

# Fact Book

January – September 2018

STOCKHOLM 25 OCTOBER 2018



**SEB**

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## About SEB

- Our vision** To deliver world-class service to our customers.
- Our purpose** We believe that entrepreneurial minds and innovative companies are key to creating a better world. We are here to enable them to achieve their aspirations and succeed through good times and bad.
- Our overall ambition** To be the undisputed leading Nordic bank for corporations and institutions and the top universal bank in Sweden and the Baltic countries.
- Whom we serve** 2,300 large corporations, 700 financial institutions, 274,000 SME and 1,4 million private full-service customers bank with SEB.
- Our strategic priorities**
- Leading customer experience – develop long-term relationships based on trust so that customers feel that the services and advice offered are insightful about their needs, are convenient and accessible on their terms and that SEB shares knowledge and acts proactively in their best interest.
  - Growth in areas of strength – pursue growth in three selected core areas – offering to all customer segments in Sweden, large corporations and financial institutions in the Nordic countries, Germany and the United Kingdom and savings offering to private individuals and corporate customers.
  - Resilience and flexibility – maintain resilience and flexibility in order to adapt operations to the prevailing market conditions. Resilience is based upon cost and capital efficiency.
- Values** Guided by our Code of Business Conduct and our core values: customers first, commitment, collaboration and simplicity.
- People** Around 15,000 highly skilled employees serving customers from locations in some 20 countries; covering different time zones, securing reach and local market knowledge.
- History** 160 years of business, trust and sharing knowledge. The Bank has always acted responsibly in society promoting entrepreneurship, international outlook and long-term relationships.

### SEB history

- 1856- Stockholms Enskilda Bank was founded
- 1972- Merger with Skandinaviska Banken
- 1990- Swedish bank crises. Several acquisitions: Trygg Hansa (1997), Baltic banks (1998), SEB AG (1999), Ukraine (2004)
- 2011- A Nordic relationship bank. Divestment of German retail and Ukrainian retail

### Financial Targets

Financial targets and outcome	2014	2015	2016	2017	Q1 2018	Q2 2018	Q3 2018	Target
Return on equity (per cent)	15.3	12.2	11.3 <sup>2</sup>	12.9 <sup>2</sup>	11.6	16.5 <sup>2</sup>	13.2 <sup>2</sup>	Competitive with peers
Common Equity Tier 1 ratio (Basel III, per cent)	16.3	18.8	18.8	19.4	19.0	19.3	19.7	~150bps buffer above regulatory requirement
Dividend pay-out ratio	54 <sup>1)</sup>	66 <sup>1)</sup>	75 <sup>1)</sup>	70 <sup>1)</sup>				Dividend payout ratio 40% or above

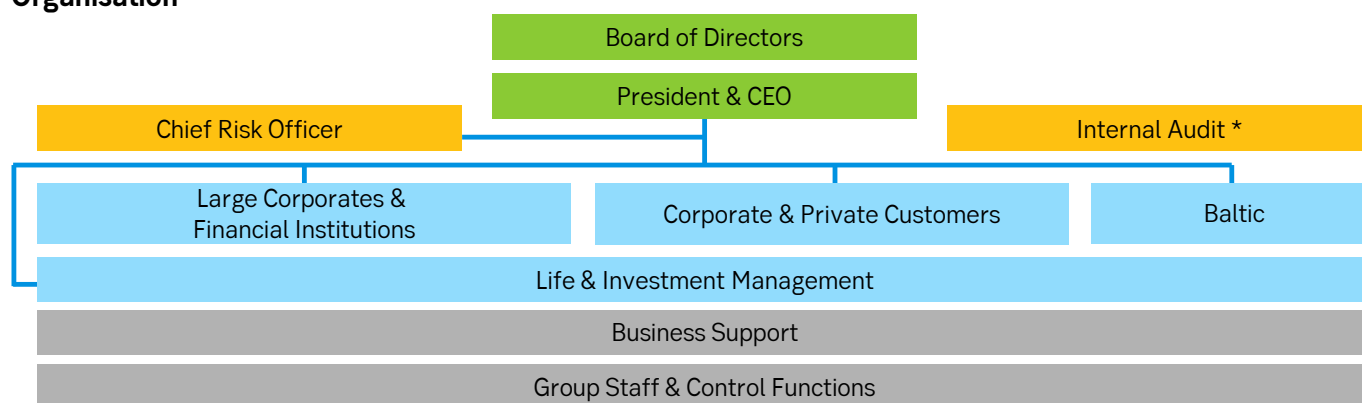
<sup>1)</sup> Excluding items affecting comparability

<sup>2)</sup> 7.8% in 2016, 11.7% in 2017, 29.9% in Q2 2018 and 12.7% in Q3 2018 including items affecting comparability

### Rating

Moody's Outlook Stable		Standard & Poor's Outlook Stable		Fitch Outlook Stable	
Short	Long	Short	Long	Short	Long
<b>P-1</b>	Aaa	A-1+	AAA	<b>F1+</b>	AAA
P-2	Aa1	<b>A-1</b>	AA+	F1+	AA+
P-3	<b>Aa2</b>	A-2	AA	F2	AA
	Aa3	A-3	AA-	F3	<b>AA-</b>
	A1		<b>A+</b>		A+
	A2		A		A
	A3		A-		A-
	Baa1		BBB+		BBB+
	Baa2		BBB		BBB
	Baa3		BBB-		BBB-

## Organisation

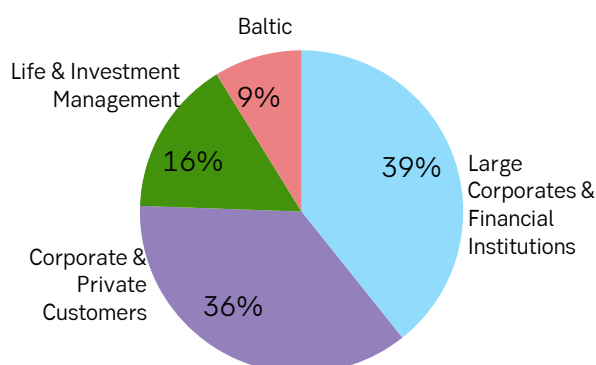
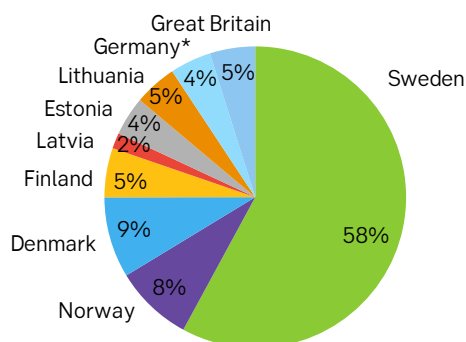


\* Reports directly to the Board

- The division Large Corporates & Financial Institutions offers commercial and investment banking services to large corporate and institutional clients, mainly in the Nordic region, Germany and the United Kingdom. Customers are also served through an international network in some 20 offices.
- The division Corporate & Private Customers offers full banking and advisory services to private individuals and small and medium-sized corporate customers in Sweden, as well as card services in four Nordic countries. High net-worth individuals are offered leading Nordic private banking services.
- The division Life & Investment Management offers life insurance and asset management solutions to private as well as corporate and institutional clients mainly in the Nordic and Baltic countries.
- The Baltic division provides full banking and advisory services to private individuals and small and medium-sized corporate customers in Estonia, Latvia and Lithuania. The Baltic real estate holding companies (RHC) are part of the division.

## Share of operating profit

### Full year 2017, excluding items affecting comparability



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

\* Excluding Treasury operations

## Full-time equivalents, end of quarter

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Large Corporates and Financial Institutions	2,073	2,063	2,066	2,050	2,031	2,028	1,971	1,993	1,990
Corporate and Private Customers	3,608	3,551	3,510	3,549	3,485	3,548	3,559	3,606	3,583
Life and Investment Management	1,465	1,491	1,490	1,482	1,451	1,491	1,472	1,227*	1,203
Baltic	2,552	2,484	2,433	2,430	2,430	2,409	2,367	2,417	2,350
Group Staff and Control Functions	5,403	5,498	5,507	5,478	5,356	5,474	5,450	5,453	5,405
whereof Business Support	3,798	3,878	3,822	3,792	3,690	3,784	3,750	3,775	3,762
<b>SEB Group</b>	<b>15,101</b>	<b>15,087</b>	<b>15,006</b>	<b>14,988</b>	<b>14,752</b>	<b>14,951</b>	<b>14,820</b>	<b>14,695</b>	<b>14,531</b>

\* SEB Pension divested in June 2018

# Corporate Governance

SEB follows the Swedish Code of Corporate Governance (Bolagsstyrningskoden).

The structure of responsibility distribution and governance comprises:

- Annual General Meeting (AGM)
- Board of Directors
- President and Chief Executive Officer (CEO)
- Divisions, business areas and business units
- Business Support and staff functions
- Internal Audit, Compliance and CRO Function.

## Board

The Board members are appointed by the shareholders at the AGM for a one-year term of office, extending through the next AGM. The Board of Directors consists of eleven members without any deputies, elected by the AGM, and of two members and two deputies appointed by the employees. In order for the Board to form a quorum more than half of the members must be present. The President and CEO, Johan

Torgeby, is the only Board member elected by the AGM who is equally an employee of the Bank. All other Board members elected by the AGM are considered to be independent in relation to the Bank and its Management. Three Board members are considered non-independent in relation to major shareholders.

## Group Executive Committee

The President and CEO has three different committees at his disposal; the Group Executive Committee (GEC), the Group Risk Committee and the Asset and Liability Committee. The GEC deals with, among other things, matters of common concern to several divisions, strategic issues, business plans, financial forecasts and reports. The Board of Directors and the President and CEO perform their governing and controlling roles through several policies and instructions, the purpose of which is to clearly define the distribution of responsibility.

The Rules of Procedure for the Board of Directors, the Instruction for the President and Chief Executive Officer, the Instruction for the Activities, the Group's Credit Instruction, Instruction for handling of Conflicts of Interest, Ethics Policy, Risk Policy, Instruction for procedures against Money Laundering and Financing of Terrorism, Remuneration Policy, Code of Business Conduct and the Corporate Sustainability Policy are of special importance.

### Corporate Governance Structure

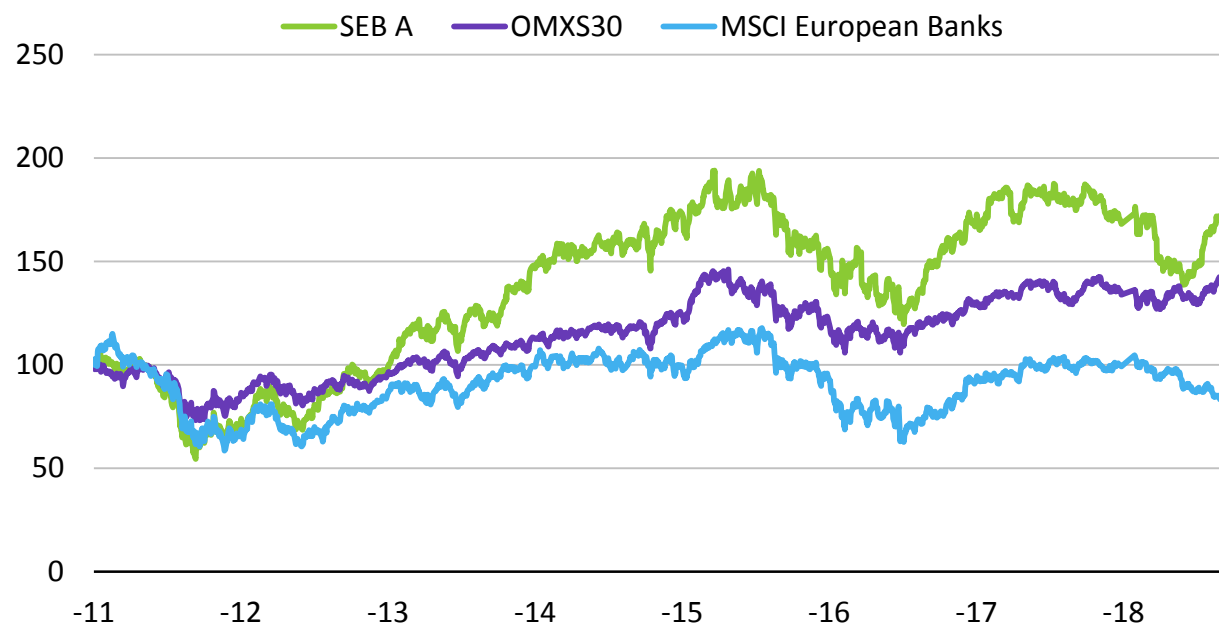


SEB's activities are managed, controlled and followed up in accordance with policies and instructions established by the Board and the President and CEO.

# Share and shareholders

## The SEB share

1 Jan 2011 – 30 Sep 2018

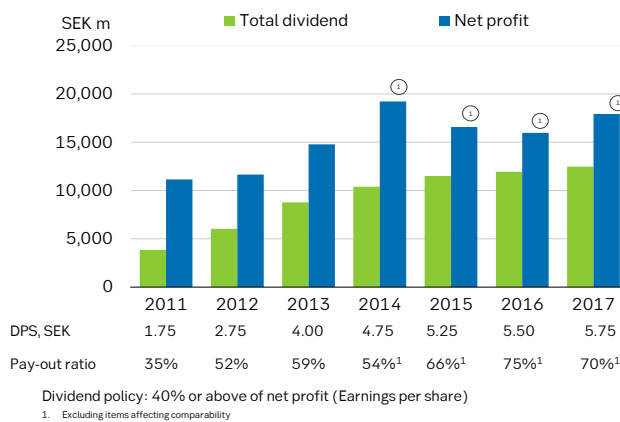


## SEB's major shareholders

30 September 2018	Share of capital, per cent
Investor AB	20.8
Alecta	7.0
Trygg Foundation	5.2
Swedbank/Robur Funds	4.4
AMF Insurande & Funds	4.1
Blackrock	2.2
SEB Funds	1.7
Own shareholding	1.4
Nordea Funds	1.2
Vanguard	1.1
<b>Total share of foreign shareholders</b>	<b>25.0</b>

Source: Euroclear Sweden/Modular Finance

## Dividend development



# Income statement

## SEB Group

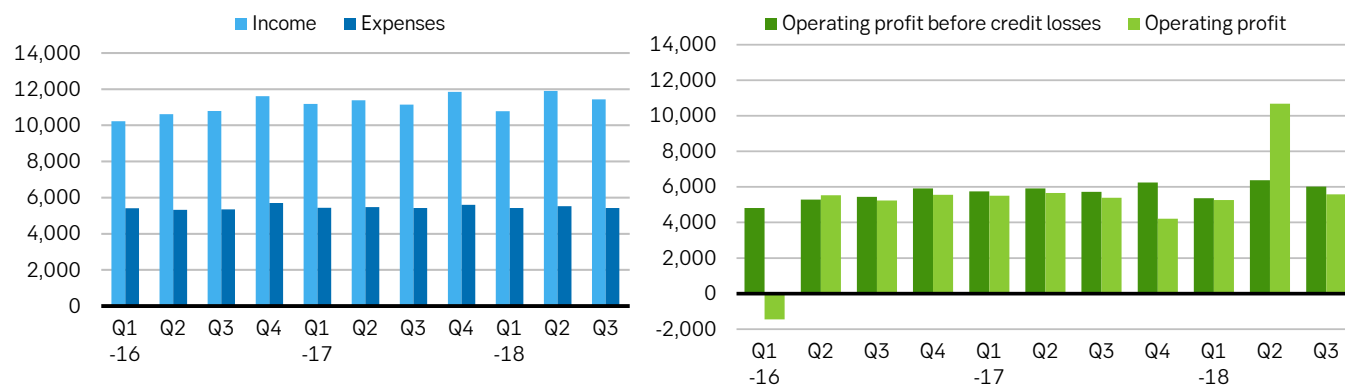
SEK m	Q3		Q2		Q3		Jan-Sep		Full year
	2018	2018	%	2017	%	2018	2017	%	
Net interest income	5,319	5,500	-3	5,080	5	15,807	14,709	7	19,893
Net fee and commission income	4,512	4,814	-6	4,029	12	13,517	12,949	4	17,677
Net financial income	1,506	1,606	-6	1,726	-13	4,567	5,249	-13	6,880
Net other income	97	-18		308	-69	233	807	-71	1,112
<b>Total operating income</b>	<b>11,433</b>	<b>11,903</b>	<b>-4</b>	<b>11,144</b>	<b>3</b>	<b>34,123</b>	<b>33,714</b>	<b>1</b>	<b>45,561</b>
Staff costs	-3,559	-3,547	0	-3,378	5	-10,622	-10,502	1	-14,025
Other expenses	-1,681	-1,797	-6	-1,719	-2	-5,210	-5,117	2	-6,947
Depreciation, amortisation and impairment of tangible and intangible assets	-182	-183	0	-325	-44	-547	-713	-23	-964
<b>Total operating expenses</b>	<b>-5,421</b>	<b>-5,527</b>	<b>-2</b>	<b>-5,423</b>	<b>0</b>	<b>-16,379</b>	<b>-16,331</b>	<b>0</b>	<b>-21,936</b>
<b>Profit before credit losses</b>	<b>6,012</b>	<b>6,376</b>	<b>-6</b>	<b>5,721</b>	<b>5</b>	<b>17,745</b>	<b>17,383</b>	<b>2</b>	<b>23,625</b>
Gains less losses from tangible and intangible assets	-1	13		-54	-98	20	-126		-162
Net expected credit losses <sup>1)</sup>	-424	-221	91			-753			
Net credit losses <sup>2)</sup>				-284			-703		-808
<b>Operating profit before items affecting comparability</b>	<b>5,587</b>	<b>6,167</b>	<b>-9</b>	<b>5,383</b>	<b>4</b>	<b>17,011</b>	<b>16,554</b>	<b>3</b>	<b>22,655</b>
Items affecting comparability	0	4,506	-100	0		4,506	0		-1,896
<b>Operating profit</b>	<b>5,587</b>	<b>10,674</b>	<b>-48</b>	<b>5,383</b>	<b>4</b>	<b>21,517</b>	<b>16,554</b>	<b>30</b>	<b>20,759</b>
Income tax expense	-1,048	-649	61	-1,138	-8	-2,959	-3,530	-16	-4,562
<b>NET PROFIT</b>	<b>4,539</b>	<b>10,024</b>	<b>-55</b>	<b>4,246</b>	<b>7</b>	<b>18,558</b>	<b>13,025</b>	<b>42</b>	<b>16,197</b>
Attributable to shareholders	4 539	10 024	-55	4 246	7	18 558	13 025	42	16 197
Basic earnings per share, SEK	2.10	4.63		1.96		8.57	6.01		7.47
Diluted earnings per share, SEK	2.09	4.61		1.95		8.52	5.98		7.44

1) Based on IFRS 9 expected loss model.

2) Based on IAS 39 incurred loss model.

## Income, expenses and operating profit

SEK m



### Operating profit including items affecting comparability as follows:

Q1 2016: SEK 5,949m due to impairment of goodwill and other items affecting comparability

Q2 2016: SEK 520m from the settlement of the transaction of SEB's Baltic holdings in Visa Europe

Q4 2017: SEK 494m from settlement of shares in VISA Europe in Sweden, SEK -2,390m from transformation of SEB's German business and impairments and derecognition of intangible assets.

Q2 2018: SEK 3,565m from the divestment of SEB Pension and SEK 941m from the settlement of UC AB's merger.



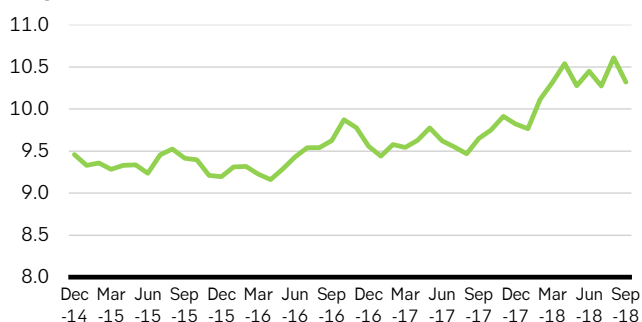
## Income statement, quarters

### SEB Group

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
SEK m	2016	2016	2017	2017	2017	2017	2018	2018	2018
Net interest income	4,657	4,798	4,716	4,913	5,080	5,184	4,988	5,500	5,319
Net fee and commission income	4,048	4,609	4,249	4,671	4,029	4,728	4,190	4,814	4,512
Net financial income	1,915	2,038	2,063	1,461	1,726	1,630	1,455	1,606	1,506
Net other income	175	173	157	341	308	305	153	-18	97
<b>Total operating income</b>	<b>10,795</b>	<b>11,618</b>	<b>11,184</b>	<b>11,385</b>	<b>11,144</b>	<b>11,847</b>	<b>10,787</b>	<b>11,903</b>	<b>11,433</b>
Staff costs	-3,530	-3,774	-3,590	-3,533	-3,378	-3,523	-3,516	-3,547	-3,559
Other expenses	-1,624	-1,727	-1,657	-1,741	-1,719	-1,830	-1,733	-1,797	-1,681
Depreciation, amortisation and impairment of tangible and intangible assets	-201	-208	-189	-199	-325	-252	-181	-183	-182
<b>Total operating expenses</b>	<b>-5,355</b>	<b>-5,709</b>	<b>-5,436</b>	<b>-5,473</b>	<b>-5,423</b>	<b>-5,605</b>	<b>-5,430</b>	<b>-5,527</b>	<b>-5,421</b>
<b>Profit before credit losses</b>	<b>5,440</b>	<b>5,909</b>	<b>5,748</b>	<b>5,913</b>	<b>5,721</b>	<b>6,242</b>	<b>5,357</b>	<b>6,376</b>	<b>6,012</b>
Gains less losses from tangible and intangible assets	-14	-67	-34	-37	-54	-37	8	13	-1
Net expected credit losses							-109	-221	-424
Net credit losses	-197	-284	-204	-214	-284	-105			
<b>Operating profit before items affecting comparability</b>	<b>5,229</b>	<b>5,558</b>	<b>5,510</b>	<b>5,661</b>	<b>5,383</b>	<b>6,101</b>	<b>5,256</b>	<b>6,167</b>	<b>5,587</b>
Items affecting comparability						-1,896		4,506	
<b>Operating profit</b>	<b>5,229</b>	<b>5,558</b>	<b>5,510</b>	<b>5,661</b>	<b>5,383</b>	<b>4,204</b>	<b>5,256</b>	<b>10,674</b>	<b>5,587</b>
Income tax expense	-1,080	-1,314	-1,239	-1,153	-1,138	-1,032	-1,261	-649	-1,048
<b>Net profit</b>	<b>4,149</b>	<b>4,244</b>	<b>4,271</b>	<b>4,508</b>	<b>4,246</b>	<b>3,172</b>	<b>3,995</b>	<b>10,024</b>	<b>4,539</b>
Attributable to minority interests									
Attributable to shareholders	4,149	4,244	4,271	4,508	4,246	3,172	3,995	10,024	4,539

## Impact from exchange rate fluctuations

### SEK/EUR Period-End



### SEK/USD Period-End



SEK m	Q3-18/Q3-17	Q3-18/Q2-18	YTD-18/YTD-17
Total income	+340	+27	+685
Total expenses	-151	-9	-297
Net credit losses etc.	-9	0	+1
Operating profit	+180	+18	+389

SEK bn	Sep-18/Dec-17
Loans to the public	+36
Deposits from the public	+31
REA - Basel III	+21
Total assets	+77

## Key figures – SEB Group

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total operations	2016	2016	2017	2017	2017	2017	2018	2018	2018
Return on equity, %	12.34	12.28	12.31	13.43	12.37	8.97	11.63	29.86	12.74
Return on equity excluding items affecting comparability <sup>1)</sup> , %	11.79	11.75	12.19	13.43	12.37	13.68	11.60	16.51	13.15
Return on total assets, %	0.58	0.60	0.60	0.62	0.59	0.45	0.57	1.36	0.65
Return on risk exposure amount, %	2.79	2.76	2.81	2.93	2.77	2.07	2.62	6.38	2.87
Cost/income ratio	0.50	0.49	0.49	0.48	0.49	0.47	0.50	0.46	0.47
Basic earnings per share, SEK	1.91	1.96	1.97	2.08	1.96	1.46	1.84	4.63	2.10
Weighted average number of shares <sup>2)</sup> , millions	2,168	2,168	2,169	2,168	2,168	2,168	2,166	2,164	2,163
Diluted earnings per share, SEK	1.90	1.95	1.96	2.07	1.95	1.46	1.83	4.61	2.09
Weighted average number of diluted shares <sup>3)</sup> , millions	2,178	2,178	2,179	2,178	2,179	2,179	2,178	2,176	2,177
Net worth per share, SEK	70.28	73.00	68.99	70.72	72.67	73.60	69.49	71.96	74.66
Equity per share, SEK	62.49	65.00	60.86	62.63	64.56	65.18	60.13	64.52	67.20
Average shareholders' equity, SEK, billion	134.5	138.2	138.8	134.3	137.3	141.5	137.4	134.3	142.5
Net ECL level, %							0.02	0.04	0.08
Credit loss level, %	0.05	0.08	0.05	0.06	0.07	0.03			
Liquidity Coverage Ratio (LCR) <sup>4)</sup> , %	135	168	133	120	120	145	138	136	129
<u>Own funds requirement, Basel III</u>									
Risk exposure amount, SEK m	603,140	609,959	610,047	616,523	614,619	610,819	615,308	637,037	631,958
Expressed as own funds requirement, SEK m	48,251	48,797	48,804	49,322	49,169	48,866	49,225	50,963	50,557
Common Equity Tier 1 capital ratio, %	18.6	18.80	18.9	18.9	19.2	19.4	19.0	19.3	19.7
Tier 1 capital ratio, %	20.9	21.20	22.2	22.1	21.5	21.6	21.3	21.7	22.1
Total capital ratio, %	23.3	24.80	25.9	25.7	24.0	24.2	24.1	24.7	25.0
Leverage ratio, %	4.4	5.1	4.7	5.0	4.7	5.2	4.6	4.7	4.8
Number of full time equivalents <sup>5)</sup>	15,101	15,087	15,006	14,988	14,752	14,951	14,820	14,695	14,531
Assets under custody, SEK bn	6,637	6,859	7,463	7,679	7,801	8,046	7,985	8,169	8,335
Assets under management <sup>6)</sup> , SEK bn	1,722	1,749	1,800	1,835	1,850	1,830	1,854	1,838	1,871

1) Dividend from VISA Europe in Sweden, transformation of SEB's German business and impairments and derecognitions of intangible IT assets in Q4 2017. Divestment of SEB Pension and settlement of UC AB's merger in Q2 2018.

