



SEB January-June 2012

Investor presentation

Market franchise

Jun 2012

SEB

Corporate and Institutional business *

- The leading Nordic franchise in Trading and Capital Markets activities, Equities, Corporate and Investment banking
- No. 2 asset manager with SEK 1,261bn under management in the Nordic region
- No. 1 Nordic custodian with SEK 4,989bn under custody
- 24 per cent market share in Swedish corporate deposits and 14 per cent in corporate lending according to SCB (Statistics Sweden)

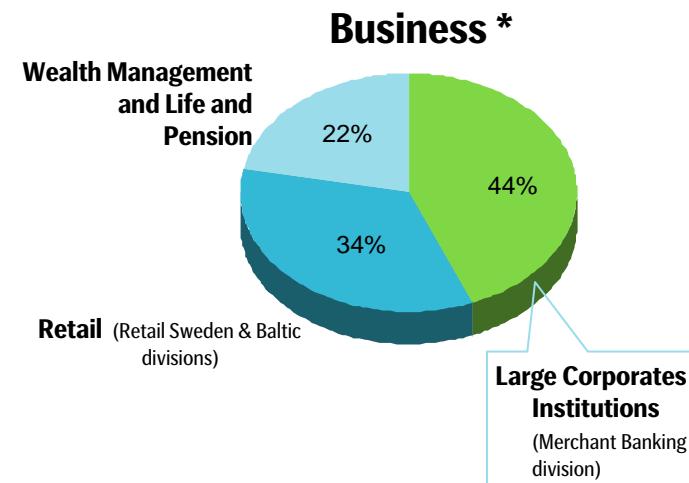
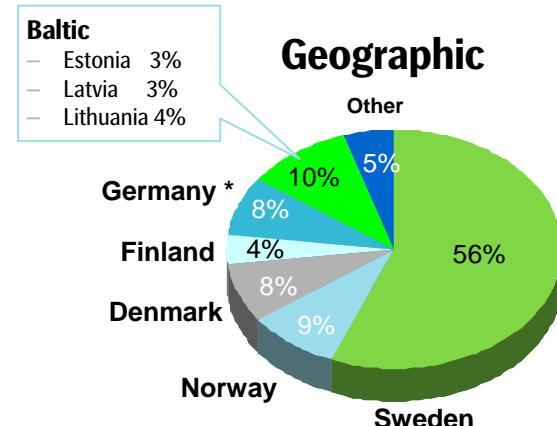
Private Individuals *

- The largest Swedish Private Bank in terms of Assets Under Management
- No. 2 in the Swedish total household savings market with approx. 12 per cent market share
- No. 1 in unit-linked life business with approx. 19 per cent of the Swedish market and approx 9 per cent of the total unit-linked and trad life and pension business in Sweden
- ~16 per cent Swedish household mortgage lending market share

* latest available 2011 and 2012 data

Total operating income

Jan - Jun 2012



* excluding Treasury

SEB

Key figures and features

SEB Group

SEB Group Key Figures	H1 2012	2011	2010	2009
Return on Equity, % ¹⁾	10.9	11.9	8.9	3.3
Return on RWA, %	1.34	1.39	0.83	0.13
Cost /income ratio, % ¹⁾	58	61	65	60
Core Tier I capital ratio, % ²⁾	15.3	13.7	12.2	11.7
Tier I capital ratio, % ²⁾	17.6	15.9	14.2	13.9
Net credit loss level, % ³⁾	0.07	-0.08	0.15	0.92
Net level of impaired loans, %	0.34	0.39	0.63	0.76
NPL coverage ratio, % ⁴⁾	64	64	66	65
NPL / Lending, %	1.2	1.4	1.8	1.9

Key Features

- ✓ SEB's core markets proven to be among the economically most stable in Europe
- ✓ Double-digit increase 2011 vs. 2010 in Operating Profits before and after credit losses
- ✓ Core Tier 1 capital ratio at 15.3% ²⁾
- ✓ Basel III Common Equity Tier 1 ratio at 12.4% incl. IAS 19 adjustments
- ✓ Strong asset quality
- ✓ Volume growth in lower risk business areas
- ✓ Strategic funding and liquidity buffer situation
- ✓ A diversified and liquid balance sheet

1) Excluding discontinued operations

2) Without transitional floor, Basel 2.5 for 2011 and 2012.

3) Net aggregate of write-offs, write-backs and provisioning

4) NPLs = Non Performing Loans (impaired loans + loans >60 days past due)

Content

**Strategic focus and franchise
Economic environment**

Financial update

Asset Quality

Balance sheet, funding and liquidity

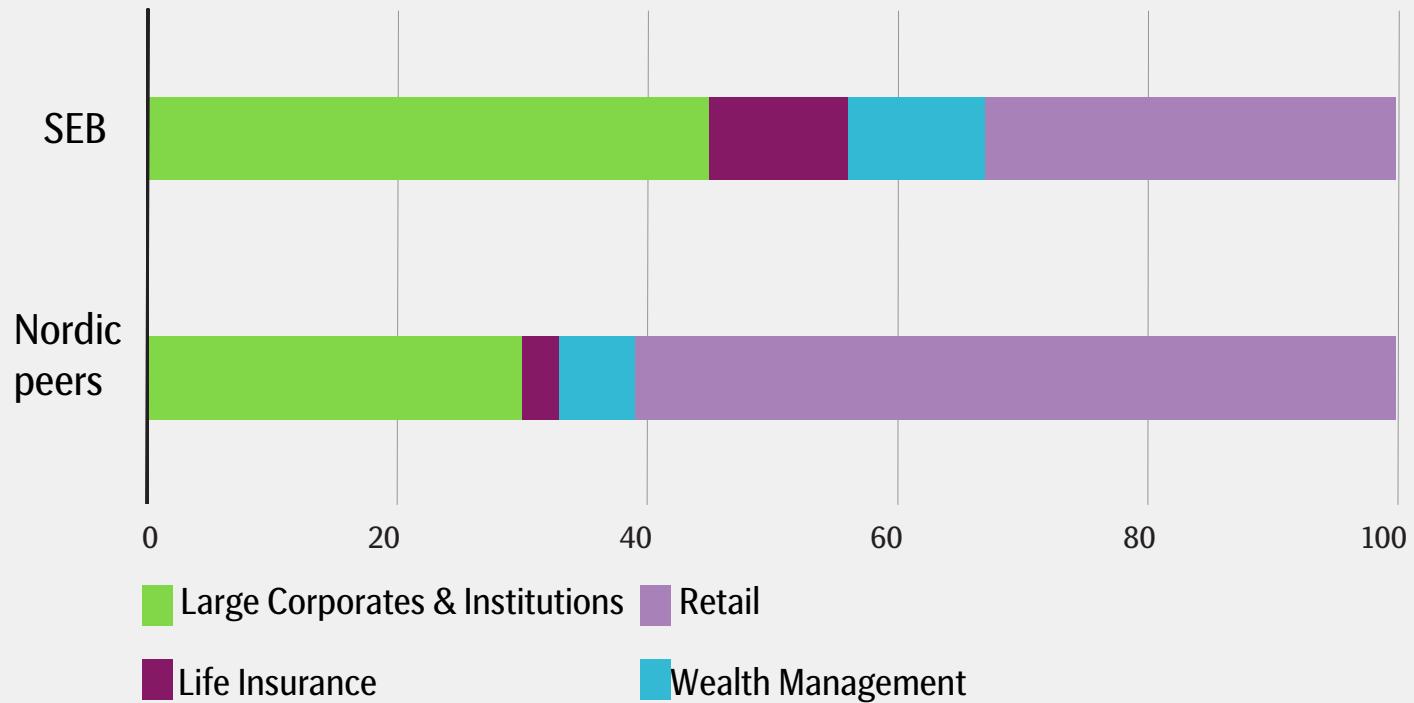
Strategic focus and franchise Economic environment

The Relationship bank



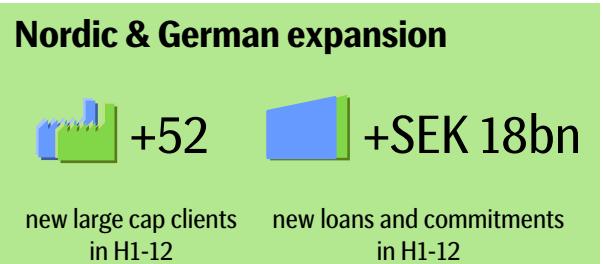
The most diversified income base in a Nordic context

Share of income 2011, per cent

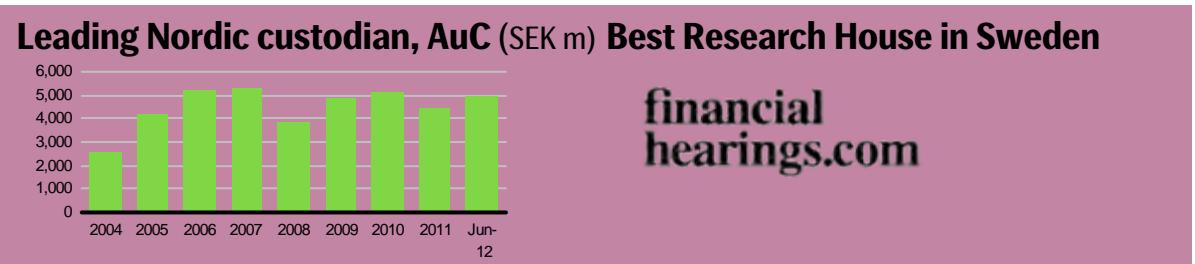


Our customers

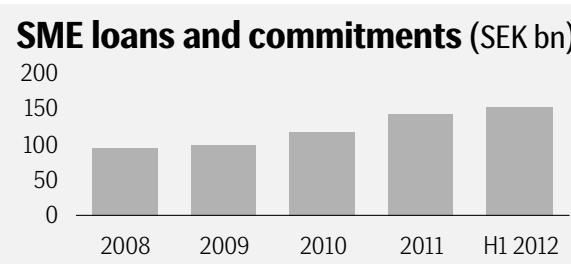
Corporates

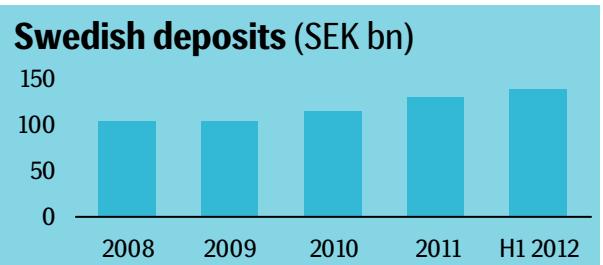
Financial Institutions

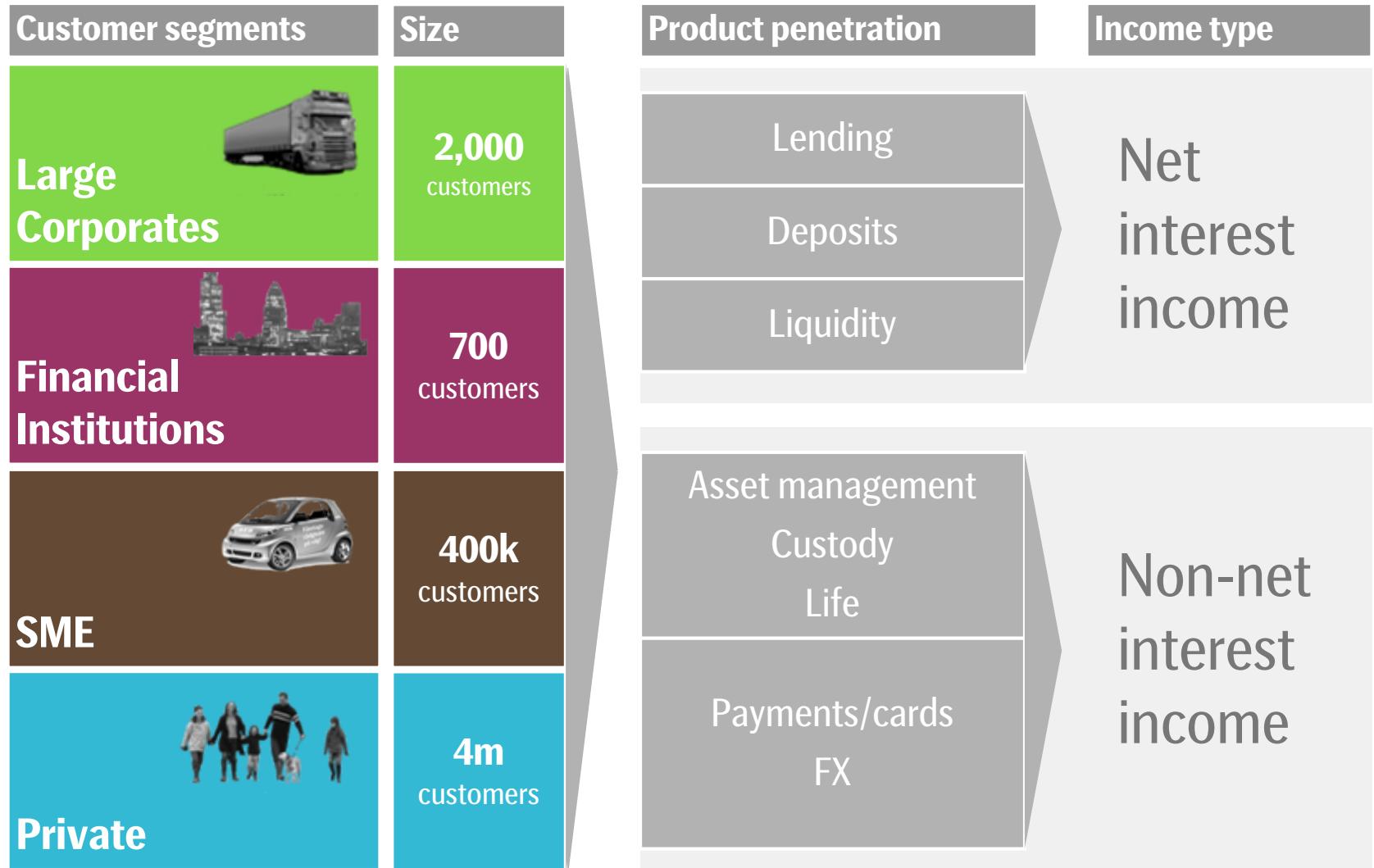
SME

Private

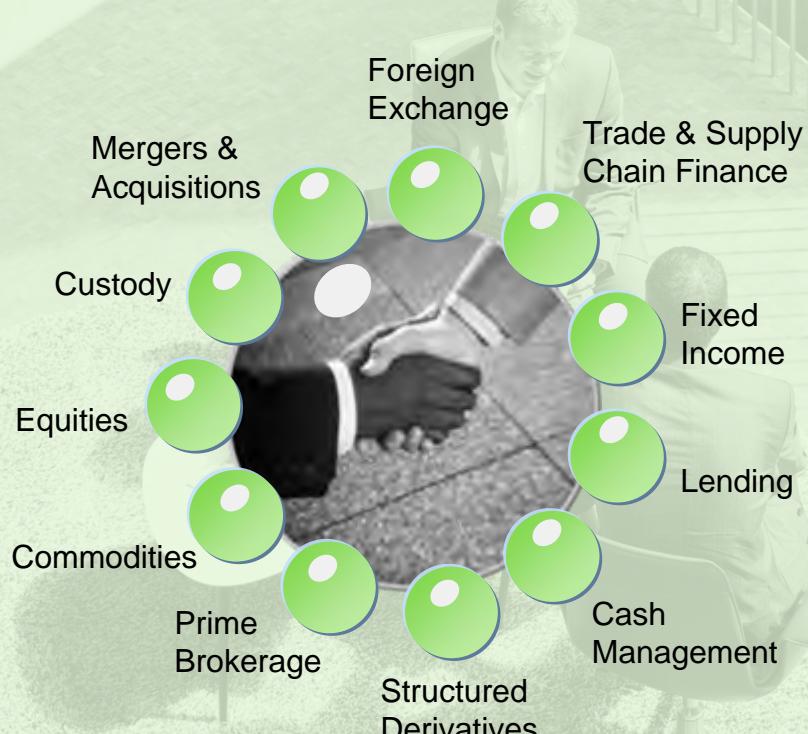
SEB's DNA



Wholesale franchise

We work close to our customers

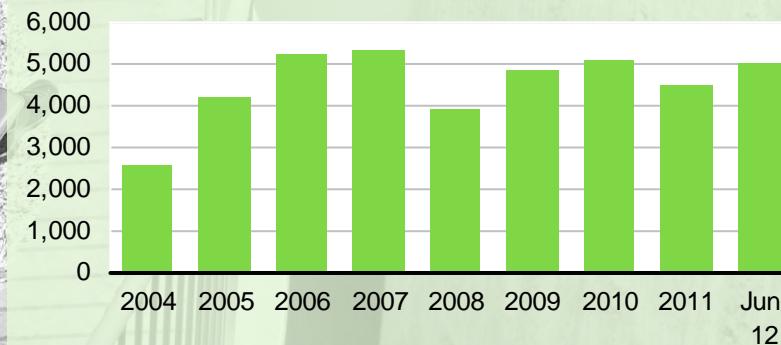
Leading product offering



Corporate portfolio (SEK bn)



Assets under custody (SEK bn)



