Content

- Strategic focus and franchise
- Economic environment
- Financial update
- Asset Quality
- Balance sheet, funding and liquidity
The Relationship bank

Our Heritage
Founded in the service of enterprise 1856 by the Wallenberg family

Our solutions
Combining quality advice and financial resources

Entrepreneurship
We find new roads together with our clients

Our team
Competent and dedicated employees who put customers first

Long term client relationships
We support our clients – in both good times and bad
Well diversified business
Share of operating income Jan – Dec 2011*

* Excl. Centralised Treasury operations for geography, and Other & eliminations for business split
A Nordic bank with a global reach

✓ 2,700 Corporates & Institutions
✓ 400,000 SME:s
✓ 4 million private individuals
Delivery of 2011 strategy

1. Continued to build customer relationships
2. Growth in core and home markets
3. Strengthened balance sheet further
Wholesale franchise
We work close to our customers

Leading product offering
- Mergers & Acquisitions
- Custody
- Equities
- Commodities
- Prime Brokerage
- Structured Derivatives
- Foreign Exchange
- Trade & Supply Chain Finance
- Fixed Income
- Lending
- Cash Management
- Prime Brokerage
- Structured Derivatives

Corporate credit portfolio (SEK bn)
+8% CAGR

Assets under custody (SEK bn)
+8% CAGR
Swedish Retail & SME franchise
Simplicity and accessibility

Availability

Offerings

SME market share

Retail deposits, (SEK bn)

Nota: Active cash management customers
Continued to build customer relationships

**Private customers**

+90,000 new customers (Sweden, Baltics, PB)
+SEK 46bn new lending (Sweden, Baltics, PB)

**Increased flows**

+160m transactions executed globally (incl. payments >1bn)

**Large corporate “Tier 1” clients**

- Number of Tier 1 clients
- Customer income

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Tier 1 clients</th>
<th>Customer income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

- The Banker 2011
- Bank of the Year – Sweden
- Bank of the Year – Estonia
- Bank of the Year – Latvia
- #1 Corporate Bank 2011 Sweden
Growth in core and home markets

**Swedish SME expansion**

**SME clients (#)**

- 2007: [Graph]
- 2008: [Graph]
- 2009: [Graph]
- 2010: [Graph] +11,000
- 2011: [Graph]

**SME loans and commitments (SEK bn)**

- 2007: [Graph]
- 2008: [Graph]
- 2009: [Graph]
- 2010: [Graph] +25.5bn
- 2011: [Graph]

**Market share 12.1%**

**Nordic & German large corporate expansion**

**Large cap clients (#)**

- 2010: +88
- 2011: +114
- Total: +202

**Client executives (#)**

- 2010: +63
- 2011: +48
- Total: +111

**Loans and commitments (SEK bn)**

- 2010: +62
- 2011: +46
- Total: +108

Note: Loans and commitments at constant exchange rates
Well recognised market position

Best financial advisor in the Nordics

The Nordic region’s leading investment bank

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

Leading private bank in Sweden, Finland, Latvia and Lithuania

The Nordic region’s leading card provider in the corporate segment

The Nordic region’s leading equity trader

The Baltic region’s most respected and second largest bank

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

Top ranking FX for the Nordic region
Strengthened balance sheet further

- High asset quality, low credit loss level (bps)
  - 2004: -10
  - 2005: -11
  - 2006: -8
  - 2007: 11
  - 2008: 30
  - 2009: 92
  - 2010: 14
  - 2011: -8

- Core Tier 1 ratio 13.7%
- Liquidity reserve SEK 377bn
- Loan to deposit ratio 129%
- >2 years matched funding
- NPL coverage ratio 64%

Credit rating upgrade: A+ by Standard & Poor’s
SEB’s Core Markets enjoy strong sovereign finances
% of GDP