2) The number of issued shares was 2,194,171,802. SEB owned 27,125,923 Class A shares for the equity based programmes at year-end 2017. During 2018 SEB has purchased 6,983,110 shares and 3,206,379 shares have been sold. Thus, at 30 September 2018 SEB owned 30,902,654 Class A-shares with a market value of SEK 3,067m.

3) Calculated dilution based on the estimated economic value of the long-term incentive programmes.

4) 2018: EU definition. 2017: Swedish FSA definition.

5) Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

6) Adjusted definition implemented Q1 2017, comparatives 2016 calculated pro forma.

## Net interest income analysis

SEB Group, SEK m

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Lending volumes and margins	4,764	5,197	5,186	5,273	5,340	5,460	5,577	5,775	5,805
Deposit volumes and margins	287	226	241	126	141	27	-109	30	236
Funding and Other	-394	-626	-711	-486	-401	-303	-480	-305	-722
<b>Net interest income</b>	<b>4,657</b>	<b>4,797</b>	<b>4,716</b>	<b>4,913</b>	<b>5,080</b>	<b>5,184</b>	<b>4,988</b>	<b>5,500</b>	<b>5,319</b>

## Net interest margin

Average balance, quarterly isolated

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Loans to credit institutions and central banks	478,105	361,386	397,468	414,985	465,383	395,194	342,261	377,614	373,580
Loans to the public	1,448,028	1,480,259	1,479,584	1,512,423	1,517,965	1,491,566	1,534,195	1,571,543	1,594,480
Interest-earning securities	197,537	189,561	207,385	204,956	180,615	172,354	200,988	215,529	216,702
<b>Total interest-earning assets</b>	<b>2,123,670</b>	<b>2,031,206</b>	<b>2,084,438</b>	<b>2,132,365</b>	<b>2,163,963</b>	<b>2,059,115</b>	<b>2,077,444</b>	<b>2,164,686</b>	<b>2,184,761</b>
Derivatives and other assets	770,753	773,730	743,736	738,520	721,075	763,246	720,348	707,301	657,418
<b>Total assets</b>	<b>2,894,423</b>	<b>2,804,935</b>	<b>2,828,173</b>	<b>2,870,884</b>	<b>2,885,038</b>	<b>2,822,360</b>	<b>2,797,792</b>	<b>2,871,987</b>	<b>2,842,180</b>
Deposits from credit institutions	200,679	162,081	162,922	159,946	151,239	125,898	122,855	137,502	136,341
Deposits and borrowing from the public	1,112,683	1,032,771	1,071,599	1,125,813	1,201,043	1,137,612	1,144,453	1,169,438	1,181,701
Debt securities	728,228	737,355	738,901	738,804	703,380	678,499	677,243	722,946	729,710
Subordinated liabilities	32,585	40,721	41,937	45,297	42,102	36,642	32,686	33,449	33,809
<b>Total interest-bearing liabilities</b>	<b>2,074,175</b>	<b>1,972,929</b>	<b>2,015,360</b>	<b>2,069,859</b>	<b>2,097,764</b>	<b>1,978,651</b>	<b>1,977,236</b>	<b>2,063,336</b>	<b>2,081,561</b>
Derivatives, other liabilities and equity	820,248	832,007	812,814	801,026	787,274	843,709	820,556	808,651	760,619
<b>Total liabilities and equity</b>	<b>2,894,423</b>	<b>2,804,935</b>	<b>2,828,173</b>	<b>2,870,884</b>	<b>2,885,038</b>	<b>2,822,360</b>	<b>2,797,792</b>	<b>2,871,987</b>	<b>2,842,180</b>

Interest, quarterly isolated

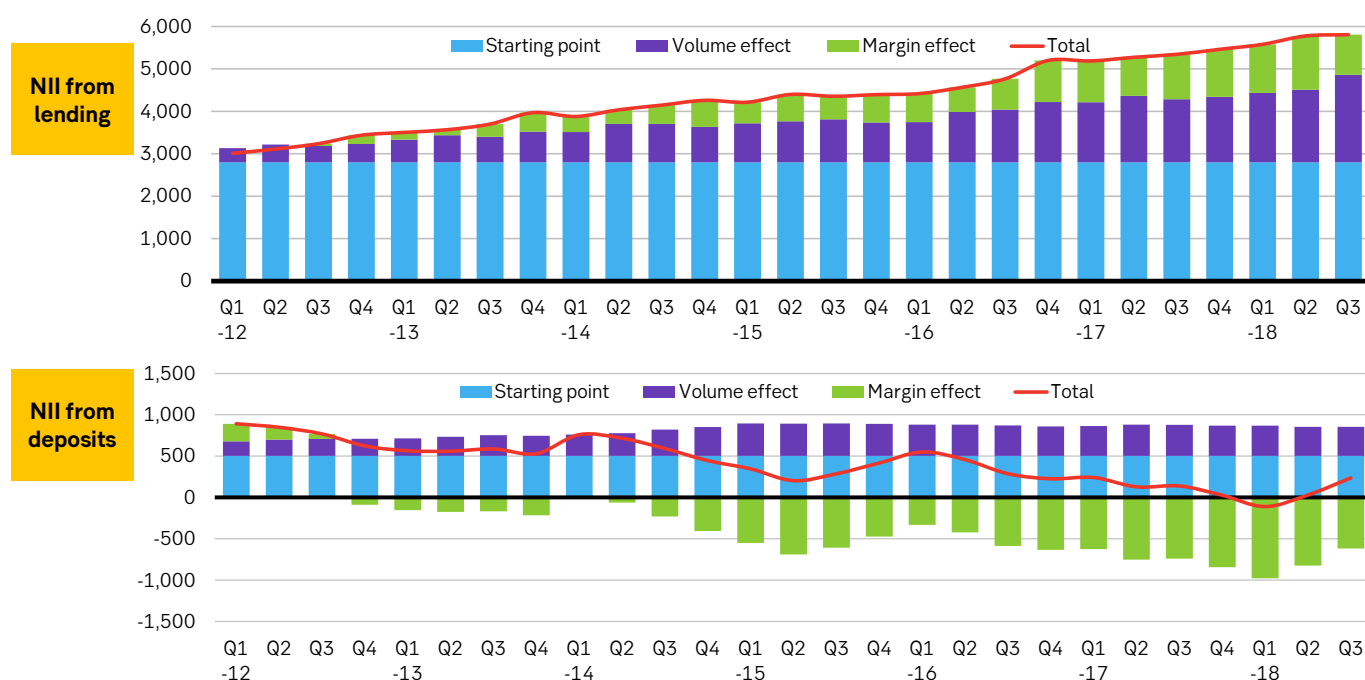
SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Loans to credit institutions and central banks	290	186	401	560	653	584	613	621	716
Loans to the public	6,410	6,594	6,530	6,702	6,704	6,797	6,775	7,383	7,559
Interest-earning securities	429	493	471	434	446	533	648	858	782
<b>Interest income from interest-earning assets</b>	<b>7,129</b>	<b>7,273</b>	<b>7,402</b>	<b>7,696</b>	<b>7,804</b>	<b>7,914</b>	<b>8,036</b>	<b>8,862</b>	<b>9,058</b>
Derivatives and other assets	1,571	1,588	1,516	1,513	1,357	1,271	1,247	1,212	1,010
<b>Total interest income</b>	<b>8,700</b>	<b>8,861</b>	<b>8,918</b>	<b>9,209</b>	<b>9,161</b>	<b>9,185</b>	<b>9,283</b>	<b>10,074</b>	<b>10,068</b>
Deposits from credit institutions	-98	-63	-141	-132	-210	-203	-203	-326	-375
Deposits and borrowing from the public	-1,016	-868	-948	-1,185	-1,213	-1,104	-1,149	-1,232	-1,427
Debt securities	-2,599	-2,702	-2,735	-2,782	-2,469	-2,609	-2,719	-3,249	-3,212
Subordinated liabilities	-351	-430	-387	-460	-429	-370	-287	-305	-313
<b>Interest expense from interest-bearing liabilities</b>	<b>-4,064</b>	<b>-4,063</b>	<b>-4,211</b>	<b>-4,558</b>	<b>-4,320</b>	<b>-4,286</b>	<b>-4,358</b>	<b>-5,112</b>	<b>-5,328</b>
Derivatives, other liabilities and equity	21	0	9	263	240	285	63	538	579
<b>Total interest expense</b>	<b>-4,043</b>	<b>-4,063</b>	<b>-4,203</b>	<b>-4,296</b>	<b>-4,080</b>	<b>-4,001</b>	<b>-4,295</b>	<b>-4,574</b>	<b>-4,749</b>

Interest rate

	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Loans to credit institutions and central banks	0.24%	0.21%	0.40%	0.54%	0.56%	0.59%	0.72%	0.66%	0.77%
Loans to the public	1.77%	1.78%	1.77%	1.77%	1.77%	1.82%	1.77%	1.88%	1.90%
Interest-earning securities	0.87%	1.04%	0.91%	0.85%	0.99%	1.24%	1.29%	1.59%	1.44%
<b>Interest rate on interest-earning assets</b>	<b>1.34%</b>	<b>1.43%</b>	<b>1.42%</b>	<b>1.44%</b>	<b>1.44%</b>	<b>1.54%</b>	<b>1.55%</b>	<b>1.64%</b>	<b>1.66%</b>
Deposits from credit institutions	-0.19%	-0.16%	-0.35%	-0.33%	-0.55%	-0.65%	-0.66%	-0.95%	-1.10%
Deposits and borrowing from the public	-0.37%	-0.34%	-0.35%	-0.42%	-0.40%	-0.39%	-0.40%	-0.42%	-0.48%
Debt securities	-1.43%	-1.47%	-1.48%	-1.51%	-1.40%	-1.54%	-1.61%	-1.80%	-1.76%
Subordinated liabilities	-4.31%	-4.22%	-3.69%	-4.06%	-4.07%	-4.04%	-3.51%	-3.65%	-3.71%
<b>Interest rate on interest-bearing liabilities</b>	<b>-0.78%</b>	<b>-0.82%</b>	<b>-0.84%</b>	<b>-0.88%</b>	<b>-0.82%</b>	<b>-0.87%</b>	<b>-0.88%</b>	<b>-0.99%</b>	<b>-1.02%</b>
<b>Net yield on interest-earning assets, total operations</b>	<b>0.88%</b>	<b>0.94%</b>	<b>0.90%</b>	<b>0.92%</b>	<b>0.94%</b>	<b>1.01%</b>	<b>0.96%</b>	<b>1.02%</b>	<b>0.97%</b>

## NII customer driven specification

Cumulative changes from Q1 2012, SEK m



## Net fee and commission income

SEB Group

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Issue of securities and advisory	208	231	282	430	137	317	136	298	168
Secondary market and derivatives	745	842	692	765	547	561	514	594	496
Custody and mutual funds	1,811	1,950	1,825	2,063	1,942	2,210	1,923	2,049	2,036
Whereof performance fees	21	212	38	55	39	225	24	5	12
Payments, cards, lending, deposits, guarantees and other	2,251	2,586	2,353	2,444	2,350	2,570	2,628	2,847	2,628
Whereof payments and card fees	1,310	1,356	1,288	1,377	1,366	1,429	1,410	1,509	1,498
Whereof lending	563	723	553	581	519	602	501	784	577
Life insurance	418	438	422	432	424	429	485	487	449
<b>Fee and commission income</b>	<b>5,433</b>	<b>6,047</b>	<b>5,574</b>	<b>6,135</b>	<b>5,400</b>	<b>6,087</b>	<b>5,687</b>	<b>6,274</b>	<b>5,777</b>
<b>Fee and commission expense</b>	<b>-1,385</b>	<b>-1,438</b>	<b>-1,326</b>	<b>-1,463</b>	<b>-1,371</b>	<b>-1,359</b>	<b>-1,496</b>	<b>-1,460</b>	<b>-1,265</b>
<b>Net fee and commission income</b>	<b>4,048</b>	<b>4,609</b>	<b>4,249</b>	<b>4,671</b>	<b>4,029</b>	<b>4,728</b>	<b>4,190</b>	<b>4,814</b>	<b>4,512</b>
Whereof Net securities commissions	2,072	2,308	2,094	2,454	1,986	2,356	1,920	2,116	2,035
Whereof Net payments and card fees	821	847	821	885	840	908	895	988	996
Whereof Net life insurance commissions	268	276	248	263	266	285	317	349	330

## Net financial income

### SEB Group

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Equity instruments and related derivatives	669	456	649	320	473	-32	-27	372	449
Debt instruments and related derivatives	-176	-68	-350	-183	-7	170	397	-343	240
Currency and related derivatives	892	1,114	1,367	868	740	1,049	731	1,044	684
Life insurance	512	549	378	436	494	429	210	463	194
Other	18	-13	18	20	27	13	145	70	-61
<b>Net financial income</b>	<b>1,915</b>	<b>2,038</b>	<b>2,063</b>	<b>1,461</b>	<b>1,726</b>	<b>1,630</b>	<b>1,455</b>	<b>1,606</b>	<b>1,506</b>
Whereof unrealized valuation changes from counterparty risk and own credit standing in derivatives and own issued securities.	-84	223	-61	-81	291	61	3	-55	90

The result within Net financial income is presented on different rows based on type of underlying financial instrument.

For the third quarter the effect from structured products offered to the public was approximately SEK -230m (Q2 2018: 115) in Equity related derivatives and a corresponding effect in Debt related derivatives SEK 430m (Q2 2018: -50).

## Expenses

### Staff costs - SEB Group

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Salaries etc	-3,013	-3,037	-3,022	-2,981	-2,875	-2,978	-3,037	-3,037	-3,071
Redundancies	-58	-217	-78	-61	-41	-41	-35	-35	-39
Pensions	-342	-354	-345	-337	-332	-340	-304	-336	-331
Other staff costs	-117	-166	-146	-154	-130	-164	-140	-140	-118
<b>Staff costs*</b>	<b>-3,530</b>	<b>-3,774</b>	<b>-3,590</b>	<b>-3,533</b>	<b>-3,378</b>	<b>-3,523</b>	<b>-3,516</b>	<b>-3,547</b>	<b>-3,559</b>

\*all items include social charges

### Other expenses - SEB Group

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Costs for premises	-403	-415	-393	-454	-407	-390	-402	-430	-380
Data costs	-699	-842	-794	-862	-763	-1,059	-813	-824	-746
Travel and entertainment	-72	-129	-104	-111	-82	-91	-98	-110	-75
Consultants	-133	-163	-147	-181	-324	-190	-165	-172	-164
Marketing	-60	-122	-50	-71	-63	-117	-57	-62	-62
Information services	-130	-146	-135	-134	-131	-148	-136	-157	-159
Other operating costs	-127	90	-34	72	52	165	-62	-42	-96
<b>Other expenses</b>	<b>-1,624</b>	<b>-1,727</b>	<b>-1,657</b>	<b>-1,741</b>	<b>-1,719</b>	<b>-1,830</b>	<b>-1,733</b>	<b>-1,797</b>	<b>-1,681</b>

# Balance sheet structure & funding

## Balance sheet structure

<b>Assets</b>	<b>Sep</b>	<b>Dec</b>	<b>Mar</b>	<b>Jun</b>	<b>Sep</b>	<b>Dec</b>	<b>Mar</b>	<b>Jun</b>	<b>Sep</b>
<b>SEK m</b>	<b>2016</b>	<b>2016</b>	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>
<b>Cash and balances with central banks</b>	<b>262,866</b>	<b>151,078</b>	<b>319,483</b>	<b>224,841</b>	<b>413,960</b>	<b>177,222</b>	<b>244,283</b>	<b>302,064</b>	<b>263,494</b>
Lending	30,430	66,671	4,286	19,159	20,962	12,444	3,034	11,519	15,574
Margins of safety							2,316		
Reverse repos	2,609	60	1,658	2,448	1,312	334	2,434	1,571	1,907
<b>Loans central banks</b>	<b>33,039</b>	<b>66,730</b>	<b>5,945</b>	<b>21,607</b>	<b>22,274</b>	<b>12,778</b>	<b>7,785</b>	<b>13,089</b>	<b>17,481</b>
Lending	38,500	30,195	38,079	34,579	35,108	31,862	51,117	39,161	34,353
Margins of safety	70,174	48,213	52,647	26,217	21,072	6,800	26,651	15,034	28,747
Reverse repos	20,356	914	11,826	13,123	9,317	56	12,040	5,055	10,150
<b>Loans credit institutions</b>	<b>129,030</b>	<b>79,323</b>	<b>102,551</b>	<b>73,920</b>	<b>65,496</b>	<b>38,717</b>	<b>89,808</b>	<b>59,250</b>	<b>73,249</b>
General governments	30,478	27,956	27,449	26,324	26,808	34,500	26,363	25,387	23,878
Financial corporations	49,008	55,909	58,281	60,865	62,624	69,471	74,044	79,882	76,359
Non-financial corporations	726,798	729,990	737,700	745,549	736,962	735,351	765,466	811,593	808,366
Households	544,919	549,162	553,563	563,352	569,391	576,282	584,461	591,319	592,229
Margins of safety	19,263	11,754	17,226	34,377	36,875	28,931	34,082	50,187	47,506
Reverse repos	111,523	63,524	108,804	96,350	107,348	42,230	122,640	96,091	116,131
<b>Loans to the public</b>	<b>1,481,990</b>	<b>1,438,295</b>	<b>1,503,024</b>	<b>1,526,818</b>	<b>1,540,007</b>	<b>1,486,765</b>	<b>1,607,055</b>	<b>1,654,460</b>	<b>1,664,468</b>
<i>of which customer lending</i>	<i>1,351,203</i>	<i>1,363,017</i>	<i>1,376,993</i>	<i>1,396,090</i>	<i>1,395,785</i>	<i>1,415,603</i>	<i>1,450,333</i>	<i>1,508,182</i>	<i>1,500,832</i>
Debt securities	276,929	253,443	351,306	286,255	265,949	169,269	231,013	234,176	216,908
Equity instruments	78,331	74,172	85,773	89,508	85,438	59,204	64,250	58,604	56,733
Derivatives	226,565	212,356	174,762	179,038	156,249	104,868	130,172	142,568	123,163
Insurance assets	287,731	295,908	304,997	308,995	311,419	283,420	284,140	295,762	299,905
<b>Other financial assets</b>	<b>869,556</b>	<b>835,879</b>	<b>916,838</b>	<b>863,797</b>	<b>819,056</b>	<b>819,056</b>	<b>709,575</b>	<b>731,110</b>	<b>696,708</b>
<b>Assets held for sale</b>	<b>451</b>	<b>587</b>	<b>486</b>	<b>376</b>	<b>323</b>	<b>184,011</b>	<b>193,283</b>		
<b>Tangible and intangible assets</b>	<b>20,398</b>	<b>20,158</b>	<b>17,482</b>	<b>17,229</b>	<b>16,991</b>	<b>9,364</b>	<b>9,597</b>	<b>9,624</b>	<b>9,677</b>
<b>Other assets</b>	<b>53,634</b>	<b>28,596</b>	<b>58,394</b>	<b>45,715</b>	<b>52,545</b>	<b>31,289</b>	<b>41,878</b>	<b>48,265</b>	<b>52,302</b>
<b>TOTAL ASSETS</b>	<b>2,850,963</b>	<b>2,620,646</b>	<b>2,924,203</b>	<b>2,774,302</b>	<b>2,930,654</b>	<b>2,556,908</b>	<b>2,903,264</b>	<b>2,817,862</b>	<b>2,777,380</b>
<b>Liabilities</b>	<b>Sep</b>	<b>Dec</b>	<b>Mar</b>	<b>Jun</b>	<b>Sep</b>	<b>Dec</b>	<b>Mar</b>	<b>Jun</b>	<b>Sep</b>
<b>SEK m</b>	<b>2016</b>	<b>2016</b>	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>
Deposits	66,282	54,392	59,358	54,777	62,477	44,243	43,791	63,035	56,712
Repos	4,966			204			611		
<b>Deposits from central banks</b>	<b>71,248</b>	<b>54,392</b>	<b>59,358</b>	<b>54,981</b>	<b>62,477</b>	<b>44,243</b>	<b>44,402</b>	<b>63,035</b>	<b>56,712</b>
Deposits	75,913	46,060	76,970	59,504	79,981	40,646	66,581	63,412	52,389
Margins of safety	65,142	46,444	45,386	14,670	14,580	8,930	14,337	15,166	12,915
Repos	9,035	855	10,298	3,320	3,623	730	3,974	3,129	2,069
Registered bonds	1,800	2,035	2,012	1,435	1,169	942	1,001	778	720
<b>Deposits from credit institutions</b>	<b>151,891</b>	<b>95,393</b>	<b>134,666</b>	<b>78,930</b>	<b>99,354</b>	<b>51,247</b>	<b>85,893</b>	<b>82,485</b>	<b>68,093</b>
General governments	53,937	35,633	72,460	43,241	66,673	16,834	54,501	39,527	27,158
Financial corporations	251,494	192,976	295,416	261,368	370,870	213,345	265,422	297,363	333,734
Non-financial corporations	394,736	412,516	423,399	417,753	420,810	431,805	431,276	438,230	446,769
Households	275,370	276,723	274,228	290,701	292,226	300,318	305,485	318,179	317,988
Margins of safety	9,235	8,640	8,043	45,489	39,709	35,325	39,496	52,605	53,059
Repos	17,993	739	11,894	28,356	36,060	5,883	64,428	30,652	13,970
Registered bonds	36,474	34,801	34,472	31,144	30,448	28,537	30,383	25,897	23,792
<b>Deposits and borrowings from the public</b>	<b>1,039,239</b>	<b>962,028</b>	<b>1,119,912</b>	<b>1,118,052</b>	<b>1,256,795</b>	<b>1,032,048</b>	<b>1,190,991</b>	<b>1,202,453</b>	<b>1,216,470</b>
<i>of which customer deposits</i>	<i>975,536</i>	<i>917,848</i>	<i>1,065,503</i>	<i>1,013,063</i>	<i>1,150,579</i>	<i>962,302</i>	<i>1,056,684</i>	<i>1,093,299</i>	<i>1,125,649</i>
<b>Financial liabilities to policyholders</b>	<b>395,946</b>	<b>403,831</b>	<b>414,623</b>	<b>419,830</b>	<b>423,962</b>	<b>303,202</b>	<b>305,397</b>	<b>317,586</b>	<b>322,480</b>
CP/CD	165,400	126,480	164,397	112,257	130,559	83,069	135,401	201,674	167,406
Covered bonds	326,921	326,984	337,787	323,909	328,471	333,272	355,221	321,063	331,084
Senior bonds	212,758	215,416	228,725	213,207	200,427	197,691	199,374	222,633	216,014
<b>Debt securities issued</b>	<b>705,079</b>	<b>668,880</b>	<b>730,910</b>	<b>649,373</b>	<b>659,457</b>	<b>614,033</b>	<b>689,995</b>	<b>745,371</b>	<b>714,503</b>
Debt securities	34,920	9,527	29,067	37,305	32,589	10,757	27,215	24,618	34,869
Equity instruments	13,465	10,072	14,133	12,251	13,126	14,228	16,802	17,064	18,696
Derivatives	186,972	174,652	138,885	149,351	127,587	85,434	109,619	119,139	104,422
Other financial liabilities	17,238	19,247	18,790	18,230	18,139	3,894	3,795	4,398	4,417
<b>Financial liabilities at fair value</b>	<b>252,595</b>	<b>213,496</b>	<b>200,875</b>	<b>217,137</b>	<b>191,441</b>	<b>114,313</b>	<b>157,431</b>	<b>165,218</b>	<b>162,405</b>
<b>Liabilities held for sale</b>						<b>178,710</b>	<b>186,781</b>		
<b>Other liabilities</b>	<b>66,778</b>	<b>40,931</b>	<b>85,678</b>	<b>55,381</b>	<b>59,862</b>	<b>45,485</b>	<b>78,424</b>	<b>67,483</b>	<b>56,838</b>
<b>Subordinated liabilities</b>	<b>32,708</b>	<b>40,719</b>	<b>46,112</b>	<b>44,940</b>	<b>37,414</b>	<b>32,390</b>	<b>33,753</b>	<b>34,660</b>	<b>34,516</b>
<b>Total liabilities</b>	<b>2,715,485</b>	<b>2,479,670</b>	<b>2,792,135</b>	<b>2,638,623</b>	<b>2,790,762</b>	<b>2,415,671</b>	<b>2,773,067</b>	<b>2,678,290</b>	<b>2,632,016</b>
<b>Total equity</b>	<b>135,479</b>	<b>140,976</b>	<b>132,068</b>	<b>135,679</b>	<b>139,892</b>	<b>141,237</b>	<b>130,196</b>	<b>139,573</b>	<b>145,364</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,850,963</b>	<b>2,620,646</b>	<b>2,924,203</b>	<b>2,774,302</b>	<b>2,930,654</b>	<b>2,556,908</b>	<b>2,903,264</b>	<b>2,817,862</b>	<b>2,777,380</b>

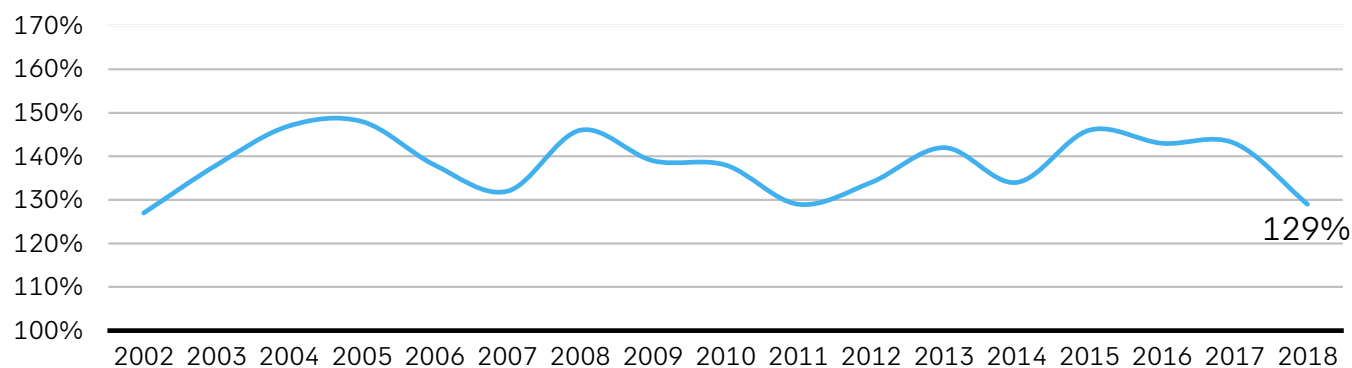
The definitions of the specified categories under Loans to credit institutions and Loans to the public above deviates slightly from the definitions of industries in the table on p. 26 Loan portfolio by industry and geography that is also more detailed.