Customer segments in Merchant Banking

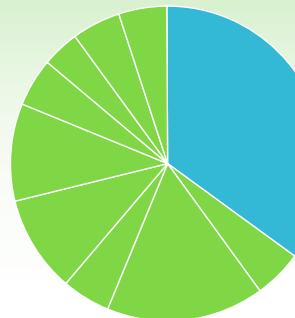
Large Corporates



~65% of total revenues

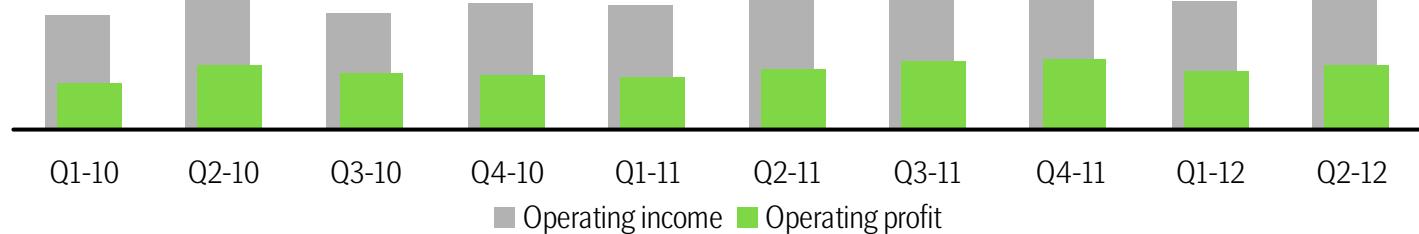
Income distribution

Product income



Relationship lending

MB's income development



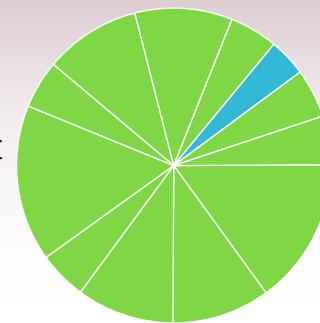
Financial Institutions



~35% of total revenues

Income distribution

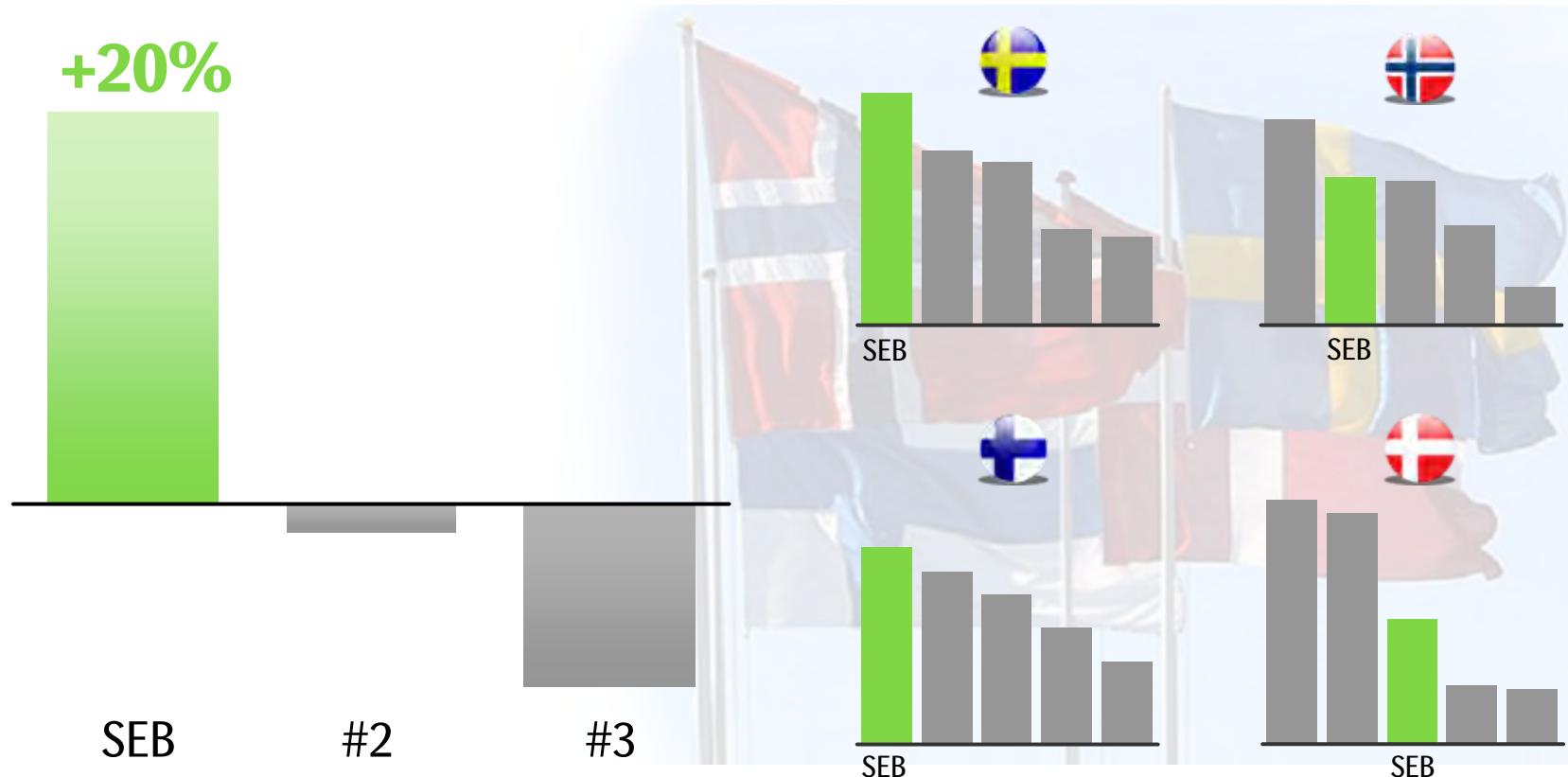
Product income



Relationship lending

For the first time SEB named Best Bank for Large Corporates and Institutions in the Nordics 2011

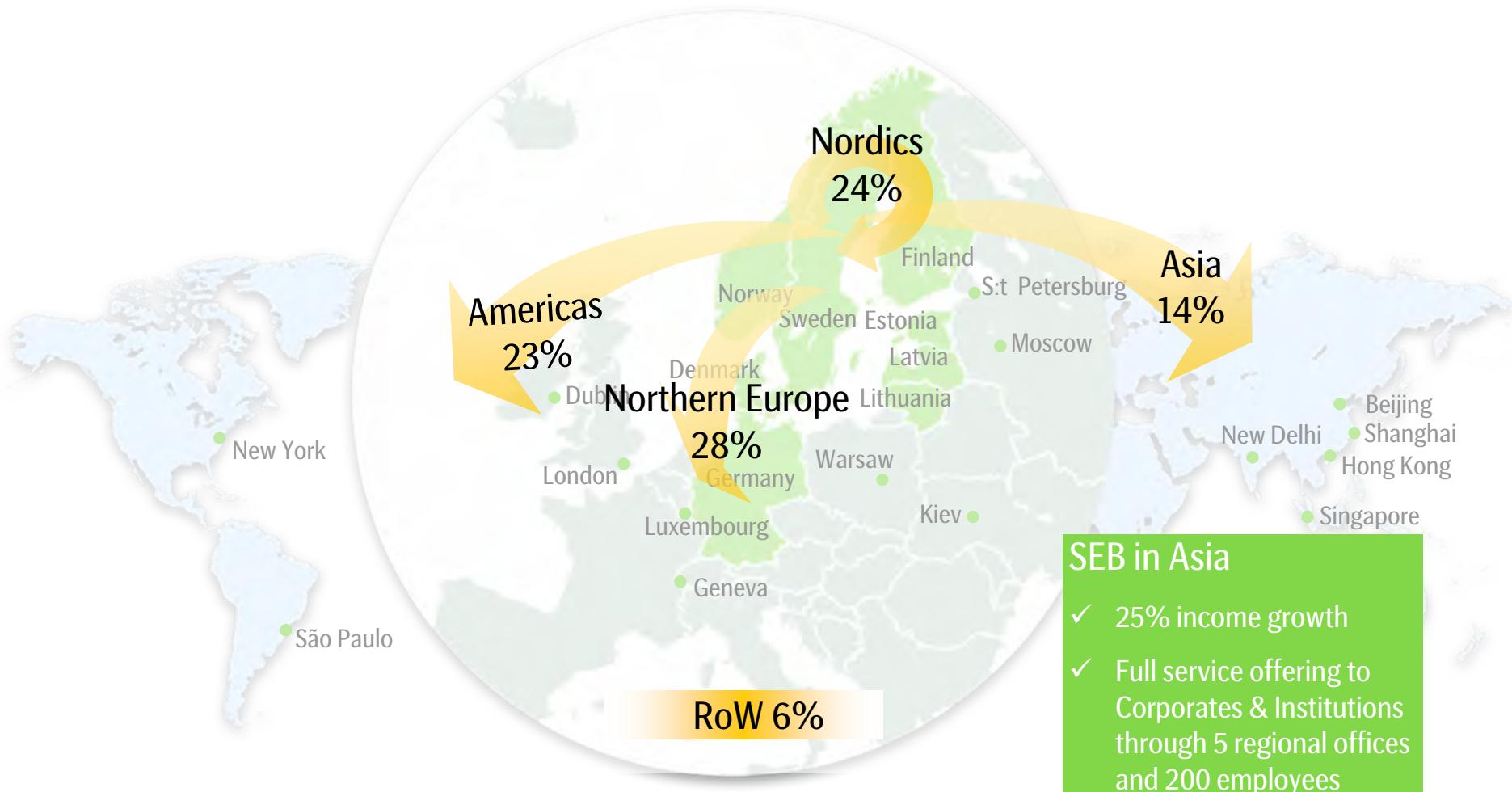
Voice of the customer: SEB is the **#1 wholesale bank** in the Nordics



Note: Net change between 2010 and 2011 (left-hand graph). Country scores 2011 (right-hand graph)
The result is based on 62 surveys across the Nordics. Source: Prospera Large Corporates & Institutions Surveys 2011

A Nordic bank with global reach

Following in our customers' footprint



Note: Sales of 120 largest listed Swedish corporates
Source: Annual reports

Well recognised market position



*Best financial advisor
in the Nordics*



*The Nordic region's leading
investment bank*

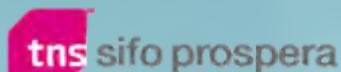


The Banker 2011
*Bank of the Year in
Sweden, Estonia and Latvia*



*Leading private bank in
Sweden, Finland, Latvia and
Lithuania*

*The Nordic region's leading
card provider in the corporate
segment*



*The Nordic region's leading
equity trader*



*The Baltic region's most
respected and second
largest bank*



*Best M&A- and Cash
management House in the
Nordics and Baltics*



*Top ranking FX for the
Nordic region*

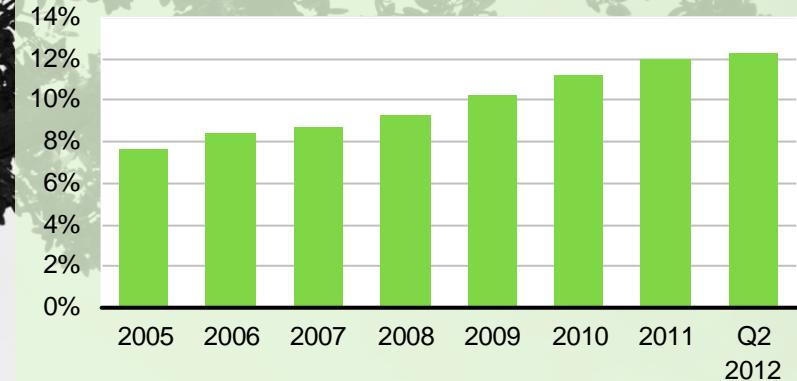
Retail & SME franchise

Simplicity and accessibility

Availability



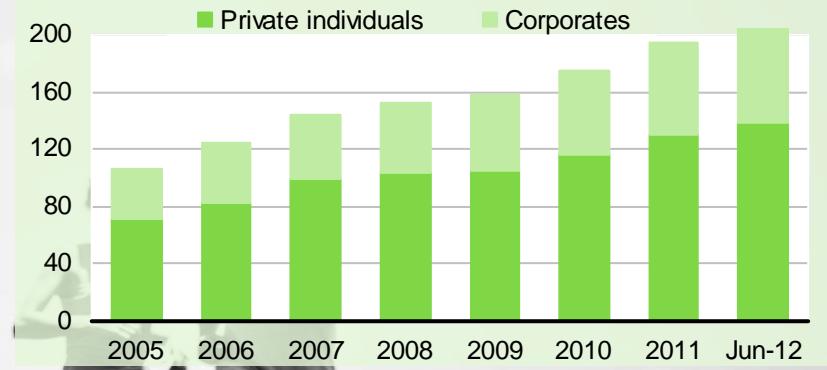
SME market share*



Offerings



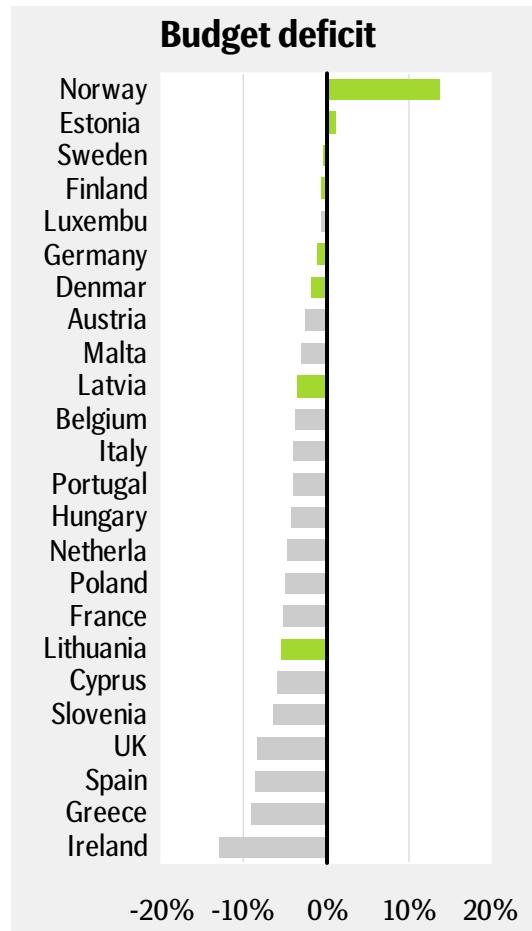
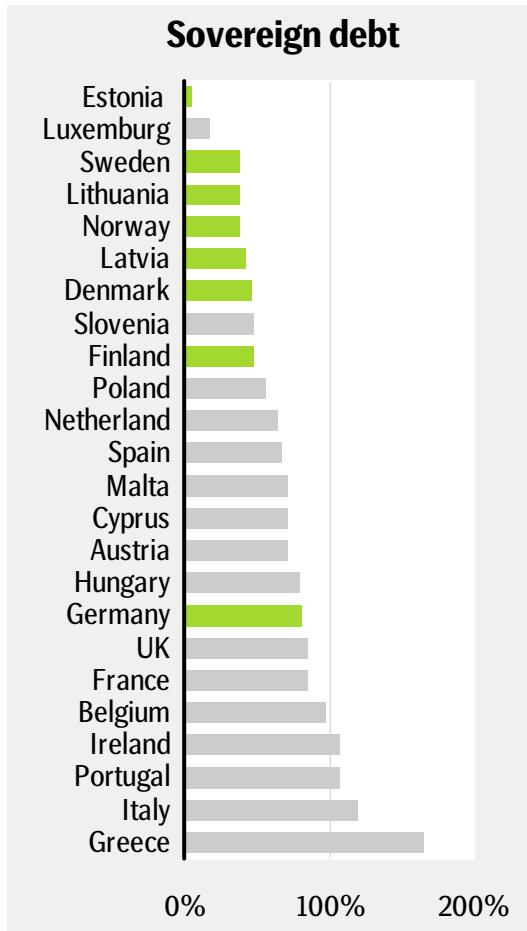
Retail deposits, (SEK bn)



*Active cash management customers

SEB's Core Markets enjoy strong sovereign finances

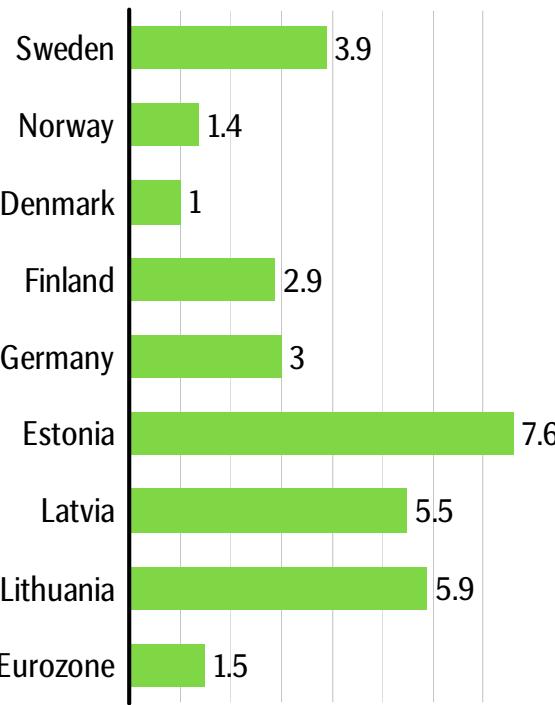
% of GDP



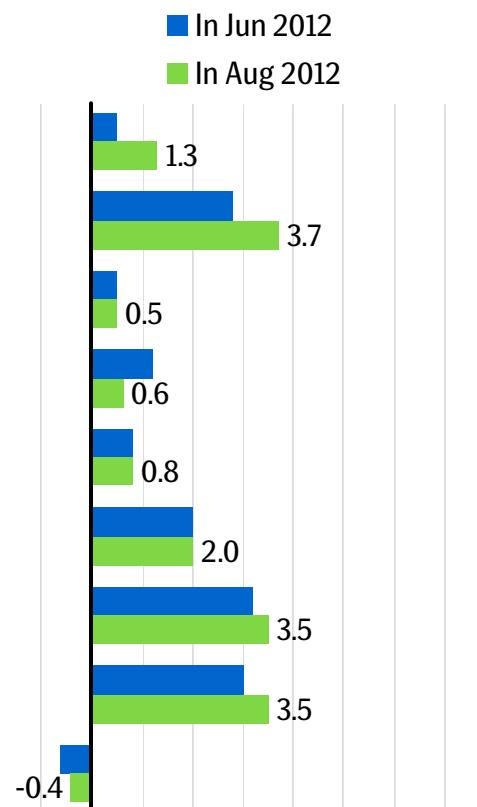
Source: Datastream

Positive macro-economic development in Core Markets

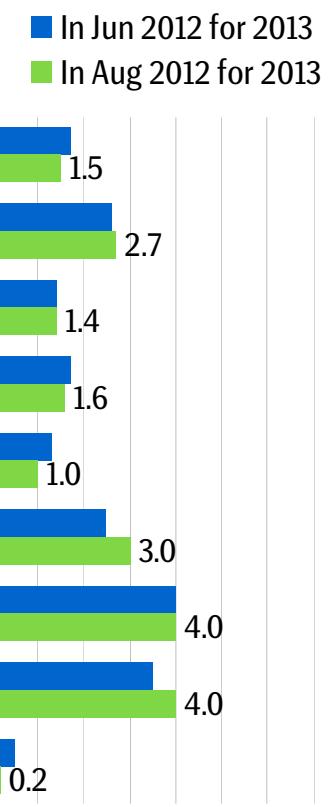
GDP outcome for 2011



GDP Forecast for 2012



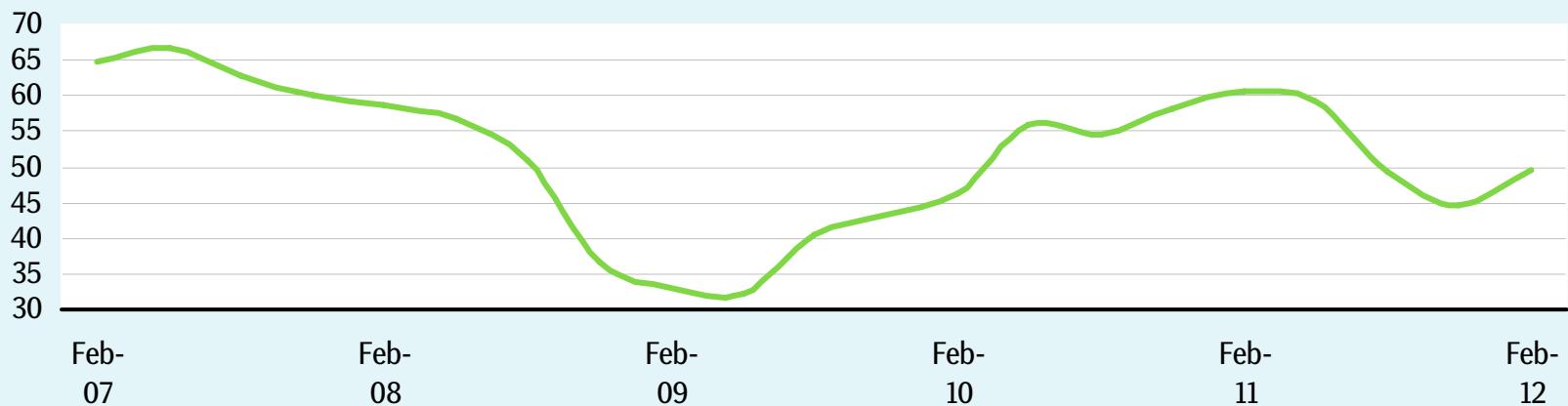
GDP Forecast for 2013



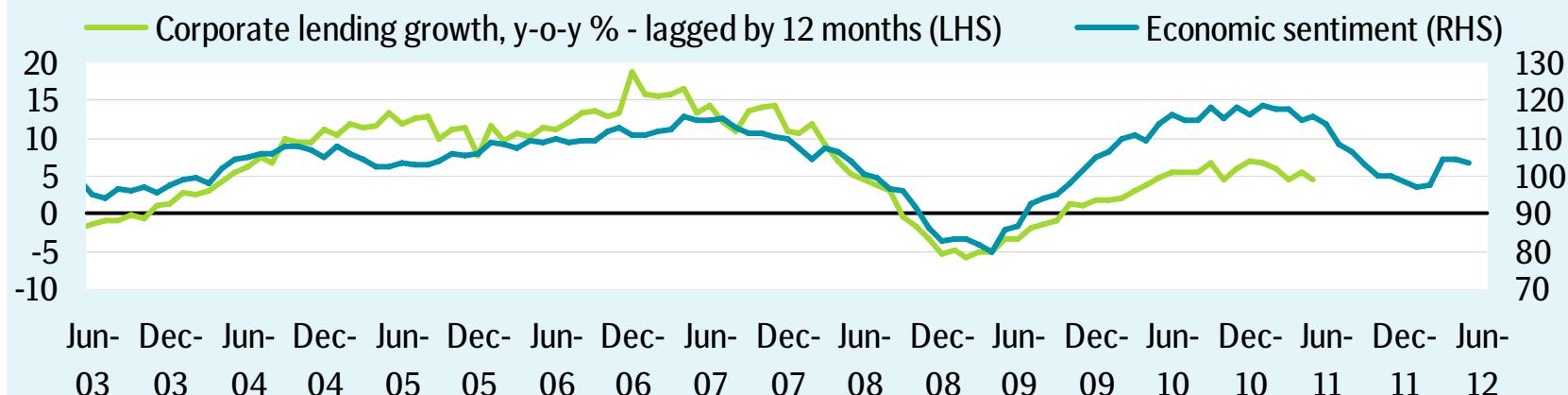
Source: SEB Economic Research

Economic sentiment relatively firm

The Deloitte/SEB Swedish CFO Survey 2007-2012 “Business Conditions”



