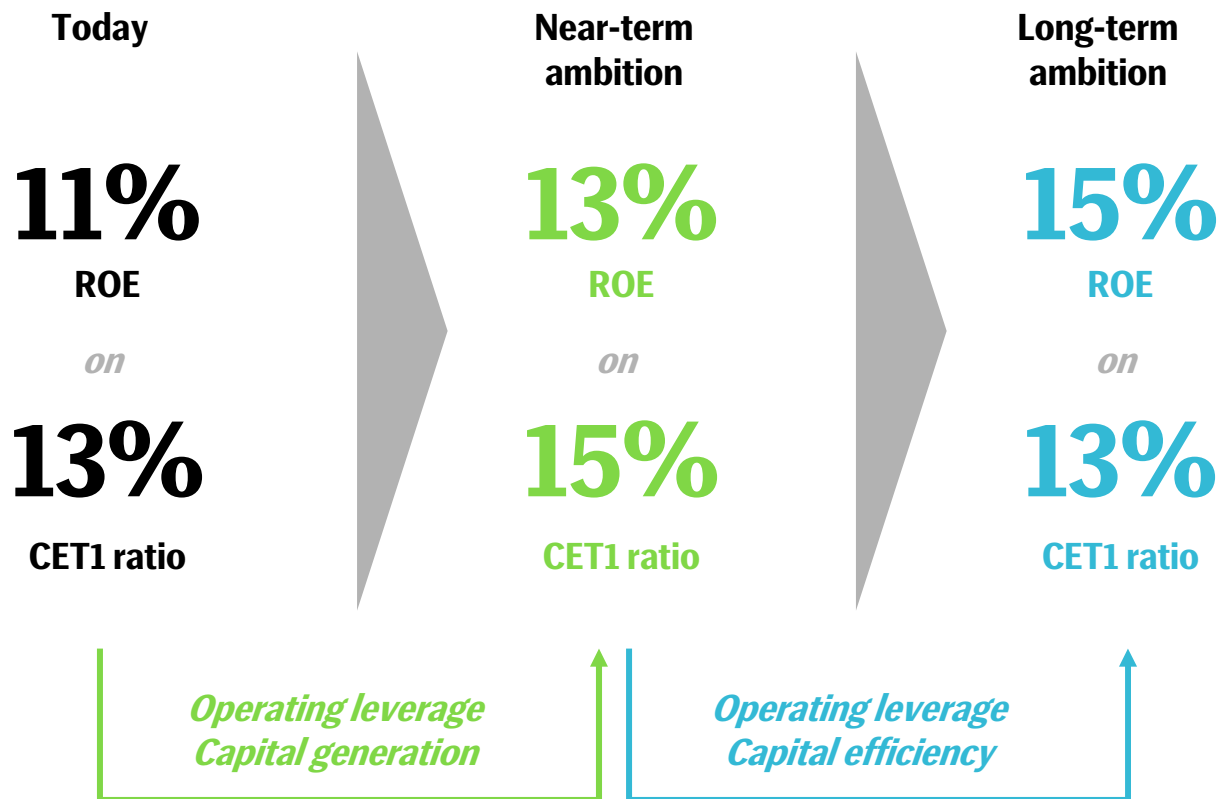
Basel II to Basel III today (%)



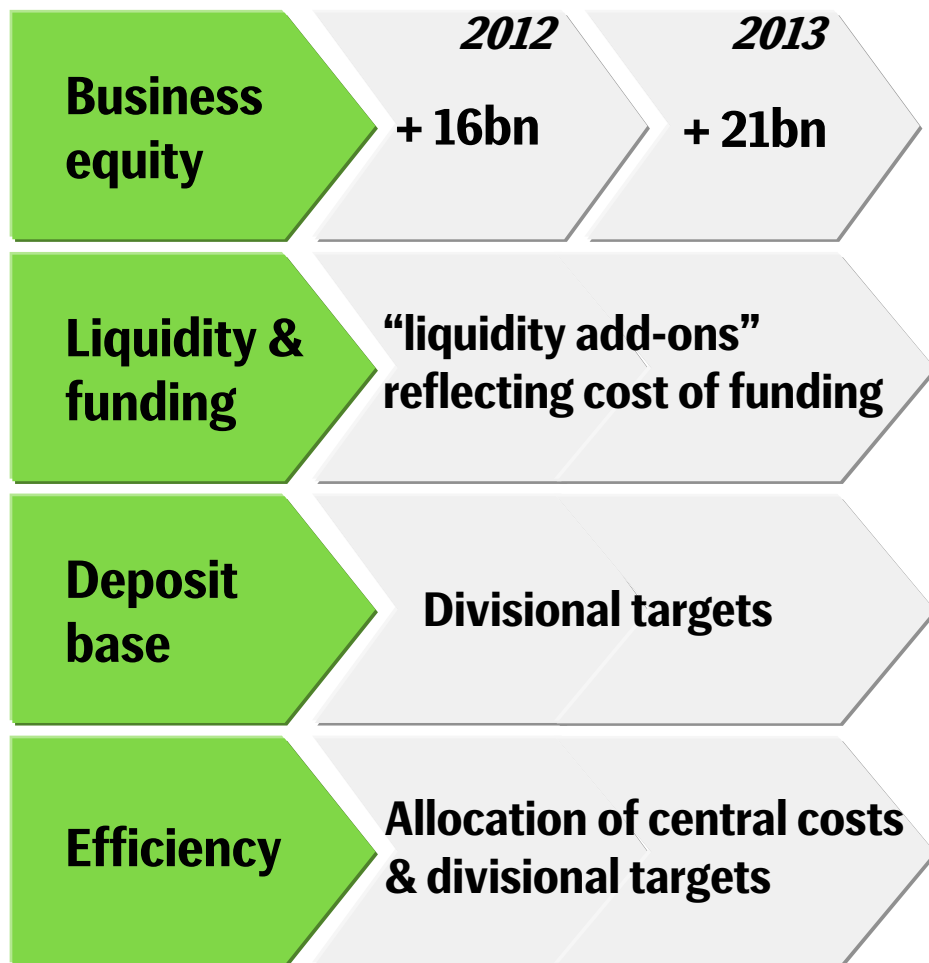
Basel III progression (%)



Short- and long-term ROE ambitions



ROBE – the key internal financial performance metric



Alignment of divisions and Group performance

Division RoBE	2013	2014	2015
Merchant	xx%	xx%	xx%
Retail	xx%	xx%	xx%
Wealth	xx%	xx%	xx%
Life	xx%	xx%	xx%
Baltics	xx%	xx%	xx%
Divisions	xx%	xx%	xx%
Group RoE	xx%	xx%	>13%

Conclusion



Deep and broad long-term customer relationships remain at heart of SEB's strategy

Profit growth from disciplined execution of investments and cost control

Strong balance sheet and low risk profile maintained

New financial targets reflect SEB's strong commitment to bring value to shareholders

The relationship bank in our part of the world

