

Telephone Conference Q3-17

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President & CEO

25 October, 2017



Solid performance in the first nine months

Profit & Loss, (SEK m)	Underlying			Reported		
	Jan-Sep '17	Jan-Sep '16*	%	Jan-Sep '17	Jan-Sep '16	%
Total Operating income	33,750	31,633	7	33,750	32,153	5
Total Operating expenses	-16,331	-16,103	1	-16,331	-22,052	-26
Profit before credit losses	17,419	15,530	12	17,419	10,101	72
Net credit losses etc.	-828	-792	5	-828	-792	5
Operating profit	16,590	14,738	13	16,590	9,309	78

Credit loss level

6bps

Cost/income ratio

0.48

Common Equity Tier 1

19.2 %

Return on Equity*

12.4%

* Note: Excluding items affecting comparability: SEB Baltic Visa transaction of SEK +0.5bn and goodwill impairments and restructuring activities of SEK -5.9bn in 2016

Muted volatility and activity in the third quarter

Profit & Loss, (SEK m)	Q3 2017	Q2 2017	%	Q3 2016	%
Total Operating income	11,141	11,405	-2	10,795	3
Total Operating expenses	-5,423	-5,473	-1	-5,355	1
Profit before credit losses	5,719	5,933	-4	5,440	5
Net credit losses etc.	-338	-252	34	-211	60
Operating profit	5,380	5,681	-5	5,229	3