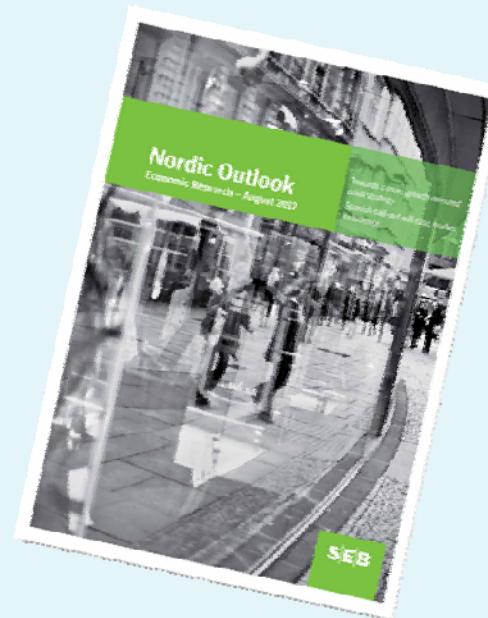
Swedish corporate lending growth vs. economic sentiment



Source: Datastream, SEB Enskilda

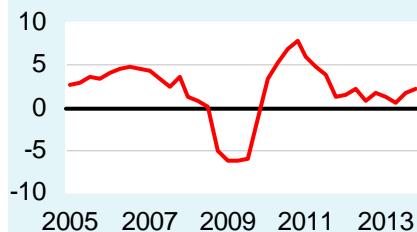
Recent economic development in Sweden

- Swedish economy so far rather resilient to the Euro crises
 - Strong Q2 GDP development driven by retail sales, rebound to be expected in H2
 - But sub-par growth also 2013
- Krona strengthening accelerated vs. EUR and USD
 - EUR/SEK +10 per cent during the summer
 - Limited impact so far, but more focus on long-term impact
- Swedish Central Bank repo rate in focus
 - Two cuts anticipated before early -13 to stimulate growth
- House price worries abating
 - Soft landing anticipated



Swedish economic indicators

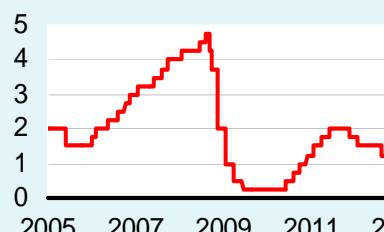
GDP, YoY, per cent



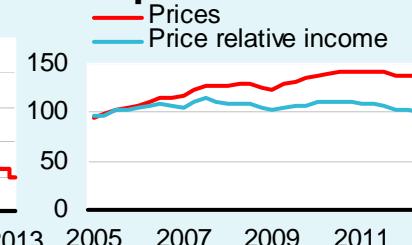
EUR/SEK



Riksbanks repo rate



House prices index



Financial update

Highlights Q2 2012

1

Franchise and
income growth

2

Continued cost
efficiency

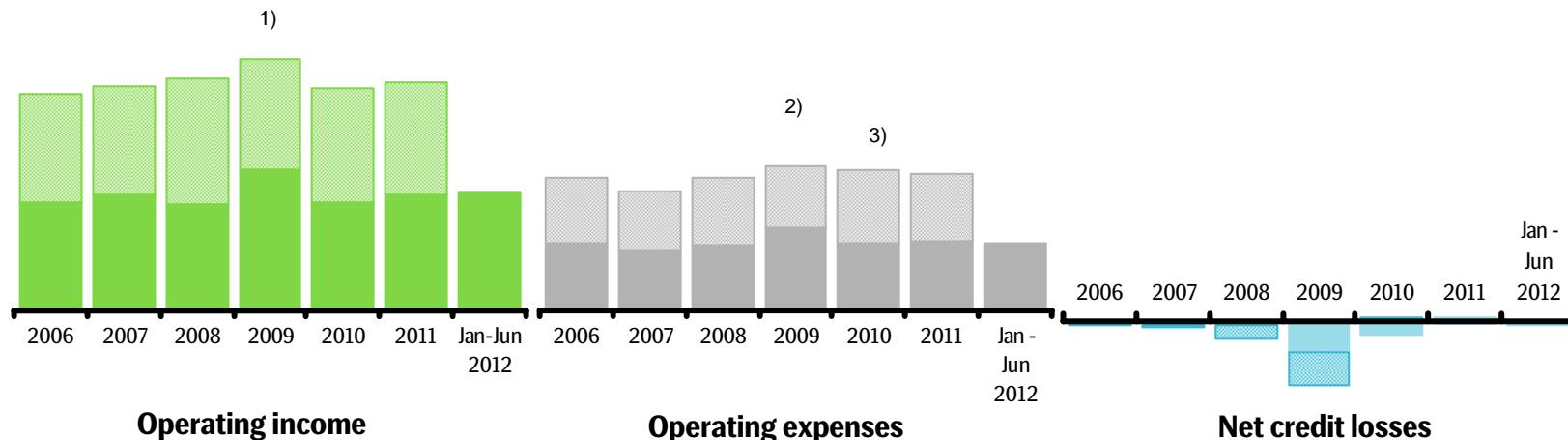
3

Balance sheet
strengthened further



Profit generating throughout the financial downturn

Income, expenses and net credit losses (SEK bn)



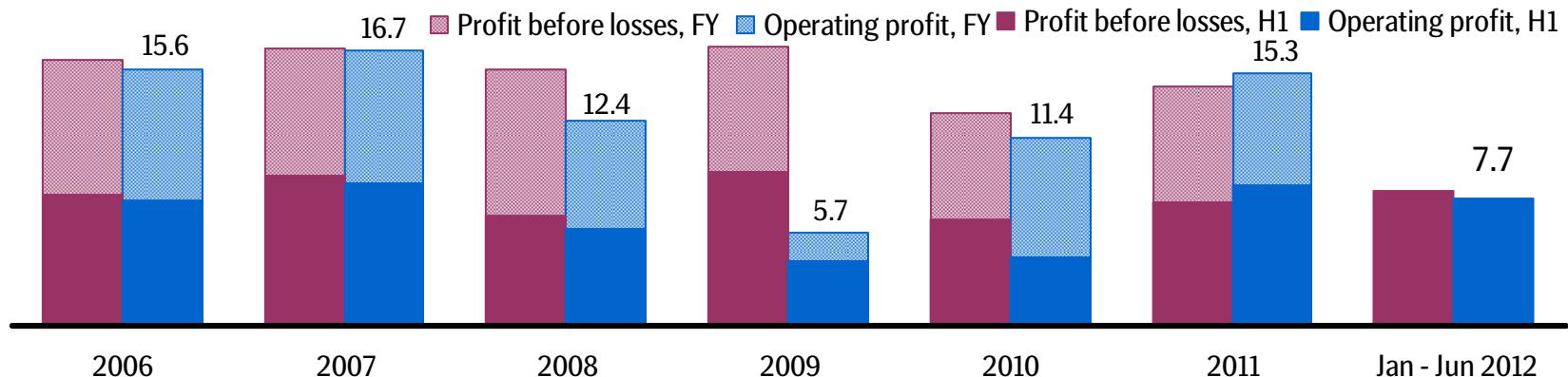
Operating income

Operating expenses

Net credit losses

1) of which 1.3bn buy back of sub debt 2) of which 3.0bn goodwill write-offs 3) of which 0.8bn restructuring costs in our German subsidiary, SEB AG

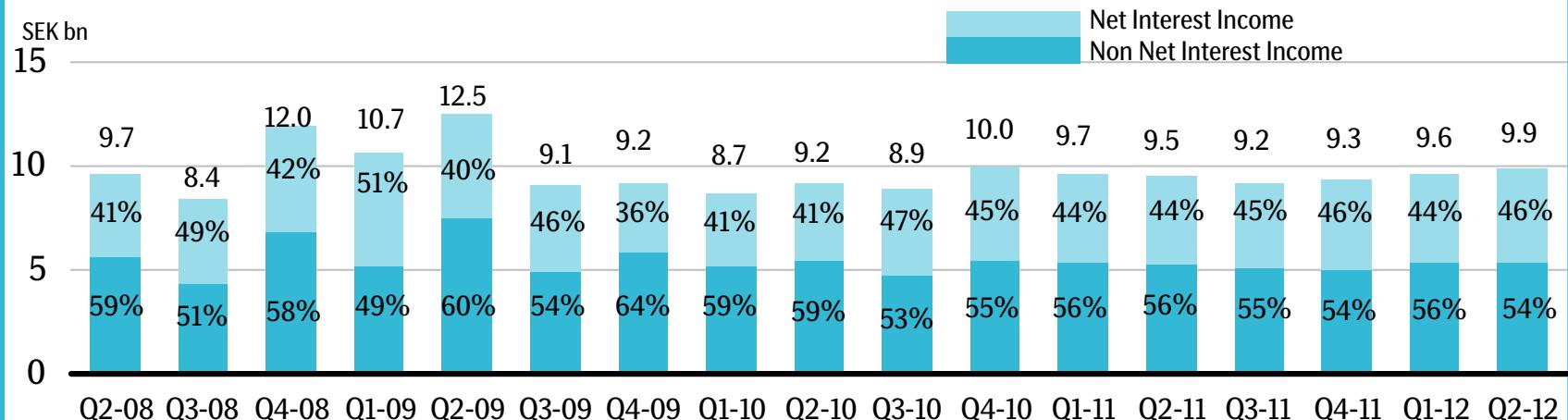
Operating profit (SEK bn)



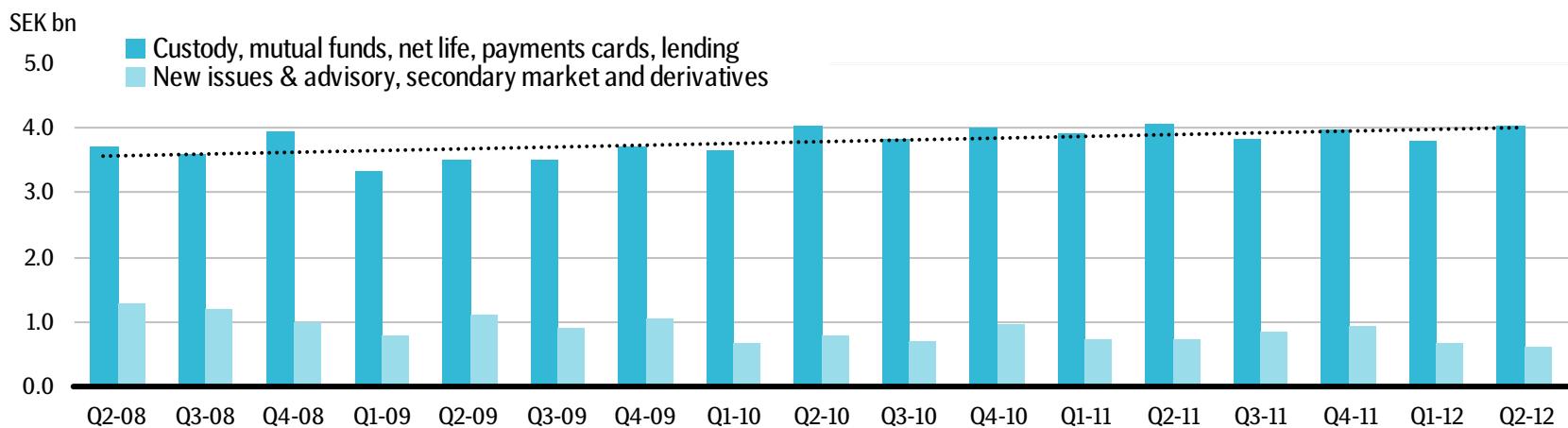
All years excl. Retail Germany

Stable and diversified revenue streams

Total operating income split between Non-NII and NII



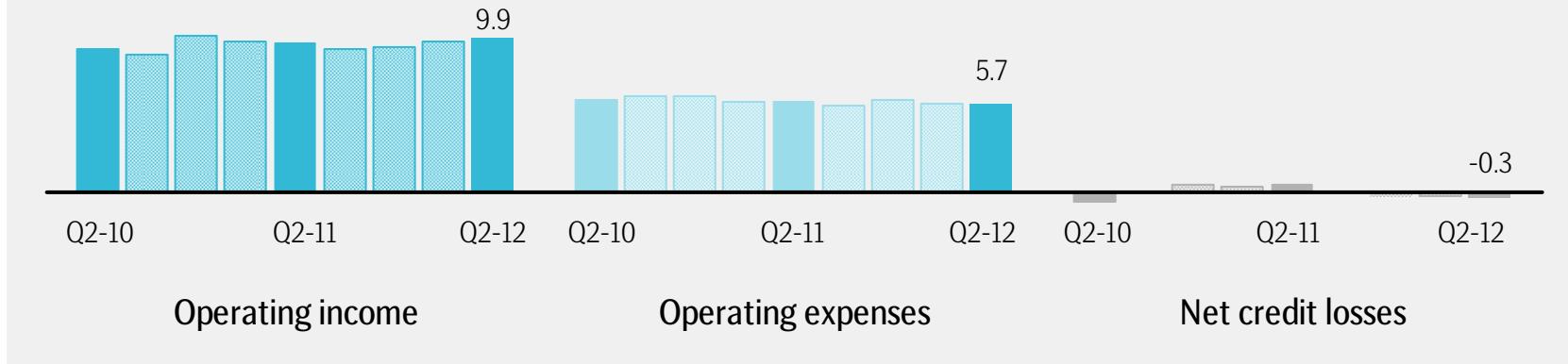
Underlying market shares render stable and growing fee & commissions and net life income



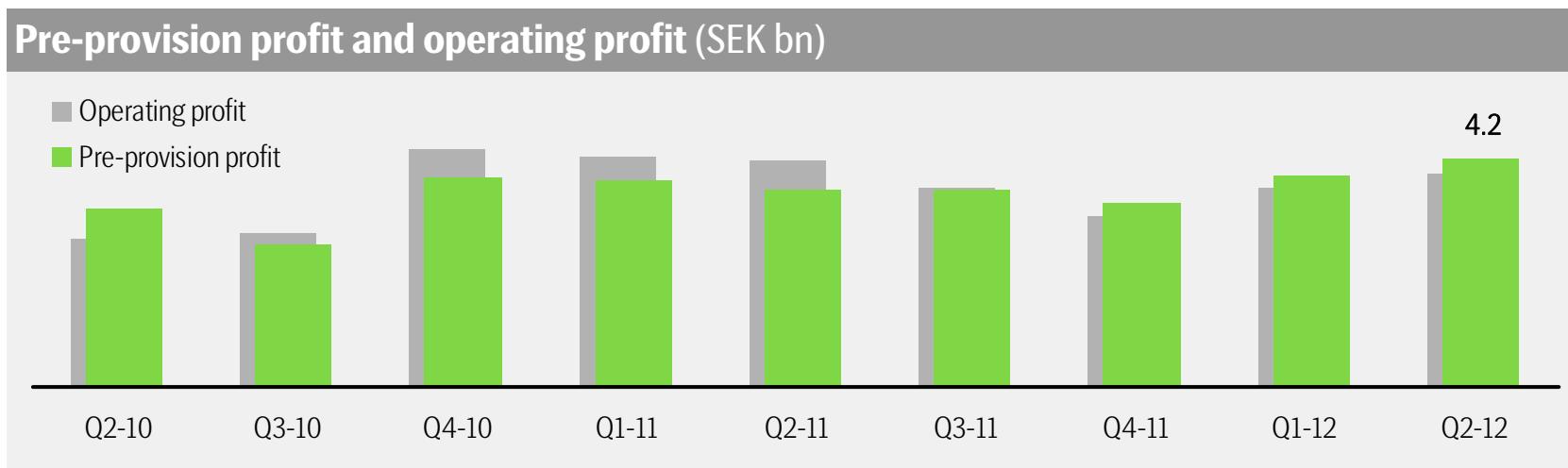
Gross fee & commissions development

Quarterly profit and loss trend

Profit and loss development Q2 2010 – Q2 2012 (SEK bn)



Pre-provision profit and operating profit (SEK bn)



SEB has actively reduced its earnings volatility

Income volatility, Q2 2008 – Q1 2012



Source: Nordea Equity Research, June 2012

■ SEB ■ Peer average

Strategic actions to reduce income volatility



Divestment of non-core businesses



Reduced size of investment portfolios



Secured funding and liquidity reserves



Maintained high asset quality



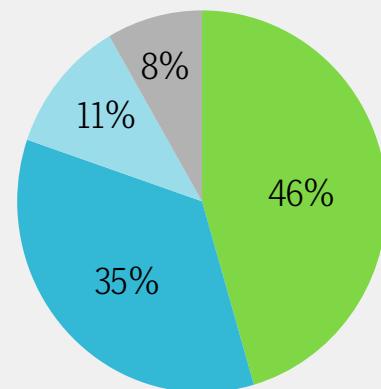
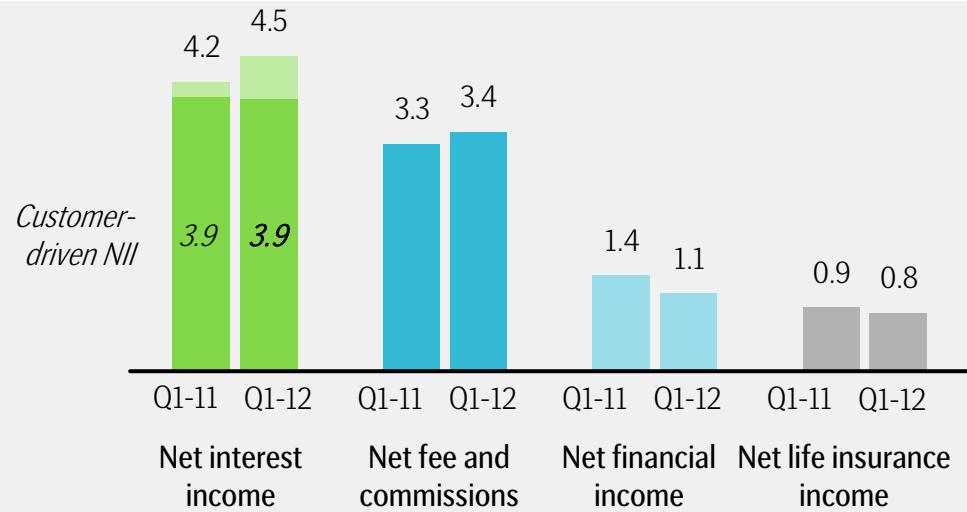
Growth in areas of strength

