Press release

Stockholm 19 January 2018

Disclosure of impact of changes in accounting principles, impairment and other items affecting comparability

Following the adoption of the new accounting principles as of January 2018, SEB discloses the financial consequences of IFRS 9, IFRS 15 as well as the transformation of the German business and other items affecting comparability for the fourth quarter 2017.

On application of the new accounting principles, the technical effect on SEB leads to an overall reduction in the Group's shareholders equity of SEK 6.0bn, and includes the following sub-segments:

IFRS 9 introduces new requirements on how an entity should classify and measure financial assets, requires changes to the reporting of "own credit" with respect to debt liabilities that are designated at fair value, replaces the current rules for impairment of financial assets and amends the requirements for hedge accounting. The new standard also requires entities to provide users of financial statements with more informative and relevant disclosures. IFRS 9 is effective for annual periods beginning on or after 1 January 2018 and the financial impact for SEB is:

- *Impairment*: a release of the current provision and a new provision according to IFRS 9, results in a net increase of SEK 1.6bn before tax. The effect will lead to an overall reduction in the shareholders equity of SEK 1.2bn,
- *Classification and measurement*: a positive market valuation of SEK 0.3bn will be removed when classification is changed to amortized cost. With the decommissioning of the non-core German business, classification is changed to fair value with a negative impact of SEK 1.8bn in equity.

IFRS 15; as SEB communicated in conjunction with the Interim report for the third quarter 2017, the adoption of IFRS 15 leads to a reduction in the Group's shareholders equity of SEK 2.6bn in the opening balance 2017 and a restatement of SEK -0.1bn in the income statement for 2017.

Other items affecting comparability in the fourth quarter 2017 results will amount to SEK -1.9bn before tax and SEK -1.7bn after tax. These include:

- Transformation costs from the German business into a branch structure including a transfer of pension liabilities to Versicherungsverein des Bankgewerbes a.G (BVV)
- An impairment and derecognition of intangible IT assets
- A dividend contribution from VISA Sweden.

In total, the above mentioned effects will lower equity with SEK 8.2bn, the capital base with SEK 4.3bn and decrease the capital buffer by around 50 basis points. As per 30 September 2017, SEB reported a capital buffer of 220 basis points above the Swedish Financial Supervisory Authority's capital requirement of 17.0 per cent. The IFRS-related changes of SEK 6.0bn will take effect in the first quarter opening balance 2018, and the remaining SEK 1.7bn in the fourth quarter results 2017.

SEB will present the Annual Accounts 2017 on 31 January 2018 at 7.00 CET. The business outlook remains unchanged and SEB remains committed to the financial targets including a capital buffer of around 150 basis points, and the cost cap of SEK 22bn for 2018.

A telephone conference will be hosted by CFO Jan Erik Back and Jonas Söderberg, Head of Investor Relations, on 19 January, 2018 at 09:30 (Swedish time). To participate, please call +44 (0) 1452 541003, quote conference id: 3087117, at least 10 minutes in advance.

Attachment: Presentation regarding the information in the press release

This information is information that Skandinaviska Enskilda Banken AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 CET on 19 January 2018.

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is a leading Nordic financial services group with a strong belief that entrepreneurial minds and innovative companies are key in creating a better world. SEB takes a long term perspective and supports its customers in good times and bad. In Sweden and the Baltic countries, SEB offers financial advice and a wide range of financial services. In Denmark, Finland, Norway, Germany and the UK the bank's operations have a strong focus on corporate and investment banking based on a full-service offering to corporate and institutional clients. The international nature of SEB's business is reflected in its presence in some 20 countries worldwide. At 30 September 2017, the Group's total assets amounted to SEK 2,933 billion while its assets under management totalled SEK 1,850 billion. The Group has around 15,000 employees. Read more about SEB at www.sebgroup.com