Credit loss level

Cost/income ratio

Common Equity Tier 1

Return on Equity

7bps

0.49

19.2 %

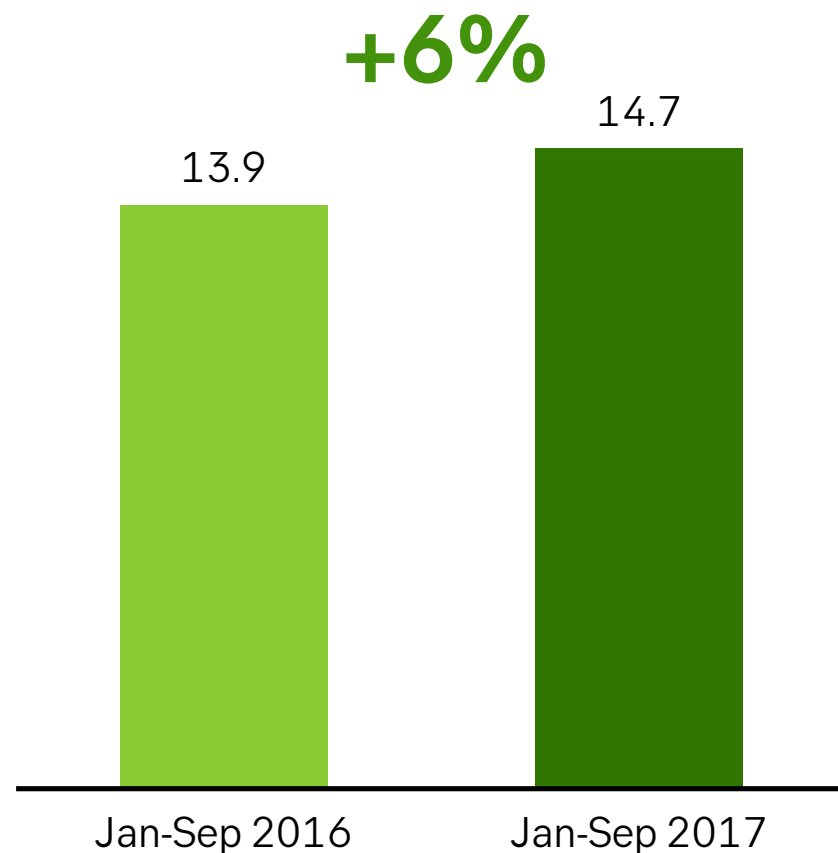
12.1%

Robust net interest income development

SEK bn

Net interest income

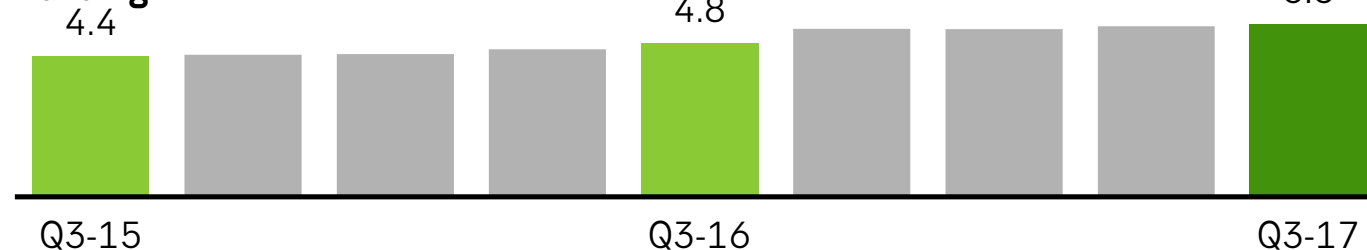
Jan-Sep 2017 vs. Jan-Sep 2016



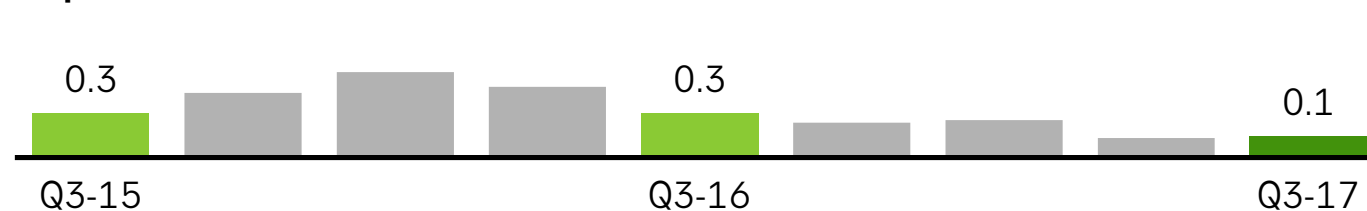
Net interest income type

Q3 2015 – Q3 2017

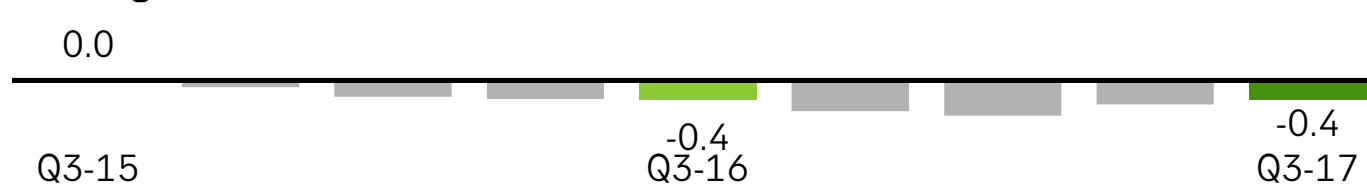