Income statement Q2 2012

Profit and loss (SEK bn)

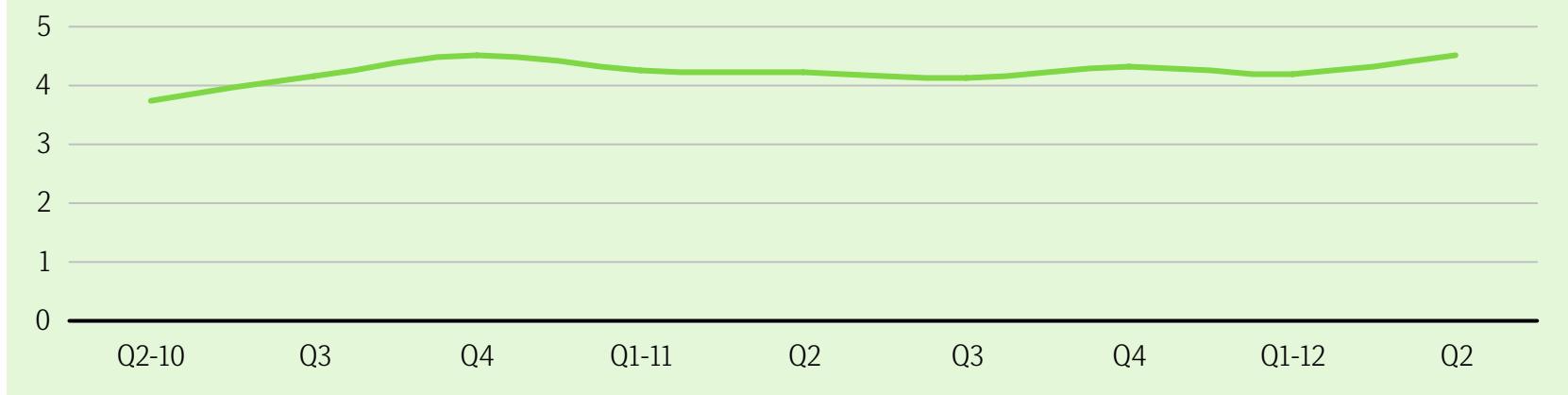
	Q2-12	Q1-12	%	H1-12	H1-11	%
Total Operating income	9,916	9,589	3	19,505	19,145	2
Total Operating expenses	-5,692	-5,676	0	-11,368	-11,661	-3
Profit before credit losses	4,224	3,913	8	8,137	7,484	9
Net credit losses etc.	-273	-204	34	-477	986	
Operating profit	3,951	3,709	7	7,660	8,470	-10

Operating income by type, Q2 vs. Q1 12 (SEK bn)

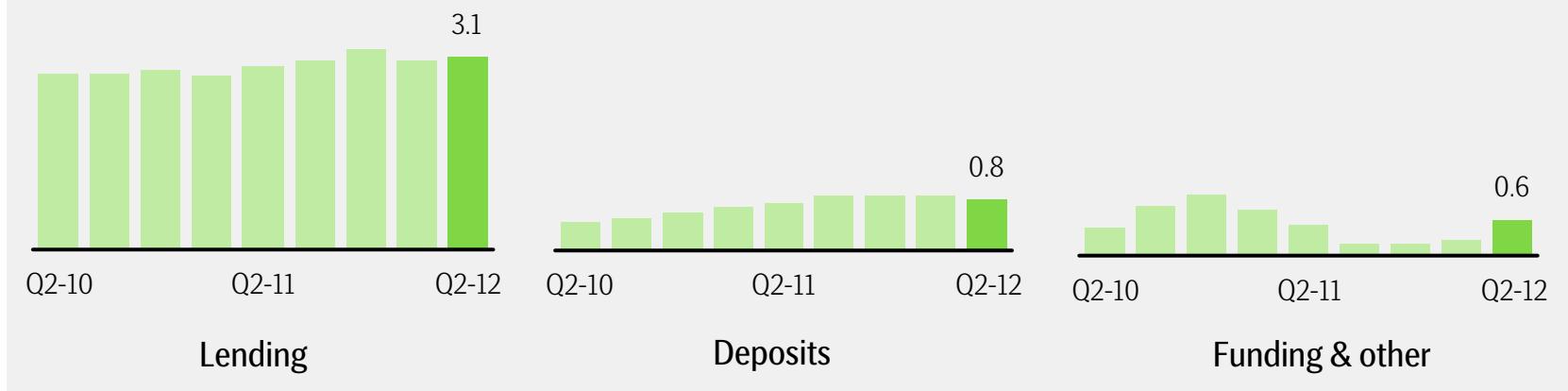


Net interest income development

Net interest income Q2 2010 – Q2 2012 (SEK bn)

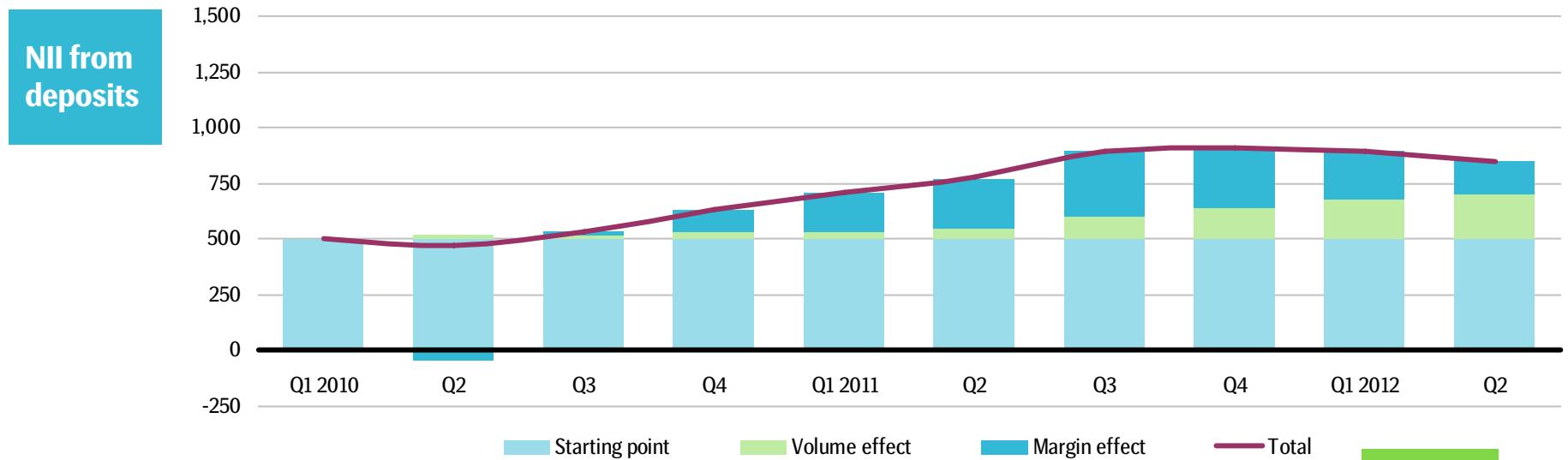
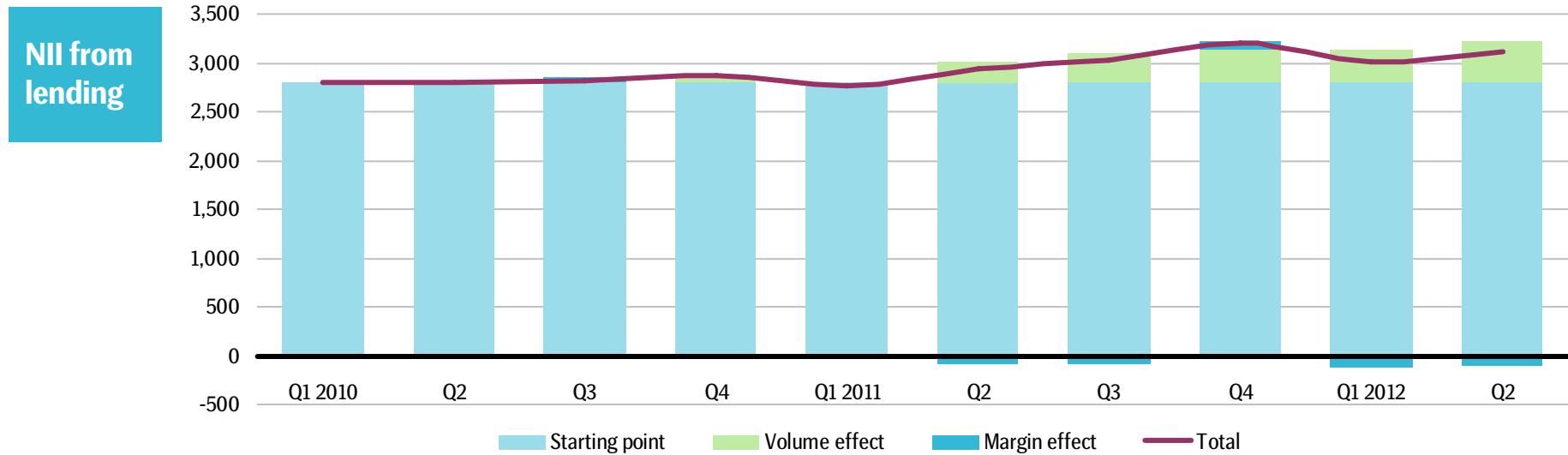


Net interest income by income type Q2 2010 – Q2 2012 (SEK bn)



NII customer driven specification

SEB Group, cumulative changes from Q1 2010, SEK m*



*Changed internal transfer pricing from 2012 reduces divisional lending margins

Net fee and commission income development

Net fee and commissions Q2 2010 – Q2 2012 (SEK bn)



Gross fee and commissions by income type Q2 2010 – Q2 2012 (SEK bn)



Net financial income development

Net financial income Q2 2010 – Q2 2012 (SEK bn)



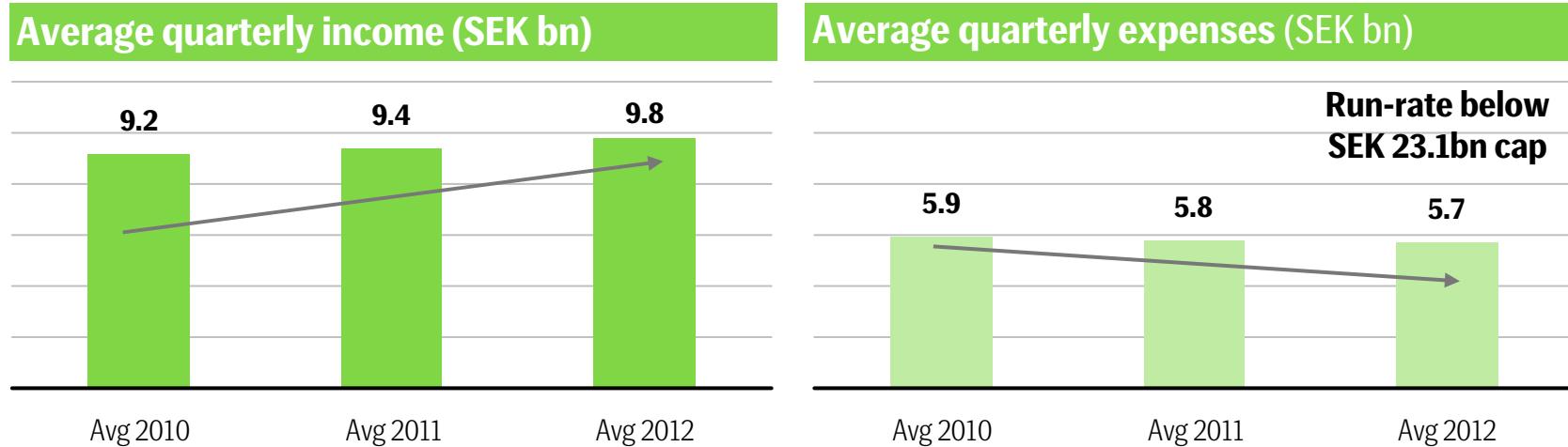
Net financial income development (SEK bn)



Drivers of net financial income

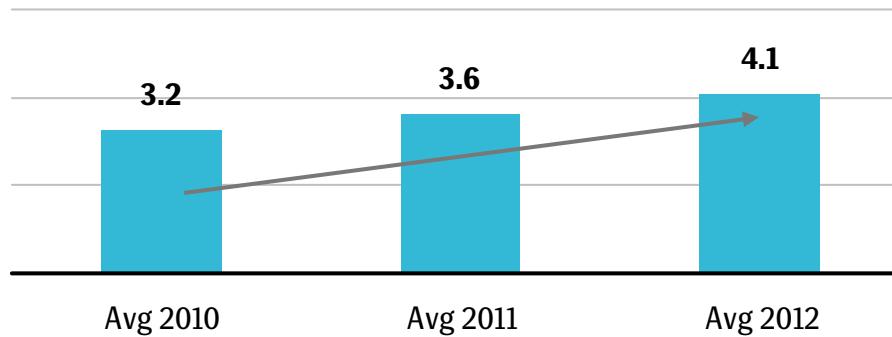
- Stability from customer-driven flows in divisions
- Limited impact from volatility on MTM liquidity portfolio
- Highest quality sovereign and covered bonds with full central bank eligibility

Operating leverage through cost efficiency



Operating leverage

Average quarterly profit before credit losses (SEK bn)

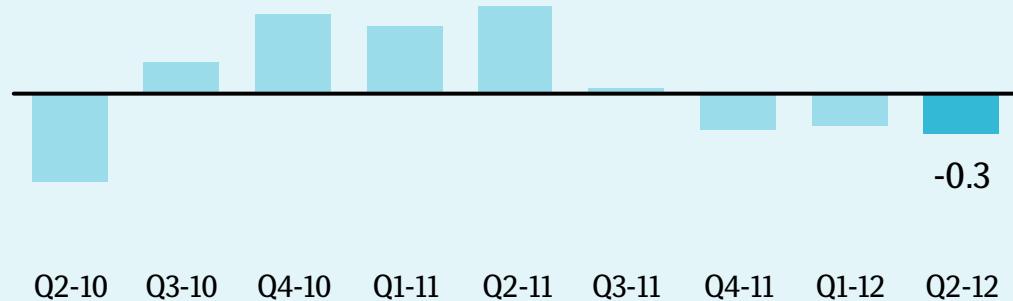
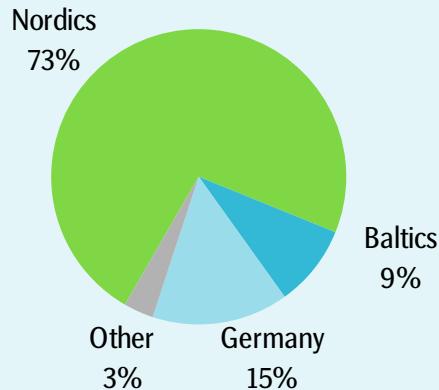


Cost efficiency focused on five workstreams

1	Procurement	<ul style="list-style-type: none">● Improve procurement processes and coverage
2	IT	<ul style="list-style-type: none">● Strict group-wide prioritisation and execution of IT development● Streamline IT operations
3	Loan operations	<ul style="list-style-type: none">● Increase efficiency in loan administration● Accelerate off-shoring to Baltic operations center
4	Staff Functions	<ul style="list-style-type: none">● Right size staff and support functions● Increase synergies by taking away functional overlaps
5	Simplicity	<ul style="list-style-type: none">● Increase synergies by taking away functional overlaps● Simplify governance● Focus

Continued high asset quality

Distribution of lending portfolio and credit losses (SEK bn)



NPLs by region Q2 2010 – Q2 2012 (SEK bn)

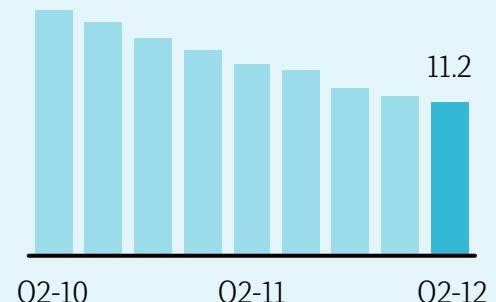
Nordics



Germany

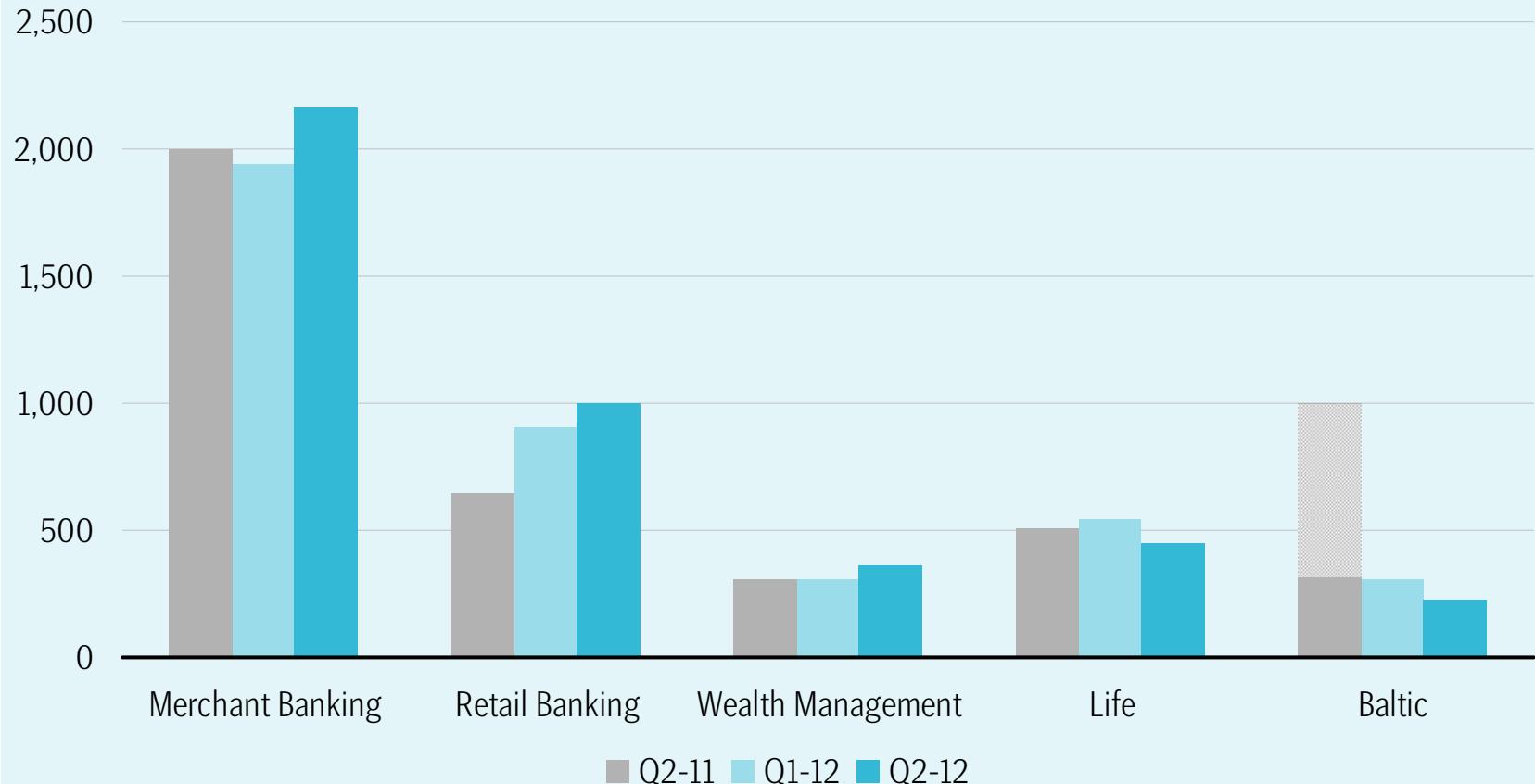


Baltics



Divisional performance

Operating profit Q2 2012 vs. previous quarters (SEK m)