Source: Datastream
Positive macro-economic development in Core Markets

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP Forecast for 2011</th>
<th>GDP Forecast for 2012</th>
<th>GDP Forecast for 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>4.3</td>
<td>0.5</td>
<td>1.7</td>
</tr>
<tr>
<td>Norway</td>
<td>1.3</td>
<td>2.1</td>
<td>1.4</td>
</tr>
<tr>
<td>Denmark</td>
<td>1.1</td>
<td>0.5</td>
<td>1.7</td>
</tr>
<tr>
<td>Finland</td>
<td>2.7</td>
<td>0.5</td>
<td>1.7</td>
</tr>
<tr>
<td>Germany</td>
<td>3.1</td>
<td>0.4</td>
<td>1.3</td>
</tr>
<tr>
<td>Estonia</td>
<td></td>
<td>1.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Latvia</td>
<td></td>
<td>2.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Lithuania</td>
<td></td>
<td>2.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Eurozone</td>
<td>1.5</td>
<td>-0.8</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Source: SEB Economic Research
Economic sentiment relatively firm


Swedish corporate lending growth vs. economic sentiment

Source: SEB’s Chief Financial Officers’ confidence survey, addressed to about 100 of the largest companies in Sweden (Nov 2011)
Financial update
Delivery of 2011 strategy

1. Continued to build customer relationships

2. Growth in core and home markets

3. Strengthened balance sheet further
Profit generation throughout the financial downturn

Income, expenses and net credit losses (SEK bn)

- **Operating income**: 35.6, 37.1, 38.1, 41.4, 36.7, 37.6
- **Operating expenses**: 19.6, 20.1, 22.5, 24.4, 23.8, 23.1
- **Net credit losses**: 0.4, 1.0, 3.2, 11.4, 1.6, -0.8

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

Operating profit (SEK bn)

- **Profit before losses**: 16.0, 15.5, 17.2, 17.0, 15.6, 12.4, 17.0, 13.0, 11.4
- **Operating profit**: 15.5, 17.2, 17.0, 17.0, 12.4, 5.7, 5.7, 11.4, 15.3

All years excl. Retail Germany
## Income statement 2011

### Profit and loss (SEK bn)

<table>
<thead>
<tr>
<th></th>
<th>FY 2011</th>
<th>FY 2010</th>
<th>%</th>
<th>Q4-11</th>
<th>%</th>
<th>Q3-11</th>
<th>%</th>
<th>Q4-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating income</td>
<td>37,686</td>
<td>36,735</td>
<td>3</td>
<td>9,334</td>
<td>1</td>
<td>1</td>
<td>-7</td>
<td></td>
</tr>
<tr>
<td>Total Operating expenses</td>
<td>-23,121</td>
<td>-23,751</td>
<td>-3</td>
<td>-5,928</td>
<td>7</td>
<td>-3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before credit losses</td>
<td>14,565</td>
<td>12,984</td>
<td>12</td>
<td>3,406</td>
<td>-7</td>
<td>-12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net credit losses etc.</td>
<td>780</td>
<td>-1,595</td>
<td></td>
<td>-241</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>15,345</td>
<td>11,389</td>
<td>35</td>
<td>3,165</td>
<td>15</td>
<td>-28</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating income by type, 2011 vs. 2010 (SEK bn)

- **Customer-driven NII**
  - 16.9
  - 15.9
- **Net interest income**
  - 2011: 15.2
  - 2010: 13.4
- **Net fee and commissions**
  - 14.2
  - 14.1
- **Net financial income**
  - 3.5
  - 3.1
- **Net life insurance income**
  - 3.2
  - 3.3

- **Profit and loss**
  - 46%
  - 37%
  - 9%
  - 8%
Net interest income development

NII Q4 2008 – Q4 2011 (SEK bn)

Lending and deposit volumes Q4 2008 – Q4 2011 (SEK bn)

Note: Lending to the public excluding repos and debt instruments; Deposits from the public excluding repos
### Net interest income analysis

