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CFO

Danske – Nordic Bank Seminar
Copenhagen

2 September 2009
SEB’s competitive position
A long-term relationship bank

Strong income and balance sheet
Q2-recap, liquidity and capital

Asset quality
Stable and diversified credit portfolio

Going forward
Economic outlook and the new financial landscape
SEB – A relationship bank

**Strong customer base**

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large companies</td>
<td>1,800</td>
</tr>
<tr>
<td>Financial institutions</td>
<td>700</td>
</tr>
<tr>
<td>SMEs</td>
<td>400,000</td>
</tr>
<tr>
<td>Private individuals</td>
<td>5 million</td>
</tr>
</tbody>
</table>

**Product excellence**

- Cash management globally
- Scandinavian currencies globally
- Nordic stock broker
- Nordic and Baltic investment bank
- Custody Nordics and Baltics
- Nordic asset management
- SMEs Sweden
A strong large corporate franchise

Nordic target market

- Core banking relationships %
- Perceived quality

Large corporates

Nordics

Large corporates

Sweden

- 2008
- 2009

Strong growth in core markets

Income Nordic “top 50”
(public companies)

- +79%
- +33%

H1 08

Sweden

Other Nordic

H1 09
Rightly positioned to leverage recovery of markets

Mutual Funds Net Sales Sweden
Cumulative Jan 2005 – Jun 2009, including PPM
SEK m

Assets under Management
June 30, 2009, SEK bn

Market shares
Gross premium income, unit-linked insurance
% Q1 2009

SEB Rank

Source: Morgan Stanley
Growing franchise of Swedish Retail

The natural partner for corporations
…from start-up to international expansion!

**SME bank of the year, 2008, Privata Affärer**

**ROE 19%**

Net credit loss level 12 bps

<table>
<thead>
<tr>
<th>Gross new lending – household mortgages</th>
<th>No of corporate customers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SEK bn</strong></td>
<td><strong>Thousands</strong></td>
</tr>
<tr>
<td>Q1 08: 10.2</td>
<td>Q1 2007: 115</td>
</tr>
<tr>
<td>Q2 08: 12.4</td>
<td>Q2 2007: 120</td>
</tr>
<tr>
<td>Q3 08: 10.0</td>
<td>Q3 2007: 125</td>
</tr>
<tr>
<td>Q4 08: 8.8</td>
<td>Q4 2007: 130</td>
</tr>
<tr>
<td>Q1 09: 10.1</td>
<td>Q1 2008: 135</td>
</tr>
<tr>
<td>Q2 09: 14.4</td>
<td>Q2 2008: 140</td>
</tr>
</tbody>
</table>

Lending volumes in local currency

**Gross new lending – household mortgages**

- SEK bn
  - Q1 08: 10.2
  - Q2 08: 12.4
  - Q3 08: 10.0
  - Q4 08: 8.8
  - Q1 09: 10.1
  - Q2 09: 14.4

**Thousands of corporate customers**

- Q1 2007: 115
- Q2 2007: 120
- Q3 2007: 125
- Q4 2007: 130
- Q1 2008: 135
- Q2 2008: 140
- Q3 2008: 145
- Q4 2008: 150
- Q1 2009: 155
- Q2 2009: 160
SEB’s competitive position
A long-term relationship bank

Strong income and balance sheet
Q2-recap, liquidity and capital

Asset quality
Stable and diversified credit portfolio

Going forward
Economic outlook and the new financial landscape
Highlights Q2 2009

- Strong and sustainable underlying business
  - SEK 5.3bn before provisions for credit losses, goodwill write offs and bond repurchase gain
- Cost development under control
  - -4% on a comparable basis
- Sharp increase of impaired loans in the Baltic region
- Full goodwill write-off in the Baltics and Russia of SEK 2.4bn
- Strong balance sheet with Tier 1 of 13 per cent and restored liquidity profile

Operating profit (SEK bn)

<table>
<thead>
<tr>
<th>Q1 07</th>
<th>Q2 07</th>
<th>Q3 07</th>
<th>Q4 07</th>
<th>Q1 08</th>
<th>Q2 08</th>
<th>Q3 08</th>
<th>Q4 08</th>
<th>Q1 09</th>
<th>Q2 09</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.2</td>
<td>4.6</td>
<td>3.7</td>
<td>4.6</td>
<td>2.4</td>
<td>3.5</td>
<td>2.5</td>
<td>4.0</td>
<td>1.8</td>
<td>0.6</td>
</tr>
</tbody>
</table>

- Bond repurchase gains
- Profit before gains and credit losses
- Goodwill impairment
- Provisions for credit losses
Resilient income generation