## Total loans and deposits

SEK bn

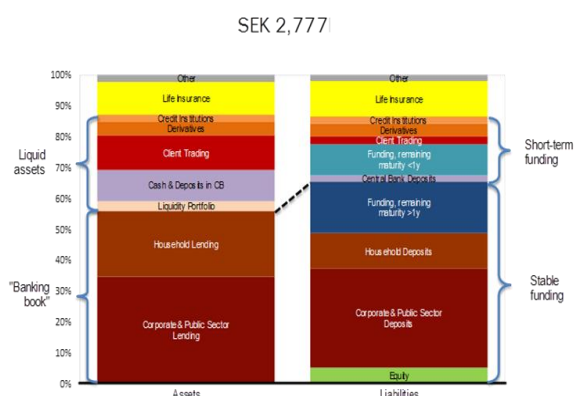
	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Loans to the public	1,482	1,438	1,503	1,527	1,540	1,487	1,607	1,654	1,664
Repos	112	64	109	96	107	42	123	96	116
<b>Loans adjusted for repos</b>	<b>1,370</b>	<b>1,375</b>	<b>1,394</b>	<b>1,430</b>	<b>1,433</b>	<b>1,445</b>	<b>1,484</b>	<b>1,558</b>	<b>1,548</b>
Deposits and borrowing from the public	1,039	962	1,120	1,118	1,257	1,032	1,191	1,202	1,216
Repos	18	1	12	28	36	6	64	31	14
<b>Deposits adjusted for repos</b>	<b>1,021</b>	<b>961</b>	<b>1,108</b>	<b>1,090</b>	<b>1,221</b>	<b>1,026</b>	<b>1,127</b>	<b>1,172</b>	<b>1,203</b>
Loan to deposit ratio excl repos	134%	143%	126%	131%	117%	141%	132%	133%	129%

## Loan to deposit ratio excl. repos and debt instruments

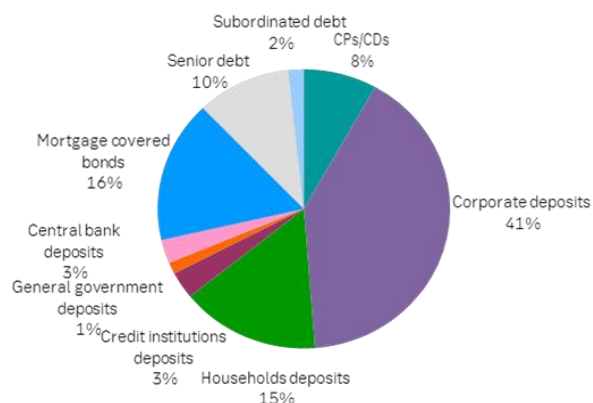


## A strong balance sheet structure, 30 Sep 2018

SEK 2,777bn



## Deposits and wholesale funding structure by product, 30 Sep 2018, SEK 2,064bn\*



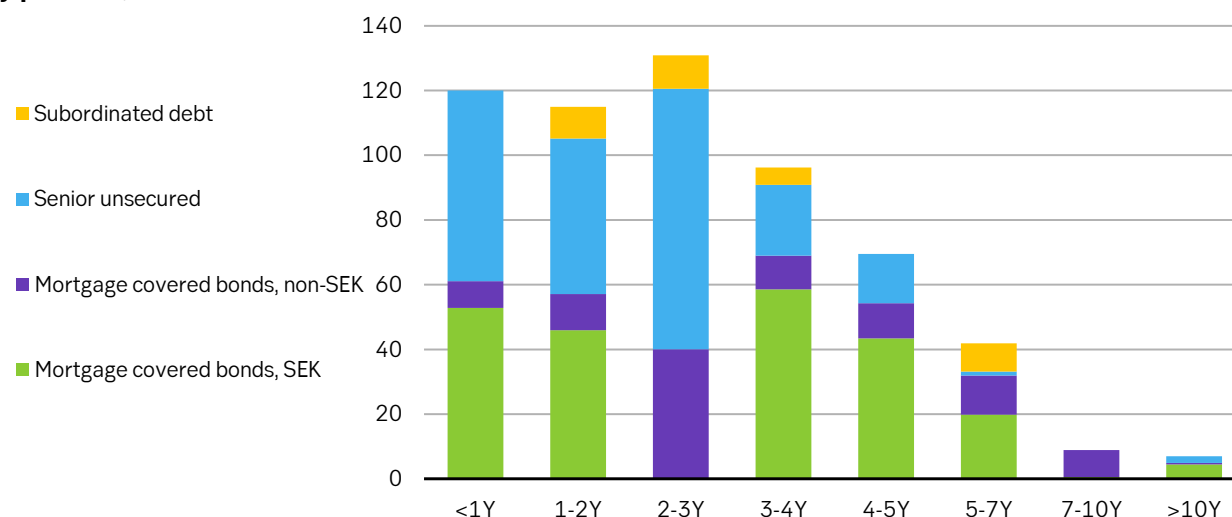
\* Excluding repos and public covered bonds issued by SEB AG, which are in a run-off mode

## Intangible assets

	30 Sep 2016	31 Dec 2016	31 Mar 2017	30 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
Goodwill	4,779	4,760	4,750	4,727	4,742	4,727	4,793	4,821	4,813
Other intangibles	2,559	2,601	2,669	2,746	2,793	2,024	2,093	2,048	2,108
Deferred acquisition costs	4,052	4,043	1,353	1,332	1,288	1,280	1,294	1,294	1,263
<b>Intangible assets</b>	<b>11,389</b>	<b>11,405</b>	<b>8,772</b>	<b>8,805</b>	<b>8,823</b>	<b>8,030</b>	<b>8,181</b>	<b>8,163</b>	<b>8,184</b>

## Long-term funding maturity profile, 30 Sep 2018

### By product, SEK bn

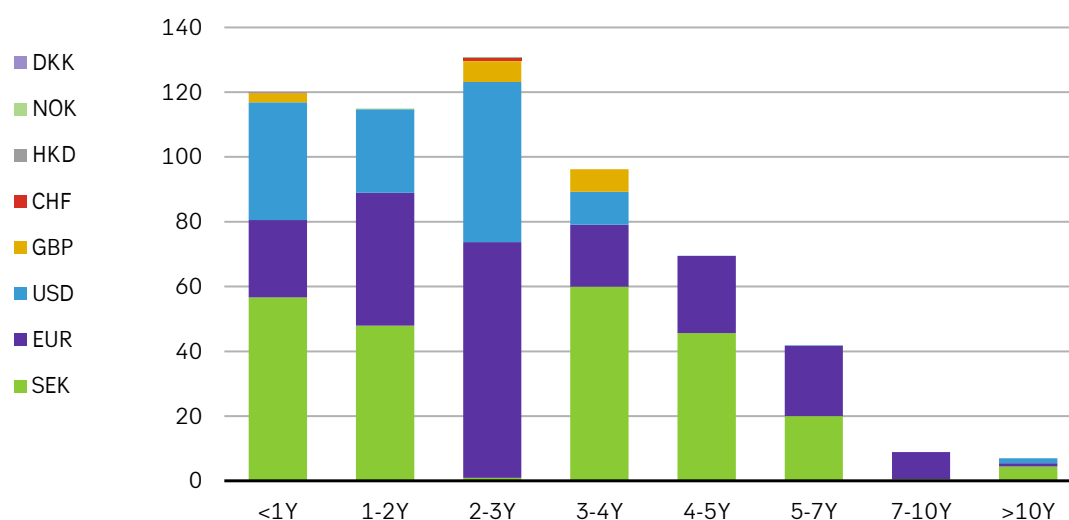


Product *	<1y	1-2y	2-3y	3-4y	4-5y	5-7y	7-10y	>10y	Total
Mortgage covered bonds, SEK	52.8	45.9	0.0	58.6	43.4	19.9	0.6	4.5	226
Mortgage covered bonds, non-SEK	8.2	11.2	40.0	10.3	10.9	12.1	8.3	0.5	102
Senior unsecured	58.9	48.1	80.5	21.9	15.3	1.2	0.0	2.1	228
Subordinated debt **	0.0	9.8	10.3	5.3	0.0	8.8	0.0	0.0	34
<b>Total</b>	<b>120</b>	<b>115</b>	<b>131</b>	<b>96</b>	<b>70</b>	<b>42</b>	<b>9</b>	<b>7</b>	<b>589</b>

\* Excluding public covered bonds.

\*\* Tier 2 and Additional Tier 1 issues assumed to be called at first call date.

### By currency, SEK bn



Currency*	<1y	1-2y	2-3y	3-4y	4-5y	5-7y	7-10y	>10y	Total
SEK	56.7	48.0	0.9	59.9	45.6	20.0	0.6	4.5	236
EUR **	23.9	41.0	72.8	19.1	23.8	21.7	8.3	1.0	212
USD **	36.3	25.8	49.4	10.2	0.1	0.2		1.6	124
GBP	3.0		6.4	7.0					16
CHF			0.9						1
HKD			0.3						0
NOK	0.1	0.2	0.2						1
DKK	0.0								0
<b>Grand Total</b>	<b>120</b>	<b>115</b>	<b>131</b>	<b>96</b>	<b>70</b>	<b>42</b>	<b>9</b>	<b>7</b>	<b>589</b>

\* Excluding public covered bonds.

\*\* Tier 2 and Additional Tier 1 issues assumed to be called at first call date.



## Long-term funding raised, SEK bn

Instrument	2011	2012	2013	2014	2015	2016	2017	2018 Q1	2018 Q2	2018 Q3
Covered bonds	95	82	75	60	55	62	55	18	21	11
Senior unsecured	32	42	45	32	40	74	20	14	17	1
Subordinated debt	0	6	0	17	0	8	5	0	0	0
<b>Total</b>	<b>126</b>	<b>131</b>	<b>120</b>	<b>109</b>	<b>95</b>	<b>145</b>	<b>80</b>	<b>33</b>	<b>38</b>	<b>12</b>

## Balance sheet maturity profile SEB Group

### Remaining contractual maturities, Sep 30 2018

SEK m	Payable on demand	<1m	1-3m	3-6m	6-12m	1-2y	2-5y	5-10y	>10y	Not distributed	Total
<b>Cash and balances with central banks</b>	<b>263,494</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>263,494</b>
of which repos and margins of safety	0	0	0	0	0	0	0	0	0	0	0
<b>Loans to central banks</b>	<b>0</b>	<b>17,053</b>	<b>222</b>	<b>0</b>	<b>206</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,481</b>
of which repos and margins of safety	0	38,811	0	0	0	0	0	0	0	0	38,897
<b>Loans to credit institutions</b>	<b>440</b>	<b>53,391</b>	<b>3,679</b>	<b>4,873</b>	<b>5,046</b>	<b>1,359</b>	<b>3,873</b>	<b>505</b>	<b>84</b>	<b>0</b>	<b>73,249</b>
of which repos and margins of safety	0	38,811	0	2	0	0	0	0	84	0	38,897
<b>Loans to the public</b>	<b>2,574</b>	<b>286,605</b>	<b>144,039</b>	<b>123,524</b>	<b>217,738</b>	<b>346,813</b>	<b>388,396</b>	<b>95,283</b>	<b>59,498</b>	<b>0</b>	<b>1,664,468</b>
of which repos and margins of safety	0	161,563	2,074	0	0	0	0	0	0	0	163,637
General governments	0	10,360	4,222	2,745	2,042	903	4,509	2,599	2,039	0	29,419
Households	0	7,988	28,702	52,140	113,401	235,029	100,992	22,101	31,889	0	592,240
Financial corporations	2,574	151,718	5,818	3,629	3,546	4,005	11,275	6,534	133	0	189,230
Non-financial corporations	0	116,539	105,298	65,010	98,749	106,877	271,620	64,049	25,438	0	853,581
<b>Financial assets at fair value</b>	<b>0</b>	<b>9,296</b>	<b>13,973</b>	<b>16,130</b>	<b>28,321</b>	<b>33,043</b>	<b>81,545</b>	<b>17,115</b>	<b>5,678</b>	<b>491,606</b>	<b>696,708</b>
Debt instruments	0	9,296	13,973	16,130	28,321	33,043	81,545	17,115	5,678	11,806	216,908
Equity instruments	0	0	0	0	0	0	0	0	0	56,733	56,733
Derivatives	0	0	0	0	0	0	0	0	0	123,163	123,163
Insurance assets	0	0	0	0	0	0	0	0	0	299,905	299,905
<b>Other</b>	<b>0</b>	<b>49,963</b>	<b>1,499</b>	<b>477</b>	<b>206</b>	<b>1,267</b>	<b>2,911</b>	<b>884</b>	<b>2,810</b>	<b>1,962</b>	<b>61,979</b>
<b>Total assets</b>	<b>266,508</b>	<b>416,308</b>	<b>163,411</b>	<b>145,003</b>	<b>251,518</b>	<b>382,483</b>	<b>476,725</b>	<b>113,786</b>	<b>68,070</b>	<b>493,568</b>	<b>2,777,380</b>
SEK m	Payable on demand	<1m	1-3m	3-6m	6-12m	1-2y	2-5y	5-10y	>10y	Not distributed	Total
<b>Deposits by central banks</b>	<b>393</b>	<b>35,697</b>	<b>18,854</b>	<b>736</b>	<b>1,032</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>56,712</b>
of which repos and margins of safety	0	0	0	0	0	0	0	0	0	0	0
<b>Deposits by credit institutions</b>	<b>21,691</b>	<b>35,733</b>	<b>3,738</b>	<b>2,077</b>	<b>1,601</b>	<b>1,332</b>	<b>232</b>	<b>245</b>	<b>1,444</b>	<b>0</b>	<b>68,093</b>
of which repos and margins of safety	0	14,984	0	0	0	0	0	0	0	0	14,984
<b>Deposits and borrowings from the public</b>	<b>894,188</b>	<b>258,790</b>	<b>16,325</b>	<b>11,025</b>	<b>8,946</b>	<b>3,210</b>	<b>9,163</b>	<b>10,994</b>	<b>3,830</b>	<b>0</b>	<b>1,216,470</b>
of which repos, margins of safety and reg. bonds	0	67,105	805	4,587	5,231	2,654	3,409	5,621	1,409	0	90,821
General governments	10,697	9,994	2,252	3	429	72	759	542	2,409	0	27,158
Households	290,590	12,401	7,377	4,457	2,271	248	618	16	11	0	317,989
Financial corporations	176,468	184,759	3,303	6,019	5,679	2,796	4,389	5,622	1,409	0	390,444
Non-financial corporations	416,433	51,635	3,394	545	566	95	3,396	4,815	0	0	480,880
<b>Liabilities to policyholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>322,480</b>	<b>322,480</b>
<b>Debt securities</b>	<b>0</b>	<b>49,922</b>	<b>97,466</b>	<b>39,806</b>	<b>92,460</b>	<b>104,722</b>	<b>282,291</b>	<b>40,635</b>	<b>7,200</b>	<b>0</b>	<b>714,503</b>
CP/CD	0	44,514	80,165	12,426	26,717	896	2,687	0	0	0	167,406
Covered bonds	0	2,778	7,169	2,486	49,239	57,334	167,574	38,975	5,530	0	331,084
Senior bonds	0	2,629	10,132	24,895	16,503	46,493	112,030	1,660	1,670	0	216,014
<b>Financial liabilities at fair value</b>	<b>0</b>	<b>1,377</b>	<b>2,313</b>	<b>1,265</b>	<b>1,067</b>	<b>1,026</b>	<b>13,445</b>	<b>15,277</b>	<b>3,516</b>	<b>123,118</b>	<b>162,405</b>
Debt instruments	0	0	700	909	279	743	13,445	15,277	3,516	0	34,869
Equity instruments	0	0	0	0	0	0	0	0	0	18,696	18,696
Derivatives	0	0	0	0	0	0	0	0	0	104,422	104,422
Other financial liabilities	0	1,377	1,613	356	788	282	0	0	0	0	4,417
<b>Other</b>	<b>0</b>	<b>36,697</b>	<b>2,121</b>	<b>919</b>	<b>1,207</b>	<b>823</b>	<b>3,954</b>	<b>2,574</b>	<b>2,540</b>	<b>6,002</b>	<b>56,838</b>
<b>Subordinated liabilities</b>	<b>0</b>	<b>0</b>	<b>442</b>	<b>0</b>	<b>89</b>	<b>0</b>	<b>0</b>	<b>10,587</b>	<b>23,398</b>	<b>0</b>	<b>34,516</b>
<b>Equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>145,364</b>	<b>145,364</b>
<b>Total Liabilities and Equity</b>	<b>916,272</b>	<b>418,215</b>	<b>141,259</b>	<b>55,829</b>	<b>106,402</b>	<b>111,113</b>	<b>309,086</b>	<b>80,311</b>	<b>41,928</b>	<b>596,964</b>	<b>2,777,380</b>

Maturities above are based on remaining contractual maturities.

Other Assets include Assets held for sale, Tangible and intangible assets and Other assets

Other Liabilities include Liabilities held for sale and Other liabilities

Payable on Demand includes items available O/N

Not Distributed includes items with no contractual maturity and other undistributed items

## Remaining contractual maturities, by currency

### SEB Group Q3 2018, EUR

	Payable on demand	<1m	1-3m	3-6m	6-12m	1-2y	2-5y	5-10y	>10y	Not distributed	Total
Cash and balances with central banks	69,228	0	0	0	0	0	0	0	0	0	69,228
Other Lending to Central Banks	0	439	0	0	206	0	0	0	0	0	646
Loans to credit institutions	40	9,849	458	1,315	531	667	2,027	190	81	0	15,157
Loans to the public	1,836	56,768	32,591	20,438	26,205	34,498	109,043	41,076	35,801	0	358,256
Financial assets at fair value	0	386	1,108	8,048	7,377	5,052	12,151	9,454	166	73,414	117,157
Other	0	20,835	457	328	12	93	322	364	1,027	1,670	25,110
<b>Total</b>	<b>71,103</b>	<b>88,277</b>	<b>34,614</b>	<b>30,129</b>	<b>34,331</b>	<b>40,311</b>	<b>123,544</b>	<b>51,084</b>	<b>37,074</b>	<b>75,085</b>	<b>585,553</b>

### SEB Group Q3 2018, USD

	Payable on demand	<1m	1-3m	3-6m	6-12m	1-2y	2-5y	5-10y	>10y	Not distributed	Total
Cash and balances with central banks	163,959	0	0	0	0	0	0	0	0	0	163,959
Other Lending to Central Banks	0	0	0	0	0	0	0	0	0	0	0
Loans to credit institutions	46	26,208	2,500	2,546	4,204	137	5	0	1	0	35,649
Loans to the public	348	36,354	21,743	3,627	6,723	7,116	44,136	15,882	2,328	0	138,257
Financial assets at fair value	0	680	1,814	3,878	5,206	13,288	17,142	2	7	36,306	78,324
Other	0	3,061	79	0	4	7	83	16	23	0	3,273
<b>Total</b>	<b>164,353</b>	<b>66,303</b>	<b>26,137</b>	<b>10,052</b>	<b>16,138</b>	<b>20,548</b>	<b>61,366</b>	<b>15,900</b>	<b>2,359</b>	<b>36,306</b>	<b>419,463</b>

### SEB Group Q3 2018, SEK

	Payable on demand	<1m	1-3m	3-6m	6-12m	1-2y	2-5y	5-10y	>10y	Not distributed	Total
Cash and balances with central banks	172	0	0	0	0	0	0	0	0	0	172
Other Lending to Central Banks	0	1,521	0	0	0	0	0	0	0	0	1,521
Loans to credit institutions	29	3,318	9	31	166	260	237	0	0	0	4,050
Loans to the public	187	97,038	63,382	88,222	175,338	290,532	197,468	31,605	16,281	0	960,052
Financial assets at fair value	0	2,975	4,527	1,624	8,533	5,810	32,860	4,210	1,422	358,084	420,045
Other	0	5,473	783	144	187	674	2,459	418	1,290	287	11,715
<b>Total</b>	<b>389</b>	<b>110,325</b>	<b>68,702</b>	<b>90,020</b>	<b>184,223</b>	<b>297,276</b>	<b>233,024</b>	<b>36,233</b>	<b>18,993</b>	<b>358,371</b>	<b>1,397,555</b>

Notes:

Other Assets include Assets held for sale, Tangible and intangible assets and Other assets

Other Liabilities include Liabilities to policyholders, Liabilities held for sale, Subordinated debt, Equity and Other liabilities

## SEB's liquidity reserve, 30 Sep 2018, SEK m

Liquidity Reserve*, Group	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018				
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	SEK	EUR	USD	Other
1 Cash and holdings in central banks	436,235	190,000	247,318	313,583	279,068	1,691	69,873	163,959	43,545
2 Deposits in other banks available overnight	12,198	8,324	28,742	13,231	10,719	1,458	1,114	1,979	6,168
3 Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	56,763	42,911	59,131	57,964	73,641	9,836	11,408	26,342	26,055
4 Securities issued or guaranteed by municipalities or other public sector entities	20,113	24,004	33,465	10,178	22,692	2,021	16,462	4,210	0
5 Covered bonds issued by other institutions	115,875	67,852	164,467	143,304	146,374	83,992	1,062	398	60,923
6 Covered bonds issued by SEB	261	-3,516	1,114	-1,877	1,414	1,414	0	0	0
7 Securities issued by non-financial corporates	670	358	364	396	360	345	14	1	0
8 Securities issued by financial corporates (excl. covered bonds)	12,938	9,797	13,840	19,719	24,355	8,943	5,661	9,478	274
9 Other	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>655,053</b>	<b>339,730</b>	<b>548,441</b>	<b>556,498</b>	<b>558,623</b>	<b>109,700</b>	<b>105,594</b>	<b>206,366</b>	<b>136,964</b>

\* The liquidity reserve is presented in accordance with the template defined by the Swedish Bankers' Association. Assets included in the liquidity reserve should comply with the following: Assets shall be under the control of the Treasury function in the bank, not be encumbered and be pledged with central banks. Furthermore, bonds shall have a maximum risk weight of 20% under the standardised approach to credit risk of the Basel II framework and a lowest rating of Aa2/AA-. Assets are disclosed using market values.