Lending



Deposits



Funding & other

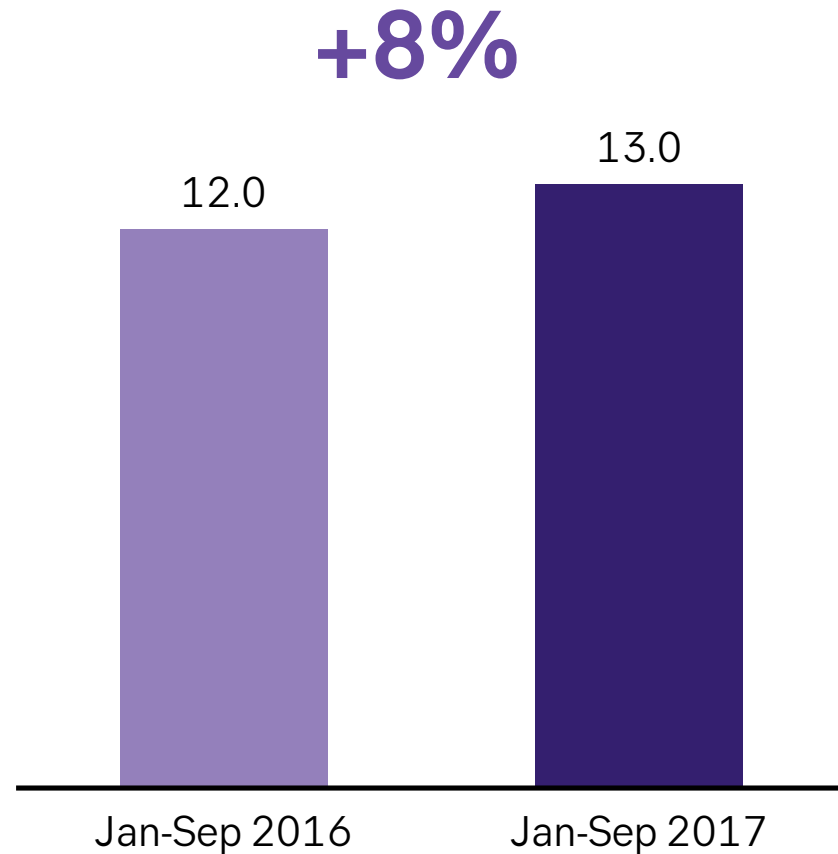


Quarterly slowdown in net fee and commissions

SEK bn

Net fee and commissions

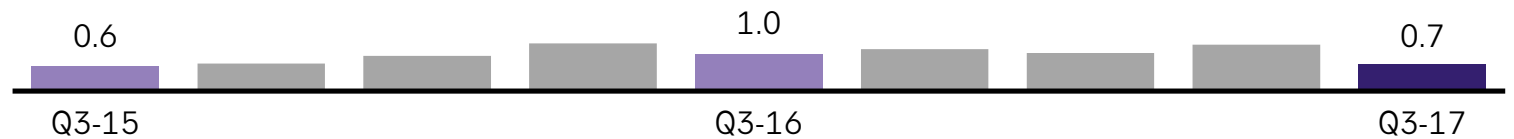
Jan-Sep 2017 vs. Jan-Sep 2016



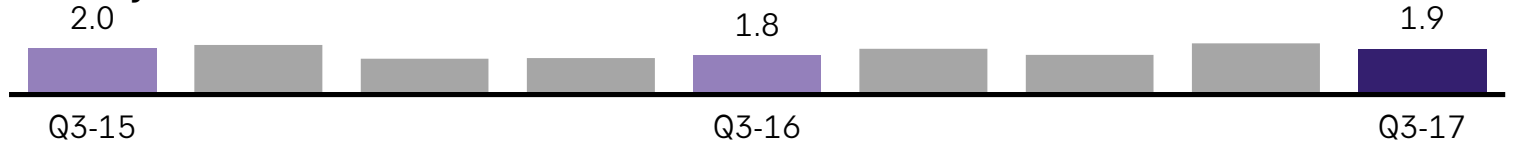
Gross fee and commissions by income type

Q3 2015 – Q3 2017

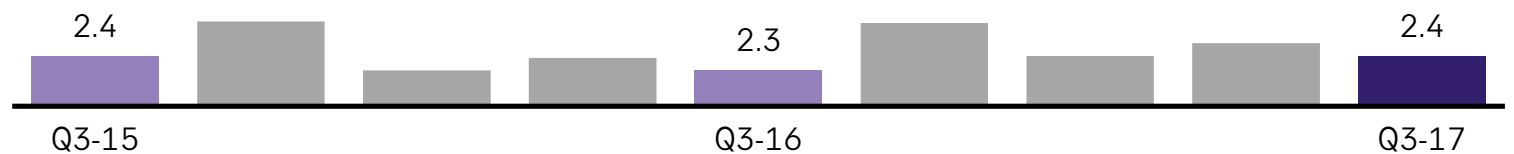
Advisory, secondary markets and derivatives