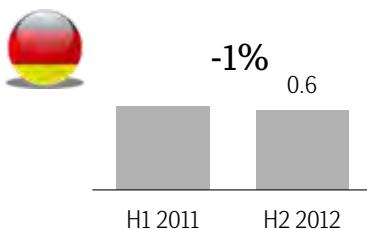
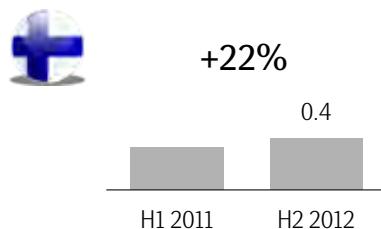
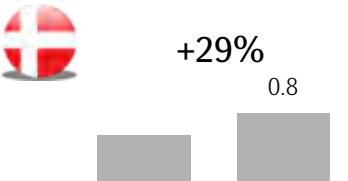


Note: Shaded area of Baltic division shows net release of credit provisions

Large corporate Nordic and German expansion

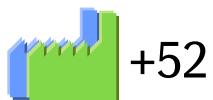
Platform now in place

Operating profit growth (SEK bn)



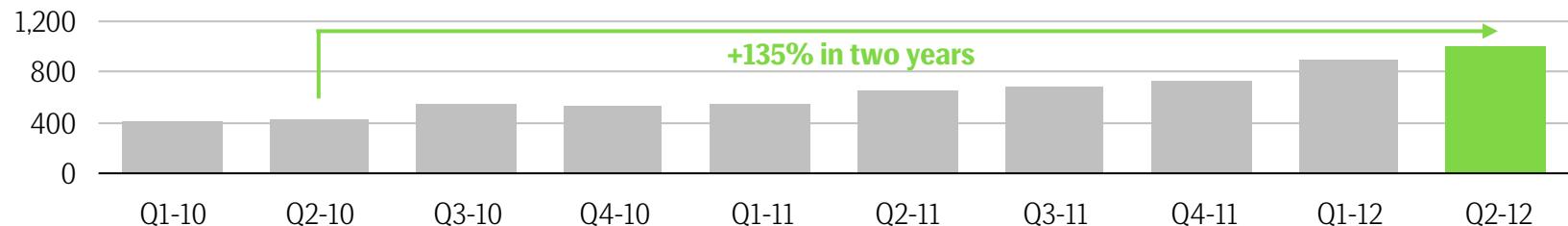
Note: Germany excludes centralised Treasury operations and wind-down portfolio of real estate assets

Expansion KPIs



Focus on Retail Sweden

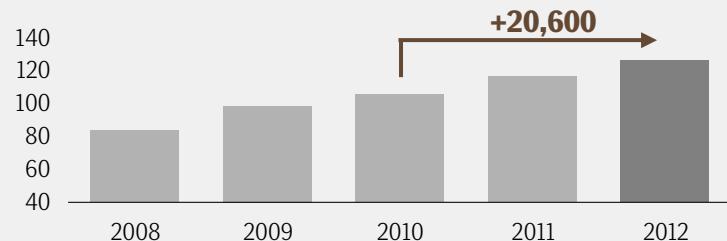
Quarterly operating profit (SEK m)



SME expansion



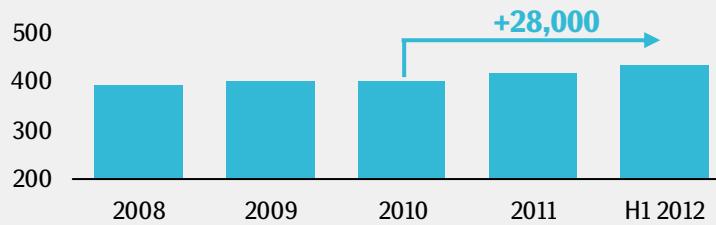
Active SME clients (thousands)



Household growth



Homebank customers (thousands)



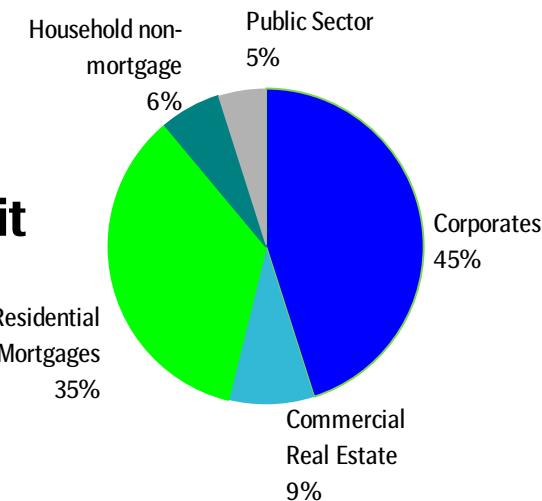
Note: Redefinition by SCB/UC on active client led to +4,500 clients in 2012

Asset quality

Credit portfolio dynamics

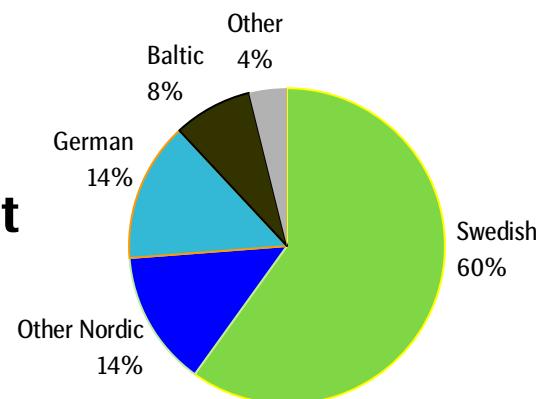
- On- and off-balance sheet exposure

Sector split

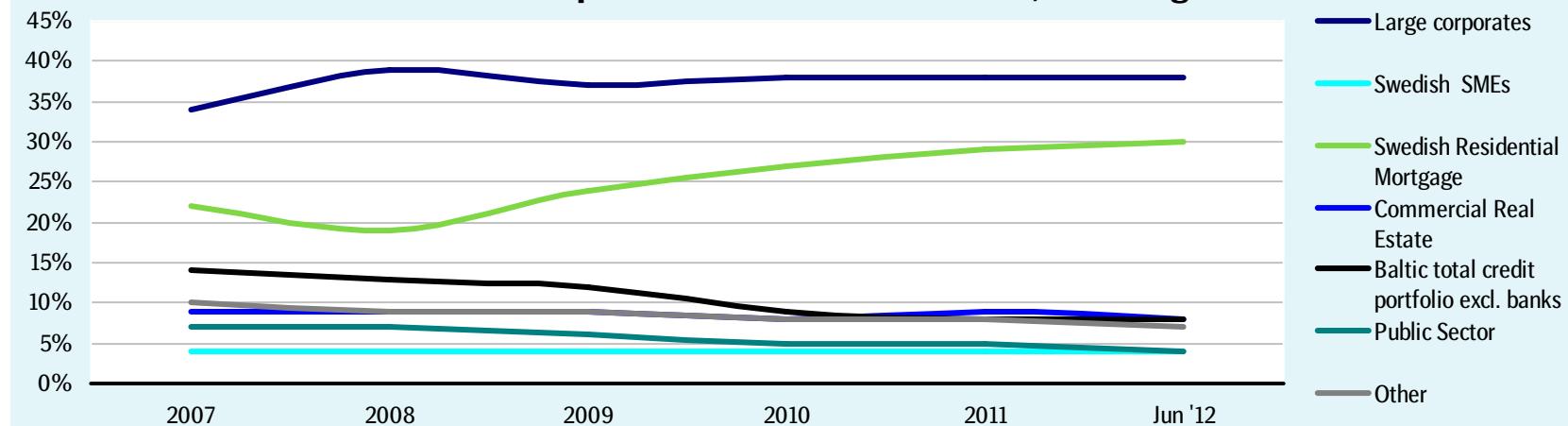


June 2012

Geographic split



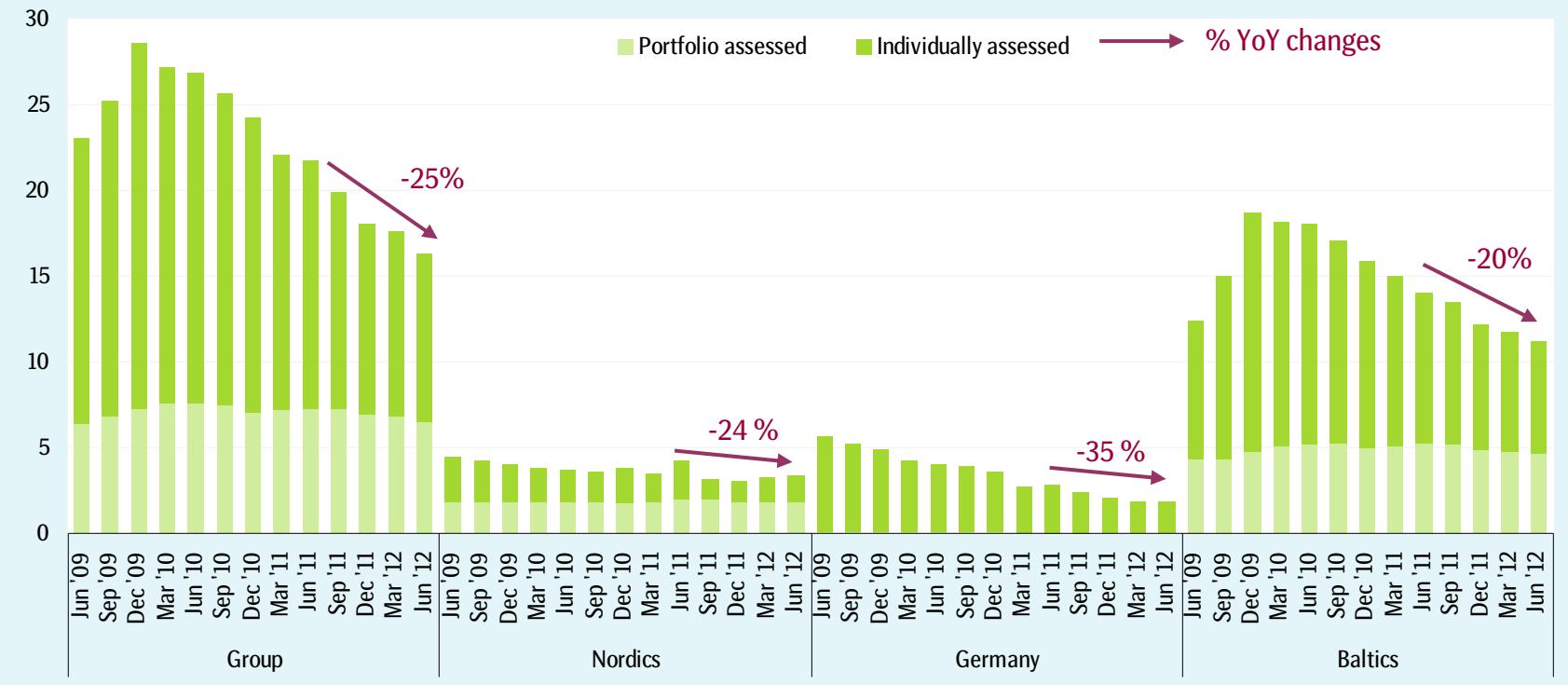
Certain business areas' relative importance of the Credit Portfolio, excluding banks



Development of Non-Performing Loans

SEK bn

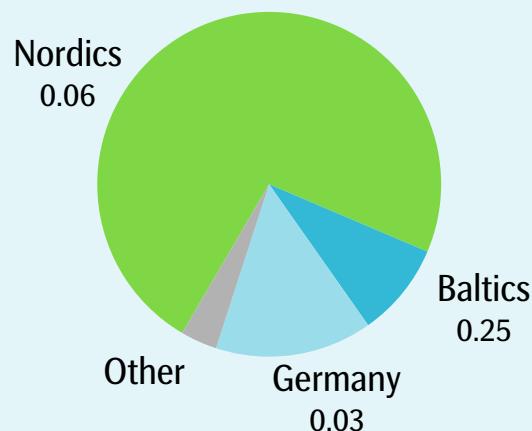
Non-performing loans



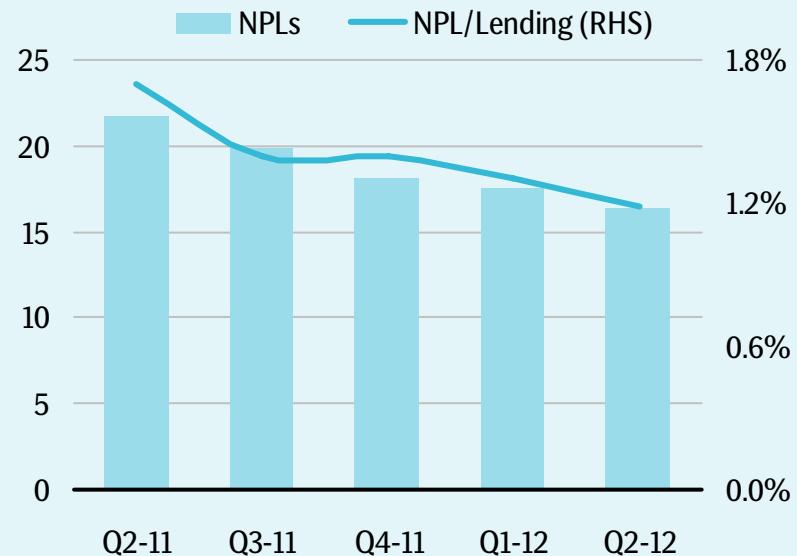
Continued strong asset quality

Distribution of lending portfolio and credit loss levels by geography (per cent)

SEB Group 0.07



Non-performing loans/lending and non-performing loans (SEK bn)

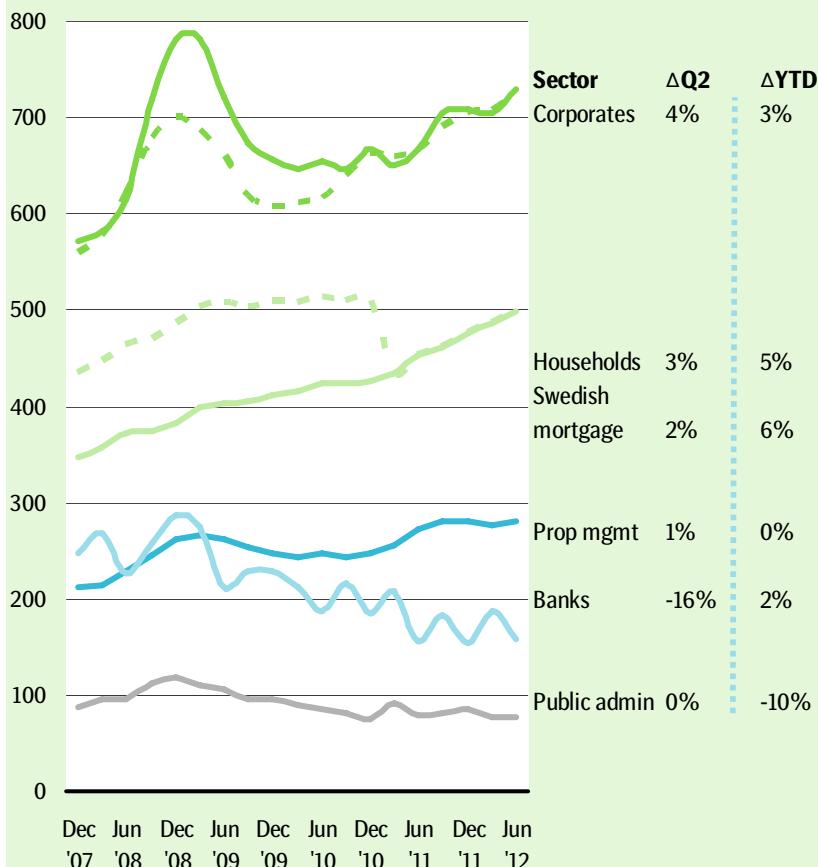


Non-performing loans in certain topical sectors outside the Baltic countries, June 2012

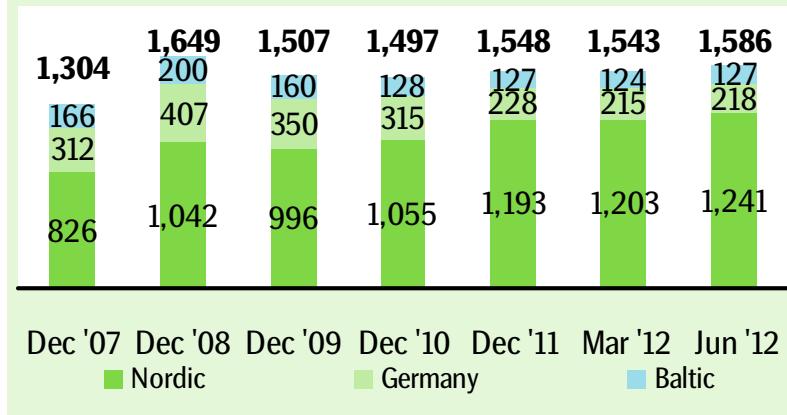


SEB's credit portfolio is well-diversified

Credit portfolio by sector, SEK bn



Credit portfolio (non-bank) by geography, SEK bn



Credit portfolio by sector, SEK bn

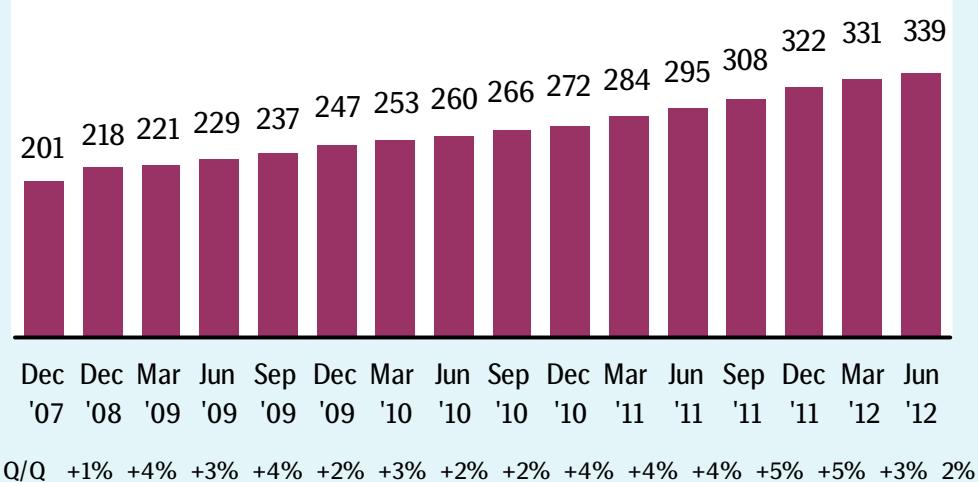
	Dec '11	Mar '12	Jun '12	ΔQ2	ΔYTD
Corporates	708	704	730	26	22
Property management	280	277	281	4	0
Households	475	486	500	13	25
Public administration	84	76	76	0	-8
Total non-banks	1 548	1 543	1 586	43	38
Banks	155	188	157	-30	3
Total	1 702	1 730	1 743	13	41

* excl. German Retail

SEB's Swedish household mortgage lending

14 per cent of total assets

SEK bn



Selective origination

- The mortgage product is the foundation of the client relationship

High asset performance

- Net credit losses consistently low at 1bps
- Loan book continues to perform – NPLs at 15 bps

Low LTVs by regional and global standards



Mortgage lending based on affordability

- Credit scoring and assessment
- 7% interest rate test
- 85% regulatory first lien mortgage cap & minimum 15% of own equity required
- If LTV >75% requirement to amortise
- Max loan amount 5x total gross household income irrespective of LTV
- 'Sell first and buy later'

Development of Swedish single family homes and apartment prices

Mäklarstatistik -

Price development as per July 2012

	Single family homes		Apartments	
Area	3m	12m	3m	12m
Sweden	+1%	-1%	-3%	+3%
Greater Stockholm	0%	-1%	0%	+3%
Central Stockholm			+1%	+1%
Greater Göteborg	0%	0%	0%	+2%
Greater Malmö	+1%	-6%	-2%	-5%

NASDAQ OMX Valuegard-KTH
(HOX index)

Published at 14 August 2012. Next index value 12 September 2012 at 9.00.