## Components Liquidity Coverage Ratio, 30 Sep 2018, SEK bn

	<b>Total</b>
Liquid assets level 1	456
Liquid assets level 2	14
<b>Liquid assets</b>	<b>470</b>
Retail deposits	37
Unsecured wholesale funding	421
Secured wholesale funding	33
Other outflows	95
<b>Total liquidity outflows</b>	<b>585</b>
Secured lending	90
Inflows from fully performing exposures	108
Other inflows	22
<b>Total liquidity inflows</b>	<b>220</b>
<b>Net liquidity outflow</b>	<b>365</b>
<b>Liquidity Coverage Ratio</b>	<b>129%</b>

## Asset encumbrance for the SEB consolidated situation, 30 Sep 2018, SEK m

Carrying amount of selected financial liabilities	Total Encumbrance	Of which: Encumbered Assets					Total encumbered assets	Of which: Encumbered Collateral					Total encumbered collateral
		Bonds issued by General Governments and Central Banks	Covered bonds	Other debt securities	Equities	Loans and other assets		Bonds issued by General Governments and Central Banks	Covered bonds	Other debt securities	Equities	Other	
Derivatives	56,296	70	1,442	0	433	26,654	28,599	11,821	14,907	28	940	0	27,697
Repos	15,660	5,444	1,214	699	0	0	7,356	2,996	5,160	147	0	0	8,303
Collateralised deposits	35,654	36	447	0	3,462	17,228	21,172	443	543	37	13,459	0	14,482
Securities financing	29,328	1,245	15,559	3	12,432	89	29,328	0	0	0	0	0	0
Covered bonds	335,078	0	0	0	0	335,078	335,078	0	0	0	0	0	0
Collateral management	137,985	0	0	0	0	0	0	39,097	24,885	1,592	72,412	0	137,985
Other	1,928	1,456	0	0	0	472	1,928	0	0	0	0	0	0
<b>Total</b>	<b>611,930</b>	<b>8,251</b>	<b>18,662</b>	<b>702</b>	<b>16,326</b>	<b>379,522</b>	<b>423,463</b>	<b>54,357</b>	<b>45,496</b>	<b>1,804</b>	<b>86,811</b>	<b>0</b>	<b>188,467</b>
Non-encumbered assets and collateral		77,524	92,425	8,740	27,161	1,828,835	2,034,685	33,781	50,158	12,166	41,142	46	137,294
<b>Total encumbrance and non-encumbrance</b>		<b>85,774</b>	<b>111,087</b>	<b>9,443</b>	<b>43,487</b>	<b>2,208,357</b>	<b>2,458,148</b>	<b>88,138</b>	<b>95,654</b>	<b>13,969</b>	<b>127,953</b>	<b>46</b>	<b>325,761</b>

Encumbered asset ratio	17.2%
Encumbered collateral ratio	57.9%
<b>Total encumbrance ratio</b>	<b>22.0%</b>

## SEB AB Mortgage cover pool and covered bonds characteristics

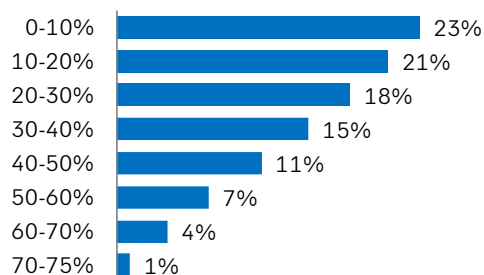
30 Sep 2018

### SEB AB Mortgage Covered Bonds

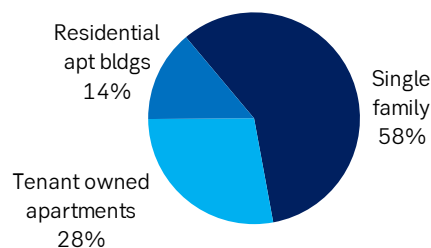
Loans originated by	Skandinaviska Enskilda Banken AB (publ)			
Pool type	Dynamic			
<b>Cover pool</b>	<b>Q3 2018</b>	<b>Q2 2018</b>	<b>Q4 2017</b>	
Total residential mortgage assets (SEK m)	532,105	530,005	525,362	
Weighted average LTV (property level)	52%	52%	51%	
Number of loans (thousand)	717	718	717	
Number of borrowers (thousand)	420	422	423	
Weighted average loan balance (SEK thousand)	742	738	732	
Substitute assets (SEK thousand)	0	0	0	
Loans past due 60 days (basis points)	1	1	5	
Net credit losses (basis points)	0	0	0	
<b>Covered bonds</b>	<b>Q3 2018</b>	<b>Q2 2018</b>	<b>Q4 2017</b>	
Total outstanding covered bonds (SEK m)	318,100	310,680	323,631	
Rating of the covered bond programme	Aaa Moody's	Aaa Moody's	Aaa Moody's	
FX distribution	SEK	71%	70%	69%
	non-SEK	29%	30%	31%
<b>Over collateralisation</b>	<b>Q3 2018</b>	<b>Q2 2018</b>	<b>Q4 2017</b>	
Over collateralisation level	67%	71%	62%	

### Q3 2018

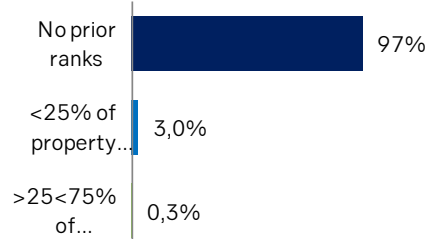
#### LTV distribution\*



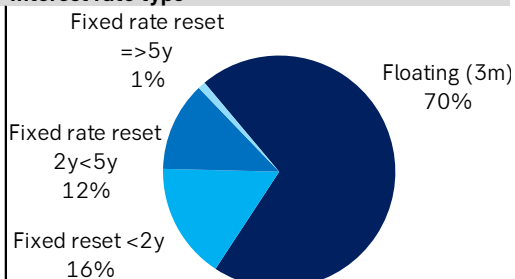
#### Loans (100% Swedish residential mortgage)



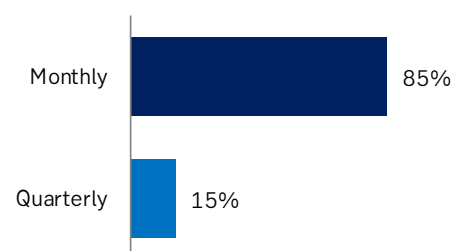
#### Prior ranking loans



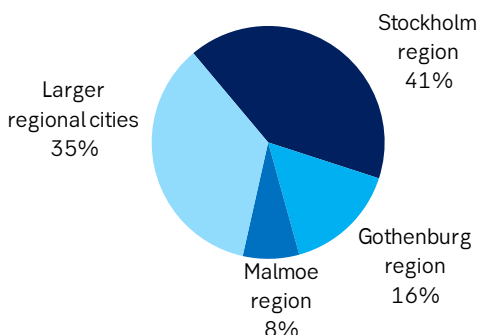
#### Interest rate type



#### Interest payment frequency



#### Geographical distribution



\* Distribution in different LTV buckets based on exact order of priority for the individual mortgage deeds according to the Association of Swedish Covered Bond issuers.

# Capital adequacy

## Capital adequacy

SEK m	30 Sep 2016	31 Dec 2016	31 Mar 2017	31 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
<b>Own funds</b>									
Common Equity Tier 1 capital	112,064	114,419	115,364	116,813	117,978	118,204	117,111	123,228	124,699
Tier 1 capital	126,324	129,157	135,336	135,945	131,877	132,127	131,357	138,483	139,848
Total own funds	140,753	151,491	157,728	158,495	147,270	147,849	148,384	157,126	158,282
<b>Own funds requirement</b>									
Risk exposure amount	603,140	609,959	610,047	616,523	614,619	610,819	615,308	637,037	631,958
Expressed as capital requirement	48,251	48,797	48,804	49,322	49,169	48,866	49,225	50,963	50,557
Common Equity Tier 1 capital ratio	18,6%	18,8%	18,9%	18,9%	19,2%	19,4%	19,0%	19,3%	19,7%
Tier 1 capital ratio	20,9%	21,2%	22,2%	22,1%	21,5%	21,6%	21,3%	21,7%	22,1%
Total capital ratio	23,3%	24,8%	25,9%	25,7%	24,0%	24,2%	24,1%	24,7%	25,0%
Own funds in relation to capital requirement	2,92	3,10	3,23	3,21	3,00	3,03	3,01	3,08	3,13
Regulatory Common Equity Tier 1 capital requirement including buffer	10,7%	10,7%	10,9%	10,9%	10,9%	10,9%	11,0%	11,0%	11,0%
of which capital conservation buffer requirement	2,5%	2,5%	2,5%	2,5%	2,5%	2,5%	2,5%	2,5%	2,5%
of which systemic risk buffer requirement	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%
of which countercyclical capital buffer requirement	0,7%	0,7%	0,9%	0,9%	0,9%	0,9%	1,0%	1,0%	1,0%
Common Equity Tier 1 capital available to meet buffer <sup>1)</sup>	14,1%	14,3%	14,4%	14,4%	14,7%	14,9%	14,5%	14,8%	15,2%
<b>Transitional floor 80% of capital requirement according to Basel I</b>									
Minimum floor capital requirement according to Basel I	85,621	86,884	87,356	88,141	87,626	89,774			
Own funds according to Basel I	140,740	151,814	158,204	159,126	148,173	149,030			
Own funds in relation to capital requirement Basel I	1,64	1,75	1,81	1,81	1,69	1,66			
<b>Leverage ratio</b>									
Exposure measure for leverage ratio calculation	2,851,319	2,549,149	2,902,192	2,742,940	2,819,403	2,519,532	2,833,269	2,954,555	2,914,154
...of which on balance sheet items	2,402,066	2,120,587	2,441,298	2,321,268	2,432,288	2,140,093	2,406,997	2,506,673	2,475,559
...of which off balance sheet items	449,253	428,562	460,893	421,672	387,115	379,439	426,271	447,882	438,595
Leverage ratio	4,4%	5,1%	4,7%	5,0%	4,7%	5,2%	4,6%	4,7%	4,8%

<sup>1)</sup> CET1 ratio less minimum capital requirement of 4.5% excluding buffers. In addition to the CET1 requirements there is a total capital requirement of additional 3.5%.

## Own funds for SEB consolidated situation

SEK m	30 Sep 2016	31 Dec 2016	31 Mar 2017	31 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
Shareholder's equity according to balance sheet <sup>1)</sup>	135,478	140,976	134,727	138,358	142,568	143,925	130,196	139,573	145,364
Deductions related to the consolidated situation and other foreseeable charge	-11,253 <sup>2)</sup>	-14,303	-5,601	-8,714	-11,912	-14,357	-2,201	-6,651	-9,845
<b>Common Equity Tier 1 capital before regulatory adjustments <sup>2)</sup></b>	<b>124,225</b>	<b>126,673</b>	<b>129,126</b>	<b>129,644</b>	<b>130,656</b>	<b>129,568</b>	<b>127,995</b>	<b>132,922</b>	<b>135,519</b>
Additional value adjustments	-1,425	-1,169	-990	-738	-706	-663	-850	-774	-726
Intangible assets	-6,805	-6,835	-6,893	-6,938	-7,001	-6,225	-6,356	-6,405	-6,458
Deferred tax assets that rely on future profitability	-490	-208	-185	-167	-105	-75	-53	-18	0
Fair value reserves related to gains or losses on cash flow hedges	-2,873	-2,400	-2,048	-1,740	-1,454	-1,192	-933	-633	-519
Negative amounts resulting from the calculation of expected loss amounts	-146	-381	-628	-737	-1,017	-1,307	0	-141	0
Gains or losses on liabilities valued at fair value resulting from changes in own	-68	-115	50	72	114	99	307	210	196
Defined-benefit pension fund assets	-144	-920	-2,834	-2,348	-2,269	-1,807	-2,825	-1,764	-3,114
Direct and indirect holdings of own CET1 instruments	-172	-191	-199	-204	-215	-193	-175	-170	-198
Securitisation positions with 1,250% risk weight	-37	-35	-33	-30	-27				
Adjustments relating to unrealised gains (AFS)									
<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>-12,161</b>	<b>-12,254</b>	<b>-13,762</b>	<b>-12,830</b>	<b>-12,679</b>	<b>-11,364</b>	<b>-10,884</b>	<b>-9,694</b>	<b>-10,820</b>
<b>Common Equity Tier 1 capital</b>	<b>112,064</b>	<b>114,419</b>	<b>115,364</b>	<b>116,813</b>	<b>117,978</b>	<b>118,204</b>	<b>117,111</b>	<b>123,228</b>	<b>124,699</b>
Additional Tier 1 instruments	9,447	9,959	15,200	14,321	13,900	13,922	14,246	15,255	15,149
Grandfathered additional Tier 1 instruments	4,813	4,779	4,772	4,811					
<b>Tier 1 capital</b>	<b>126,324</b>	<b>129,157</b>	<b>135,336</b>	<b>135,945</b>	<b>131,877</b>	<b>132,127</b>	<b>131,357</b>	<b>138,483</b>	<b>139,848</b>
Tier 2 instruments	16,845	24,851	24,815	25,019	17,853	18,171	19,089	19,332	19,095
Net provisioning amount for IRB-reported exposures	159	58	153	106	115	126	513	510	539
Holdings of Tier 2 instruments in financial sector entities	-2,575	-2,575	-2,575	-2,575	-2,575	-2,575	-2,575	-1,200	-1,200
<b>Tier 2 capital</b>	<b>14,429</b>	<b>22,334</b>	<b>22,392</b>	<b>22,550</b>	<b>15,393</b>	<b>15,722</b>	<b>17,026</b>	<b>18,642</b>	<b>18,434</b>
<b>Total own funds</b>	<b>140,753</b>	<b>151,491</b>	<b>157,728</b>	<b>158,495</b>	<b>147,270</b>	<b>147,849</b>	<b>148,384</b>	<b>157,126</b>	<b>158,282</b>

<sup>1)</sup> The Swedish Financial Supervisory Authority has approved SEB's application to use the net profit in measuring own funds on condition that the responsible auditors have reviewed the surplus, that the surplus is calculated in accordance with applicable accounting frameworks, that predictable costs and dividends have been deducted in accordance with EU regulation No 575/2013 and that the calculation was made in accordance with EU regulation No 241/2014.

<sup>2)</sup> The Common Equity Tier 1 capital is presented on a consolidated basis, and differs from total equity according to IFRS. The insurance business contribution to equity is excluded and there is a dividend deduction calculated according to Regulation (EU) No 575/2013 (CRR).

## Risk exposure amounts for SEB consolidated situation

SEK m	30 Sep 2016	31 Dec 2016	31 Mar 2017	31 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
<b>Credit risk IRB approach</b>									
Exposures to central governments or central banks				9,160	10,620	9,319	11,077	11,389	11,129
Exposures to institutions	25,408	26,254	28,683	30,329	29,833	32,838	54,970	53,762	53,495
Exposures to corporates	335,910	335,413	335,648	332,217	328,940	326,317	331,141	341,258	337,835
Retail exposures	56,277	55,617	56,590	56,546	57,526	62,296	62,119	62,979	63,276
of which secured by immovable property	33,895	34,079	35,093	35,317	35,446	36,558	36,429	36,916	36,701
of which retail SME	5,079	4,723	4,756	4,213	4,534	7,033	7,098	7,103	7,422
of which other retail exposures	17,303	16,815	16,741	17,016	17,547	18,704	18,592	18,961	19,153
Securitisation positions	3,169	3,066	2,042	1,833	1,491	838	948	977	1,012
<b>Total IRB approach</b>	<b>420,764</b>	<b>420,350</b>	<b>422,964</b>	<b>430,085</b>	<b>428,409</b>	<b>431,607</b>	<b>460,255</b>	<b>470,366</b>	<b>466,748</b>
<b>Credit risk standardised approach</b>									
Exposures to central governments or central banks	1,431	1,801	715	763	946	4,060	1,272	1,924	2,018
Exposures to regional governments or local authorities	57	51	47						
Exposures to public sector entities	7	29	114	7	7				
Exposures to institutions	1,336	1,316	639	1,125	1,423	844	1,241	1,589	649
Exposures to corporates	16,265	16,422	18,103	17,651	18,087	18,197	20,400	14,694	15,482
Retail exposures	16,029	16,186	15,845	16,159	16,886	12,084	13,052	13,610	13,079
Exposures secured by mortgages on immovable property	3,896	3,803	3,714	3,457	3,450	2,539	2,698	2,732	2,573
Exposures in default	423	384	459	386	360	112	56	42	165
Exposures associated with particularly high risk	1,459	1,477	1,322	1,294	870	866	779	731	694
Securitisation positions	218	216	216	218	218	222			
Exposures in the form of collective investment undertakings (CIU)	61	66	40	39	40	41	43	47	47
Equity exposures	2,009	2,119	2,124	1,723	1,657	1,972	2,192	3,031	2,945
Other items	6,152	8,880	7,746	7,609	6,844	7,801	6,669	8,508	8,473
<b>Total standardised approach</b>	<b>49,344</b>	<b>52,750</b>	<b>51,083</b>	<b>50,431</b>	<b>50,789</b>	<b>48,739</b>	<b>48,401</b>	<b>46,909</b>	<b>46,126</b>
<b>Market risk</b>									
Trading book exposures where internal models are applied	26,413	30,042	27,086	26,539	25,546	24,892	17,635	28,939	27,550
Trading book exposures applying standardised approaches	11,521	9,398	13,563	13,147	12,074	9,881	11,332	12,317	12,595
Foreign exchange rate risk	4,252	3,773	4,478	4,872	5,627	4,022	2,362	2,867	3,079
<b>Total market risk</b>	<b>42,186</b>	<b>43,213</b>	<b>45,128</b>	<b>44,558</b>	<b>43,247</b>	<b>38,794</b>	<b>31,329</b>	<b>44,123</b>	<b>43,223</b>
<b>Other own funds requirements</b>									
Operational risk advanced measurement approach	47,427	47,901	46,793	46,901	47,078	48,219	47,402	47,465	47,205
Settlement risk			3	1		38	3	1	
Credit value adjustment	7,390	7,818	6,301	6,510	6,854	6,767	7,523	7,485	7,670
Investment in insurance business	16,633	16,633	16,633	16,633	16,633	16,633	16,633	16,633	16,633
Other exposures	5,365	6,547	5,639	5,611	5,932	4,219	3,763	4,056	4,353
Additional risk exposure amount <sup>1)</sup>	14,031	14,747	15,503	15,793	15,677	15,802			
<b>Total other own funds requirements</b>	<b>90,846</b>	<b>93,646</b>	<b>90,872</b>	<b>91,448</b>	<b>92,174</b>	<b>91,678</b>	<b>75,323</b>	<b>75,640</b>	<b>75,861</b>
<b>Total</b>	<b>603,140</b>	<b>609,959</b>	<b>610,047</b>	<b>616,523</b>	<b>614,619</b>	<b>610,819</b>	<b>615,308</b>	<b>637,037</b>	<b>631,958</b>

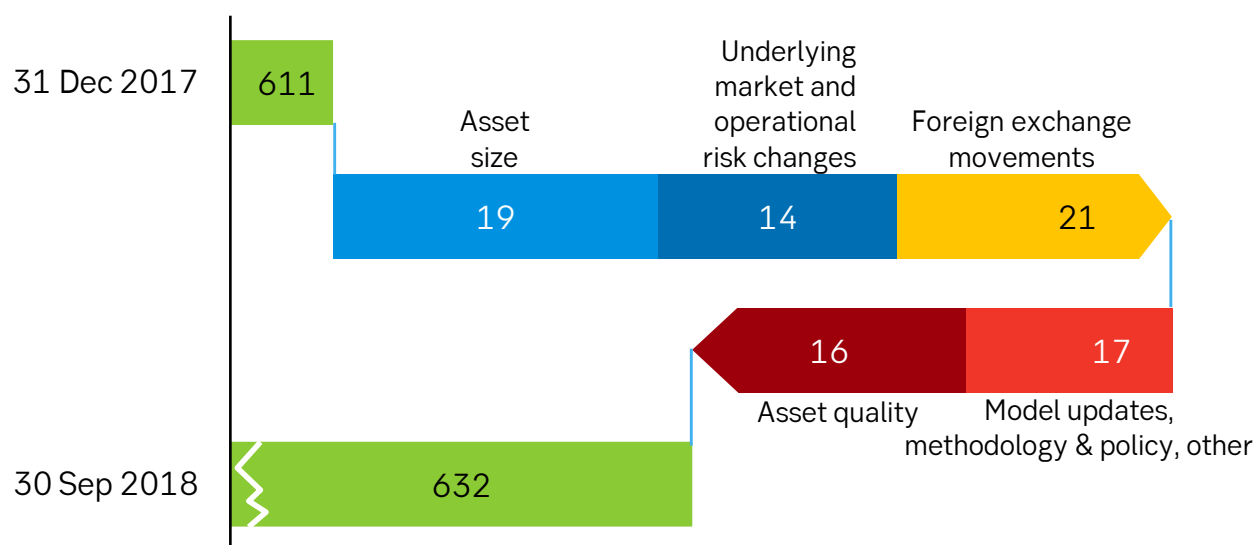
<sup>1)</sup>The Additional REA was established in 2015 in agreement with the SFSA as a measure of prudence. Capital Requirements Regulation (EU) No 575/2013 (CRR) Article 3.

## IRB reported credit exposures (less repos and securities lending)

Average risk-weight	30 Sep 2016	31 Dec 2016	31 Mar 2017	31 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
Exposures to central governments or central banks				2,3%	1,9%	3,3%	2,7%	2,4%	2,6%
Institutions	25,9%	25,1%	26,8%	25,2%	23,7%	24,0%	25,4%	25,9%	25,7%
Corporates	32,1%	31,4%	31,5%	31,5%	31,7%	31,6%	31,1%	31,1%	31,1%
Retail exposures	10,0%	9,9%	9,9%	9,8%	9,9%	10,4%	10,3%	10,3%	10,3%
of which secured by immovable property	6,9%	6,9%	7,0%	6,9%	6,9%	7,0%	6,9%	6,9%	6,8%
of which retail SME	74,4%	73,4%	83,5%	80,6%	80,8%	59,6%	57,2%	57,4%	58,5%
of which other retail exposures	28,2%	28,0%	27,9%	28,2%	28,7%	30,7%	30,2%	30,1%	30,3%
Securitisation positions	50,2%	50,6%	41,9%	38,1%	31,1%	10,6%	10,3%	10,5%	10,3%

## Capital adequacy and Risk exposure amount, SEB Group

SEK bn



### Risk exposure amount development from Q1 2017

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
<b>Start</b>		610	610	610	611	611	611
Asset size		2	11	10	6	12	19
Asset quality		0	-6	-6	-7	-10	-16
Foreign exchange movements		-4	-7	-3	16	25	21
Model updates, methodology & policy, other		9	8	6	-12	-15	-17
Underlying market and operational risk changes		0	-2	-5	2	15	14
<b>End</b>	<b>610</b>	<b>617</b>	<b>615</b>	<b>611</b>	<b>615</b>	<b>637</b>	<b>632</b>

### All outstanding Subordinated Debt

30 Sep 2018

Issuer: SEB

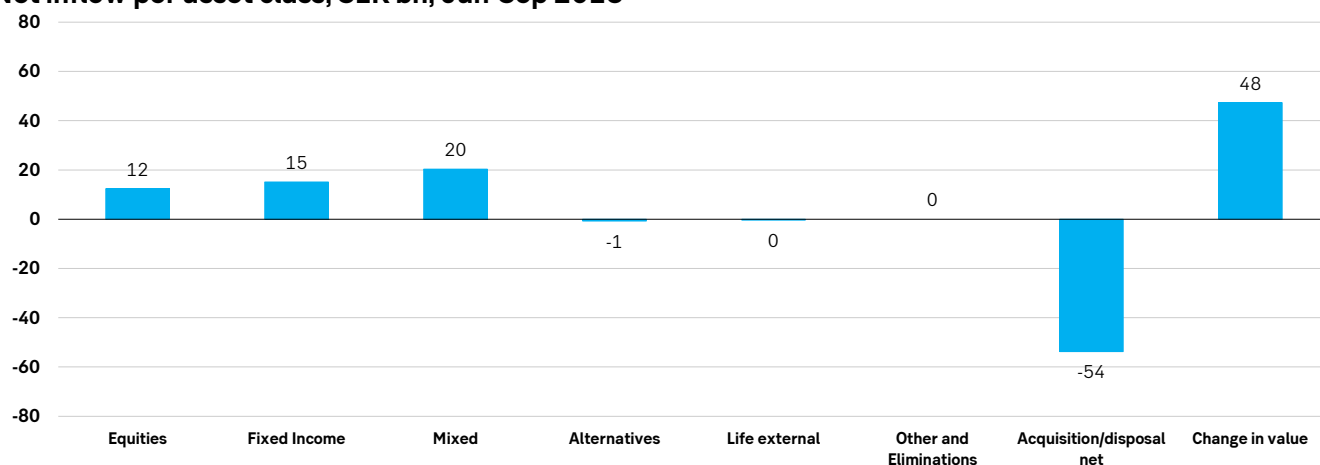
Issue date	Ratings	Coupon	Maturity date	First call date	New Coupon if not called at first call date	Currency	Size (m)
<b>Tier II Issues</b>							
28-May-14	Baa1/BBB+/A+	2,5000%	28-May-26	28-May-21	5-yr EUR swap rate +145 bps	EUR	1,000
31-Oct-16	Baa1/BBB+/A+	1,3750%	31-Oct-28	31-Oct-23	5-yr EUR swap rate +135 bps	EUR	850
<b>Additional Tier I Issues</b>							
13-Nov-14	Ba1/-/BBB	5,7500%	Perpetual	13-maj-20	5-yr USD swap rate + 385 bps	USD	1,100
23-Mar-17	Ba1/-/BBB	5,6250%	Perpetual	13-maj-22	5-yr USD swap rate + 349 bps	USD	600

## Assets under management

### Assets under management from Q1 2017

Assets under management, SEK bn	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
<b>Assets under management, start of year</b>	<b>1,749</b>	<b>1,749</b>	<b>1,749</b>	<b>1,749</b>	<b>1,830</b>	<b>1,830</b>	<b>1,830</b>
Inflow	110	263	346	491	125	274	388
Outflow	-104	-231	-307	-477	-117	-241	-341
<b>Net inflow of which:</b>	<b>6</b>	<b>32</b>	<b>39</b>	<b>14</b>	<b>8</b>	<b>33</b>	<b>47</b>
Equities	11	16	23	-38	-1	8	12
Fixed Income	-4	7	12	43	2	2	15
Mixed	4	9	11	16	8	25	20
Alternatives	-6	1	0	-2	-1	0	-1
Life external	1	0	-6	-4	-1	-1	0
Other and Eliminations	0	0	0	0	0	0	0
<b>Acquisition/disposal net</b>						<b>-54</b>	<b>-54</b>
<b>Change in value</b>	<b>45</b>	<b>54</b>	<b>61</b>	<b>66</b>	<b>16</b>	<b>29</b>	<b>48</b>
<b>Assets under management, end of period</b>	<b>1,800</b>	<b>1,835</b>	<b>1,850</b>	<b>1,830</b>	<b>1,854</b>	<b>1,838</b>	<b>1,871</b>

### Net inflow per asset class, SEK bn, Jan-Sep 2018



### AuM per asset class

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Equities	50%	49%	50%	46%	46%	48%	49%
Fixed Income	22%	22%	23%	25%	26%	25%	25%
Mixed	13%	13%	13%	14%	17%	18%	16%
Alternatives	10%	10%	9%	9%	6%	6%	6%
Life external	6%	6%	6%	6%	6%	3%	3%
<b>SEB Group AuM</b>	<b>1800</b>	<b>1835</b>	<b>1850</b>	<b>1830</b>	<b>1854</b>	<b>1838</b>	<b>1871</b>



# Credit portfolio

## Credit portfolio

On & off balance, SEK bn

SEB Group	30 Sep 2016	31 Dec 2016	31 Mar 2017	30 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
Lending	1,459	1,429	1,471	1,477	1,477	1,469	1,567	1,618	1,617
Contingent Liabilities	568	595	589	582	578	586	600	601	598
Derivative Instruments	126	119	108	100	98	97	109	111	104
<b>Credit Portfolio</b>	<b>2,153</b>	<b>2,143</b>	<b>2,167</b>	<b>2,159</b>	<b>2,153</b>	<b>2,151</b>	<b>2,277</b>	<b>2,331</b>	<b>2,319</b>

## Credit portfolio by industry and geography\*

SEB Group, 30 September 2018						
SEK m	Sweden	Other Nordic countries	Baltic countries	Germany, UK	Other	Total
<b>Banks</b>	<b>85,337</b>	<b>10,649</b>	<b>1,866</b>	<b>5,721</b>	<b>12,930</b>	<b>116,503</b>
Finance and insurance	160,706	7,859	761	16,027	5,871	191,224
Wholesale and retail	64,913	18,226	24,316	6,189	8,120	121,763
Transportation	41,514	6,111	10,785	6,190	47	64,646
Shipping	59,291	847	999	355	5,888	67,381
Business and household services	198,091	10,770	8,899	13,079	3,858	234,696
Construction	20,659	1,058	4,373	3,765	2,730	32,584
Manufacturing	170,377	25,322	13,759	15,212	15,435	240,104
Agriculture, forestry and fishing	14,821	251	8,047	115	0	23,234
Mining, oil and gas extraction	43,767	4,895	1,129	1,096	72	50,960
Electricity, gas and water supply	64,922	11,343	9,351	4,969	126	90,711
Other	26,885	3,331	733	5,170	60	36,179
<b>Corporates</b>	<b>865,945</b>	<b>90,012</b>	<b>83,152</b>	<b>72,164</b>	<b>42,207</b>	<b>1,153,480</b>
Commercial real estate management	143,887	3,702	24,152	13,560	558	185,861
Residential real estate management	104,107	23		4,286	0	108,417
<b>Real Estate Management</b>	<b>247,994</b>	<b>3,726</b>	<b>24,152</b>	<b>17,847</b>	<b>558</b>	<b>294,277</b>
<b>Housing co-operative associations</b>	<b>62,927</b>					<b>62,927</b>
<b>Public Administration</b>	<b>36,073</b>	<b>3,006</b>	<b>3,386</b>	<b>10,411</b>	<b>1</b>	<b>52,878</b>
Household mortgage	487,730	1,731	56,204		6,265	551,929
Other	44,952	30,569	8,827	8	2,767	87,123
<b>Households</b>	<b>532,681</b>	<b>32,300</b>	<b>65,031</b>	<b>8</b>	<b>9,033</b>	<b>639,052</b>
<b>Credit portfolio</b>	<b>1,830,959</b>	<b>139,693</b>	<b>177,588</b>	<b>106,150</b>	<b>64,729</b>	<b>2,319,119</b>

\* The geographical distribution is based on where the loan is booked.