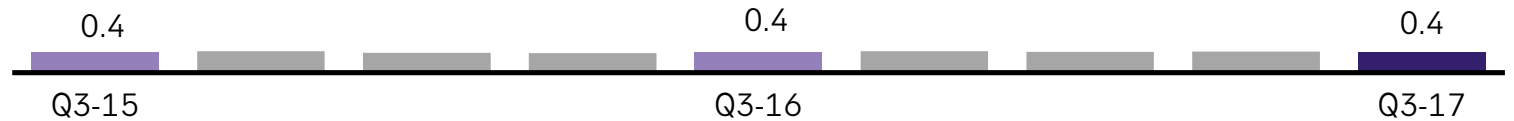
Custody and mutual funds



Payments, cards, lending, deposits & guarantees



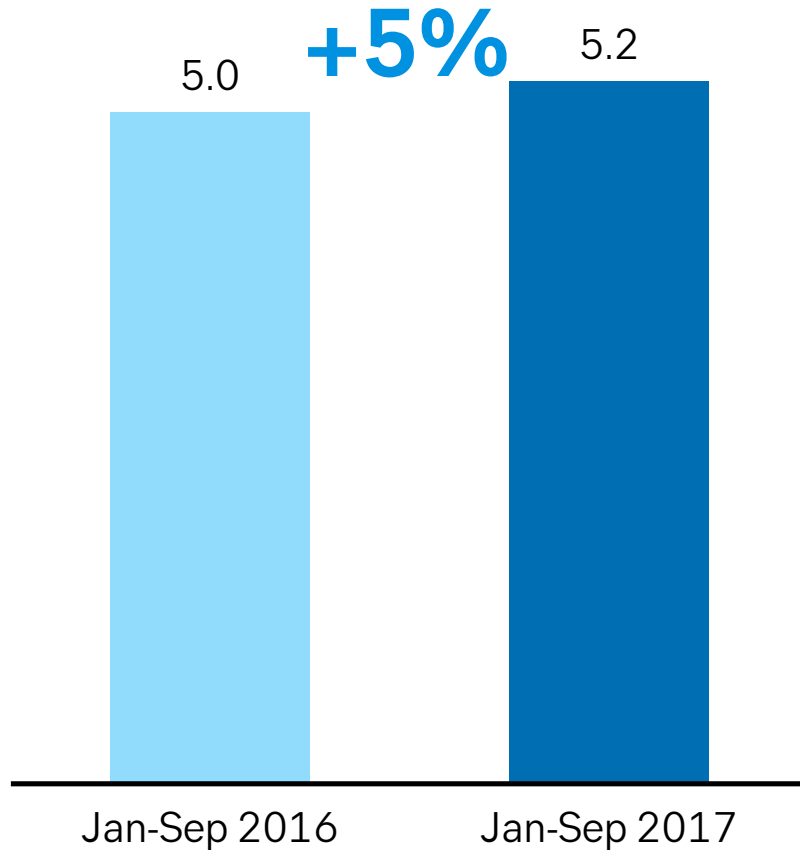
Life insurance fees



Still low volatility and muted activity in the quarter

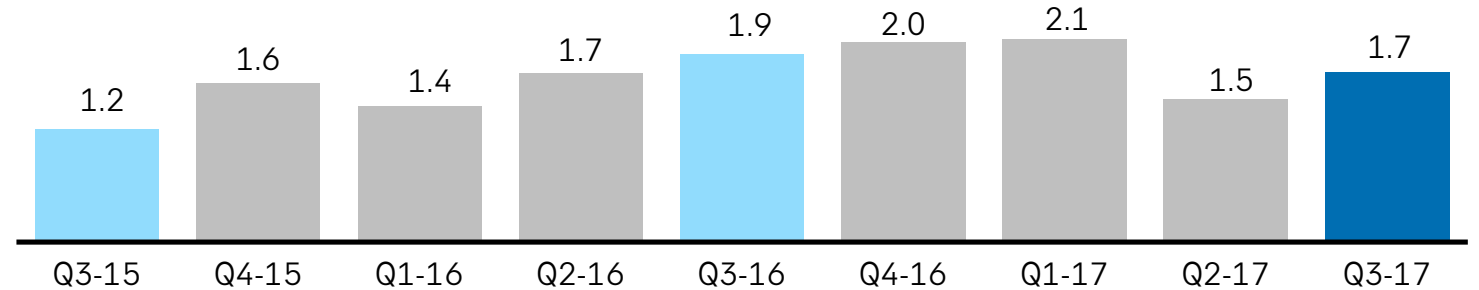
Net financial income

Jan-Sep 2017 vs. Jan-Sep 2016

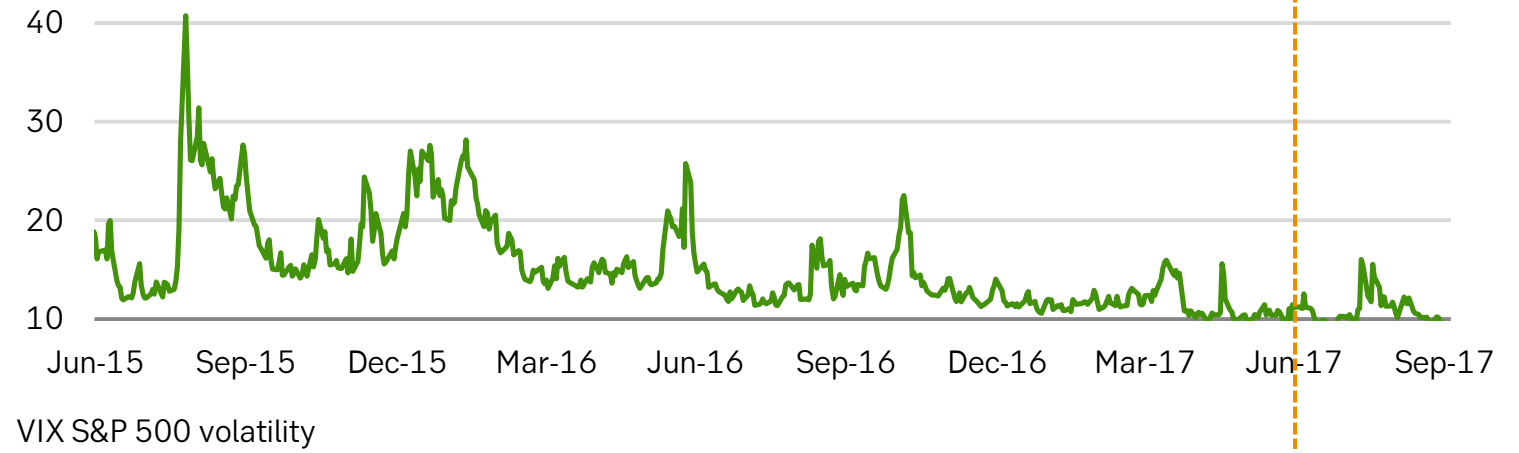