SEB Group, SEK m

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start of period</td>
<td>17,967</td>
<td>15,930</td>
</tr>
<tr>
<td>Lending volume</td>
<td>-506</td>
<td>833</td>
</tr>
<tr>
<td>Lending margin</td>
<td>375</td>
<td>-162</td>
</tr>
<tr>
<td>Deposit volume</td>
<td>-116</td>
<td>245</td>
</tr>
<tr>
<td>Deposit margin</td>
<td>-1,362</td>
<td>904</td>
</tr>
<tr>
<td>Funding &amp; other</td>
<td>-428</td>
<td>-849</td>
</tr>
<tr>
<td>End of period</td>
<td>15,930</td>
<td>16,901</td>
</tr>
</tbody>
</table>
Net fee and commission income development

Net fees and commissions Q4 2008 – Q4 2011 (SEK bn)

Gross fees and commissions by income type Q4 2008 – Q4 2011 (SEK bn)
Net financial income development

**Net financial income Q4 2008 – Q4 2011 (SEK bn)**

![Net financial income chart](chart)

**Trading income by asset class**

- **Equities**
- **Fixed Income**
- **FX**
- **Derivative & other**

![Trading income graph](graph)

**Daily trading income**

- 2 negative trading days in 2011

![Daily trading income chart](chart)
Operating expense development

### Cost by type (SEK bn)

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>13.9</td>
<td>13.9</td>
</tr>
<tr>
<td>IT &amp; Other costs</td>
<td>9.8</td>
<td>9.2</td>
</tr>
</tbody>
</table>

### Income and cost trends, 12m rolling (SEK bn)

<table>
<thead>
<tr>
<th></th>
<th>Q1-09</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1-10</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1-11</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### SEK 24bn cost cap met (SEK bn)

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost cap 24bn</td>
<td>24.0</td>
<td>23.1</td>
</tr>
<tr>
<td>New ambition</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Cost efficiency focused on five workstreams

<table>
<thead>
<tr>
<th></th>
<th>Workstream</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Procurement</td>
<td>- Improve procurement processes and coverage</td>
</tr>
<tr>
<td>2</td>
<td>IT</td>
<td>- Strict group-wide prioritisation and execution of IT development</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Streamline IT operations</td>
</tr>
<tr>
<td>3</td>
<td>Loan operations</td>
<td>- Increase efficiency in loan administration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Accelerate off-shoring to Baltic operations center</td>
</tr>
<tr>
<td>4</td>
<td>Staff Functions</td>
<td>- Right size staff and support functions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Increase synergies by taking away functional overlaps</td>
</tr>
<tr>
<td>5</td>
<td>Simplicity</td>
<td>- Increase synergies by taking away functional overlaps</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Simplify governance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Focus</td>
</tr>
</tbody>
</table>
Divisonal performance

Operating profit 2011 vs. 2010 (SEK bn)

- Merchant Banking: +14%
- Retail Banking: +36%
- Wealth Management: +0%
- Life: -8%
- Baltic: +11%*

Note: Shaded area of Baltic division shows net release of credit provisions in 2011 and net credit losses in 2010

* Excluding credit provision releases

2012-02-07 | INVESTOR PRESENTATION - ANNUAL ACCOUNTS 2011
Asset quality
High quality Credit Portfolio
Non-bank on and off balance sheet exposure of SEK 1,548bn

Sector split
- Residential Mortgages: 34%
- Commercial Real Estate: 10%
- Corporates: 46%
- Household non-mortgage: 5%
- Public Sector: 5%

Geographic split
- Swedish: 59%
- Nordic: 18%
- Baltic: 8%
- German: 15%

Credit portfolio - Development of certain business areas’ importance
- Large corporates
- Swedish SMEs
- Swedish Residential Mortgage
- Commercial Real Estate
- Baltic total non-bank credit portfolio
- Other
Excellent asset quality
Net write-backs of provisions

Nordic countries, net credit losses in %

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.05</td>
<td>0.18</td>
<td>0.17</td>
<td>0.06</td>
<td>0.07</td>
</tr>
</tbody>
</table>