12-month rolling earnings generation excluding one-off effects

SEK bn

Profit before credit losses and goodwill
Operating income
Operating profit

Diversified income generation

SEK m

Net interest income
Non-interest income *

Net interest income
Non-interest income *

Resilient income generation

+21%*
H1 2009 vs. H1 2008

*Income adjusted for capital gains
## Income drivers

<table>
<thead>
<tr>
<th>Net interest income</th>
<th><strong>YoY</strong></th>
<th><strong>QoQ</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+26%</td>
<td>-9%</td>
</tr>
</tbody>
</table>

- NII effect of market turbulence subsiding, but asset re-pricing will continue for some years
- Moderately lower lending volumes
- Funding duration extension

<table>
<thead>
<tr>
<th>Non-interest income</th>
<th><strong>YoY</strong></th>
<th><strong>QoQ</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+10%</td>
<td>+18%</td>
</tr>
</tbody>
</table>

- Renewed strength of fee and commission earnings – SEB’s traditional area of excellence
- Diversified flow based/low risk trading income
- Sticky unit-linked life insurance income

*Income rolling twelve months adjusted for capital gains*
## Cost development

### Cost management program 2007 – 2009

<table>
<thead>
<tr>
<th></th>
<th>Achieved by Q2 2009</th>
<th>Target by Q4 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE development</td>
<td>-435 net</td>
<td>-922 net</td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td>Sweden net</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-435</td>
</tr>
</tbody>
</table>

### Efficiency and productivity gains offset inflation on a comparable basis

- Total cost base reported
- Excluding pensions, redundancies, CEE goodwill impairment and FX effect

Rolling 12 m costs in Q2 2009 up SEK 0.3bn or 6% vs. FY 2006
Capital situation and RWA dynamics

### Capital ratios, Basel II without floors

<table>
<thead>
<tr>
<th>Per cent</th>
<th>Core Tier 1 ratio</th>
<th>Tier 1 ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Long-term Basel II Tier 1 target**: 13.1
- **Required minimum Tier 1 in order to qualify for Swedish stabilisation measures is 4%**: 11.3

### Risk-weighted assets

- **SEK bn**
  - **Dec 2008**: 818
  - **Jun 2009**: 790

- **Components**:
  - **Volume changes and capital process efficiency**: 47
  - **IRB methods**: 18
  - **Migration**: 31
  - **FX**: 15
  - **Op Risk**: 15
Funding raised with original maturity $\geq 1$ year
SEK bn

<table>
<thead>
<tr>
<th>Instrument</th>
<th>2008</th>
<th>1h 2008</th>
<th>1h 2009</th>
<th>Q1 2009</th>
<th>Q2 2009</th>
<th>Q3 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>YCD</td>
<td>5.9</td>
<td>4.1</td>
<td>1.3</td>
<td>0.0</td>
<td>1.3</td>
<td>1.5</td>
</tr>
<tr>
<td>Senior unsecured Germany</td>
<td>2.0</td>
<td>0.8</td>
<td>1.1</td>
<td>0.1</td>
<td>1.0</td>
<td>2.1</td>
</tr>
<tr>
<td>Senior unsecured Sweden</td>
<td>37.4</td>
<td>23.2</td>
<td>34.7</td>
<td>0.0</td>
<td>34.7</td>
<td>36.2</td>
</tr>
<tr>
<td>Structured bonds</td>
<td>13.4</td>
<td>13.1</td>
<td>4.7</td>
<td>4.1</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Covered bonds Germany</td>
<td>29.7</td>
<td>27.5</td>
<td>12.5</td>
<td>6.7</td>
<td>5.7</td>
<td>3.3</td>
</tr>
<tr>
<td>Covered bonds Sweden</td>
<td>72.9</td>
<td>43.9</td>
<td>20.4</td>
<td>13.9</td>
<td>6.5</td>
<td>3.8</td>
</tr>
<tr>
<td>Hybrid tier 1</td>
<td>4.7</td>
<td>4.7</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>166.0</td>
<td>117.3</td>
<td>74.7</td>
<td>24.8</td>
<td>49.9</td>
<td>47.3</td>
</tr>
</tbody>
</table>

June 2009: 12 months match funding
SEB’s competitive position
A long-term relationship bank

Strong income and balance sheet
Q2-recap, liquidity and capital

Asset quality
Stable and diversified credit portfolio

Going forward
Economic outlook and the new financial landscape
SEB has a stable and well diversified credit portfolio

- 85% of total credit exposure is in Nordics and Germany and only 10% in Baltics
- Credit portfolio is well diversified across types of borrowers
- Corporate portfolio has a pre-dominance of large corporate clients

Credit portfolio, SEK 1.8 trillion as of June 30 2009

Note: the chart above show the distribution by industry and location of SEB’s credit portfolio excluding the fixed-income investment portfolio.
Continued buffering for CEE challenges