Net financial income development

Q3 2015 – Q3 2017



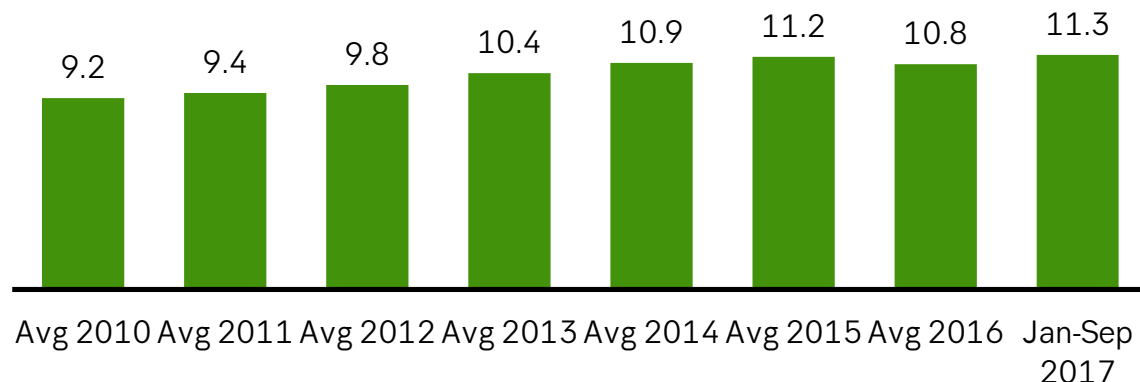
Low volatility



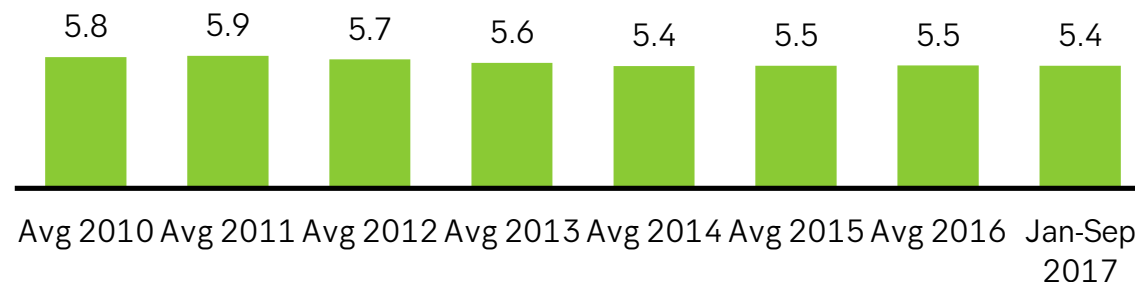
Business model is creating operating leverage

Excluding items affecting comparability

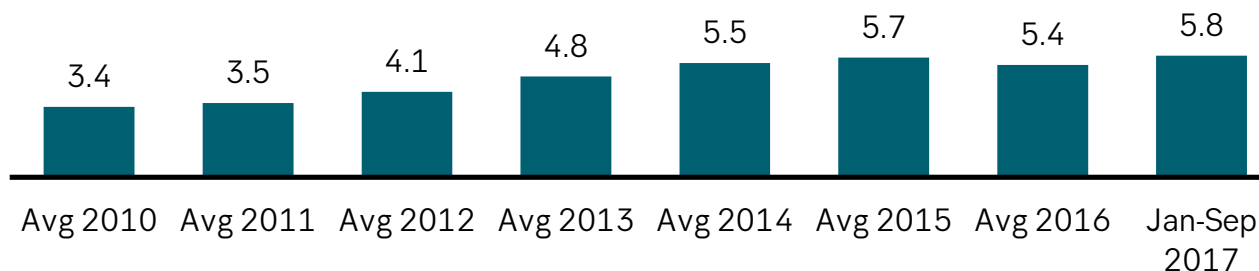
Average quarterly income (SEK bn)



Average quarterly expenses (SEK bn)