SEB Group, 31 December 2017						
SEK m	Sweden	Other Nordic countries	Baltic countries	Germany, UK	Other	Total
<b>Banks</b>	<b>57,160</b>	<b>9,694</b>	<b>991</b>	<b>7,826</b>	<b>14,734</b>	<b>90,405</b>
Finance and insurance	87,949	6,939	962	36,065	4,846	136,761
Wholesale and retail	48,939	16,049	22,568	8,378	5,997	101,931
Transportation	31,439	5,593	8,543	10,372	68	56,015
Shipping	54,586	887	917	377	6,256	63,023
Business and household services	147,684	6,588	7,978	43,641	5,099	210,990
Construction	20,931	1,439	4,198	3,190	2,485	32,243
Manufacturing	153,926	21,705	12,838	32,908	14,826	236,204
Agriculture, forestry and fishing	13,266	278	6,993	93	7	20,636
Mining, oil and gas extraction	40,547	5,218	1,324	560	244	47,894
Electricity, gas and water supply	42,220	11,806	11,970	24,138	130	90,265
Other	27,286	2,800	722	2,683	53	33,543
<b>Corporates</b>	<b>668,773</b>	<b>79,303</b>	<b>79,014</b>	<b>162,405</b>	<b>40,010</b>	<b>1,029,506</b>
Commercial real estate management	130,156	4,007	22,075	22,285	10	178,533
Residential real estate management	103,849	25		4,433		108,307
<b>Real Estate Management</b>	<b>234,005</b>	<b>4,031</b>	<b>22,075</b>	<b>26,718</b>	<b>10</b>	<b>286,840</b>
<b>Housing co-operative associations</b>	<b>60,932</b>					<b>60,932</b>
<b>Public Administration</b>	<b>36,764</b>	<b>2,412</b>	<b>4,900</b>	<b>20,710</b>	<b>1</b>	<b>64,787</b>
Household mortgage	477,700	2,041	49,955		5,635	535,331
Other	43,499	28,888	8,609	5	2,680	83,681
<b>Households</b>	<b>521,199</b>	<b>30,929</b>	<b>58,564</b>	<b>5</b>	<b>8,316</b>	<b>619,013</b>
<b>Credit portfolio</b>	<b>1,578,833</b>	<b>126,370</b>	<b>165,544</b>	<b>217,664</b>	<b>63,072</b>	<b>2,151,483</b>

\* The geographical distribution is based on where the loan is booked.

## Loan portfolio by industry and geography\*

SEB Group, 30 September 2018						
SEK m	Sweden	Other Nordic countries	Baltic countries	Germany, UK	Other	Total
<b>Banks</b>	<b>47,327</b>	<b>3,443</b>	<b>561</b>	<b>3,688</b>	<b>8,184</b>	<b>63,203</b>
Finance and insurance	106,457	1,848	651	4,361	5,280	118,598
Wholesale and retail	43,701	16,450	18,055	2,654	5,022	85,881
Transportation	20,979	4,716	8,387	4,284	0	38,365
Shipping	45,963	618	413	9	5,543	52,546
Business and household services	118,075	5,016	7,027	4,400	2,880	137,398
Construction	10,299	537	1,758	79	342	13,016
Manufacturing	56,868	10,638	9,956	3,498	10,264	91,223
Agriculture, forestry and fishing	12,669	93	7,058	11	0	19,832
Mining, oil and gas extraction	23,142	1,240	710	3	69	25,164
Electricity, gas and water supply	30,191	9,925	5,542	1,044	69	46,771
Other	16,350	2,413	665	2,727	28	22,183
<b>Corporates</b>	<b>484,694</b>	<b>53,493</b>	<b>60,224</b>	<b>23,071</b>	<b>29,496</b>	<b>650,979</b>
Commercial real estate management	121,059	1,837	21,836	13,295	549	158,576
Residential real estate management	92,004	20		4,271	0	96,295
<b>Real Estate Management</b>	<b>213,064</b>	<b>1,856</b>	<b>21,836</b>	<b>17,566</b>	<b>549</b>	<b>254,872</b>
<b>Housing co-operative associations</b>	<b>59,457</b>					<b>59,457</b>
<b>Public Administration</b>	<b>14,939</b>	<b>1,653</b>	<b>2,300</b>	<b>6,800</b>		<b>25,692</b>
Household mortgage	456,081	1,731	54,863		5,880	518,555
Other	24,793	9,849	6,972	0	2,599	44,213
<b>Households</b>	<b>480,874</b>	<b>11,580</b>	<b>61,835</b>	<b>0</b>	<b>8,480</b>	<b>562,768</b>
<b>Loan portfolio</b>	<b>1,300,354</b>	<b>72,025</b>	<b>146,756</b>	<b>51,125</b>	<b>46,710</b>	<b>1,616,970</b>
Repos, credit institutions						10,150
Repos, general public						116,118
Reserves						-5,520
<b>Total lending</b>						<b>1,737,718</b>

\* The geographical distribution is based on where the loan is booked, before loan loss reserves, excluding repos.

SEB Group, 31 December 2017						
SEK m	Sweden	Other Nordic countries	Baltic countries	Germany, UK	Other	Total
<b>Banks</b>	<b>22,855</b>	<b>1,986</b>	<b>873</b>	<b>4,870</b>	<b>10,921</b>	<b>41,505</b>
Finance and insurance	51,858	1,722	732	12,459	3,691	70,462
Wholesale and retail	30,046	14,792	14,432	2,289	3,881	65,440
Transportation	13,828	4,125	6,671	5,335	17	29,976
Shipping	40,534	614	377	0	5,603	47,128
Business and household services	89,019	1,876	6,171	17,589	2,401	117,056
Construction	10,383	577	1,583	67	72	12,681
Manufacturing	52,154	7,488	8,641	8,073	9,277	85,633
Agriculture, forestry and fishing	10,920	63	6,035		0	17,019
Mining, oil and gas extraction	21,641	1,128	752	320	105	23,946
Electricity, gas and water supply	21,346	10,299	6,192	6,831	52	44,720
Other	21,686	1,884	657	1,931	18	26,176
<b>Corporates</b>	<b>363,415</b>	<b>44,569</b>	<b>52,241</b>	<b>54,895</b>	<b>25,116</b>	<b>540,236</b>
Commercial real estate management	109,410	1,935	19,971	20,884		152,200
Residential real estate management	89,577	19		4,372		93,968
<b>Real Estate Management</b>	<b>198,988</b>	<b>1,954</b>	<b>19,971</b>	<b>25,256</b>		<b>246,169</b>
<b>Housing co-operative associations</b>	<b>55,929</b>					<b>55,929</b>
<b>Public Administration</b>	<b>17,541</b>	<b>1,224</b>	<b>2,354</b>	<b>16,414</b>		<b>37,533</b>
Household mortgage	448,886	2,041	48,841		5,117	504,885
Other	24,156	8,961	6,820	5	2,479	42,421
<b>Households</b>	<b>473,042</b>	<b>11,002</b>	<b>55,661</b>	<b>5</b>	<b>7,596</b>	<b>547,306</b>
<b>Loan portfolio</b>	<b>1,131,770</b>	<b>60,735</b>	<b>131,099</b>	<b>101,440</b>	<b>43,633</b>	<b>1,468,678</b>
Repos, credit institutions						56
Repos, general public						42,231
Debt instruments						13,030
Reserves						-4,476
<b>Total lending</b>						<b>1,519,518</b>

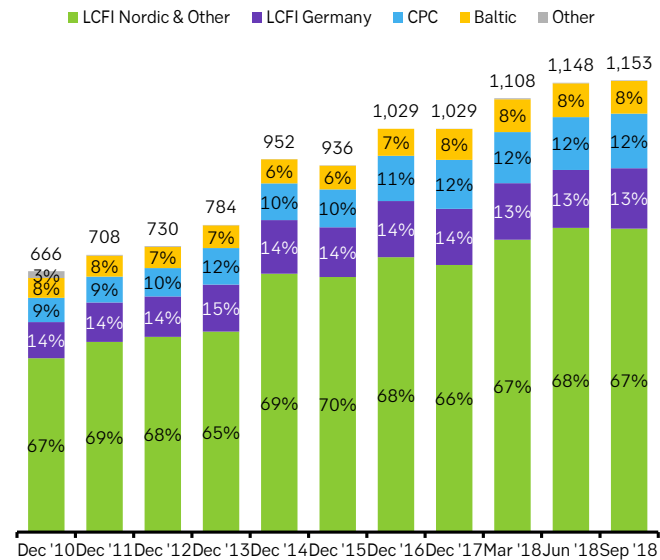
\* The geographical distribution is based on where the loan is booked, before loan loss reserves, excluding repos & debt instruments.

## Corporate Credit portfolio based on SEB's operations

SEB Group, 30 September 2018						
SEK m	Sweden	Nordic countries	Baltic countries	Germany, UK	Other	Total
Sep '18	526,037	282,261	83,152	208,787	53,243	1,153,480
Jun '18	514,866	282,713	86,456	201,768	61,850	1,147,653

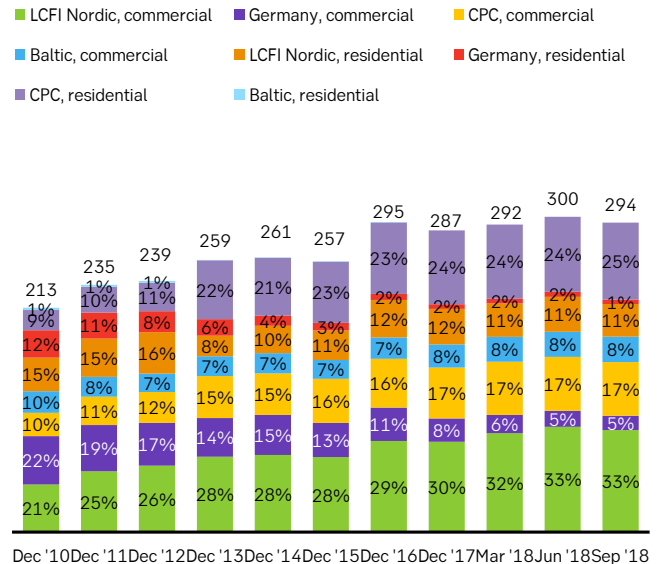
### Credit portfolio – Corporates

SEK bn



### Credit portfolio – Real Estate Management

SEK bn



### Credit portfolio by industry and geography\*

SEK bn	30 Sep 2016	31 Dec 2016	31 Mar 2017	30 Jun 2017	30 Sep 2017	31 Dec 2017	31 Mar 2018	30 Jun 2018	30 Sep 2018
<b>Banks</b>	139	107	126	119	116	90	133	125	117
<b>Corporates</b>	1,005	1,029	1,026	1,023	1,011	1,029	1,108	1,148	1,153
Nordic countries	737	760	753	747	739	748	890	942	956
Germany, UK	164	160	162	163	162	162	91	75	72
Baltic countries	68	69	70	72	74	79	84	87	83
Other	36	40	41	41	36	40	43	44	42
<b>Commercial property management</b>	189	185	184	179	179	179	186	191	186
Nordic countries	135	133	133	131	133	134	144	151	148
Germany, UK	33	32	31	28	26	23	17	15	13
Baltic countries	21	20	20	20	20	22	24	24	24
Other	0	0	0	0	0	0	1	1	1
<b>Residential property management</b>	102	109	111	108	107	108	107	109	108
Nordic countries	96	103	106	103	103	104	102	104	104
Germany, UK	6	6	5	5	4	4	5	5	4
Baltic countries	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
<b>Housing co-operative associations</b>	55	54	58	59	60	61	61	62	63
<b>Sweden</b>									
<b>Public administration</b>	67	62	57	56	55	65	55	55	53
<b>Households</b>	596	597	605	615	625	619	627	641	639
Nordic countries	536	536	543	553	556	552	556	563	565
Germany, UK	0	0	0	0	0	0	0	0	0
Baltic countries	52	53	54	55	57	59	62	65	65
Other	8	8	8	7	12	8	9	13	9
<b>Total credit portfolio</b>	<b>2,153</b>	<b>2,143</b>	<b>2,167</b>	<b>2,159</b>	<b>2,153</b>	<b>2,151</b>	<b>2,277</b>	<b>2,331</b>	<b>2,319</b>

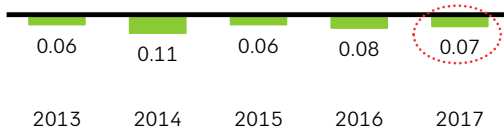
\* Geographic distribution is based on where the loan is booked. Amounts before provisions for credit losses.

# Asset quality

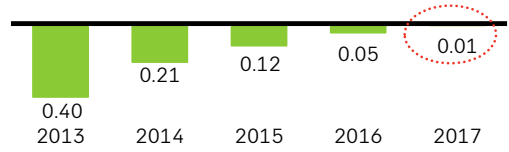
## Credit loss level

2013 - 2017

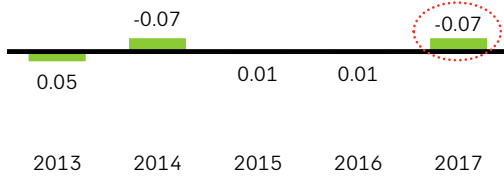
**Nordic countries, net credit losses in %**



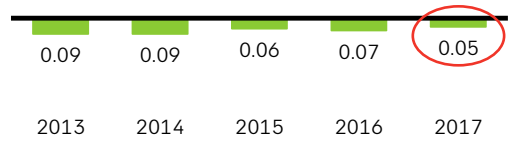
**Baltic countries, net credit losses in %**



**Germany, net credit losses in %**

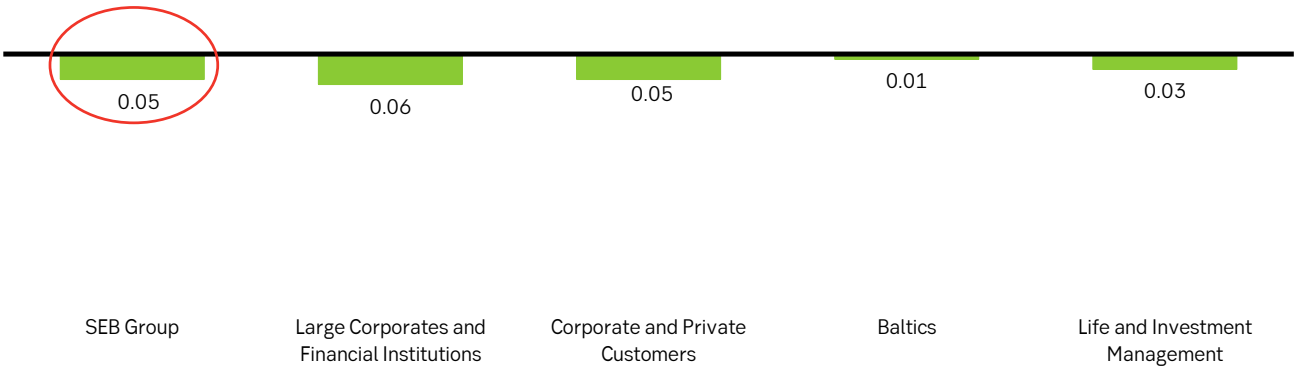


**SEB Group, net credit losses in %**



## Net ECL level per division

Jan - Sep 2018



## Market risk

SEB's business model is driven by customer demand. Value-at-Risk (VaR) in the trading operations has averaged SEK 89m in 2018 compared to SEK 91m in

2017. On average, the Group does not expect to lose more than this amount during a period of ten trading days, with 99 per cent probability.

Value at Risk (99 per cent, ten days)					
SEKm	Min	Max	Sep 2018	Average 2018	Average 2017
Commodities	6	41	26	17	18
Credit spread	13	33	22	22	47
Equity	12	77	32	33	29
FX	17	81	24	45	28
Interest rate	29	83	48	50	58
Volatilities	14	41	18	27	19
Diversification	-	-	-100	-105	-108
<b>Total</b>	<b>49</b>	<b>131</b>	<b>70</b>	<b>89</b>	<b>91</b>

Note: 2017 including liquidity portfolio

## Debt instruments

30 Sep 2018

Credit Risk Exposure SEK 201bn

By Rating	Central & local governments	Corporates	Covered bonds	Asset-backed securities	Financials	Total
AAA	33.7%	0.1%	34.3%	2.8%	0.2%	71.2%
AA	9.2%	0.0%	0.1%		0.1%	9.4%
A	0.5%	0.1%		0.5%	0.5%	1.6%
BBB		0.5%			0.1%	0.6%
BB/B		0.2%			0.0%	0.2%
CCC/CC		0.0%				0.0%
Not rated	9.3%	1.8%	0.4%		5.5%	16.9%
<b>Total</b>	<b>52.7%</b>	<b>2.6%</b>	<b>34.9%</b>	<b>3.4%</b>	<b>6.5%</b>	<b>100.0%</b>

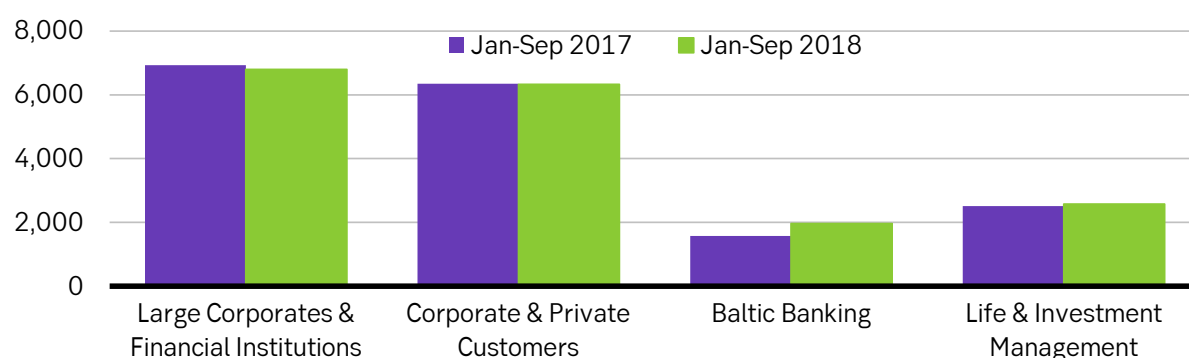
By Geography	Central & local governments	Corporates	Covered bonds	Asset-backed securities	Financials	Total
Sweden	10.1%	0.0%	15.6%		4.6%	30.4%
Germany	17.3%	0.1%	0.2%		0.1%	17.7%
Denmark	4.2%	0.1%	10.2%		0.1%	14.5%
Norway	6.4%	0.7%	4.9%		1.2%	13.3%
Finland	2.3%	0.2%	4.0%		0.1%	6.7%
Baltics	1.2%					1.2%
US	5.9%	0.1%			0.0%	6.0%
Luxembourg	1.8%	0.0%		3.4%		5.2%
Netherlands	0.3%	0.1%			0.2%	0.6%
Spain		0.0%			0.1%	0.2%
Italy		0.0%				0.0%
Ireland		0.0%			0.0%	0.0%
Europe, other	1.5%	1.2%			0.0%	2.7%
Rest of World	1.5%	0.0%				1.5%
<b>Total</b>	<b>52.7%</b>	<b>2.6%</b>	<b>34.9%</b>	<b>3.4%</b>	<b>6.5%</b>	<b>100.0%</b>

# SEB Group by business segment

## Profit before credit loss provisions per division

Jan – Sep 2017 vs. Jan – Sep 2018

SEK m



Business equity, SEK bn	63.8	42.1	9.5	8.1
Return on equity, %	10.0	14.3	22.9 *	36.3
Cost / income ratio	0.49	0.45	0.41	0.42
Tax Rate, %	25.0	25.0	17.0	14.0

\* Baltic Division including RHC 22.7 %

## Other and eliminations, total (incl. Group-wide functions outside the divisions)

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Net interest income	-29	-306	-191	-76	115	276	330	160	-36
Net fee and commission income	-24	-60	-4	-2	-7	-13	2	-29	55
Net financial income	254	186	571	131	179	187	58	325	363
Net other income	98	111	97	134	138	75	90	-67	73
<b>Total operating income</b>	<b>299</b>	<b>-69</b>	<b>474</b>	<b>187</b>	<b>424</b>	<b>525</b>	<b>480</b>	<b>390</b>	<b>456</b>
Staff costs	-1,161	-1,274	-1,155	-1,211	-1,066	-1,149	-1,175	-1,234	-1,190
Other expenses	999	968	980	1,023	962	934	921	922	939
Depreciation, amortisation and impairment of tangible and intangible assets	-149	-146	-138	-144	-273	-179	-133	-134	-136
<b>Total operating expenses</b>	<b>-311</b>	<b>-452</b>	<b>-313</b>	<b>-331</b>	<b>-377</b>	<b>-394</b>	<b>-387</b>	<b>-446</b>	<b>-386</b>
<b>Profit before credit losses</b>	<b>-12</b>	<b>-521</b>	<b>160</b>	<b>-145</b>	<b>46</b>	<b>131</b>	<b>93</b>	<b>-56</b>	<b>69</b>
Gains less losses from tangible and intangible assets	1	5	-2	2	1				
Net expected credit losses							8	1	4
Net credit losses	3		2		1	1			
<b>Operating profit before items affecting comparability</b>	<b>-8</b>	<b>-516</b>	<b>160</b>	<b>-143</b>	<b>48</b>	<b>132</b>	<b>101</b>	<b>-56</b>	<b>74</b>
Items affecting comparability						-1,896		4,506	
<b>Operating profit</b>	<b>-8</b>	<b>-516</b>	<b>160</b>	<b>-143</b>	<b>48</b>	<b>-1,764</b>	<b>101</b>	<b>4,450</b>	<b>74</b>

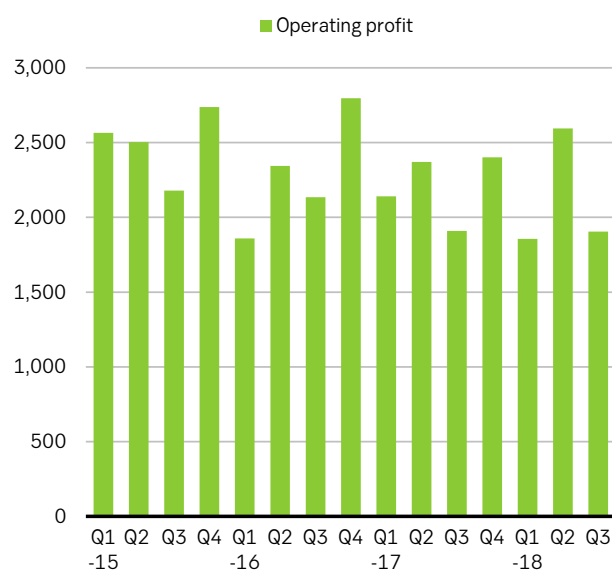
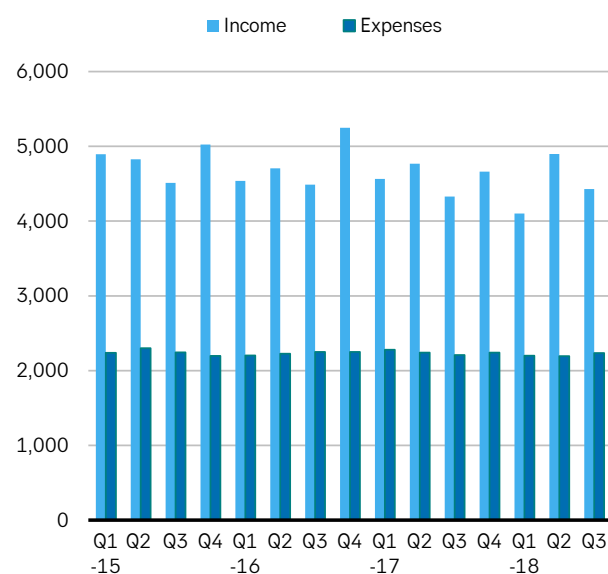
# Large Corporates & Financial Institutions