Baltic countries, net write-backs in %

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.43</td>
<td>1.28</td>
<td>5.43</td>
<td>0.63</td>
<td></td>
</tr>
</tbody>
</table>

Germany, net credit losses in %

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.10</td>
<td>0.09</td>
<td>0.22</td>
<td>0.13</td>
<td>0.02</td>
</tr>
</tbody>
</table>

SEB Group, net write-backs in %

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.11</td>
<td>0.30</td>
<td>0.92</td>
<td>0.14</td>
<td></td>
</tr>
</tbody>
</table>

Net credit losses / net write-backs = the aggregated net of write-offs, write-backs and provisions
Non-performing loans by geography

- Decrease of NPLs in all geographies, but mainly driven by Baltic individually assessed impaired loans
- Nordic decrease by single names

Non-performing loans, SEK bn

<table>
<thead>
<tr>
<th></th>
<th>Dec '08</th>
<th>Mar '09</th>
<th>Jun '09</th>
<th>Sep '09</th>
<th>Dec '09</th>
<th>Mar '10</th>
<th>Jun '10</th>
<th>Sep '10</th>
<th>Dec '10</th>
<th>Mar '11</th>
<th>Jun '11</th>
<th>Sep '11</th>
<th>Dec '11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>25.2%</td>
<td>15.6%</td>
<td>10.8%</td>
<td>7.7%</td>
<td>5.5%</td>
<td>3.5%</td>
<td>2.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Nordics**</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
<td>-20.1%</td>
</tr>
<tr>
<td>Germany</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
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<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
<td>-42.9%</td>
</tr>
<tr>
<td>Baltics</td>
<td>-23.2%</td>
<td>-23.2%</td>
<td>-23.2%</td>
<td>-23.2%</td>
<td>-23.2%</td>
<td>-23.2%</td>
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<td>-23.2%</td>
<td>-23.2%</td>
<td>-23.2%</td>
<td>-23.2%</td>
</tr>
</tbody>
</table>

NPL % of lending: 1.4% 0.3% 1.0% 10.9%
NPL coverage ratio: 64% 73% 80% 59%
Continued write-backs of provisions and substantial reduction of NPLs

Net credit losses 1) SEB Group (SEK bn)

<table>
<thead>
<tr>
<th>Q1-09</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1-10</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>-3.4</td>
<td>-3.2</td>
<td>-3.1</td>
<td>0.2</td>
<td>0.4</td>
<td>0.5</td>
<td>0.6</td>
<td>0.0</td>
<td>-0.2</td>
</tr>
</tbody>
</table>

1) Net credit losses = aggregated net of write-offs, write-backs and provisions

SEB Group – Non-performing loans 2) and reserve development

<table>
<thead>
<tr>
<th>Q1 09</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 10</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.5</td>
<td>23.1</td>
<td>25.3</td>
<td>28.6</td>
<td>27.2</td>
<td>26.9</td>
<td>25.6</td>
<td>24.3</td>
<td>22.1</td>
</tr>
<tr>
<td>21.8</td>
<td>19.9</td>
<td>18.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2) Non-performing loans = individually assessed impaired loans + loans past due > 60 days
Sharp reduction of Baltic NPLs and continued net releases of provisions

Non-performing loans and Reserves

- Sharp reductions in impaired and watch-list volumes driven by...
- Improving weighted average risk classes
- NPL coverage ratio 59%
- NPL / Lending at 10.9% down from 13.6% at year-end 2010

Net credit losses, Q1 08 – Q4 11

- Continued net release of provisions – both specific and collective
- SEK 1.5bn YTD

Key points:
1. Sharp reduction of Baltic NPLs: YTD 23%
2. Continued net release of provisions – both specific and collective
3. SEK 1.5bn YTD
SEB's credit portfolio is well-diversified