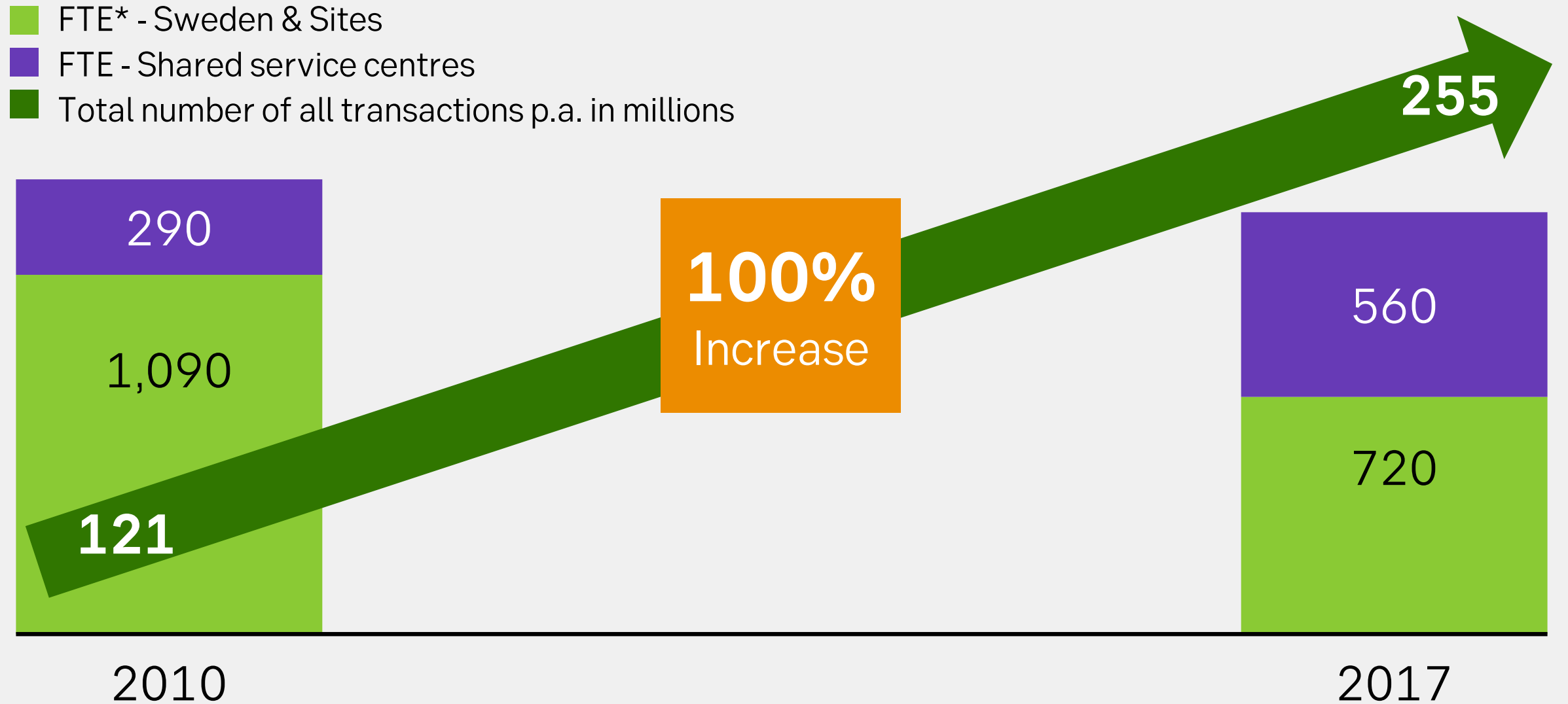


Average quarterly profit before credit losses (SEK bn)



Excluding items affecting comparability (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

Transformation drives efficiencies in Operations



*Full-Time Employee

Strong asset quality and improved capital position

(SEK bn)		2009	2016	Jan - Sep 2017
Asset quality	Non-performing loans	28.6bn	7.6bn	7.3bn
	NPL coverage ratio	65%	63%	68%
	Net credit loss level	0.92%	0.07%	0.06%
Funding and liquidity	Customer deposits	750bn	962bn	1 226bn
	Liquidity coverage ratio	N.A.	168%	120%
Capital	CET 1 ratio (Basel 3)	11.7%	18.8%	19.2%
	Total capital ratio (Basel 3)	14.7% <small>Basel 2.5</small>	24.8%	24.0%
	Leverage ratio (Basel 3)	N.A. <small>Basel 2.5</small>	5.1%	4.7%

Highlights Q3 2017

- Solid performance in an uneventful quarter
- Low volatility decreased customer activity in the major asset classes
- Further strengthened capital position and robust asset quality

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 **CAPCITO**
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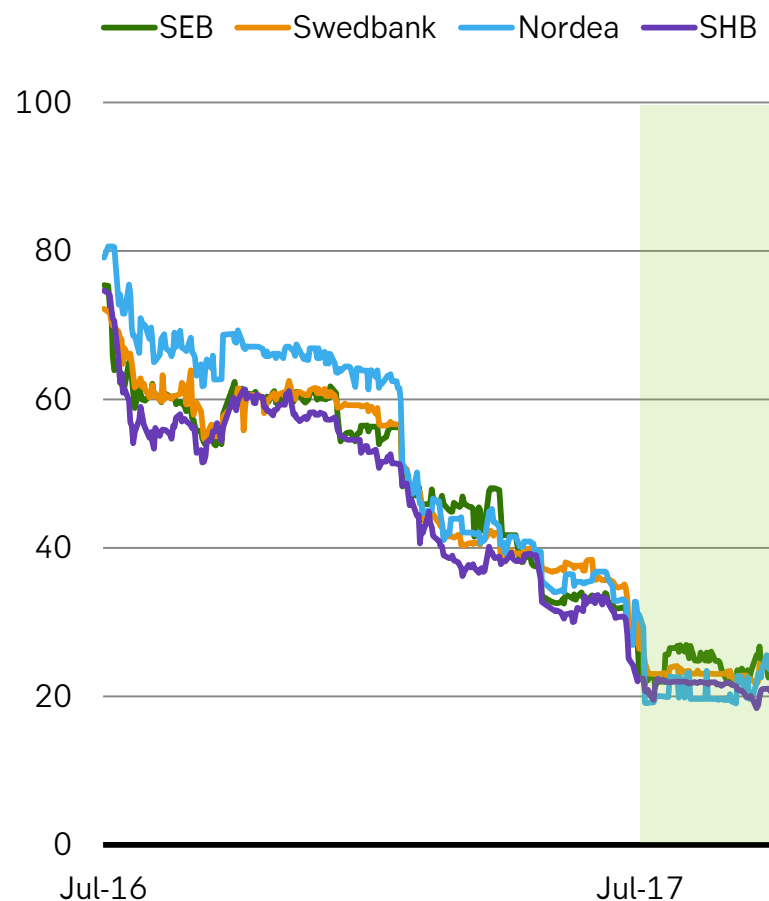
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The journey towards...