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Net interest income	1,935	2,202	2,043	2,057	1,971	1,972	1,738	2,283	2,181
Net fee and commission income	1,444	1,690	1,530	1,781	1,306	1,619	1,373	1,814	1,445
Net financial income	1,050	1,219	957	729	913	866	944	766	772
Net other income	58	137	32	199	137	205	46	34	30
<b>Total operating income</b>	<b>4,487</b>	<b>5,248</b>	<b>4,563</b>	<b>4,766</b>	<b>4,327</b>	<b>4,662</b>	<b>4,101</b>	<b>4,897</b>	<b>4,427</b>
Staff costs	-1,000	-1,032	-1,019	-932	-951	-959	-914	-898	-1,016
Other expenses	-1,242	-1,208	-1,245	-1,294	-1,242	-1,265	-1,272	-1,282	-1,205
Depreciation, amortisation and impairment of tangible and intangible assets	-8	-11	-13	-15	-15	-16	-13	-13	-14
<b>Total operating expenses</b>	<b>-2,250</b>	<b>-2,251</b>	<b>-2,277</b>	<b>-2,241</b>	<b>-2,208</b>	<b>-2,240</b>	<b>-2,199</b>	<b>-2,193</b>	<b>-2,235</b>
<b>Profit before credit losses</b>	<b>2,237</b>	<b>2,997</b>	<b>2,285</b>	<b>2,525</b>	<b>2,119</b>	<b>2,422</b>	<b>1,902</b>	<b>2,703</b>	<b>2,192</b>
Gains less losses from tangible and intangible assets									
Net expected credit losses							-46	-110	-287
Net credit losses	-103	-200	-144	-155	-210	-20			
<b>Operating profit before items affecting comparability</b>	<b>2,134</b>	<b>2,796</b>	<b>2,142</b>	<b>2,370</b>	<b>1,910</b>	<b>2,402</b>	<b>1,856</b>	<b>2,594</b>	<b>1,905</b>
Items affecting comparability									
<b>Operating profit</b>	<b>2,134</b>	<b>2,796</b>	<b>2,142</b>	<b>2,370</b>	<b>1,910</b>	<b>2,402</b>	<b>1,856</b>	<b>2,594</b>	<b>1,905</b>
Cost/Income	0,50	0,43	0,50	0,47	0,51	0,48	0,54	0,45	0,50
Business equity, SEK bn	62,8	64,9	66,1	66,2	66,0	64,9	63,0	63,8	64,4
Return on business equity, per cent									
-isolated in the quarter	10,5	13,3	9,7	10,7	8,7	11,1	8,8	12,2	8,9
-accumulated in the period	10,6	11,3	9,7	10,2	9,7	10,1	8,8	10,5	10,0
Risk exposure amount, SEK bn	371	375	376	377	374	376	356	371	369
Lending to the public*, SEK bn	553	546	555	578	568	567	561	618	605
Deposits from the public*, SEK bn	395	404	420	469	476	443	469	485	497
FTEs, present	2,073	2,063	2,066	2,050	2,031	2,028	1,971	1,993	1,990

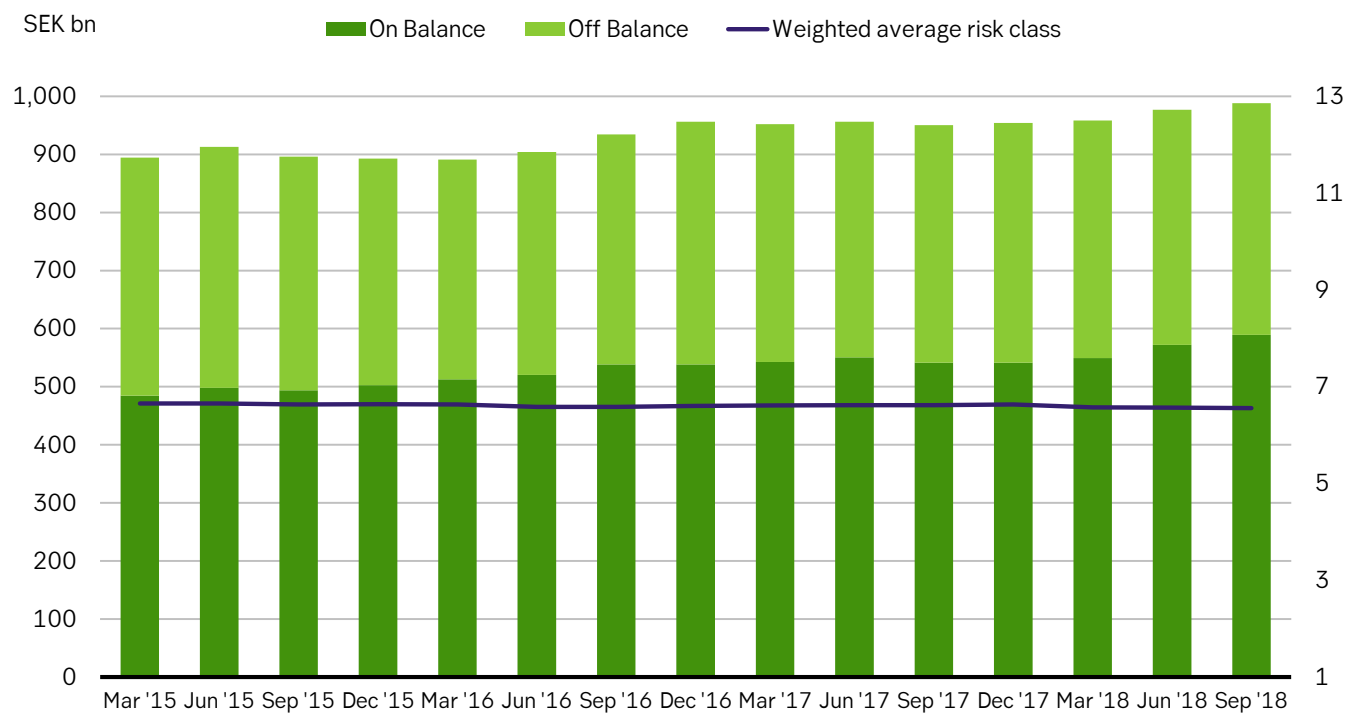
\*excluding repos

## Income, expenses and operating profit

SEK m

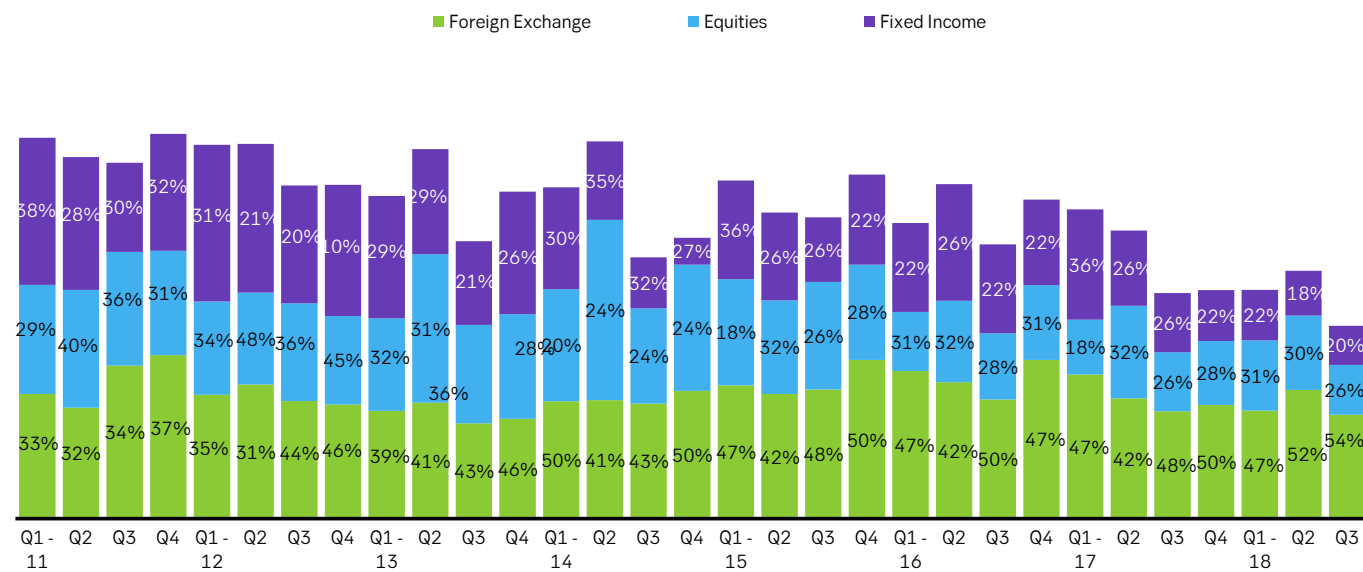


## Lending and commitments development\*, FX-adjusted



\* To Corporates and Property Management

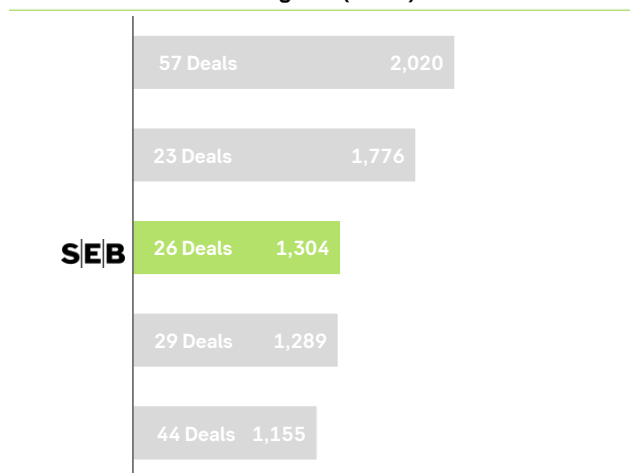
## Markets income by main product cluster, excl. XVA





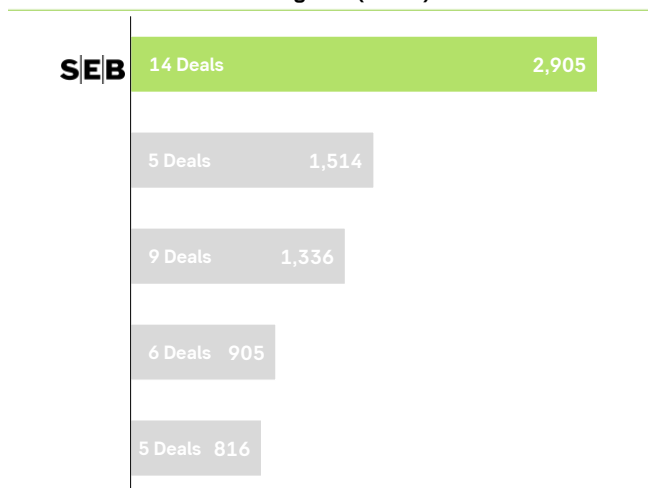
## League tables

**Nordics ECM  
Rolling 12m (EURm)**



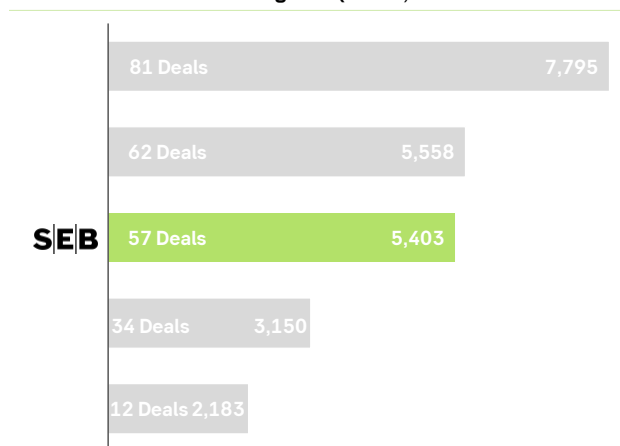
Source: Dealogic  
IPO and follow on issues on Nordic exchanges  
Ranking by Bookrunner

**Nordic M&A (EUR 0-500m)  
Rolling 12m (EURm)**



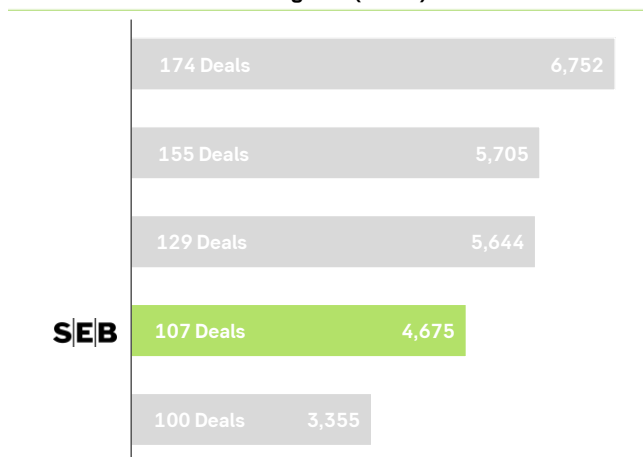
Source: Thomson Reuters  
Announced transactions with Nordic targets

**All Nordics loans  
Rolling 12m (EURm)**



Source: Bloomberg  
Ranking by Manager

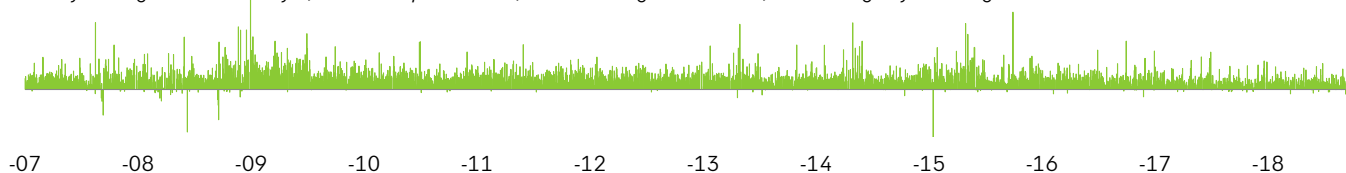
**All Nordic Corp Issuers  
Rolling 12m (EURm)**



Source: Bloomberg  
Ranking by Manager

## Low risk trading orientation

Daily trading income January 1, 2007 – September 30, 2018. 95 negative out of 2,948 trading days. Average loss SEK 10m



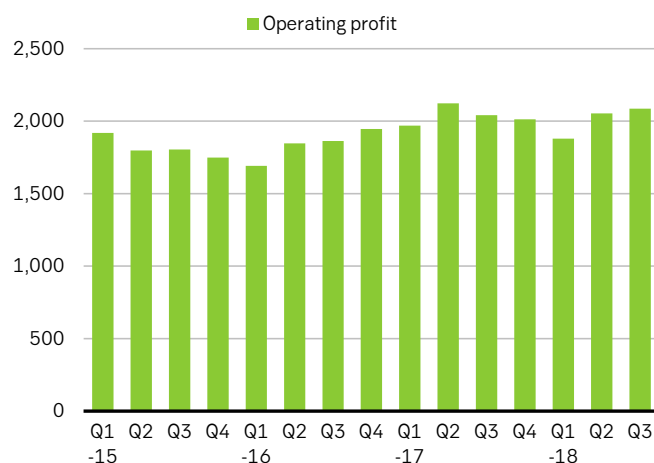
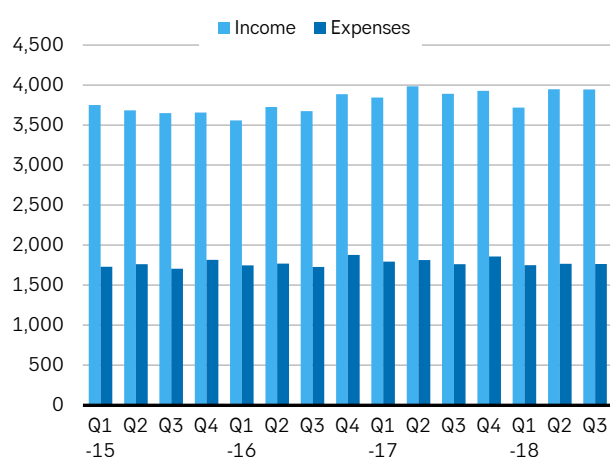
## Corporate & Private Customers

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
SEK m	2016	2016	2017	2017	2017	2017	2018	2018	2018
Net interest income	2,222	2,331	2,330	2,376	2,415	2,320	2,286	2,363	2,453
Net fee and commission income	1,348	1,425	1,393	1,472	1,342	1,472	1,326	1,445	1,387
Net financial income	95	111	108	122	98	113	98	111	101
Net other income	9	19	14	15	35	23	7	29	5
<b>Total operating income</b>	<b>3,674</b>	<b>3,886</b>	<b>3,845</b>	<b>3,985</b>	<b>3,890</b>	<b>3,929</b>	<b>3,717</b>	<b>3,948</b>	<b>3,946</b>
Staff costs	-817	-850	-854	-814	-804	-827	-840	-822	-838
Other expenses	-892	-1,009	-926	-985	-944	-1,017	-896	-931	-911
Depreciation, amortisation and impairment of tangible and intangible assets	-18	-18	-15	-14	-14	-13	-14	-14	-14
<b>Total operating expenses</b>	<b>-1,727</b>	<b>-1,877</b>	<b>-1,795</b>	<b>-1,813</b>	<b>-1,762</b>	<b>-1,857</b>	<b>-1,750</b>	<b>-1,767</b>	<b>-1,764</b>
<b>Profit before credit losses</b>	<b>1,947</b>	<b>2,009</b>	<b>2,051</b>	<b>2,171</b>	<b>2,128</b>	<b>2,072</b>	<b>1,967</b>	<b>2,181</b>	<b>2,182</b>
Gains less losses from tangible and intangible assets									
Net expected credit losses							-87	-128	-97
Net credit losses	-84	-63	-81	-48	-86	-60			
<b>Operating profit before items affecting comparability</b>	<b>1,863</b>	<b>1,946</b>	<b>1,969</b>	<b>2,123</b>	<b>2,042</b>	<b>2,012</b>	<b>1,880</b>	<b>2,053</b>	<b>2,086</b>
Items affecting comparability									
<b>Operating profit</b>	<b>1,863</b>	<b>1,946</b>	<b>1,969</b>	<b>2,123</b>	<b>2,042</b>	<b>2,012</b>	<b>1,880</b>	<b>2,053</b>	<b>2,086</b>
Cost/Income	0,47	0,48	0,47	0,46	0,45	0,47	0,47	0,45	0,45
Business equity, SEK bn	37,7	38,7	40,4	41,1	40,4	40,7	41,1	42,0	43,1
Return on business equity, per cent									
- isolated in the quarter	15,2	15,5	14,6	15,5	15,2	14,8	13,7	14,7	14,5
- accumulated in the period	15,0	15,2	14,6	15,1	15,1	15,0	13,7	14,2	14,3
Risk exposure amount, SEK bn	117	117	117	121	120	120	124	127	128
Lending to the public*, SEK bn	702	710	719	730	738	744	756	766	775
Deposits from the public*, SEK bn	371	372	368	378	371	384	387	402	407
FTEs, present	3,608	3,551	3,510	3,549	3,485	3,548	3,559	3,606	3,583

\*excluding repos

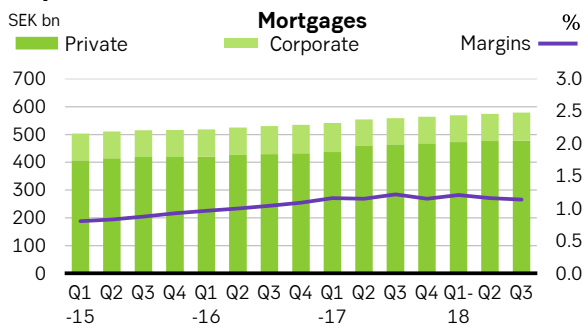
### Income, expenses and operating profit

SEK m



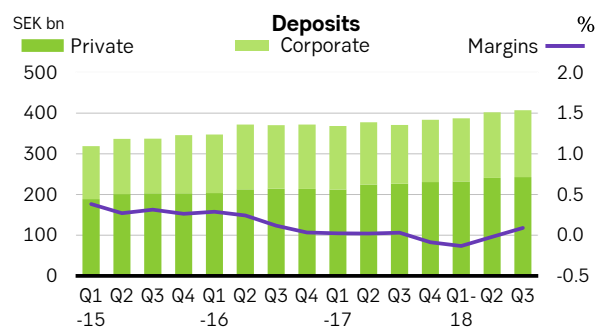
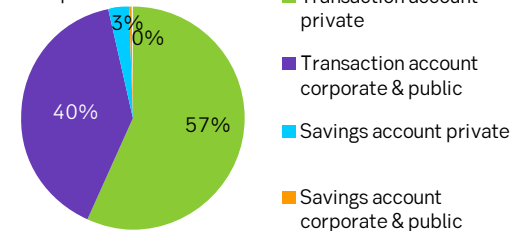
## Business volume development by area

### Corporate & Private Customers

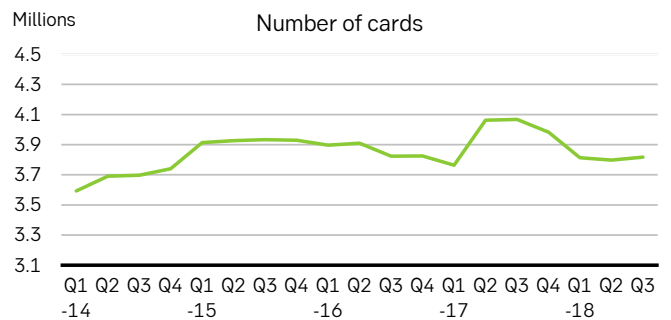
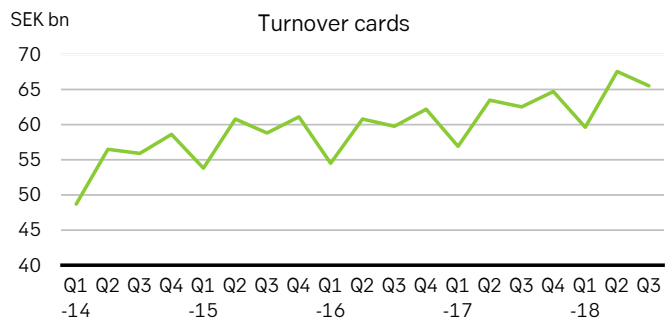


### Deposit breakdown, Per cent of total deposits

30 Sep 2018



### Cards



Note: Adjusted for divestment of Euroline

## Baltic (excl. RHC)

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
SEK m	2016	2016	2017	2017	2017	2017	2018	2018	2018
Net interest income	545	588	552	578	603	640	646	706	735
Net fee and commission income	298	325	307	325	334	355	327	369	375
Net financial income	75	38	62	53	56	60	53	73	75
Net other income	3	-5	3	-1	-1		0	1	0
<b>Total operating income</b>	<b>921</b>	<b>946</b>	<b>924</b>	<b>956</b>	<b>992</b>	<b>1,055</b>	<b>1,026</b>	<b>1,150</b>	<b>1,186</b>
Staff costs	-177	-197	-177	-179	-171	-183	-176	-206	-203
Other expenses	-237	-231	-245	-247	-250	-217	-252	-260	-257
Depreciation, amortisation and impairment of tangible and intangible assets	-13	-23	-13	-16	-13	-34	-13	-13	-14
<b>Total operating expenses</b>	<b>-427</b>	<b>-451</b>	<b>-435</b>	<b>-442</b>	<b>-435</b>	<b>-434</b>	<b>-441</b>	<b>-479</b>	<b>-474</b>
<b>Profit before credit losses</b>	<b>494</b>	<b>495</b>	<b>489</b>	<b>513</b>	<b>557</b>	<b>621</b>	<b>585</b>	<b>670</b>	<b>711</b>
Gains less losses from tangible and intangible assets	4	1	1	1	-7		2	1	0
Net expected credit losses							17	17	-44
Net credit losses	-13	-22	19	-11	11	-26			
<b>Operating profit before items affecting comparability</b>	<b>485</b>	<b>474</b>	<b>508</b>	<b>504</b>	<b>561</b>	<b>595</b>	<b>604</b>	<b>688</b>	<b>668</b>
Items affecting comparability									
<b>Operating profit</b>	<b>485</b>	<b>474</b>	<b>508</b>	<b>504</b>	<b>561</b>	<b>595</b>	<b>604</b>	<b>688</b>	<b>668</b>

Cost/Income	0,46	0,48	0,47	0,46	0,44	0,41	0,43	0,42	0,40
Business equity, SEK bn	7,7	7,7	7,6	7,7	7,9	8,1	8,5	9,8	10,1
Return on business equity, per cent									
-isolated in the quarter	22,1	21,6	23,4	22,9	25,0	26,0	23,5	23,4	22,0
-accumulated in the period	18,6	19,3	23,4	23,2	23,8	24,4	23,5	23,5	22,9
Risk exposure amount, SEK bn	66	66	66	69	69	74	76	79	80
Lending to the public*, SEK bn	117	118	119	123	125	129	137	146	145
Deposits from the public*, SEK bn	101	106	105	108	107	114	119	127	129
FTEs, present	2,520	2,456	2,408	2,403	2,405	2,386	2,344	2,399	2,346