Provisions for Net Credit Losses
Distribution of SEK 5,953m within SEB Group

<table>
<thead>
<tr>
<th>Country</th>
<th>Q1 2009*</th>
<th>Q2 2009</th>
<th>H1 2009*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>1.73</td>
<td>3.66</td>
<td>2.76</td>
</tr>
<tr>
<td>Latvia</td>
<td>6.41</td>
<td>8.86</td>
<td>7.74</td>
</tr>
<tr>
<td>Lithuania</td>
<td>3.59</td>
<td>5.97</td>
<td>4.83</td>
</tr>
<tr>
<td>Baltics</td>
<td>3.70</td>
<td>6.00</td>
<td>4.93</td>
</tr>
</tbody>
</table>

Non performing loans
% of lending

- Portfolio assessed, past due > 60 days
- Individually assessed

Baltic countries
- Estonia: 74%
- Latvia: 22%
- Lithuania: 4.8%
- Russia: 0.2%
- Ukraine: 65% collective provisions

Nordics, Germany, etc.

Provisioning to build-up Baltic reserves

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Specific</th>
<th>Collective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-08</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Q2-08</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Q3-08</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Q4-08</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Q1-09</td>
<td>0</td>
<td>650</td>
</tr>
<tr>
<td>Q2-09</td>
<td>0</td>
<td>650</td>
</tr>
</tbody>
</table>

Actual losses: SEK 73m!
Proactive and conservative approach in the Baltic region

<table>
<thead>
<tr>
<th>2006</th>
<th>……</th>
<th>2008</th>
<th>……</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Increased capitalisation</td>
<td>• Work-out units</td>
<td>• Accelerated collective provisions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Tightening of credit policy</td>
<td>• High Risk Committees</td>
<td>• Review of all loans &gt;€1m completed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• ROE priority &gt; volume</td>
<td>• Baltic SPVs</td>
<td>• Separate division</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Dialogue with authorities</td>
<td>• Full goodwill write-off</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Long-term commitment remains
**Stable asset quality outside CEE**

**Distribution of credit provisions**
- Distribution of SEK 5,953m within SEB Group

- **78%** CEE
- **22%** Outside CEE

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**Level of Impaired Loans**

- **NPL 0.6%**
- **Germany**
- **Nordics**

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**% of total exposure**

- **3%**
  - **Shipping & Offshore**
  - Limited exposure to Bulk and Container sub-segments

- **1%**
  - **Acq. Finance**
  - Well diversified with 95% senior debt

- **3%**
  - **SMEs Sweden**
  - Bankruptcies increasing (from a low base)

- **7%**
  - **Commercial Real Estate**
  - Mainly related to large real estate companies

* Excluding Baltic exposures
SEB’s competitive position
A long-term relationship bank

Strong income and balance sheet
Q2-recap, liquidity and capital

Asset quality
Stable and diversified credit portfolio

Going forward
Economic outlook and the new financial landscape
Sweden - Positioned for recovery

- Improved situation for manufacturing
- Low mortgage rates support consumption, debt service burden historically low
- GDP bounces back
- Riksbank starts to increase rates Spring 2010

Source: SEB Nordic Outlook, 1 Sept 2009
Baltics - Stabilisation on a low level

- A broader recovery in 2011
- First signs of improved economic sentiment
- GDP deficits leaves the negative territory
- Wage cuts continue

Source: SEB Nordic Outlook, 1 Sept 2009
The big unknown: A new financial landscape - Still limited visibility and no level playing field

Capital framework

- Estimated Tier 1 effect (%)
  - Market risk: -0.3
  - Insurance goodwill: -0.7
  - Advanced IRB roll-out: >1.0

Leverage ratio

- SEB’s leverage ratio 5.3%
  (FDIC rules)

Liquidity requirements

- SEB’s matched funding >12 mths
- Liquidity reserves >10% of assets

Dynamic provisioning

- Changes timing but (hopefully) not magnitude of losses

And more...
SEB has a strong position to meet the new financial landscape

12 months matched funding  
Tier 1 capital ratio 13.1%  
Reserve ratio* 72%

Implementation around 2011-2013 means limited business restrictions (until next downturn?), but structurally lower ROE across banking sector vs. pre-crisis

*Individually appraised non-performing loans
Wholesale banking going forward
Restricted capital leads banks to a more selective choice of relationships

**Business** – selected clients
- First priority to existing core clients
- Second priority to new prime clients.
- 360° analysis
- Ancillary business (!)
- Focus on risk return

**Credits** – tight conditions
- Reduced gearing
- Lending cap towards certain industries
- Tight credit documentation and monitoring.
- Even more focus on repayment capacity

**Bank relationship – a closer tie**
- A stronger relationship between client and bank
- Fewer banks per client
- Risk based pricing restores attractiveness of lending
Stabilising economy but long and winding road to recovery

Full attention and actions on Baltic challenges

SEB well positioned to support our customers and seize growth opportunities on a selective basis