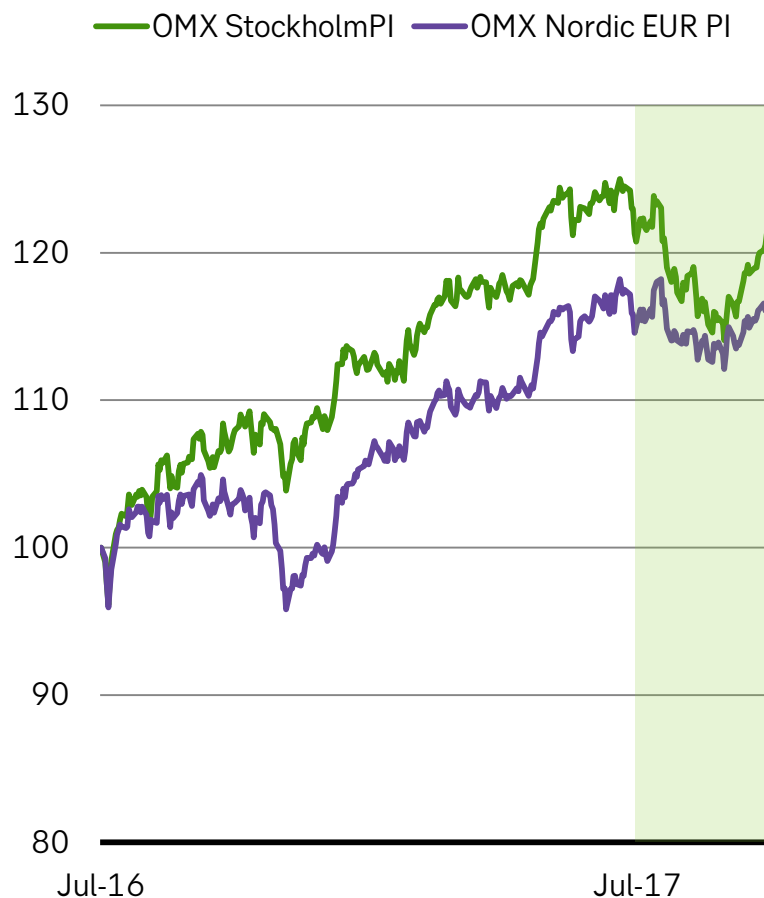
...world-class service
to our customers
continues

Strong equity markets and improved market sentiment combined with low volatility and tightening of credit spreads

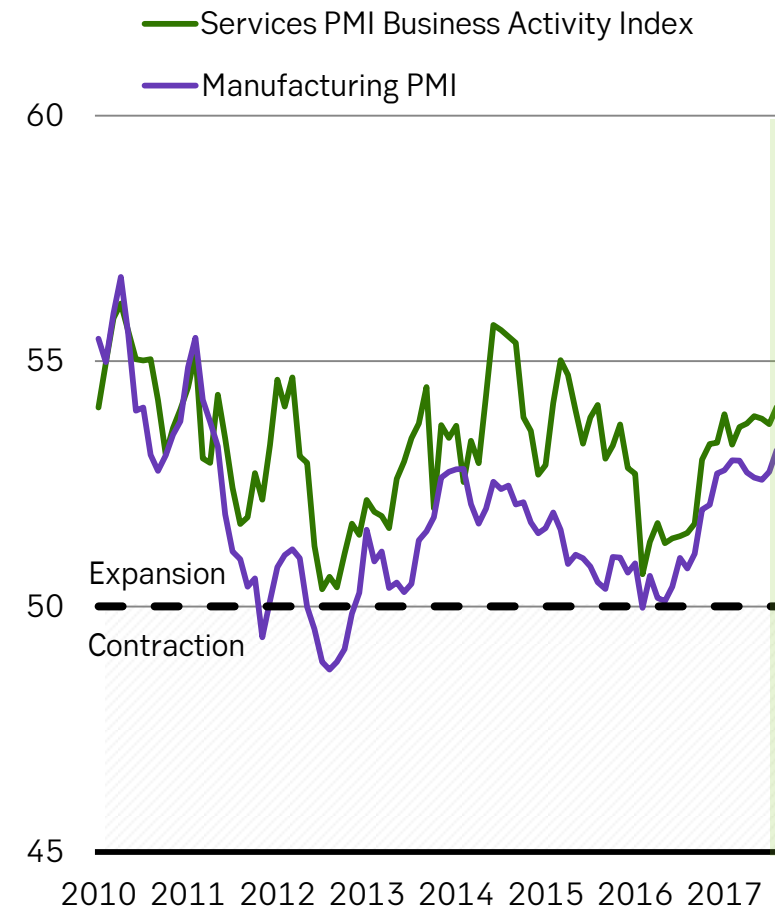
5Y CDS Spreads – Swedish Financial Entities