### Credit portfolio by sector, SEK bn

- **Corporates**: 1% (Q4) 6% (YTD)
- **fx-adjusted**: 2% (Q4) 6% (YTD)
- **Households**: 3% (Q4) 12% (YTD)
- **Prop Mgmt**: 0% (Q4) 13% (YTD)
- **Banks**: -16% (Q4) -16% (YTD)
- **Public Admin**: 3% (Q4) 12% (YTD)

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

- **Dec '07**: 1 304
  - **Nordic**: 826
  - **Germany**: 1 042
  - **Baltic**: 128
- **Dec '08**: 1 649
  - **Nordic**: 1 042
  - **Germany**: 996
  - **Baltic**: 350
- **Dec '09**: 1 570
  - **Nordic**: 996
  - **Germany**: 1 069
  - **Baltic**: 315
- **Dec '10**: 1 497
  - **Nordic**: 1 055
  - **Germany**: 238
  - **Baltic**: 128
- **Mar '11**: 1 431
  - **Nordic**: 1 115
  - **Germany**: 228
  - **Baltic**: 1160
- **Jun '11**: 1 470
  - **Nordic**: 1 115
  - **Germany**: 228
  - **Baltic**: 1193
- **Sep '11**: 1 528
  - **Nordic**: 1 160
  - **Germany**: 235
  - **Baltic**: 127

### Credit portfolio by sector, SEK bn

- **Dec '10**:
  - Corporates: 657
  - Property Management: 246
  - Households: 426
  - Public Administration: 75
  - Total non-banks: 1 404
  - Banks: 185
  - Total: 1 589

- **Sep '11**:
  - Corporates: 704
  - Property Management: 280
  - Households: 462
  - Public Administration: 82
  - Total non-banks: 1 528
  - Banks: 184
  - Total: 1 712

- **Dec '11**:
  - Corporates: 708
  - Property Management: 280
  - Households: 475
  - Public Administration: 84
  - Total non-banks: 1 548
  - Banks: 155
  - Total: 1 702

### Changes

- **ΔQ4**:
  - Corporates: 4
  - Property Management: 0
  - Households: 13
  - Public Administration: 3
  - Total non-banks: 19
  - Banks: -29
  - Total: -10

- **ΔYTD**:
  - Corporates: 51
  - Property Management: 34
  - Households: 49
  - Public Administration: 9
  - Total non-banks: 143
  - Banks: -30
  - Total: 113

* excl. German Retail
SEB’s Swedish household mortgage lending
13 per cent of total assets

Selective origination
- The mortgage product is the foundation of the client relationship

High asset performance
- Net credit losses consistently low at 2bps
- Loan book continues to perform – NPLs at 15 bps

Mortgage lending based on affordability
- Credit scoring and assessment
- 7% interest rate test
- 85% regulatory first lien mortgage cap & minimum 15% of own equity required
- Strong recommendation to amortise
- Max loan amount 5x total gross household income irrespective of LTV
- ‘Sell first and buy later’

Low LTVs by regional and global standards

<table>
<thead>
<tr>
<th>Loan-to-value</th>
<th>Share of portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;85%</td>
<td>2%</td>
</tr>
<tr>
<td>51-85%</td>
<td>22%</td>
</tr>
<tr>
<td>0-50%</td>
<td>76%</td>
</tr>
</tbody>
</table>
Swedish household mortgage market

Swedish Central Bank

• House prices in line with fundamentals
• Continued slowdown of household indebtedness and house price increases
• Continued low credit risk in the household sector

Summary

• There has been no significant drop in house price levels unlike in many other countries
• A structural low level of residential investments since 1992 has strongly contributed to higher equilibrium levels for house prices
• Low residential investments also imply that the economy is less vulnerable to a sharp decline in house prices
• The regulatory bodies aim to mitigate the situation via higher interest rates, transparency regarding future rate hikes, regulation and tighter credit policy - increased public awareness of the interest rates trend
• Stronger macroeconomic fundamentals than most countries with house price declines in recent years
• There are also socio-economic factors that mitigate the risks in the Swedish mortgage market
## GIIPS bond exposure