	Index	Change since		
		1 month	3 months	12 months
HOX Sweden	149	-0.2%	-1.2%	+1.4%
Flats				
Sweden Flats	179	+1.3%	+0.6%	+3.7%
Stockholm Flats	178	+1.9%	+1.9%	+4.1%
Gothenburg Flats	181	+0.9%	-0.5%	+3.1%
Malmö Flats	153	-0.5%	-3.6%	-3.0%
Houses				
Sweden Houses	141	-1.4%	-2.4%	+0.2%
Stockholm Houses	146	0.0%	-1.7%	+2.8%
Gothenburg Houses	140	-2.3%	-2.7%	+0.8%
Malmö Houses	130	-3.2%	-4.3%	-6.3%

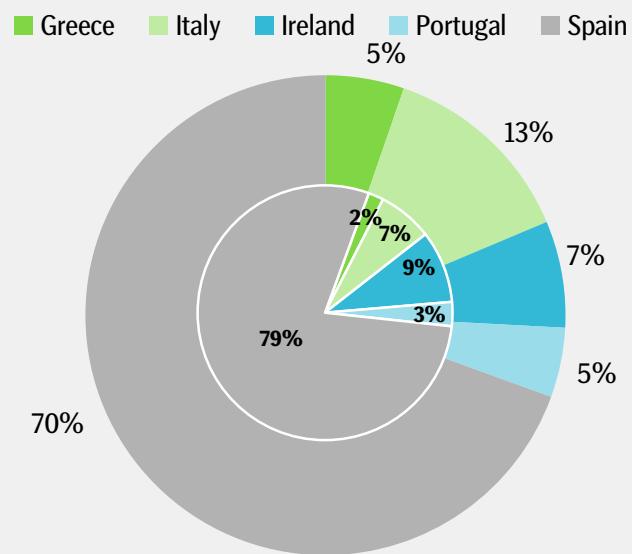
SEB's bond holdings incl. GIIPS exposures

Bond by sector (nominal SEK bn)

Sector	Jun 2012
Corporates	11
Covered Bonds	99
Unsecured Financials	10
State guaranteed Financials	8
Fed.and local governments	93
GF Landesbanks	13
ABS	20
Total*	254

Distribution of GIIPS bonds* (nominal SEK bn)

**Jun-12 SEK 12.2 (inner circle)
Dec-09 SEK 36.5 (outer circle)**

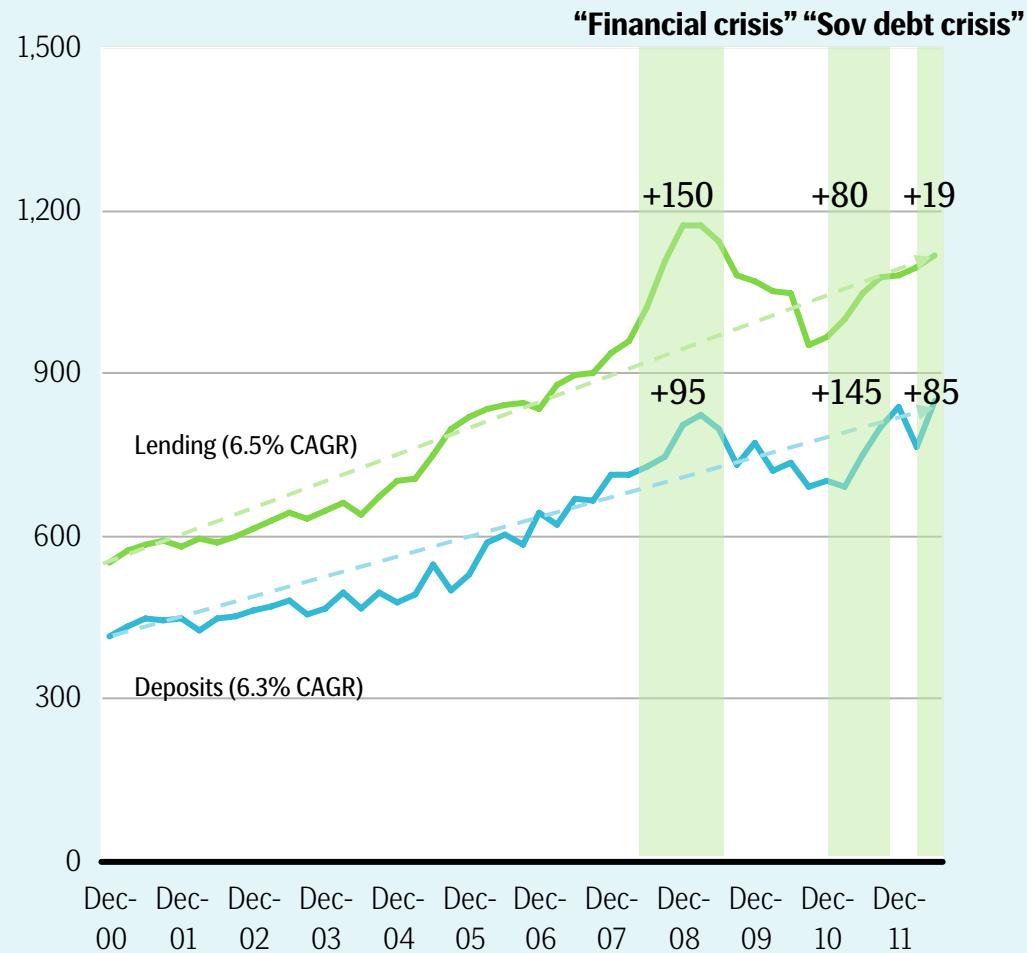


*Sovereign bonds, Covered bonds, Banks bonds and ABS

Balance sheet, funding and liquidity

Lending and deposit volumes

Corporates and households Jun 2012 (SEK bn)



Excluding divested businesses

Customer centric strategy

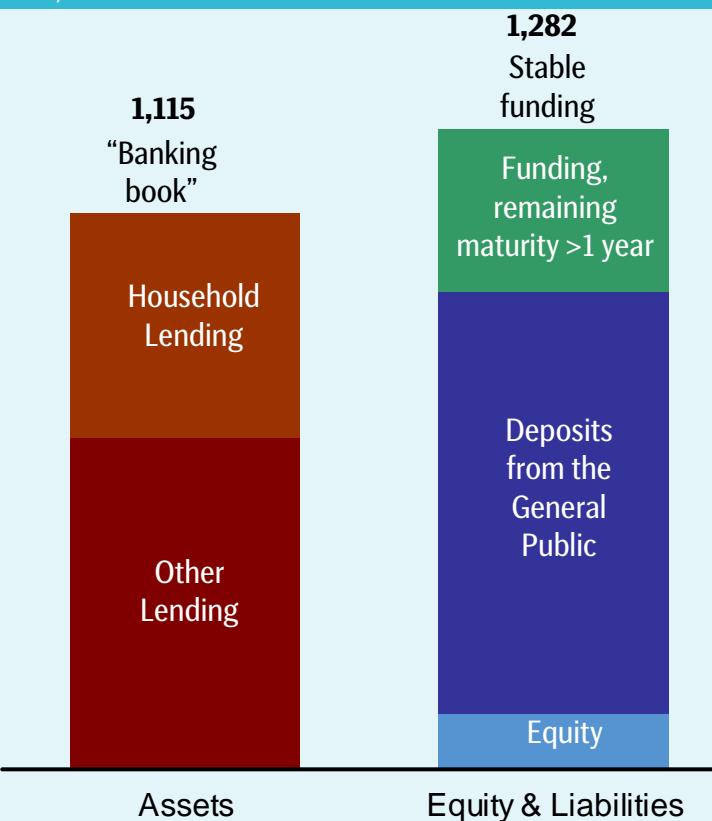
- Supporting core customers in times of need
- Deposit patterns show flight to quality in turbulent times



Solid funding and deposit situation

Balance sheet structure

Jun 2012, SEK bn

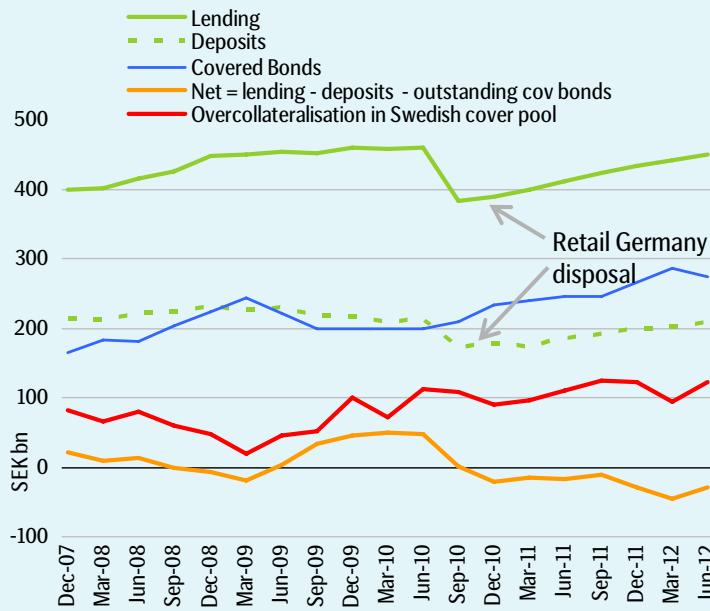


+167bn more stable funding

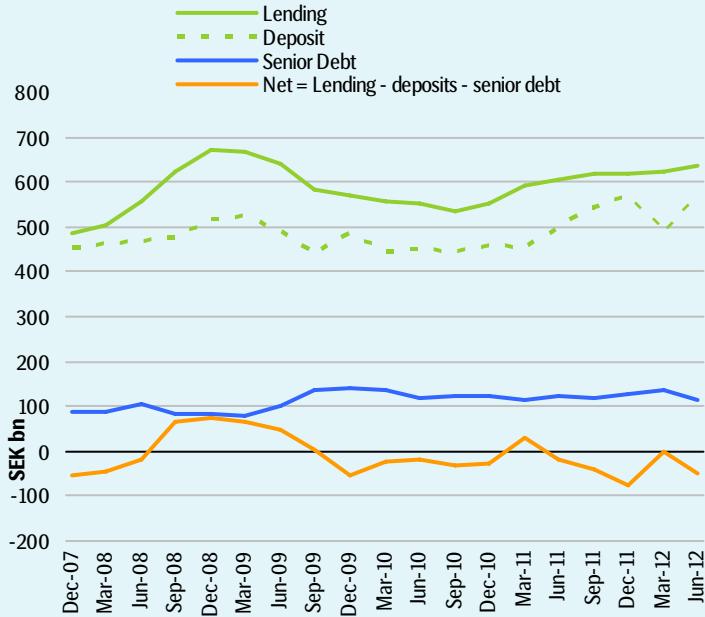
- ✓ Structurally sound balance sheet
- ✓ Loan-to-deposit ratio excluding household mortgage lending ~100%
- ✓ Unutilised capacity for covered bonds SEK 123bn

Banking book asset growth funded through stable deposit accumulation and long-term covered and senior bonds

Household lending, deposits and covered bond funding

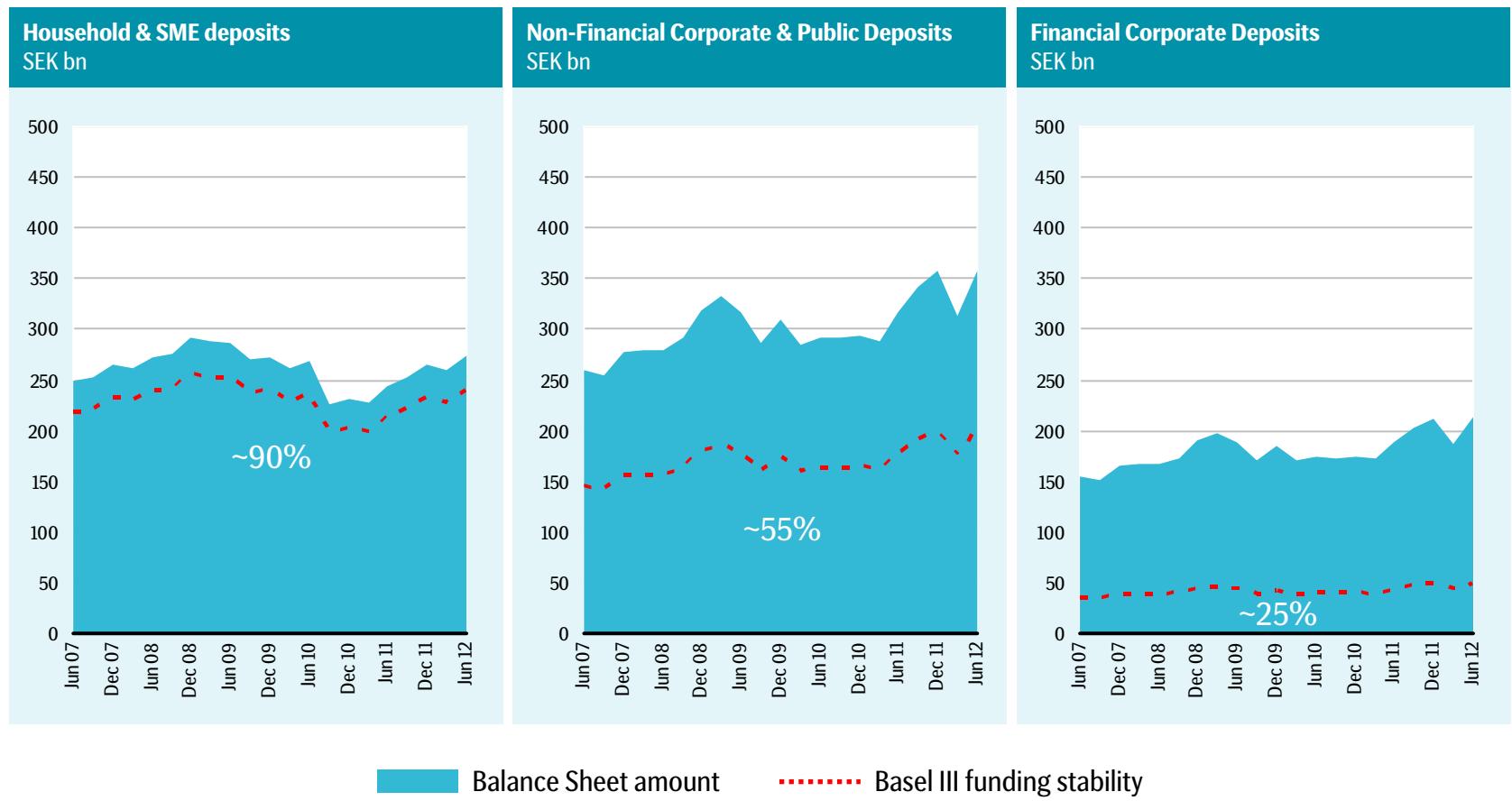


Corporate & public lending, deposits and senior bonds

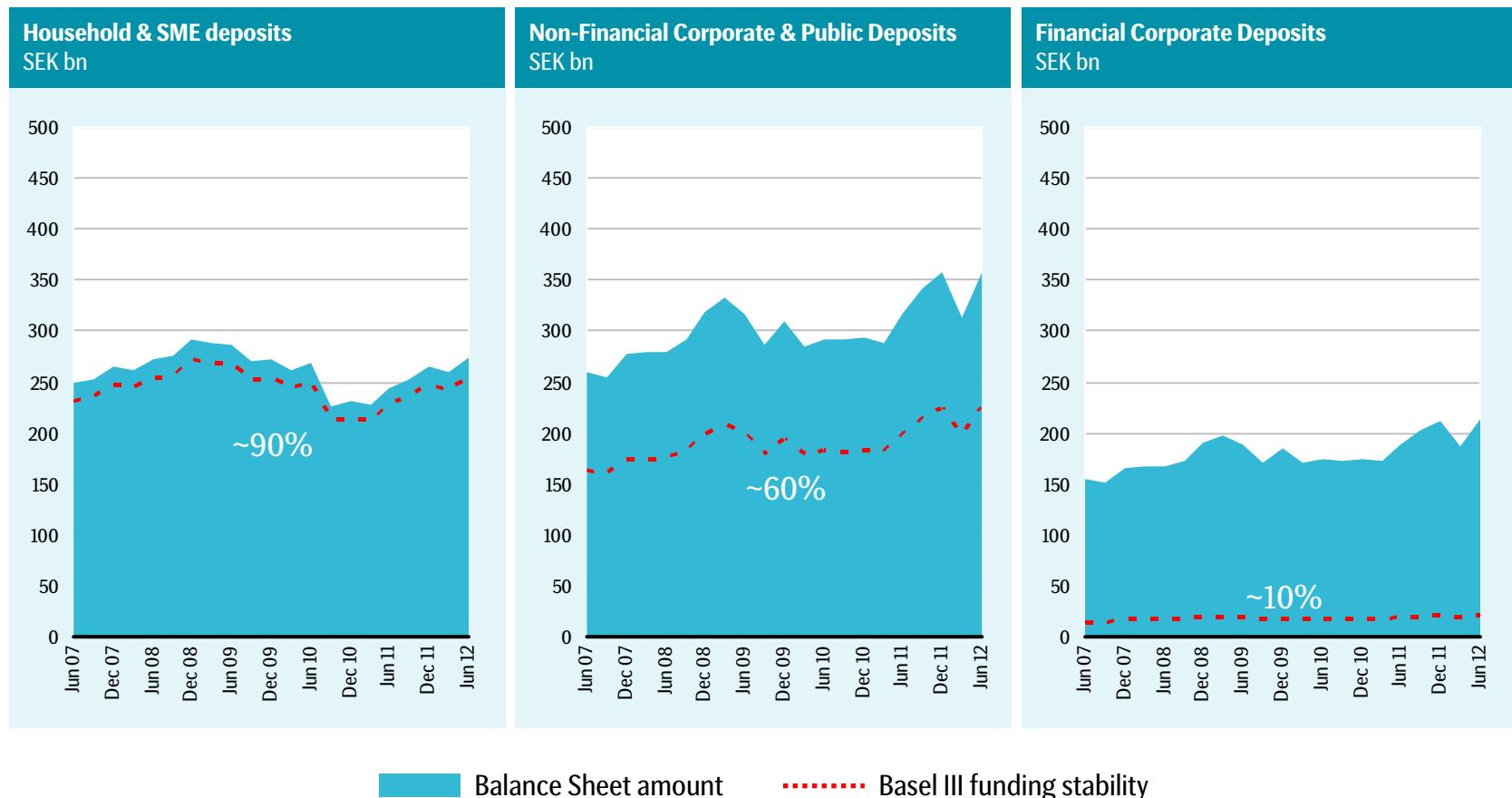


Stable net funding base

Structural liquidity risk/"NSFR": SEB's business model is disadvantaged in Basel III