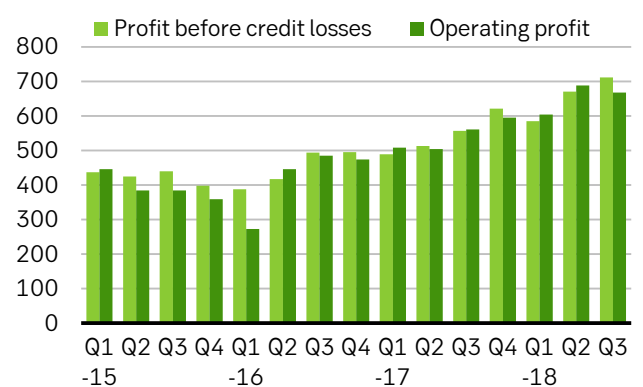
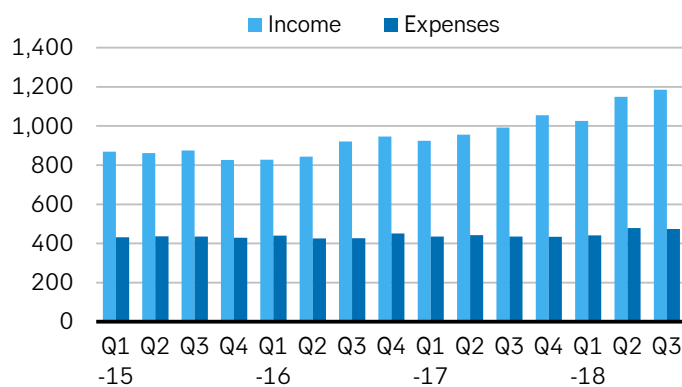
\*excluding repos

## Baltic Division (incl. RHC)

<b>Operating profit</b>	<b>449</b>	<b>386</b>	<b>465</b>	<b>453</b>	<b>507</b>	<b>552</b>	<b>605</b>	<b>681</b>	<b>662</b>
Cost/Income	0,48	0,49	0,48	0,47	0,44	0,42	0,43	0,43	0,40
Business equity, SEK bn	8,0	7,9	7,8	7,9	8,0	8,1	8,6	9,8	10,1
Return on business equity, per cent									
-isolated in the quarter	19,9	17,1	21,0	20,2	22,3	23,9	23,4	23,1	21,8
-accumulated in the period	15,9	16,2	21,0	20,6	21,2	21,9	23,4	23,2	22,7
FTEs, present	2,552	2,484	2,433	2,430	2,430	2,409	2,367	2,417	2,350

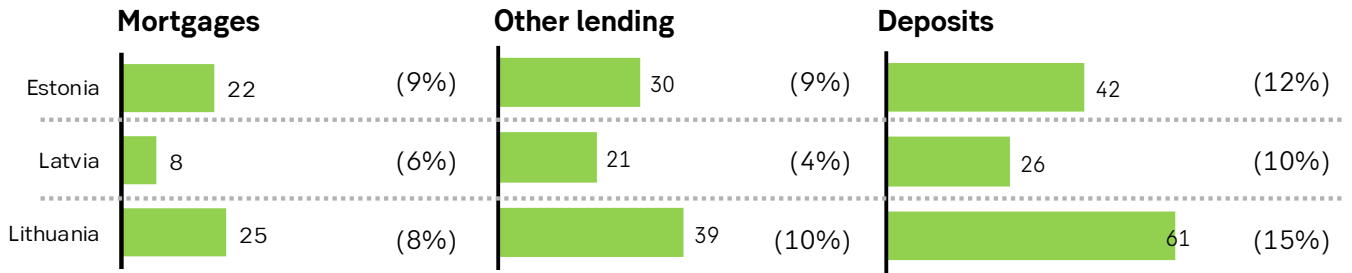
## Income, expenses and operating profit (excl. RHC)

SEK m



## Business volume development by area

SEK bn Q3 2018 (change vs. Q3 2017 in local currency)



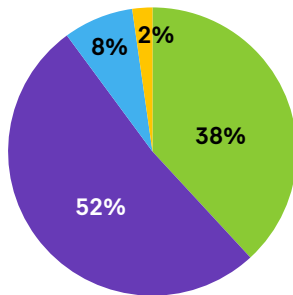
## Deposit breakdown, per cent of total deposits

30 Sep 2018

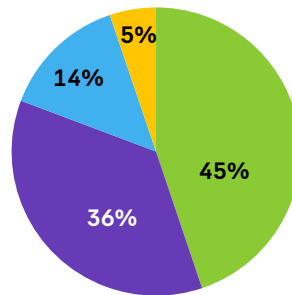
Transaction account private  
Savings account private

Transaction account corporate & public  
Savings account corporate & public

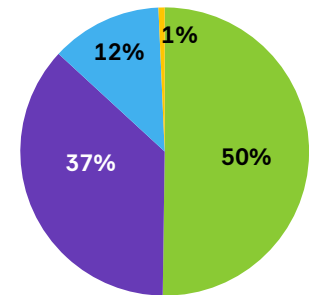
### Estonia



### Latvia

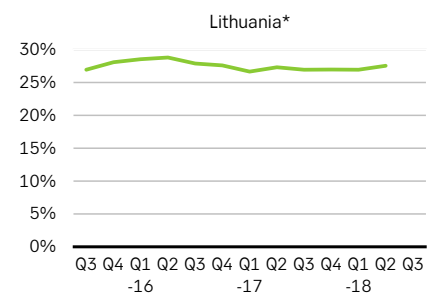
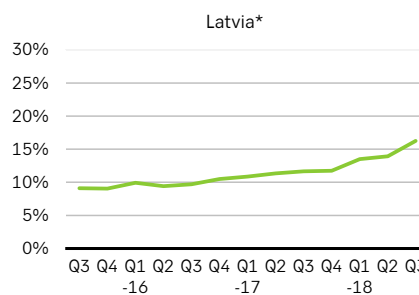
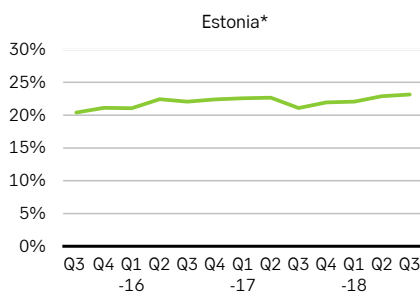


### Lithuania



## Deposit market shares

Per cent, Q3 2015 – Q3 2018

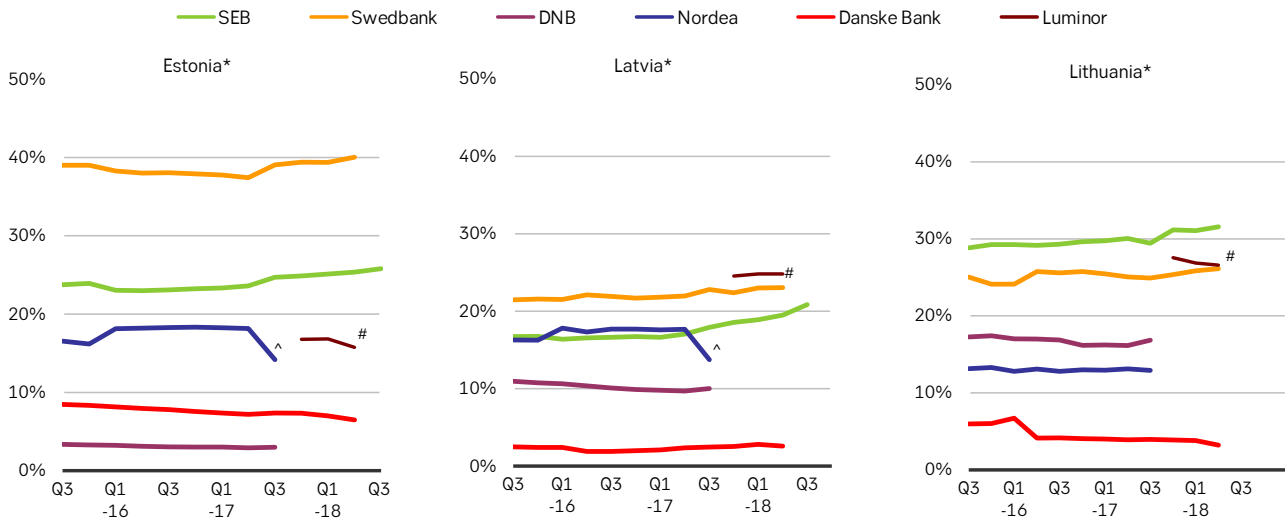


\* Q3 2018 volumes are not available at time of publication. SEB Estonia's and SEB Latvia's Q3 2018 figures are August 2018.

Source: Estonian Financial Supervision Authority, Association of Latvian Commercial Banks, Association of Lithuanian Banks, SEB Group

## Baltic lending market shares

Per cent, Q3 2015 – Q3 2018



\* Neither SEB Lithuania's nor its competitors' Q3 2018 volumes are available at time of publication. SEB Estonia's and SEB Latvia 's Q3 2018 figures are August 2018.

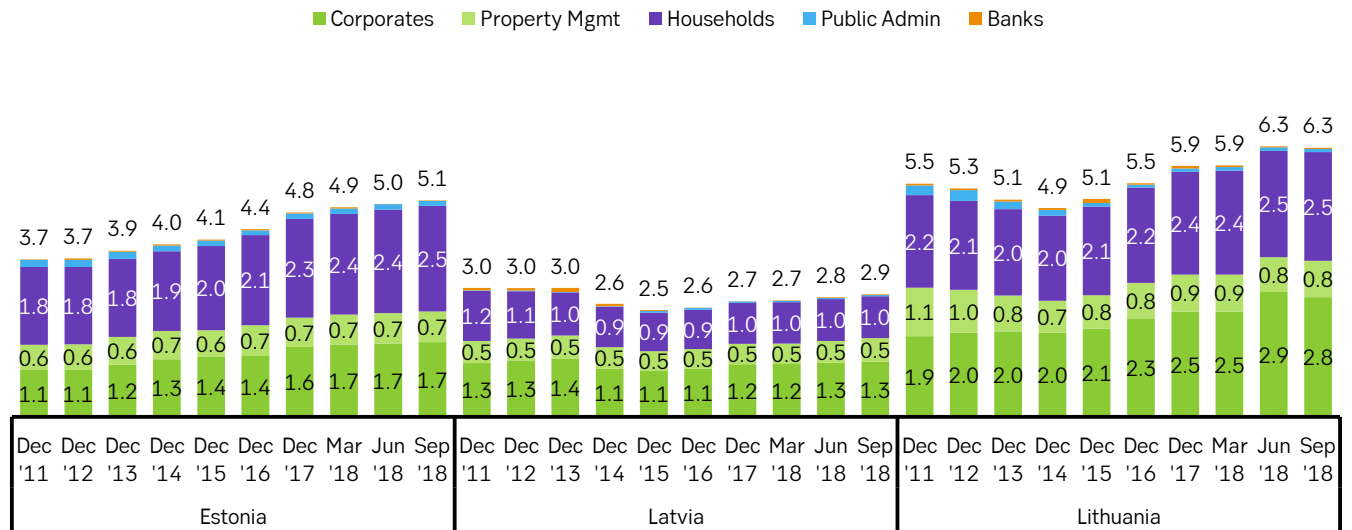
# Luminor formed Oct 2017 merging DNB and Nordea's Baltic operations.

^ Nordea's Q3 2017 decreases in Estonia and Latvia are due to a partial transferring of its corporate loan portfolio to its parent bank.

Source: Estonian Financial Supervision Authority, Association of Latvian Commercial Banks, Association of Lithuanian Banks, SEB Group

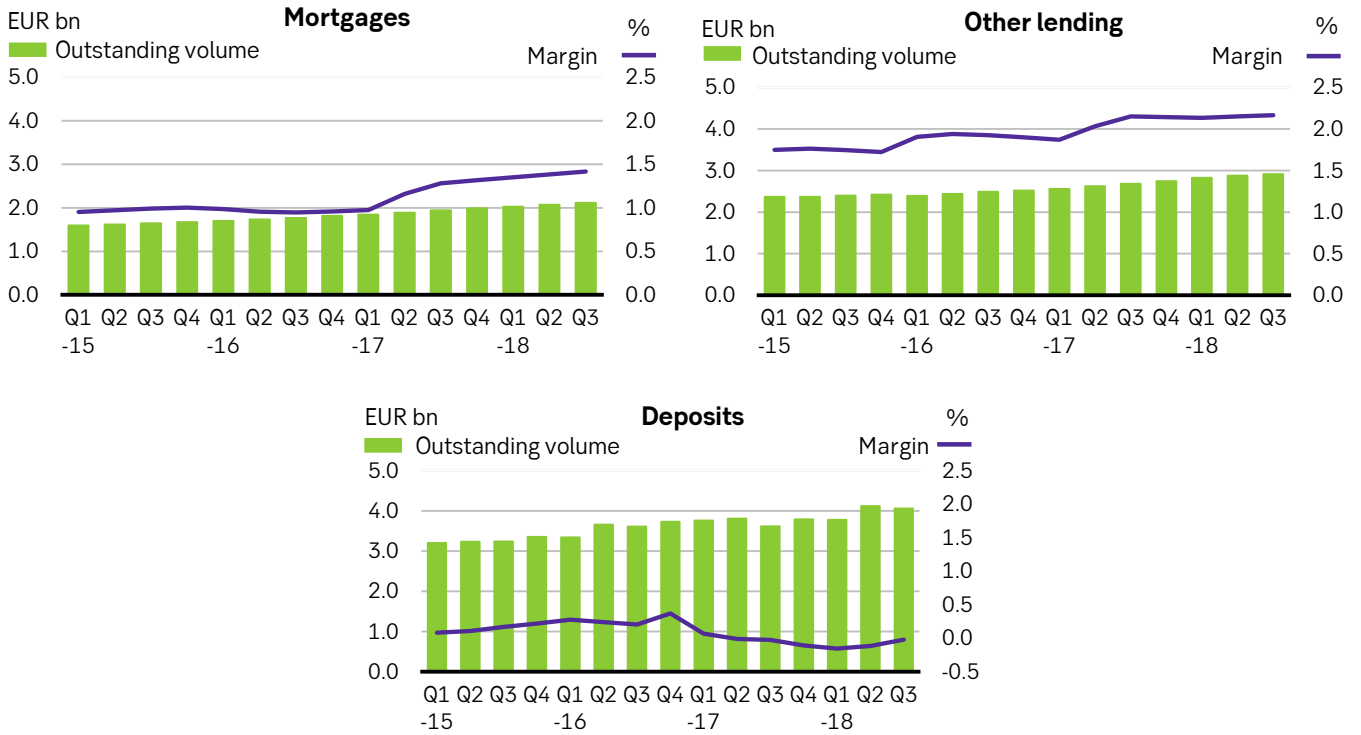
## Loan portfolio

EUR bn

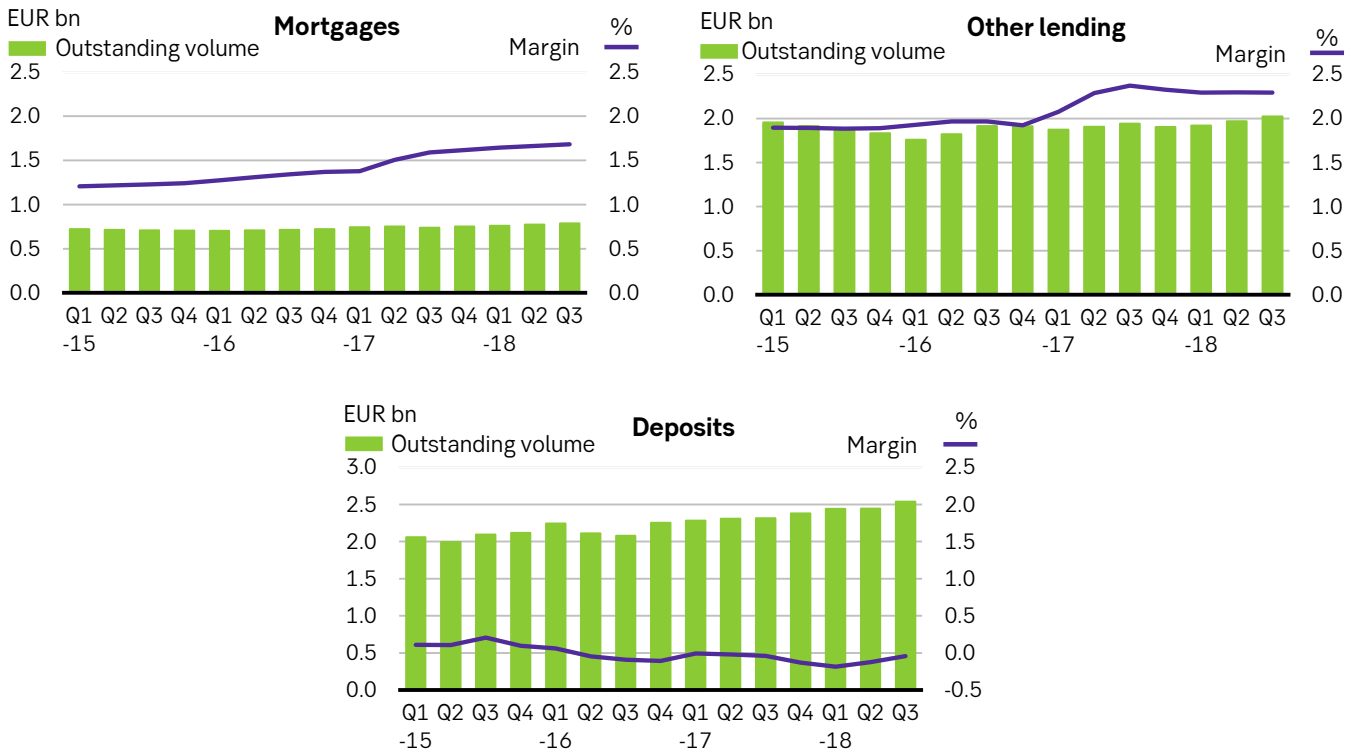


## Volumes

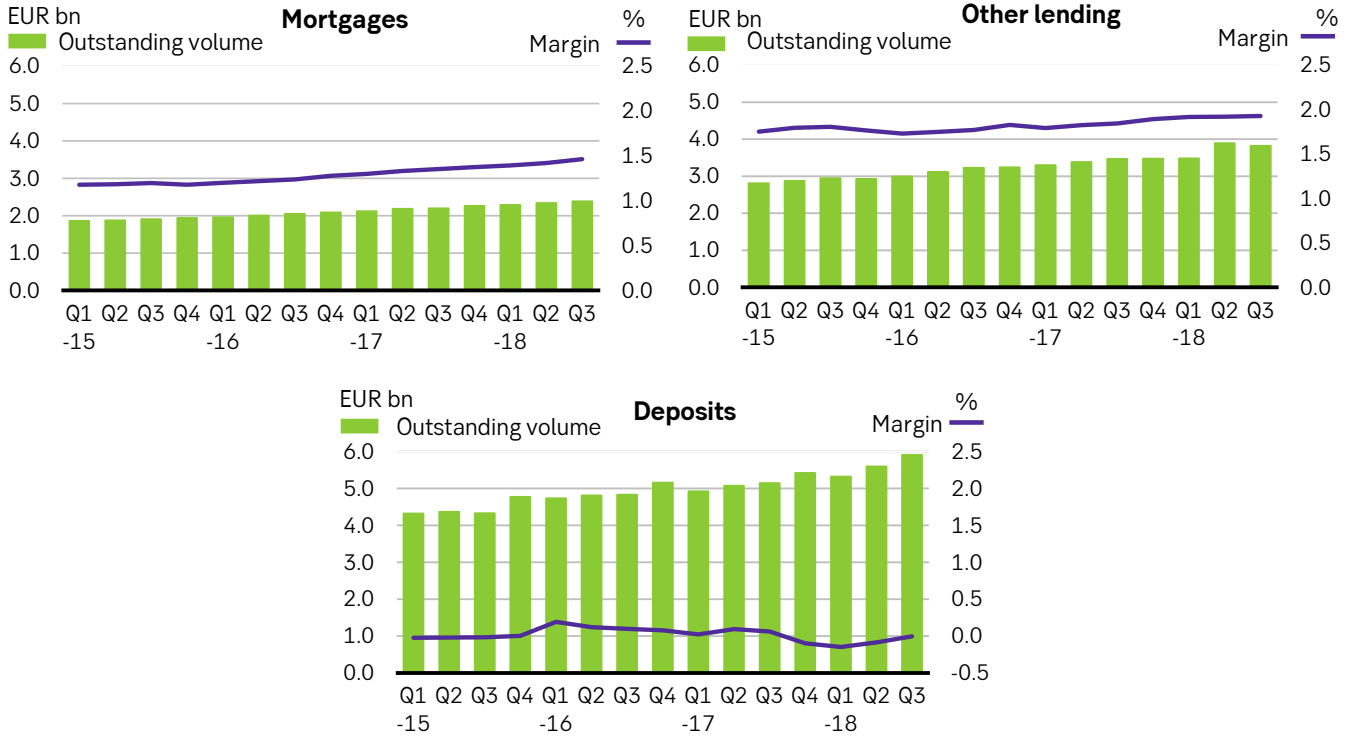
### Baltic Estonia



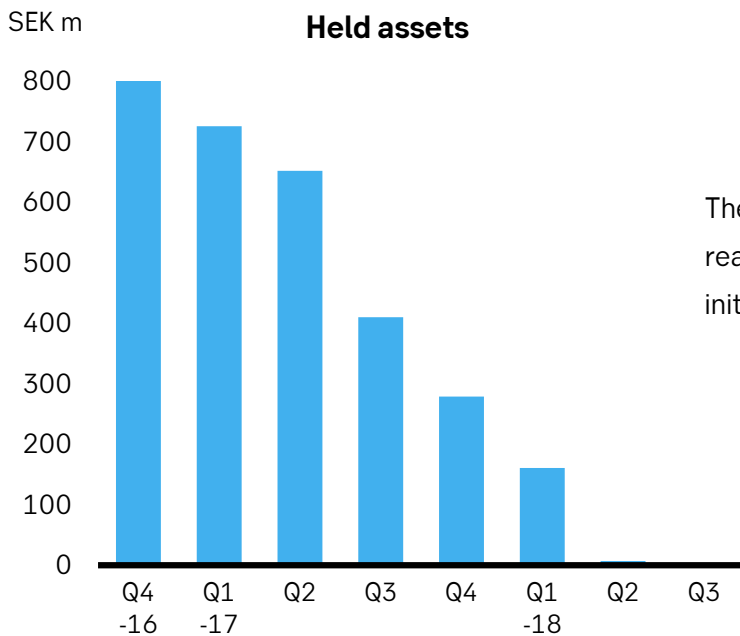
### Baltic Latvia



Baltic Lithuania



Baltic real estate holding companies



The liquidation processes for the Baltic real estate holding companies have been initiated.