Equity market – Swedish and Nordic



Global PMI

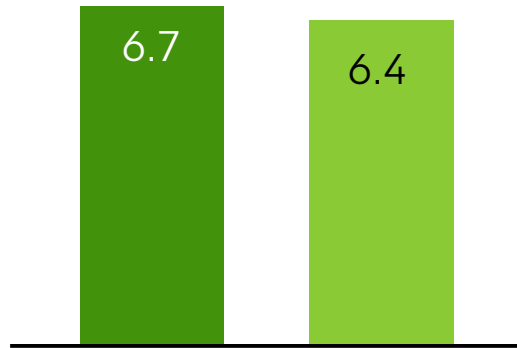


Large Corporates & Financial Institutions

Operating profit & key figures*

SEK bn

■ Jan-Sep 2016 ■ Jan-Sep 2017



RoBE

9.7% (11.1)

Business Equity

SEK bn

66.1 (61.6)

- Higher customer activity, especially in the primary equity and bond markets YTD
- Low volatility decreased markets related income and activity

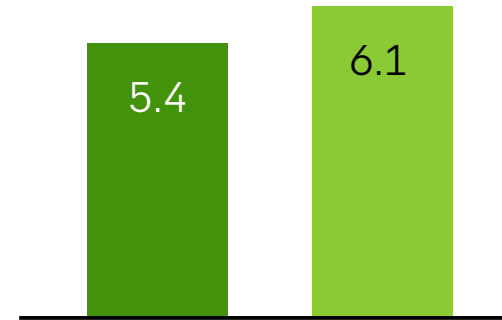
* Excluding items affecting comparability in 2016

Corporate & Private Customers

Operating profit & key figures

SEK bn

■ Jan-Sep 2016 ■ Jan-Sep 2017



RoBE

15.1% (15.0)

Business Equity

SEK bn

40.6 (36.9)

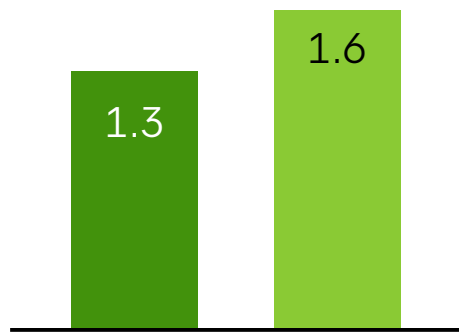
- Modest lending growth with a positive net inflow of corporate customers
- Inflow of private customers combined with pick up in household lending growth continued

Baltic Banking

Operating profit & key figures*

SEK bn

■ Jan-Sep 2016 ■ Jan-Sep 2017



RoBE

23.8% (19.6)

Business Equity

SEK bn

7.8 (7.6)

- Continued improvement in business sentiment in all segments and loan growth in all countries
- Digital solutions enhancing customer experience increasingly utilised

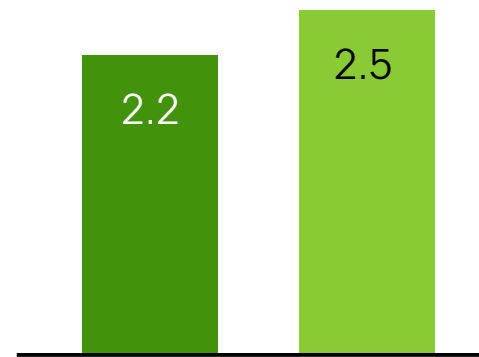
* Excluding items affecting comparability in 2016

Life & Investment Management

Operating profit & key figures

SEK bn

■ Jan-Sep 2016 ■ Jan-Sep 2017



RoBE

26.5% (21.9)

Business Equity

SEK bn

11.0 (11.6)

- Net inflow of AuM SEK 39bn across all customer segments
- Increased demand for both corporate and private insurance solutions