### P&L effect:
- Q4:  -SEK 440m
- 2011:  -SEK 969m

<table>
<thead>
<tr>
<th>Country</th>
<th>Book value 2011-01-01</th>
<th>Book value 2011-12-31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greece</td>
<td>1.0</td>
<td>0.5</td>
</tr>
<tr>
<td>Ireland</td>
<td>2.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Italy</td>
<td>2.1</td>
<td>0.9</td>
</tr>
<tr>
<td>Portugal</td>
<td>1.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Spain</td>
<td>10.2</td>
<td>9.0</td>
</tr>
</tbody>
</table>

**Total***  

16.5  

11.8

* Sovereign bonds represent only SEK 0.4bn of total
Balance sheet, funding and liquidity
‘Safe harbour’ balance sheet

- CT1 ratio 13.7% (Basel 2 ½)
- CET1 ratio 12.5% (Basel III)
- Liquidity reserve SEK 377bn
- Loan to deposit ratio 129%
- >30% of maturing debt 2012 pre-financed
Strong and well-aligned balance sheet structure

Stable funding / “Banking book”
December 31, 2011

- Credit Institutions
- Net Trading Assets
- Cash & Deposits in CB
- Liquidity Portfolio
- Corporate & Public Sector lending
- Corporate & Public Sector Deposits
- Equity

Short-term funding

Stable funding

* SEK 187bn more in stable funding than the “banking book”

Solid development of deposits from the general public (SEK bn)

- Total
- Deposits private sector
- Deposits corporate sector
- Deposits public sector
Strong Net liquidity position

### Funding raised with original maturity ≥ 1 year

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Full year 2009</th>
<th>Full year 2010</th>
<th>Full year 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yankee CD</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Senior unsecured SEB AG</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Senior unsecured SEB AB</td>
<td>60</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Index Linked Bonds</td>
<td>8</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Covered bonds SEB AG</td>
<td>24</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>Covered bonds SEB AB</td>
<td>26</td>
<td>71</td>
<td>24</td>
</tr>
<tr>
<td>Hybrid tier 1</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>130</strong></td>
<td><strong>102</strong></td>
<td><strong>35</strong></td>
</tr>
</tbody>
</table>

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

- **2003**: 129%
- **2005**
- **2007**: 120%
- **2009**: 140%
- **2011**: 200%

Matched funding. Note this is a cash flow based model where assets and liabilities are mapped to contractual maturities. SEB will manage more than 2 years without any new funding if the loans and liabilities mature without prolongation.
Resilient long-term funding position

- Reduced long-term debt dependence for current lending due to proactive pre-funding
- Additional issuance will be primarily driven by loan growth
- Opportunistic issuance in the senior unsecured and covered bond markets
- Unutilised capacity for covered bonds SEK ~123bn

Longterm debt maturities 2012-2015

1) Excluding outstanding Public Covered bonds issued by SEB AG which are in a run-off mode

- SEK 75bn
- Subordinated debt
- Senior unsecured
- Covered bonds SEB AG
- Covered bonds, non-SEK, SEB AB
- Covered bonds, SEK, SEB AB
Resilient liquidity position

**Liquid assets**

<table>
<thead>
<tr>
<th>Liquid assets</th>
<th>SEK bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEB Core Reserve*</td>
<td>377</td>
</tr>
<tr>
<td>Total SEB Liquid Resources</td>
<td>616</td>
</tr>
</tbody>
</table>

- Other
- Financials
- Non-financials
- Covered bonds (SEB)
- Covered bonds (other)
- Public bonds
- GVT Bonds
- Bank Deposits