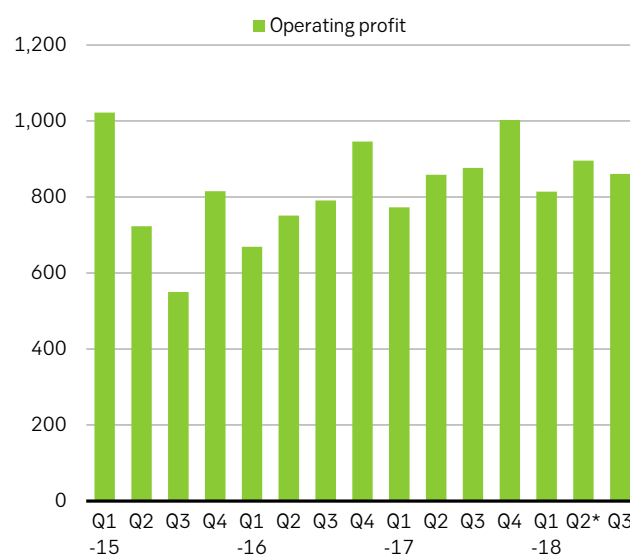
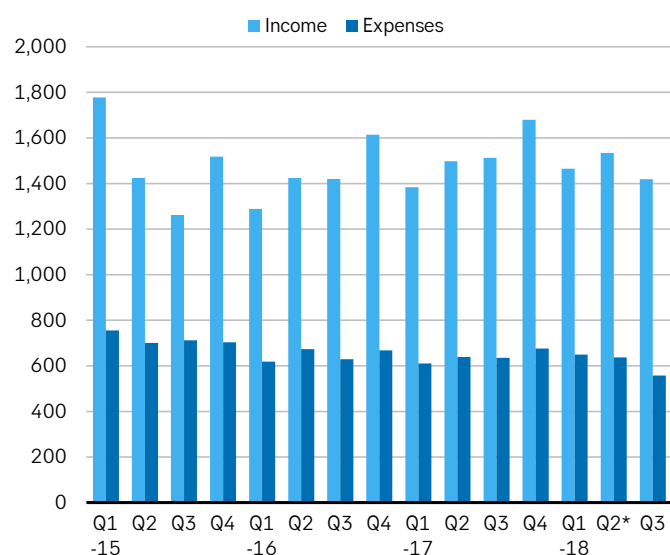
# Life & Investment Management

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Net interest income	-14	-17	-19	-23	-24	-24	-12	-13	-14
Net fee and commission income	982	1,229	1,024	1,096	1,056	1,295	1,161	1,215	1,250
Net financial income	441	484	364	425	481	404	304	331	194
Net other income	11	-82	14	-2		5	12		-11
<b>Total operating income</b>	<b>1,420</b>	<b>1,614</b>	<b>1,384</b>	<b>1,497</b>	<b>1,512</b>	<b>1,679</b>	<b>1,465</b>	<b>1,533</b>	<b>1,419</b>
Staff costs	-367	-415	-382	-394	-383	-402	-409	-385	-308
Other expenses	-251	-243	-220	-235	-243	-264	-232	-245	-245
Depreciation, amortisation and impairment of tangible and intangible assets	-11	-10	-9	-9	-10	-10	-9	-8	-4
<b>Total operating expenses</b>	<b>-629</b>	<b>-668</b>	<b>-611</b>	<b>-639</b>	<b>-636</b>	<b>-676</b>	<b>-650</b>	<b>-637</b>	<b>-558</b>
<b>Profit before credit losses</b>	<b>791</b>	<b>946</b>	<b>773</b>	<b>859</b>	<b>877</b>	<b>1,003</b>	<b>815</b>	<b>896</b>	<b>861</b>
Gains less losses from tangible and intangible assets									
Net expected credit losses							-1	-1	
Net credit losses									
<b>Operating profit before items affecting comparability</b>	<b>791</b>	<b>946</b>	<b>773</b>	<b>859</b>	<b>877</b>	<b>1,003</b>	<b>814</b>	<b>896</b>	<b>861</b>
Items affecting comparability									
<b>Operating profit</b>	<b>791</b>	<b>946</b>	<b>773</b>	<b>859</b>	<b>877</b>	<b>1,003</b>	<b>814</b>	<b>896</b>	<b>861</b>
Cost/Income	0,44	0,41	0,44	0,43	0,42	0,40	0,44	0,42	0,39
Business equity, SEK bn	11,7	11,7	8,4	8,4	8,4	8,5	8,3	8,4	7,7
Return on business equity, per cent									
-isolated in the quarter	23,3	27,9	31,5	35,1	35,9	40,8	33,8	36,6	38,6
-accumulated in the period	21,9	23,5	31,5	33,3	34,2	35,8	33,8	35,2	36,3
Risk exposure amount, SEK bn	4	4	4	4	4	4	4	4	4
Lending to the public*, SEK bn									
Deposits from the public*, SEK bn									
FTEs, present	1,465	1,491	1,490	1,482	1,451	1,491	1,472	1,227	1,203

\*excluding repos

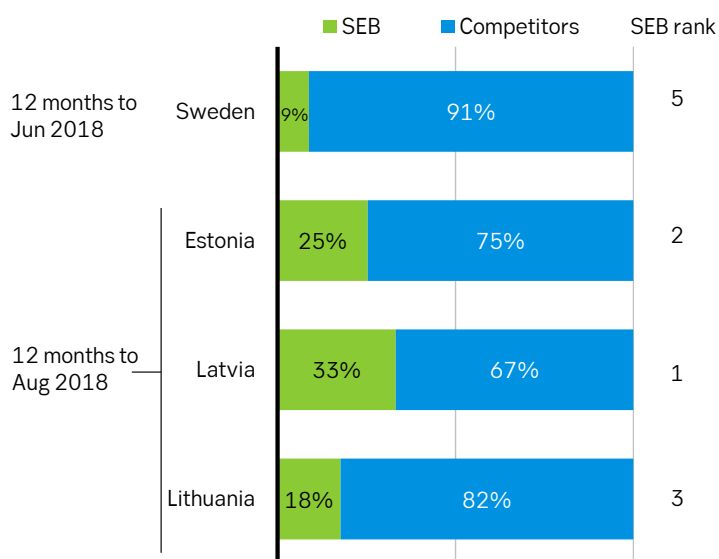
## Income, expenses and operating profit

SEK m

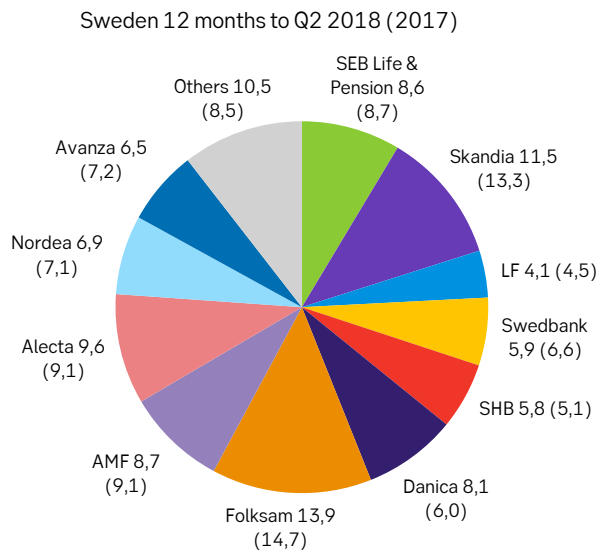


\* SEB Pension divested in June 2018

## Market shares life insurance, premium income new and existing policies



\* Based on aggregate information derived from the annual reports of the companies acting in the competitive market

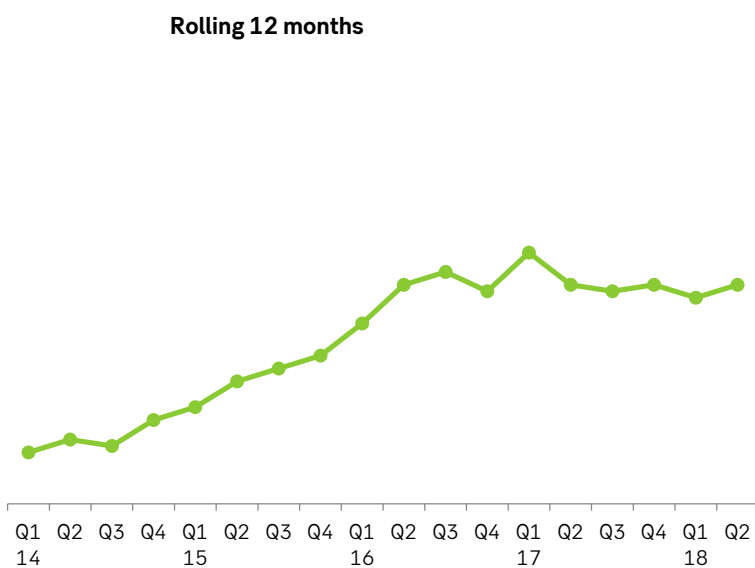


Source: Svensk Försäkring (Swedish insurance federation)

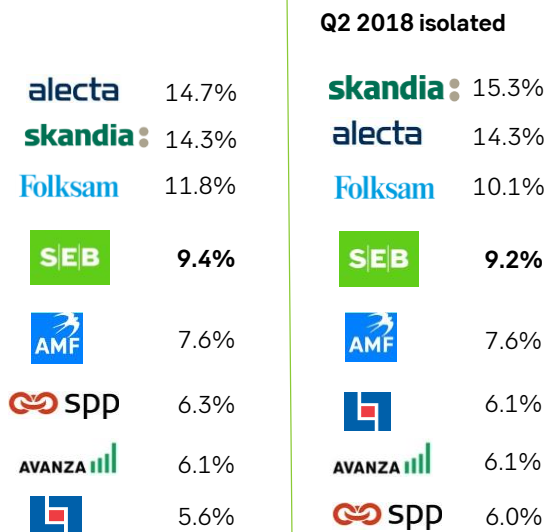
## Market share, Sweden

Weighted sales volume (single premiums + regular premiums times ten)

Rolling 12-months



Source: Svensk Försäkring



## Embedded value, Life

SEK m	31 Dec 2014	31 Dec 2015	31 Dec 2016	31 Dec 2017	30 Sep 2018
Equity <sup>1)</sup>	9,415	10,388	10,129	7,845	7,438
Surplus values <sup>2)</sup>	18,678	19,629	22,261	25,433	20,081
<hr/>					
1) Effect of dividend paid to the parent company	-1,000	-950	-1,800	-2,500	-5,500
Effect of Restate IFRS 15 DAC				-2,038	
Other changes in accounting principles			-440		
Effect from divestment of SEB Pension Denmark (capital gain etc)					3,397
Other changes, mainly net profit		1,923	1,981	2,254	1,696
Total change		973	-259	-2,284	-407
<hr/>					
2) Effect of Restate IFRS 15 DAC				2,038	
Adjustments of opening balance (calculation method etc)		445	1,142	2	0
Effect from divestment of SEB Pension Denmark					-5,944
Other changes		506	1,490	1,132	591
Total change		951	2,632	3,172	-5,352

## Premium income and assets under management, Life

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
<b>Premium income:</b>									
<b>Sweden and International</b>	<b>6,676</b>	<b>7,263</b>	<b>8,515</b>	<b>7,046</b>	<b>6,331</b>	<b>7,372</b>	<b>8,421</b>	<b>8,479</b>	<b>6,886</b>
Traditional life and sickness/health insurance	1,073	1,206	1,353	1,204	922	1,177	1,292	1,228	1,175
Unit-linked and Porfolio Bond	4,563	5,063	5,705	4,686	4,300	4,929	5,852	5,979	4,406
Other pension saving products	1,040	994	1,457	1,156	1,110	1,266	1,277	1,272	1,305
<b>SEB Life &amp; Pension Sweden</b>	<b>3,661</b>	<b>3,756</b>	<b>4,620</b>	<b>4,020</b>	<b>3,430</b>	<b>3,997</b>	<b>4,526</b>	<b>3,946</b>	<b>3,684</b>
Traditional life and sickness/health insurance	953	1,040	1,235	1,063	788	997	1,154	1,101	1,033
Unit-linked and Porfolio Bond	2,686	2,700	3,369	2,940	2,625	2,983	3,356	2,828	2,634
Other pension saving products	22	16	17	17	17	17	17	17	17
<b>SEB Life &amp; Pension International</b>	<b>3,015</b>	<b>3,507</b>	<b>3,895</b>	<b>3,026</b>	<b>2,901</b>	<b>3,375</b>	<b>3,895</b>	<b>4,532</b>	<b>3,202</b>
Traditional life and sickness/health insurance	120	166	119	141	134	180	138	127	142
Unit-linked and Porfolio Bond	1,877	2,363	2,336	1,746	1,674	1,945	2,497	3,151	1,771
Other pension saving products	1,018	978	1,440	1,140	1,094	1,249	1,260	1,255	1,289
<b>Other business</b>									
<b>SEB Pension Denmark</b>	<b>2,616</b>	<b>2,848</b>	<b>2,845</b>	<b>2,850</b>	<b>2,937</b>	<b>3,554</b>	<b>4,078</b>	<b>2,677</b>	<b>0</b>
Traditional life and sickness/health insurance	940	1,047	906	967	997	988	942	572	0
Unit-linked and Porfolio Bond	1,676	1,801	1,939	1,883	1,940	2,566	3,135	2,105	0
<b>Gamla Liv</b>	<b>127</b>	<b>166</b>	<b>141</b>	<b>128</b>	<b>123</b>	<b>157</b>	<b>132</b>	<b>123</b>	<b>113</b>
<b>Assets under management, SEK bn:</b>									
<b>Sweden and International</b>	<b>307.3</b>	<b>316.4</b>	<b>327.1</b>	<b>331.1</b>	<b>332.6</b>	<b>343.5</b>	<b>346.7</b>	<b>360.6</b>	<b>365.8</b>
Traditional life and sickness/health insurance	14.6	15.2	16.4	17.2	17.8	18.6	19.5	20.5	20.7
Unit-linked and Porfolio Bond	257.6	264.6	273.3	275.4	276.1	283.9	285.1	296.2	300.3
Other pension saving products	35.1	36.6	37.4	38.6	38.7	41.0	42.1	43.9	44.9
<b>SEB Life &amp; Pension Sweden</b>	<b>220.2</b>	<b>226.9</b>	<b>235.0</b>	<b>236.2</b>	<b>237.8</b>	<b>245.4</b>	<b>245.8</b>	<b>255.1</b>	<b>258.9</b>
Traditional life and sickness/health insurance	12.6	13.2	14.4	15.2	15.8	16.5	17.3	18.2	18.5
Unit-linked and Porfolio Bond	192.1	197.4	204.4	204.4	206.0	212.0	212.0	219.8	223.2
Other pension saving products	15.5	16.3	16.2	16.6	16.0	16.8	16.5	17.0	17.2
<b>SEB Life &amp; Pension International</b>	<b>87.1</b>	<b>89.5</b>	<b>92.1</b>	<b>95.0</b>	<b>94.9</b>	<b>98.1</b>	<b>100.9</b>	<b>105.5</b>	<b>106.9</b>
Traditional life and sickness/health insurance	2.0	2.0	2.0	2.0	2.0	2.1	2.2	2.2	2.2
Unit-linked and Porfolio Bond	65.5	67.2	68.9	71.0	70.1	71.9	73.0	76.3	77.1
Other pension saving products	19.6	20.3	21.2	21.9	22.8	24.2	25.6	26.9	27.7
<b>Other business</b>									
<b>SEB Pension Denmark</b>	<b>122.5</b>	<b>122.9</b>	<b>123.8</b>	<b>126.2</b>	<b>129.0</b>	<b>133.3</b>	<b>138.5</b>	<b>0.0</b>	<b>0.0</b>
Traditional life and sickness/health insurance	68.9	68.0	67.4	68.0	68.7	69.7	71.9	0.0	0.0
Unit-linked and Porfolio Bond	53.6	54.9	56.4	58.2	60.2	63.6	66.6	0.0	0.0
<b>Gamla Liv</b>	<b>173.1</b>	<b>176.9</b>	<b>178.7</b>	<b>179.1</b>	<b>179.1</b>	<b>177.2</b>	<b>177.0</b>	<b>177.2</b>	<b>179.4</b>

### Gamla Livförsäkringsaktiebolaget

Traditional insurance business operated in Gamla Livförsäkringsaktiebolaget SEB Trygg Liv (Gamla Liv) is run according to mutual principles and therefore not consolidated in SEB Life & Pension. Gamla Liv is closed for new business since 1997. The policyholder organisation, Trygg Stiftelsen (the Trygg Foundation), has the purpose to secure policyholders' influence

### Surplus value

Surplus value is the calculated present values of future profits from existing insurance contracts. The calculation is made to better understand the value and profitability of long term insurance contracts. In the financial accounts income from the contracts is

in Gamla Liv. The Trygg Foundation is entitled to:

- Appoint two board members of Gamla Liv and, jointly with SEB, appoint the Chairman of the Board, which consists of five members.
- Appoint the majority of members and the Chairman of the Finance Delegation, which is responsible for the asset management of Gamla Liv.

reported throughout the duration of the contracts but much of the expenses arises at the point of sale. This causes a mismatch in time between income and expenses. Surplus values are not included in the financial accounts.

## Surplus value accounting, Life

SEK m	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
<b>Surplus values, opening balance</b>	<b>20,571</b>	<b>21,660</b>	<b>22,261</b>	<b>24,611</b>	<b>24,513</b>	<b>24,556</b>	<b>25,433</b>	<b>25,352</b>	<b>19,990</b>
Adjustment opening balance <sup>1)</sup>	7	25	1,996	90	4	-50	0	0	0
Present value of new sales <sup>2)</sup>	230	404	289	325	136	295	289	334	248
Return/realised value on policies from previous periods	-296	-387	-214	-261	-272	-395	-216	-286	-304
Actual outcome compared to assumptions <sup>3)</sup>	165	222	-133	-198	-57	348	-222	130	29
<b>Change in surplus values ongoing business, gross</b>	<b>99</b>	<b>239</b>	<b>-59</b>	<b>-134</b>	<b>-192</b>	<b>249</b>	<b>-148</b>	<b>178</b>	<b>-27</b>
Effect of change in deferred acquisition costs <sup>4)</sup>	46	26	28	27	46	22	21	10	28
Effect of change in deferred front end fees	-20	-7	-14	-3	13	25	4	7	3
<b>Change in surplus values ongoing business, net <sup>5)</sup></b>	<b>125</b>	<b>258</b>	<b>-45</b>	<b>-110</b>	<b>-133</b>	<b>295</b>	<b>-123</b>	<b>195</b>	<b>3</b>
Financial effects due to short term market fluctuations <sup>6)</sup>	816	165	414	-144	153	347	-470	488	162
Change in assumptions <sup>7)</sup>	-1	206	0	0	0	134	-6	-20	-13
<b>Total change in surplus values</b>	<b>940</b>	<b>629</b>	<b>369</b>	<b>-254</b>	<b>20</b>	<b>775</b>	<b>-599</b>	<b>663</b>	<b>153</b>
Sold operation								-5,944	0
Exchange rate differences etc	142	-53	-14	66	19	152	517	-81	-62
<b>Surplus values, closing balance <sup>8)</sup></b>	<b>21,660</b>	<b>22,261</b>	<b>24,611</b>	<b>24,513</b>	<b>24,556</b>	<b>25,433</b>	<b>25,352</b>	<b>19,990</b>	<b>20,081</b>
SEB Pension Denmark	5,629	5,571	5,639	5,705	5,580	6,142	6,067	0	
Remaining business	16,031	16,690	18,972	18,808	18,976	19,291	19,285	19,990	20,081
Effect from reversal of SEB internal DAC <sup>9)</sup>			641	638	627	625	640	639	632
<b>Surplus value in the SEB Group</b>			<b>25,252</b>	<b>25,152</b>	<b>25,183</b>	<b>26,058</b>	<b>25,991</b>	<b>20,629</b>	<b>20,713</b>
<b>Most important assumptions (Swedish unit-linked which represent 86 per cent of the surplus value), per cent.</b>									
Discount rate									7.0
Surrender of endowment insurance contracts:									
contracts signed within 1 year / 1-4 years / 5 years									2/6/19
/ 6 years / thereafter									/15/9
Lapse rate of regular premiums, unit-linked									8.3
Growth in fund units, gross before fees and taxes									5.0
Inflation CPI / Inflation expenses									2 / 3
Expected return on solvency margin									3
Right to transfer policy, unit-linked									3.1
Mortality									Groups experience
<b>Sensitivity to changes in assumptions (total division).</b>									
Change in assumed discount rate	+1%								-1,428
	-1%								1,630
Change in value growth of investment assets	+1%								1,597
	-1%								-1,432

<sup>1)</sup> Adjustments of the calculation method. The implementation of IFRS 15 has a positive impact of 1,990 (impairment of deferred acquisition costs)

<sup>2)</sup> Sales defined as new contracts and extra premiums on existing contracts.

<sup>3)</sup> The actual outcome of previously signed contracts can be compared with earlier assumptions and deviations can be calculated. The most important components consist of extensions of contracts as well as cancellations.

<sup>4)</sup> Restated as a result of the implementation of IFRS 15. Effect of restate: 19 20 -3 12

<sup>5)</sup> Acquisition costs are capitalised in the accounts and amortised according to plan. Certain front end fees are also recorded on the balance sheet and recognized as revenue in the income statement during several years. The reported change in surplus values is adjusted by the net effect of changes in deferred acquisition costs and deferred front end fees during the period.

<sup>6)</sup> Assumed investment return (growth in fund values) is 5.0 per cent gross before fees and taxes. Actual return results in positive or negative financial effects

<sup>7)</sup> The positive effect in Q4 2016 relates to several changes such as lapse rate, assumed expenses and mortality. In Q4 2017 the major positive effects are from changed assumptions of expenses, growth in funds and negative effects from the right to transfer policies.

<sup>8)</sup> The calculated surplus value is not included in the SEB Group's consolidated accounts. The closing balance is net of capitalised acquisition costs and deferred front end fees.

<sup>9)</sup> Capitalised internal acquisition costs relating to investment contracts are reversed (IFRS 15)

# Macro

## Macro forecasts per country

SEK m	GDP (%)				Inflation (%)			
	2016	2017	2018F	2019F	2016	2017	2018F	2019F
Sweden	3,2	2,3	2,9	2,4	1,0	2,0	2,1	1,9
Norway	1,1	2,0	1,4	2,4	3,6	1,9	2,6	1,4
Finland*	2,1	2,8	3,1	2,3	0,4	0,8	1,1	1,2
Denmark*	2,0	2,3	1,5	2,5	0,3	1,1	0,8	1,8
Germany*	1,9	2,2	2,0	1,9	1,7	1,6	1,6	1,7
Estonia*	2,1	4,9	3,4	3,5	0,8	3,7	3,5	2,5
Latvia*	2,1	4,5	4,2	3,5	0,1	2,9	2,5	2,8
Lithuania*	2,3	3,9	3,4	3,0	0,7	3,7	2,8	2,5
Euro zone*	1,8	2,4	2,1	2,1	0,2	1,5	1,7	1,4

Sources: National statistical agencies, SEB Economic Research October 2018

\*Harmonised consumer index

## Definitions - Alternative Performance Measures\*

### Items affecting comparability

To facilitate the comparison of operating profit between current and previous periods, items with significant impact that management considers affect the comparability or are relevant for the understanding of the financial result, are identified and separately described, e.g. impairment of goodwill, restructuring, net profit from divestments and other income or costs that are not recurring.

### Operating profit

Total profit before tax.

### Operating profit before items affecting comparability

Total profit before items affecting comparability and tax.

### Return on equity

Net profit attributable to shareholders in relation to average<sup>1)</sup> shareholders' equity.

### Return on equity excluding items affecting comparability

Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average<sup>1)</sup> shareholders' equity.

### Return on business equity

Operating profit by division, reduced by a standard tax rate, in relation to the divisions' average<sup>1)</sup> business equity (allocated capital).

### Return on total assets

Net profit attributable to shareholders, in relation to average<sup>1)</sup> total assets.

### Return on risk exposure amount

Net profit attributable to shareholders in relation to average<sup>1)</sup> risk exposure amount.

### Cost/income ratio

Total operating expenses in relation to total operating income.

### Basic earnings per share

Net profit attributable to shareholders in relation to the weighted average<sup>2)</sup> number of shares outstanding.

### Diluted earnings per share

Net profit attributable to shareholders in relation to the weighted average<sup>2)</sup> diluted number of shares. The calculated dilution is based on the estimated economic value of the long-term incentive programmes.

### Net worth per share

Shareholders' equity plus the equity portion of any surplus values in the holdings of interest-bearing securities and the surplus value in life insurance operations in relation to the number of shares outstanding.

### Equity per share

Shareholders' equity in relation to the number of shares outstanding.

### APMs related to credit risk:

*Based upon IFRS 9*

#### **Expected credit Losses, ECL**

Probability weighted credit losses with the respective risk of a default.

#### **ECL allowances**

The allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts.

#### **Net ECL level**

Net credit impairments as a percentage of the opening balance of debt securities and loans to the public and credit institutions measured at amortised cost, financial guarantees and loan commitments, less ECL allowances.

#### **ECL coverage ratio**

ECL allowances as a percentage of underlying gross carrying amounts and nominal amounts of financial guarantees and loan commitments.

### APMs related to credit risk:

*Pre IFRS 9 implementation*

#### **Credit loss level**

Net credit losses as a percentage of the opening balance of loans to the public, loans to credit institutions and loan guarantees less specific, collective and off balance sheet reserves.

#### **Gross level of impaired loans**

Individually assessed impaired loans, gross, as a percentage of loans to the public and loans to credit institutions before reduction of reserves.

#### **Net level of impaired loans**

Individually assessed impaired loans, net (less specific reserves), as a percentage of net loans to the public and loans to credit institutions less specific reserves and collective reserves.

#### **Specific reserve ratio for individually assessed impaired loans**

Specific reserves as a percentage of individually assessed impaired loans.

#### **Total reserve ratio for individually assessed impaired loans**

Total reserves (specific reserves and collective reserves for individually assessed loans) as a percentage of individually assessed impaired loans.

#### **Reserve ratio for portfolio assessed loans**

Collective reserves for portfolio assessed loans as a percentage of portfolio assessed loans past due more than 60 days or restructured.

#### **Non-performing loans (NPL)**

SEB's term for loans that are either impaired or not performing according to the loan contract. Includes individually assessed impaired loans, portfolio assessed loans, past due > 60 days and restructured portfolio assessed loans.

<sup>1)</sup> Average year to date, calculated on month-end figures.

<sup>2)</sup> Average, calculated on a daily basis.

**NPL coverage ratio**

Total reserves (specific, collective and off balance sheet reserves) as a percentage of non-performing loans.

**NPL per cent of lending**

Non-performing loans as a percentage of loans to the public and loans to credit institutions before reduction of reserves.

**Definitions - According to the EU Capital Requirements Regulation no 575/2013 (CRR)****Risk exposure amount**

Total assets and off balance sheet items, weighted in accordance with capital adequacy regulations for credit risk and market risk. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation, excluding insurance entities and items deducted from own funds.

**Common Equity Tier 1 capital**

Shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in EU Regulation no 575/2013 (CRR).

**Tier 1 capital**

Common Equity Tier 1 capital plus qualifying forms of subordinated loans.

**Tier 2 capital**

Mainly subordinated loans not qualifying as Tier 1 capital contribution.

**Own funds**

The sum of Tier 1 and Tier 2 capital.

**Common Equity Tier 1 capital ratio**

Common Equity Tier 1 capital as a percentage of risk exposure amount.

**Tier 1 capital ratio**

Tier 1 capital as a percentage of risk exposure amount.

**Total capital ratio**

Total own funds as a percentage of risk exposure amount.

**Leverage ratio**

Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardised approach.

**Liquidity Coverage Ratio (LCR)**

High-quality liquid assets in relation to the estimated net cash outflows over the next 30 calendar days.

*\* Alternative Performance Measures, APMs, are financial measures of historical or future financial performance, financial position, or cash flows, other than those defined in the applicable financial reporting framework (IFRS) or in the EU Capital Requirements Regulation and Directive CRR/CRD IV. APMs are used by SEB when relevant to assess and describe the performance of SEB and provide additional relevant information and tools to enable a view on SEB's performance. APMs on basic earnings per share, diluted earnings per share, net worth per share, equity per share, return on equity, return on total assets and return on risk exposure amount provide relevant information on the performance in relation to different investment measurements. The cost/income ratio provides information on SEB's cost efficiency. APMs related to lending provide information on provisions in relation to credit risk. All these measures may not be comparable to similarly titled measures used by other companies.*

**The excel file Alternative Performance Measures, available on [sebgroup.com/jr](http://sebgroup.com/jr), provides information on how the measures are calculated.**



## Contacts and Calendar



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## Financial calendar 2019

30 January	Annual Accounts 2018	The silent period starts 10 January
5 March	Annual Report 2018 published on sebgroupp.com	
26 March	Annual General Meeting	
30 April	Interim Report January-March 2019	The silent period starts 8 April
12 July	Interim Report January-June 2019	The silent period starts 5 July
23 October	Interim Report January-September 2019	The silent period starts 8 October