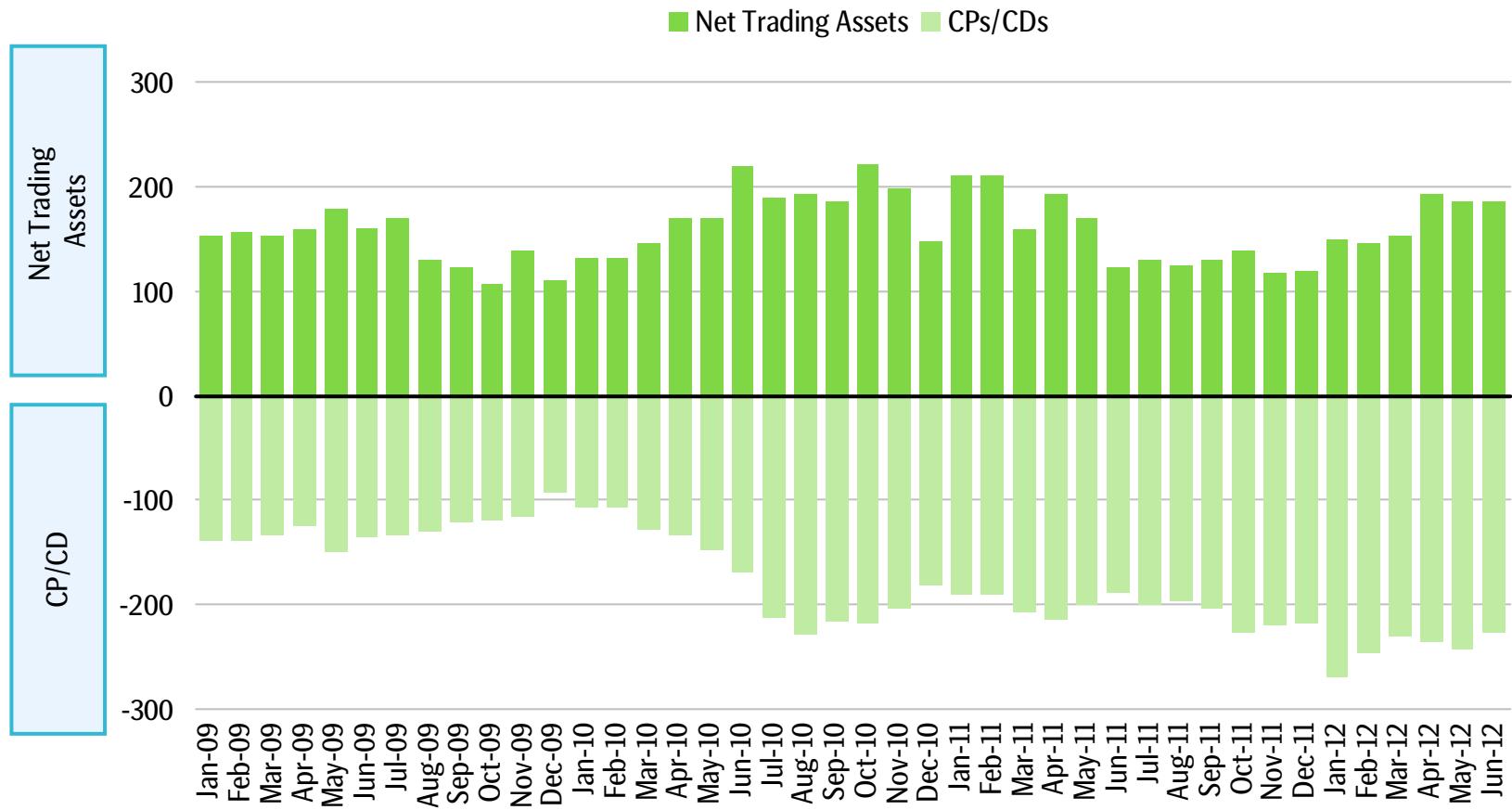


Liquidity risk/"LCR": SEB's business model is disadvantaged in Basel III



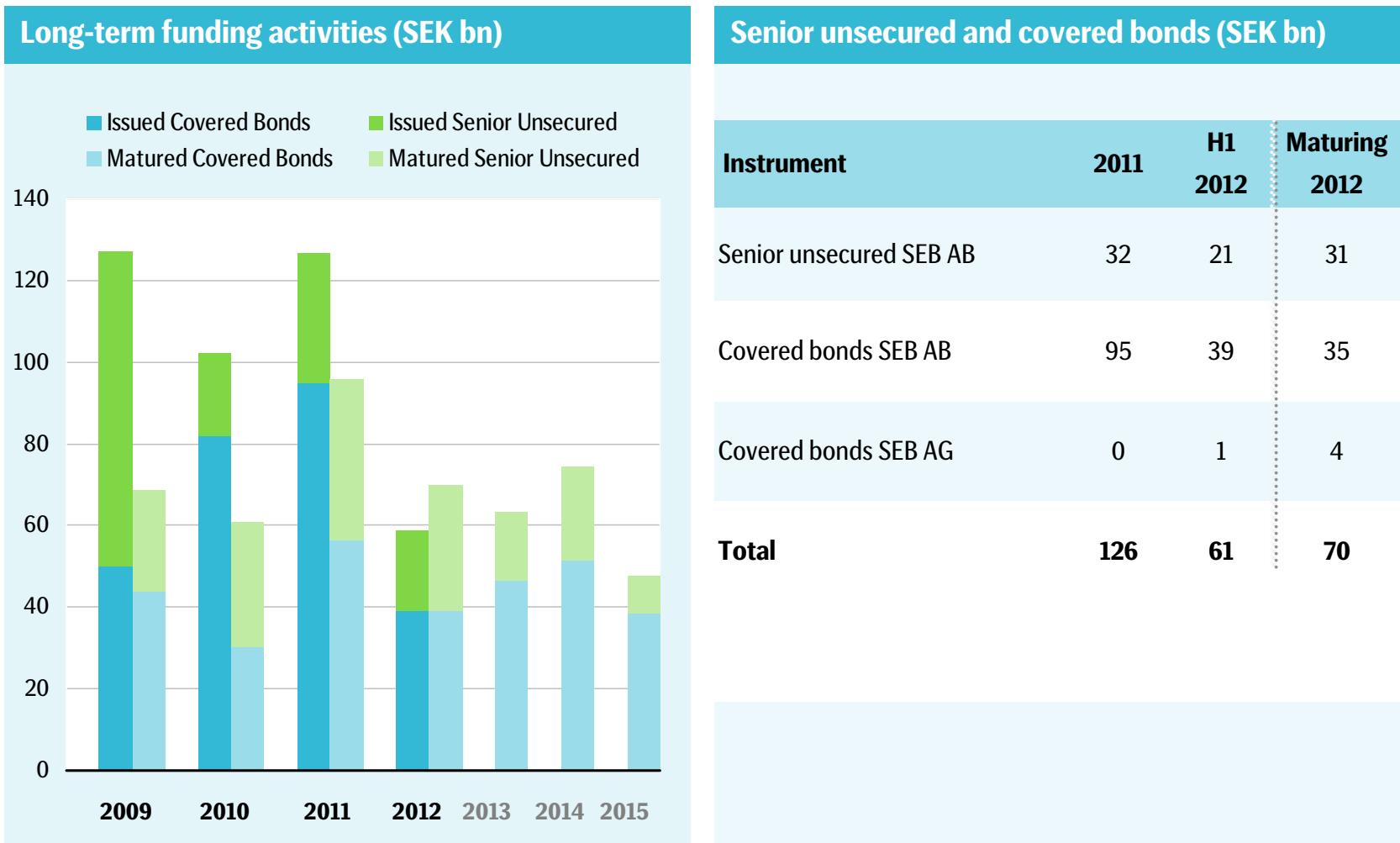
CP/CD funding moves in line with Net Trading Assets

CP/CD funding vs. Net Trading Assets¹ 2009-2012 (SEK bn)



1) Net trading assets = Net sum of bonds, equities and repos for client facilitation

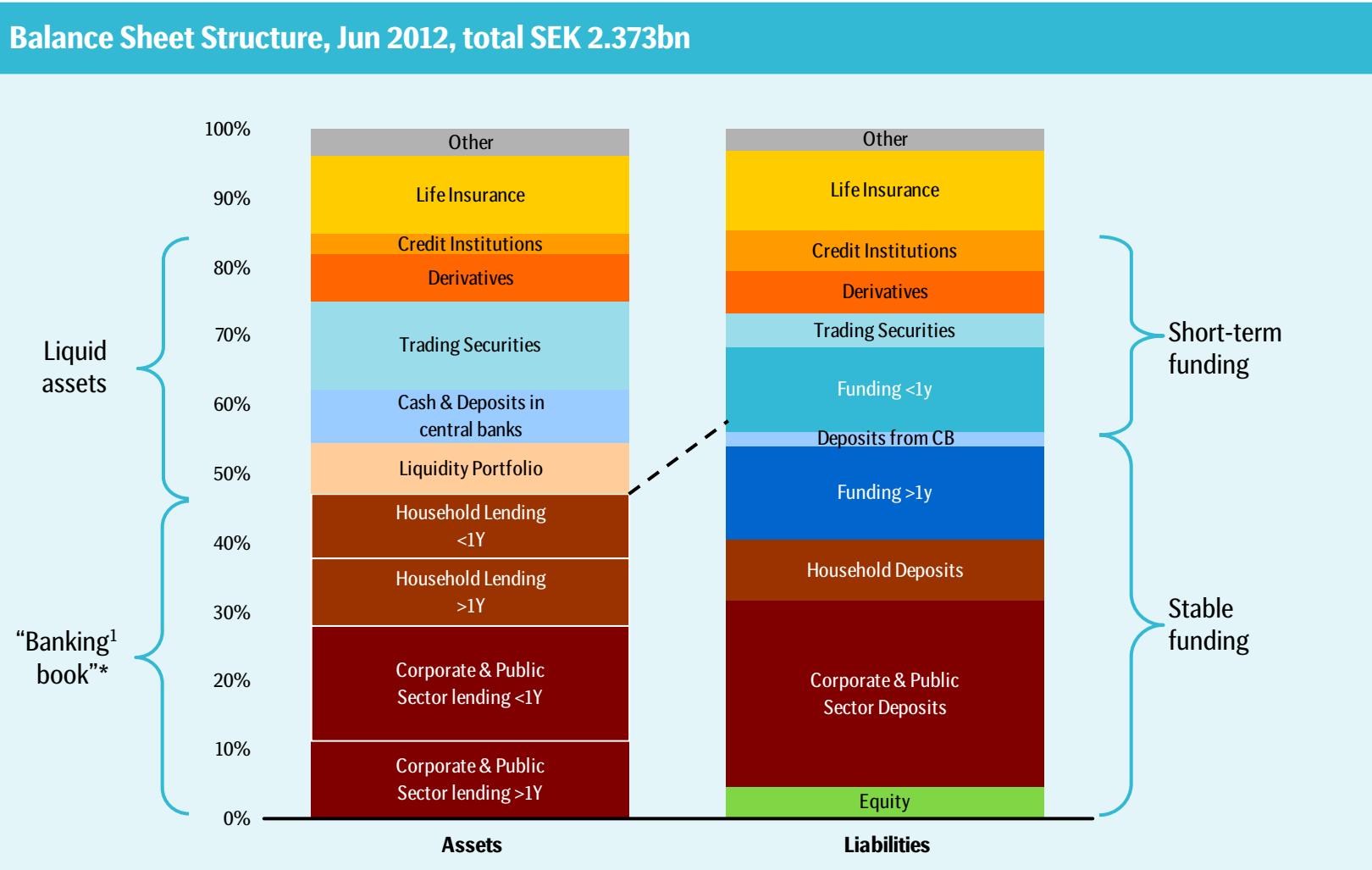
~90 per cent of 2012 maturities re-financed



A liquid and strong balance sheet structure

SEB Group, Jun 2012

Balance Sheet Structure, Jun 2012, total SEK 2.373bn

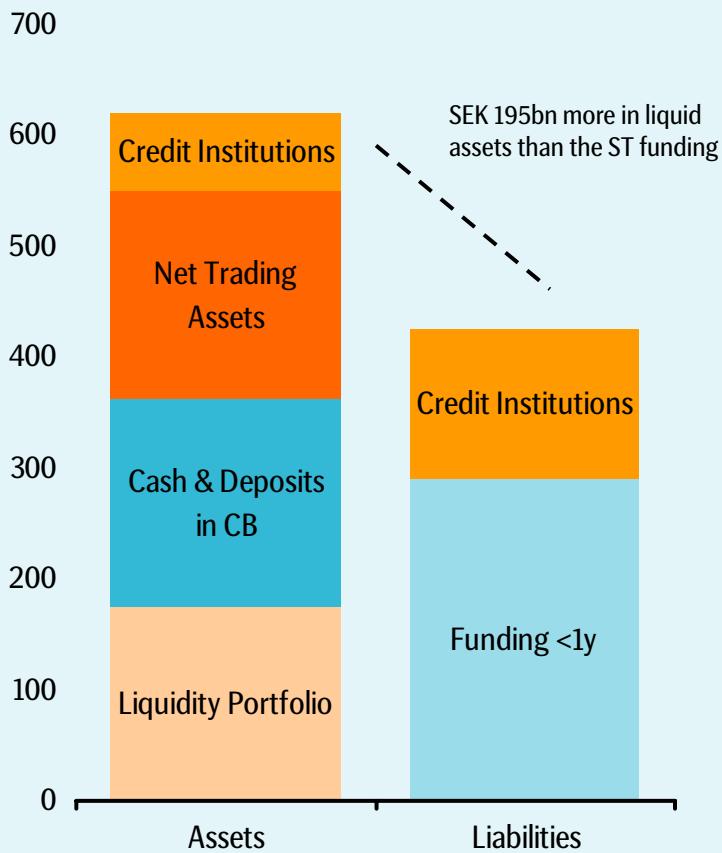


1. Although a relative large share of lending is contractually short, the major part of volumes and in particular household mortgage lending is considered as long-term assets in liquidity steering. (Some lending such as card business, money market lending and public sector lending in Germany however indeed is short.) Shorter maturities however do allow for swift re-pricing of lending to adjust for e.g. changed funding costs.

SEB will be LCR compliant by 2013

Liquid resources / Short-term funding

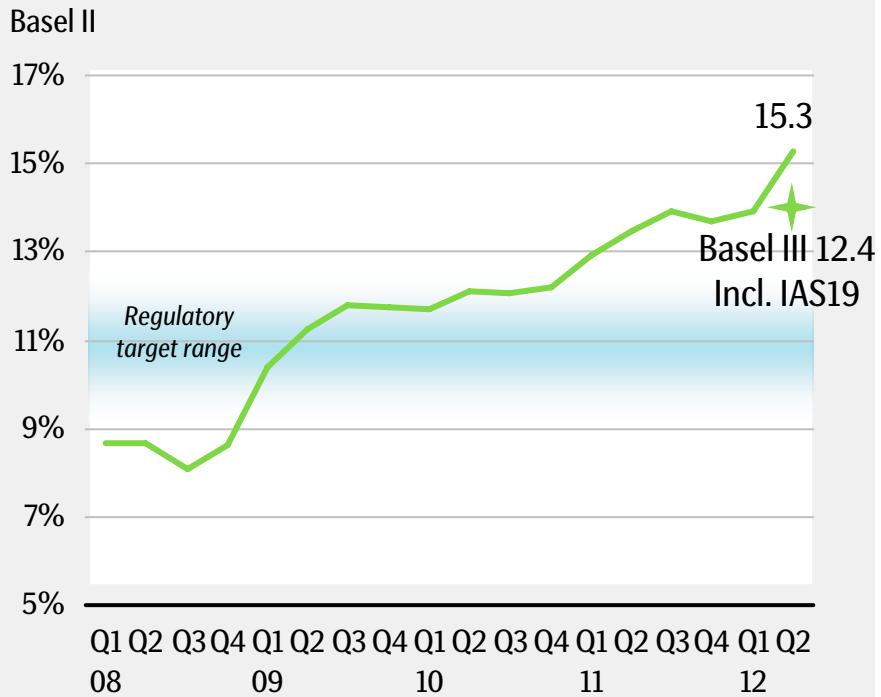
Jun 2012, SEK bn



- ✓ SEB has a very liquid balance sheet
- ✓ LCR at 108 per cent vs. 95 per cent end of 2011
- ✓ 55 per cent of core liquidity reserve invested in central banks due to limited availability of AAA-rated papers in local markets
- ✓ LCR varying heavily due to its short-term nature (excess liquidity investments)

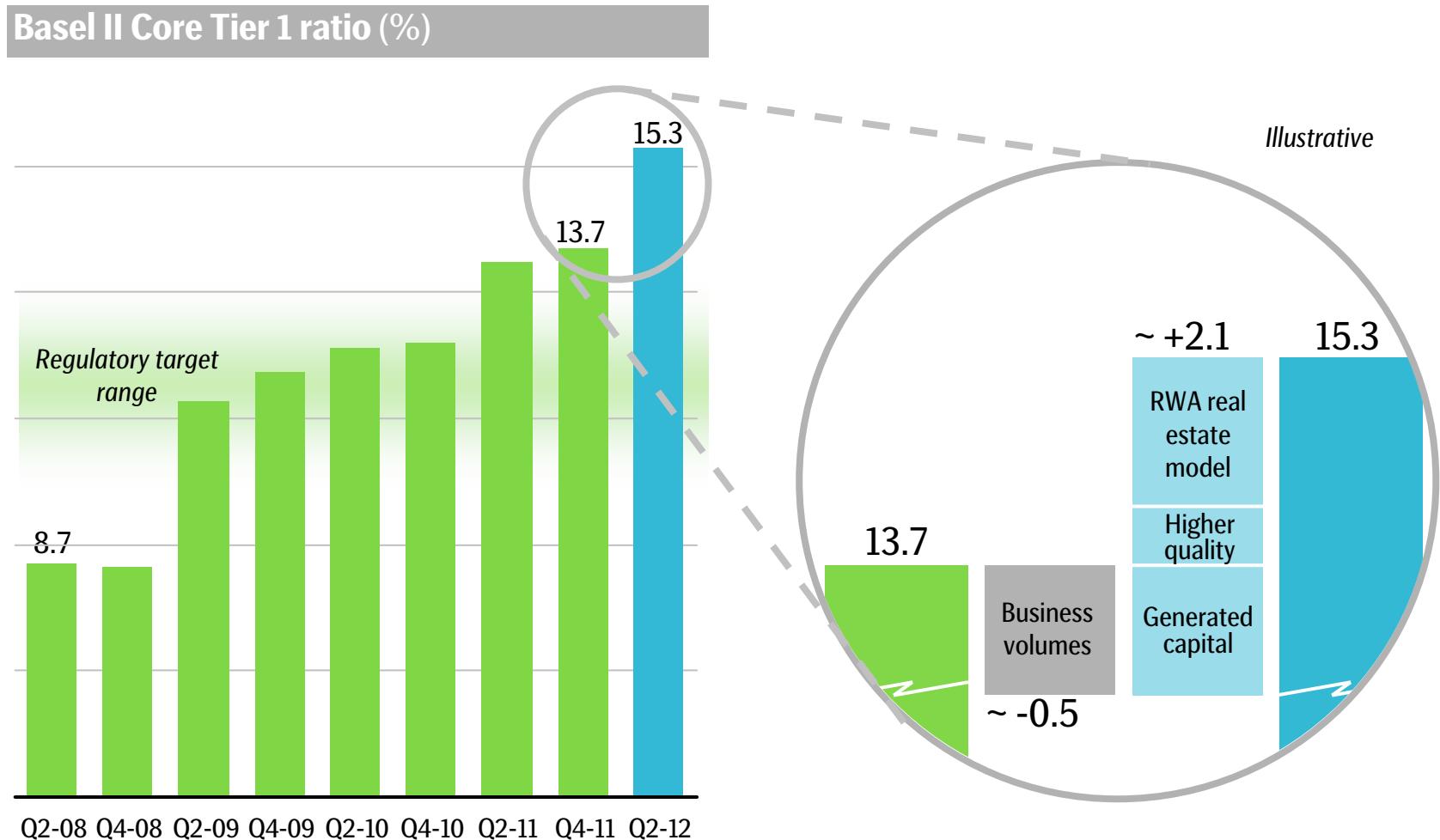
Strong capital situation

Core Tier 1 ratio (per cent)