*Definition according to Swedish Bankers' Association

**Short-term funding**

<table>
<thead>
<tr>
<th>Short-term funding</th>
<th>SEK bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits from central banks</td>
<td>9%</td>
</tr>
<tr>
<td>Deposits from financial institutions</td>
<td>40%</td>
</tr>
<tr>
<td>CPs/CDs</td>
<td>51%</td>
</tr>
<tr>
<td>Total Liquidity Reserve</td>
<td>130% of Short-term funding</td>
</tr>
</tbody>
</table>

SEK 419bn
**CP/CD funding**
– moves in line with Net Trading Assets 1)
2009- 2011

1) Net Trading Assets excluding derivatives
Strong capital situation

- Core Tier 1 ratio (per cent)

- Basel II
- Basel III 12.5

- Maintain buffer to minimum regulatory levels
- RWA stable in continuing operations. Lending to high-quality customers and increased use of collateral for RWA purposes offset Basel 2.5 effects and volume growth.
- Regulatory treatment of IAS 19 still not clarified
- Capacity to issue additional tier 1 instruments
Pension accounting in the Group Accounts

**Amended Pension accounting (IAS 19)**

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

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

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

The deficit before tax is SEK 7.2bn at the end of 2011 (6.7bn a year ago). The effect on equity is net of tax and would proforma be a deduction by SEK 5.3bn.

The regulatory treatment on capital ratios is yet to be decided.
Higher asset quality and efficient risk management reduce RWA despite volume growth and new stricter regulations.

RWA development during 2011

- **Dec 2010**: 716 SEK bn
- **Dec 2011**: 679 SEK bn

**Volume growth**
- 38 SEK bn

**Basel 2.5: Intro of Stressed VAR**
- 29 SEK bn

**Efficiency measures**
- SFSA approved model changes: 24 SEK bn
- Improved Asset Quality: 23 SEK bn
- Lower market & operational risk: 14 SEK bn
- Other: 6 SEK bn

**Sale of German Retail operations**: 37 SEK bn

* Stress period: April 08 – May 09
## Capital adequacy

**SEB Group - Basel II (without transitional rules)**

**Target:** A Tier 1 capital ratio of 10 to 12 per cent (Basel III)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 capital</td>
<td>72.7</td>
<td>82.5</td>
<td>101.6</td>
<td>102.0</td>
<td>102.1</td>
<td>106.0</td>
<td>108.0</td>
<td>107.7</td>
</tr>
<tr>
<td>Capital base</td>
<td>93.0</td>
<td>104.7</td>
<td>107.3</td>
<td>99.1</td>
<td>98.8</td>
<td>102.6</td>
<td>105.6</td>
<td>103.4</td>
</tr>
<tr>
<td>Risk-w. Assets</td>
<td>737</td>
<td>818</td>
<td>730</td>
<td>716</td>
<td>678</td>
<td>678</td>
<td>667</td>
<td>679</td>
</tr>
</tbody>
</table>

![Bar chart showing capital adequacy](chart.png)
Proposed dividend SEK 1.75

Net profit and total dividend (SEK bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Profit</th>
<th>Total Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>12.6</td>
<td>4.1</td>
</tr>
<tr>
<td>2007</td>
<td>13.6</td>
<td>4.5</td>
</tr>
<tr>
<td>2008</td>
<td>10.1</td>
<td>0.0</td>
</tr>
<tr>
<td>2009</td>
<td>1.1</td>
<td>2.2</td>
</tr>
<tr>
<td>2010</td>
<td>6.8</td>
<td>3.3</td>
</tr>
<tr>
<td>2011</td>
<td>11.1</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Dividend payout ratio, 5 year rolling avg (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>33%</td>
<td>34%</td>
<td>35%</td>
<td>36%</td>
<td>37%</td>
<td>38%</td>
</tr>
</tbody>
</table>

SEK 1.75
Right platform

Robust region

High asset quality

Active customers
Outlook 2012

Continued uncertain macro and regulatory environment in 2012

SEB’s growth plans and relationship focus remains

Maintain balance sheet strength and improve efficiency further
The leading relationship bank in our part of the world

Cover photograph by Sven Golz