Press Conference  Q2-17

Johan Torgeby
President & CEO
14 July, 2017
Strong equity markets and improved market sentiment combined with low volatility and tightening of credit spreads.
## Solid financial performance in the first half-year

<table>
<thead>
<tr>
<th></th>
<th>Underlying</th>
<th></th>
<th>Reported</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H1 2017</td>
<td>H1 2016*</td>
<td>%</td>
<td>H1 2017</td>
</tr>
<tr>
<td><strong>Total Operating income</strong></td>
<td>22,609</td>
<td>20,838</td>
<td>8</td>
<td>22,609</td>
</tr>
<tr>
<td><strong>Total Operating expenses</strong></td>
<td>-10,909</td>
<td>-10,748</td>
<td>1</td>
<td>-10,909</td>
</tr>
<tr>
<td><strong>Net credit losses etc.</strong></td>
<td>-490</td>
<td>-581</td>
<td>-16</td>
<td>-490</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>11,210</td>
<td>9,509</td>
<td>18</td>
<td>11,210</td>
</tr>
</tbody>
</table>

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

**Credit loss level**: 6bps

**Cost/income ratio**: 0.48

**Common Equity Tier 1**: 18.9%

**Return on Equity**: 12.6%
Similar customer activity as in the first quarter

<table>
<thead>
<tr>
<th>Profit &amp; Loss, (SEK m)</th>
<th>Q2 2017</th>
<th>Q1 2017</th>
<th>%</th>
<th>Q2 2016*</th>
<th>%</th>
<th>Q2 2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating income</td>
<td>11,405</td>
<td>11,204</td>
<td>2</td>
<td>10,616</td>
<td>7</td>
<td>11,136</td>
<td>2</td>
</tr>
<tr>
<td>Total Operating expenses</td>
<td>-5,473</td>
<td>-5,436</td>
<td>1</td>
<td>-5,332</td>
<td>3</td>
<td>-5,332</td>
<td>3</td>
</tr>
<tr>
<td>Net credit losses etc.</td>
<td>-252</td>
<td>-238</td>
<td>6</td>
<td>-268</td>
<td>-6</td>
<td>-268</td>
<td>-6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>5,681</td>
<td>5,529</td>
<td>3</td>
<td>5,016</td>
<td>13</td>
<td>5,536</td>
<td>3</td>
</tr>
</tbody>
</table>

*Note: Excluding items affecting comparability: SEB Baltic Visa transaction of SEK +0.5bn in Q2 2016

Credit loss level: 6bps
Cost/income ratio: 0.48
Common Equity Tier 1: 18.9%
Return on Equity: 13.2%
Robust net interest income development
SEK bn, excl. item affecting comparability

Net interest income

+4%

9.3
9.6

H1 2016
H1 2017

Net interest income type
Q2 2015 – Q2 2017

Lending

4.4
4.6
5.3

Q2-15
Q2-16
Q2-17

Deposits

0.2
0.5
0.1

Q2-15
Q2-16
Q2-17

Funding & other

0.0
-0.4
-0.5

Q2-15
Q2-16
Q2-17

Highlights

- Stable margins on lending, increase driven by credit volume increases
- Digital improvements spurred growth in household mortgage market
- Deposit trend continues, impact from negative rates
- Resolution fund fee adjusted to reflect lower risk factor

Excluding SEK -82m Swiss withholding tax in Q2 2015.
Strong net fee and commission income
SEK bn

Net fee and commissions

+12%

8.0
9.0

H1 2016
H1 2017

Gross fee and commissions by income type
Q2 2015 – Q2 2017

Advisory, secondary markets and derivatives

<table>
<thead>
<tr>
<th>Period</th>
<th>Q2-15</th>
<th>Q2-16</th>
<th>Q2-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory</td>
<td>2.1</td>
<td>1.2</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Custody and mutual funds

<table>
<thead>
<tr>
<th>Period</th>
<th>Q2-15</th>
<th>Q2-16</th>
<th>Q2-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custody</td>
<td>2.2</td>
<td>1.8</td>
<td>2.1</td>
</tr>
</tbody>
</table>

Payments, cards, lending, deposits & guarantees

<table>
<thead>
<tr>
<th>Period</th>
<th>Q2-15</th>
<th>Q2-16</th>
<th>Q2-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>2.5</td>
<td>2.3</td>
<td>2.4</td>
</tr>
</tbody>
</table>

Life insurance fees

<table>
<thead>
<tr>
<th>Period</th>
<th>Q2</th>
<th>Q2-16</th>
<th>Q2-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Highlights

- Strong momentum driven by primary markets in DCM, ECM, and M&A, but somewhat lower lending activity
- Higher asset values in AuC and AuM
- SEK 41bn of net inflows in the first six months
- Seasonal uptick in payments and cards QoQ
Low volatility muted activity in the second quarter
SEK bn, excl. item affecting comparability

Net financial income
Jan-Jun 2017 vs. Jan-Jun 2016

+14%

3.1
3.5

H1 2016
H1 2017

Net financial income development
Q2 2015 – Q2 2017

Reduced volatility

VIX S&P 500 volatility

Excluding SEK -820m Swiss withholding tax in Q2 2015.
Operating leverage back on track
Excluding items affecting comparability