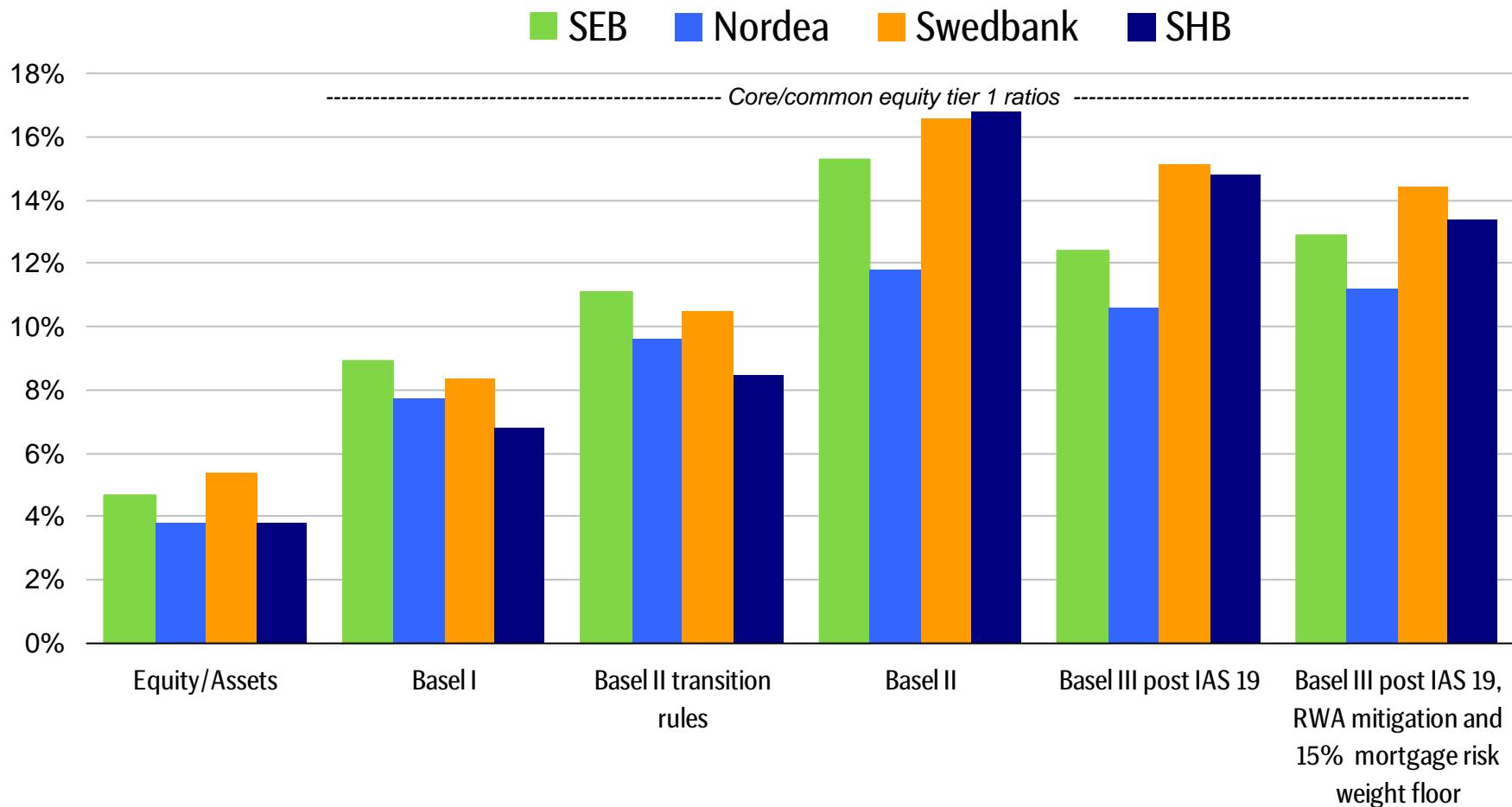
- ✓ Maintain buffer to minimum regulatory levels
- ✓ RWA stable in continuing operations. New advanced IRB model for non-retail Retail Estate decreases RWA with SEK 42bn in Q2-12. Lending to high-quality customers and increased use of collateral for RWA purposes offset Basel 2.5 effects and volume growth.
- ✓ Full regulatory treatment of IAS 19 still not clarified

Higher Core Tier 1 ratio through generated capital and efficient risk management



SEB is well capitalised across all metrics

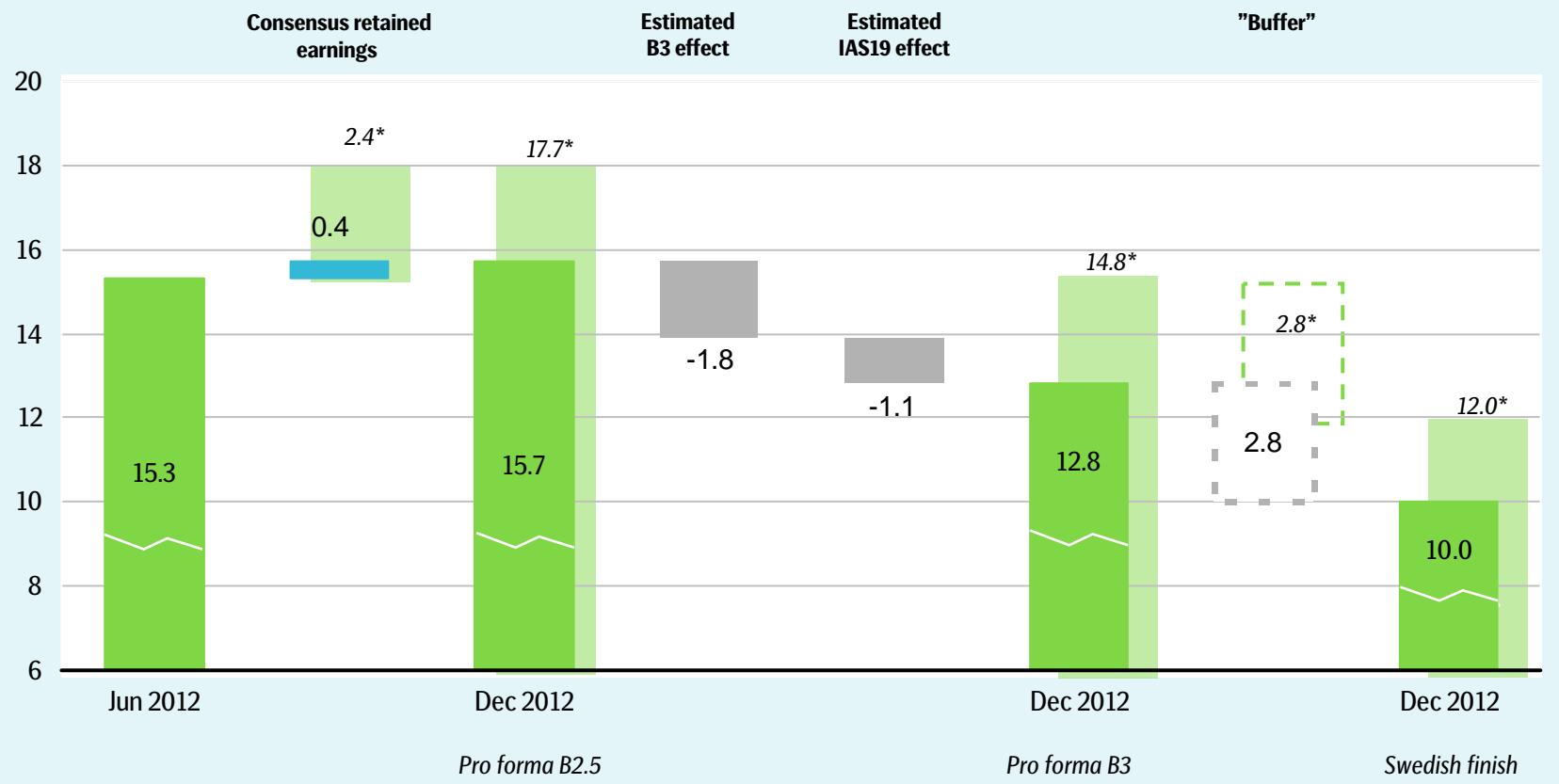
30 June, 2012



Source: SEB Enskilda

SEB's road to Basel III

Basel II to Basel III Core Tier 1 Pro forma (per cent)



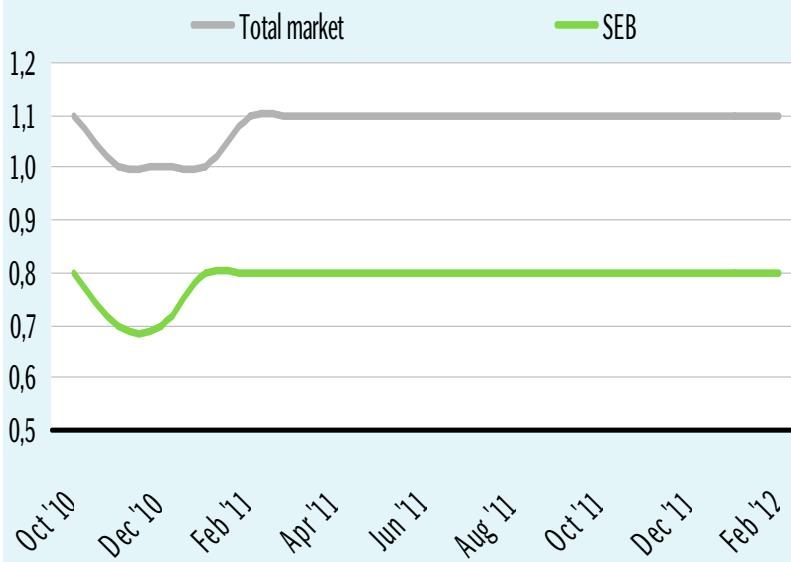
*Start 2015

Estimates based on static business volumes and Basel III published framework

SEB has the most conservative view on the residential mortgage market despite highest quality

UC's view: Risk score on SEB's customers, ~PD (SEB's portfolio compared to all Swedish household mortgages)

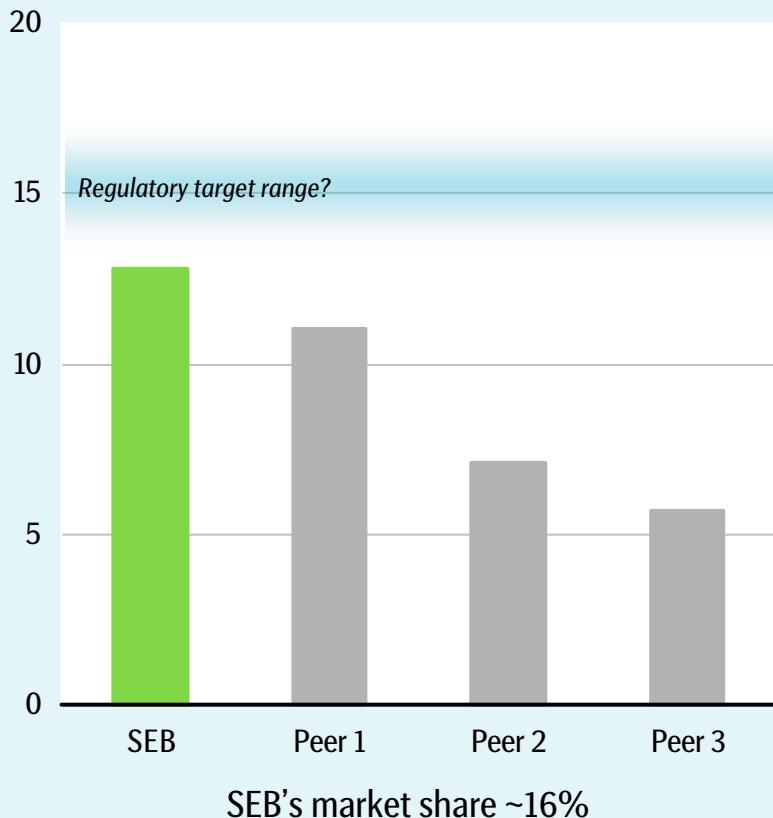
Household Mortgage Sweden - UC risk score (similar to FICO)



- SEB's customers have a higher credit quality than the market average
- Customers of SEB are overproportionally represented in the high income segment

UC AB = External credit bureau

Basel II reported risk-weight for residential mortgage lending. Dec 2011



Pension accounting in the Group Accounts

Amended Pension accounting (IAS 19)

At the introduction of the current principles in 2004, a net pension asset of SEK 3bn was booked based on historical development of asset returns.

The combination of falling long-term rates, increased number of employees and actuarial assumption on longevity materially increased the pension obligation to date.

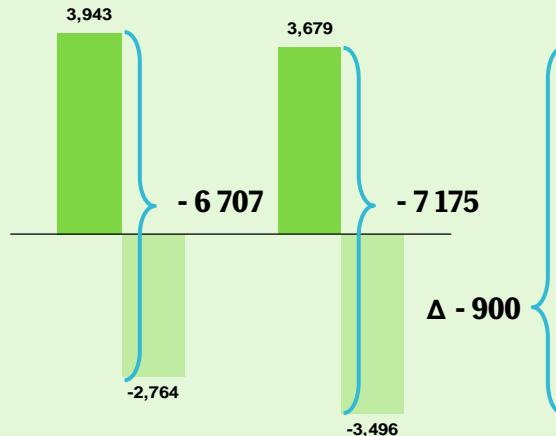
When the change in accounting principles (IAS 19) is applied, mark-to market accounting replaces the smoothening from the "corridor method". As a result the reported net asset will change into a reported net obligation.

The deficit before tax was SEK 7.2bn and after tax SEK 5.3 at the end of 2011. In June, the corresponding values would have been SEK 8.1bn and SEK 5.9bn.

The change in value is based on updated assumptions.

2010 2011 Jun-12

SEK m

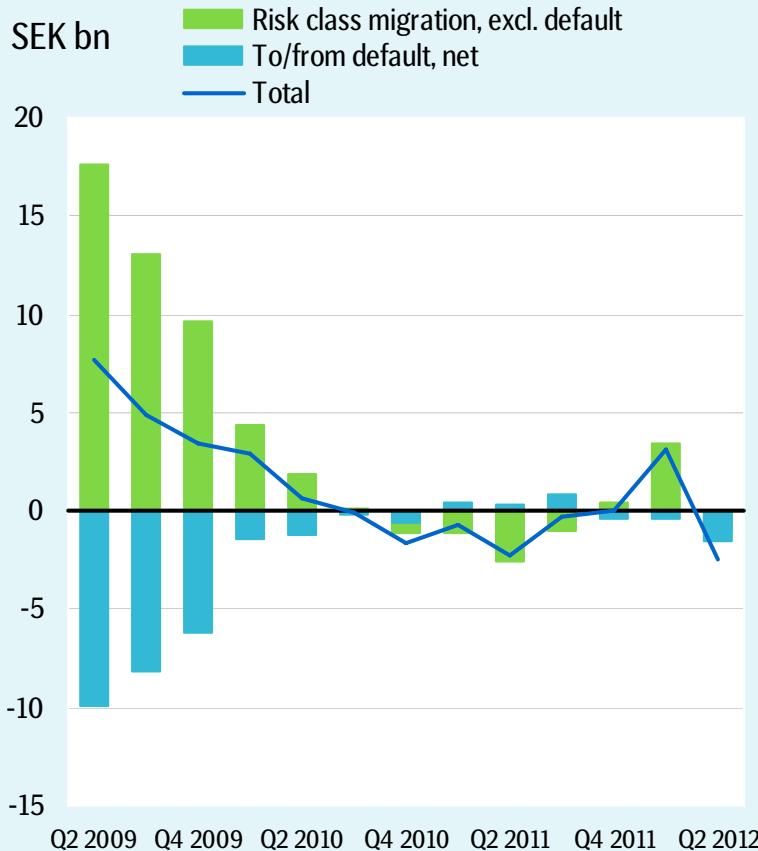


Reported in Balance sheet
Current status without smoothening
from corridor

Higher asset quality and efficient risk management reduce RWA despite volume growth and new stricter regulations

RWA effect from SEB risk class migration

Corporate and interbank portfolios



Risk-weighted assets

SEK bn

Dec 2011

Jun 2012

632

679

49

632

Migration
effect

RWA
processes

FX
effects

Risk
weight
effect

Business
volumes

Market
risk and
oper-
ational
risk

12

2

12

2

Balance sheet strengthened further

Credit rating confirmed



**One of only 3 banks in Europe
to have ratings confirmed in Moody's
watchlist review (114 banks)**

Strong capital and liquidity position

Core Tier 1 ratio 15.3%

Liquidity reserve SEK 339bn

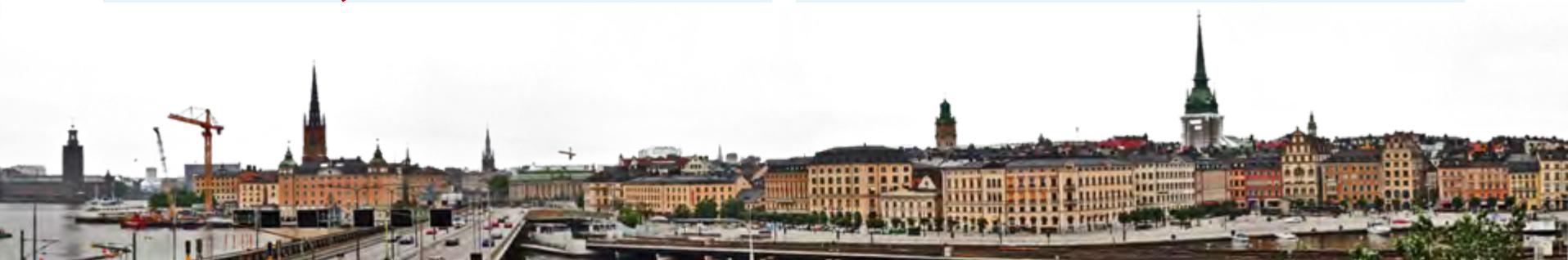
Loan to deposit ratio 131%

SEK 61bn of 70bn re-financed

NPL coverage
ratio 64%

Still missing pieces in Swedish finish on regulation

Capital	Liquidity
Common Equity Tier 1 Ratio	> 10% by 2013
Common Equity Tier 1 Ratio	> 12% by 2015
Countercyclical buffer	0-2.5% by 2013 <i>[TBD]</i>
Mortgage risk-weights	?
	Liquidity Coverage Ratio Net Stable Funding Ratio <i>[TBD]</i>



Sum-up



Outlook

1

Slow pace of recovery to continue

2

Flight to quality to benefit strong banks

3

Need for resilience and flexibility



The Relationship bank in our part of the world