**Average quarterly income (SEK bn)**

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<thead>
<tr>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Income</td>
<td>9.2</td>
<td>9.4</td>
<td>9.8</td>
<td>10.4</td>
<td>10.9</td>
<td>11.2</td>
<td>10.8</td>
<td>11.3</td>
</tr>
</tbody>
</table>

**Average quarterly expenses (SEK bn)**

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<tr>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td>5.8</td>
<td>5.9</td>
<td>5.7</td>
<td>5.6</td>
<td>5.4</td>
<td>5.5</td>
<td>5.5</td>
<td>5.5</td>
</tr>
</tbody>
</table>

**Average quarterly profit before credit losses (SEK bn)**

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<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>3.4</td>
<td>3.5</td>
<td>4.1</td>
<td>4.8</td>
<td>5.5</td>
<td>5.7</td>
<td>5.4</td>
<td>5.9</td>
</tr>
</tbody>
</table>

Excluding items affecting comparability (restructuring in 2010, bond buy-back and IT impairment in 2012, sale of MasterCard shares and Eurolines in 2014, Swiss withholding tax in 2015, Goodwill impairment, other one-off cost items and SEB Baltic VISA transaction in 2016) Estimated IAS 19 costs in 2010
### Large Corporates & Financial Institutions
#### Operating profit & key figures*

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>RoBE</td>
<td>10.2%</td>
<td>(11.5)</td>
</tr>
<tr>
<td>Business Equity</td>
<td>SEK bn</td>
<td>66.2</td>
</tr>
</tbody>
</table>

*Excluding items affecting comparability in 2016

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

### Corporate & Private Customers
#### Operating profit & key figures

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>RoBE</td>
<td>15.1%</td>
<td>(14.9)</td>
</tr>
<tr>
<td>Business Equity</td>
<td>SEK bn</td>
<td>40.7</td>
</tr>
</tbody>
</table>

- Balanced lending growth with a positive net inflow of corporate customers
- Inflow of private customers combined with pick up in household lending growth
Baltic Banking
Operating profit & key figures*
SEK bn

<table>
<thead>
<tr>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.8</td>
<td>1.0</td>
</tr>
</tbody>
</table>

RoBE
23.2% (18.3)

Business Equity
SEK bn
7.7 (7.6)

Life & Investment Management
Operating profit & key figures
SEK bn

<table>
<thead>
<tr>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.4</td>
<td>1.7</td>
</tr>
</tbody>
</table>

RoBE
26.1% (21.2)

Business Equity
SEK bn
11.0 (11.6)

• Continued improvement in business sentiment in all segments and loan growth in all countries
• Increased usage of mobile services. Smart-ID and Remote advisory launched

* Excluding items affecting comparability in 2016

• Net inflow of AuM SEK 41bn across all customer segments
• Sustainability products see increased demand and traction across from customers
SEB aims to be a role model in sustainability within the financial industry

- Market leader in green bonds
- Active ownership/Board diversity
- SEB has six microfinance funds

**MyFootprint**
Visualize carbon footprint  
Pilot - summer 2017

**Sustainometer**
Sustainability ranking for stocks  
Pilot – Autumn 2017

**SEB**
MEMBER OF Dow Jones Sustainability Indices  
In Collaboration with RobecoSAM
Better customer experience when buying a home

Key business effects so far

▲ fields in mortgage application

▲ completed digital mortgage applications

-49%

2x

Becoming a customer online

Key business effects so far

# of pages in agreement

27 ➞ 1

Time to onboard

30 min ➞ 2 min

% of new customers are onboarded digitally

20%
Piloting blockchain payments

From

Transaction time
~60 min-2days

To

~10 sec

Analytics to Large Corporate clients

Customer feedback during pilot:

“The service will simplify our internal reporting and support strategic decision making”

“…provides a good overview of our fast expanding business…”

“The tool allows for new possibilities to analyze liquidity trends over time”
## Strong asset quality and balance sheet

<table>
<thead>
<tr>
<th>Category</th>
<th>2009</th>
<th>2016</th>
<th>June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset quality</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-performing loans</td>
<td>28.6bn</td>
<td>7.6bn</td>
<td>7.8bn</td>
</tr>
<tr>
<td>NPL coverage ratio</td>
<td>65%</td>
<td>63%</td>
<td>61%</td>
</tr>
<tr>
<td>Net credit loss level</td>
<td>0.92%</td>
<td>0.07%</td>
<td>0.06%</td>
</tr>
<tr>
<td><strong>Funding and liquidity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer deposits</td>
<td>750bn</td>
<td>962bn</td>
<td>1 084bn</td>
</tr>
<tr>
<td>Liquidity coverage ratio</td>
<td>N.A.</td>
<td>168%</td>
<td>120%</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CET 1 ratio (Basel 3)</td>
<td>11.7%_{2.5}</td>
<td>18.8%</td>
<td>18.9%</td>
</tr>
<tr>
<td>Total capital ratio (Basel 3)</td>
<td>14.7%_{2.5}</td>
<td>24.8%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Leverage ratio (Basel 3)</td>
<td>N.A.</td>
<td>5.1%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>
Highlights – First half year 2017

• Solid performance through diversified business mix, robust capital position and strong asset quality
• Improved market sentiment increased customer activity but very low volatility muted hedging activity
• Transformation initiatives continue to enhance the customer experience and operating efficiency
The journey towards…

…world-class service to our customers continues