



**BoA Merrill Lynch Banking & Insurance
CEO Conference
London, 25 September 2012**

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President & CEO**

S|E|B

The message from last year's conference...

Stability



Sustainable growth



Continuous improvement



... is unchanged and the strategy remains firm



1 Universal bank in Sweden and the Baltics

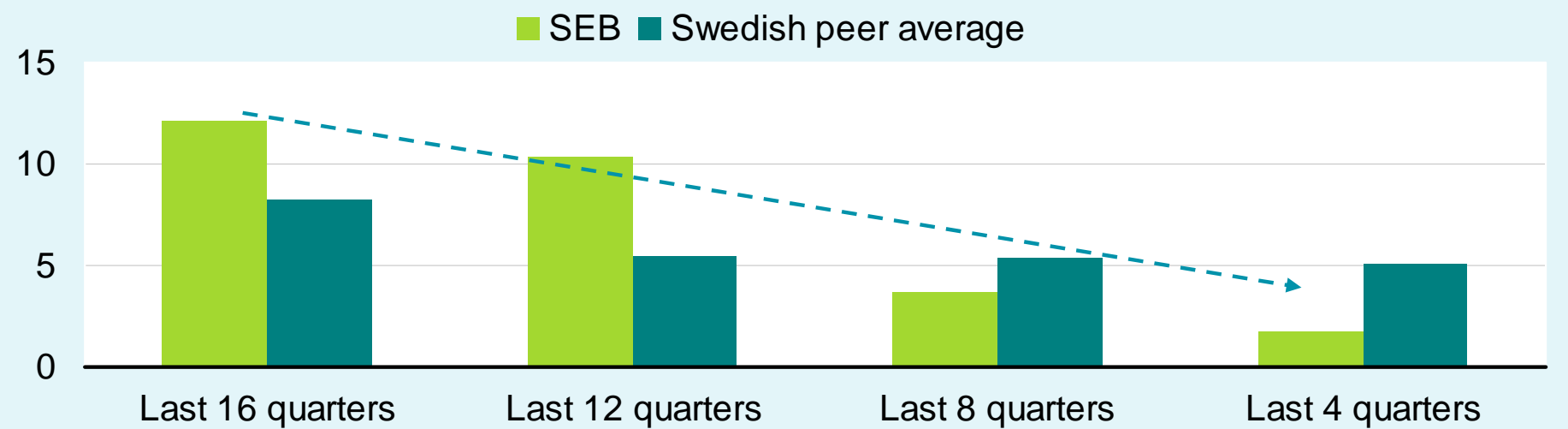
2 Corporate bank in the Nordics and Germany

3 Resilience and flexibility:
Capital, liquidity and costs

Strategic actions to reduce income volatility...

				
<p>Divestment of non-core businesses</p>	<p>Reduced size of investment portfolios</p>	<p>Secured funding and liquidity reserves</p>	<p>Maintained high asset quality</p>	<p>Growth in areas of strength</p>

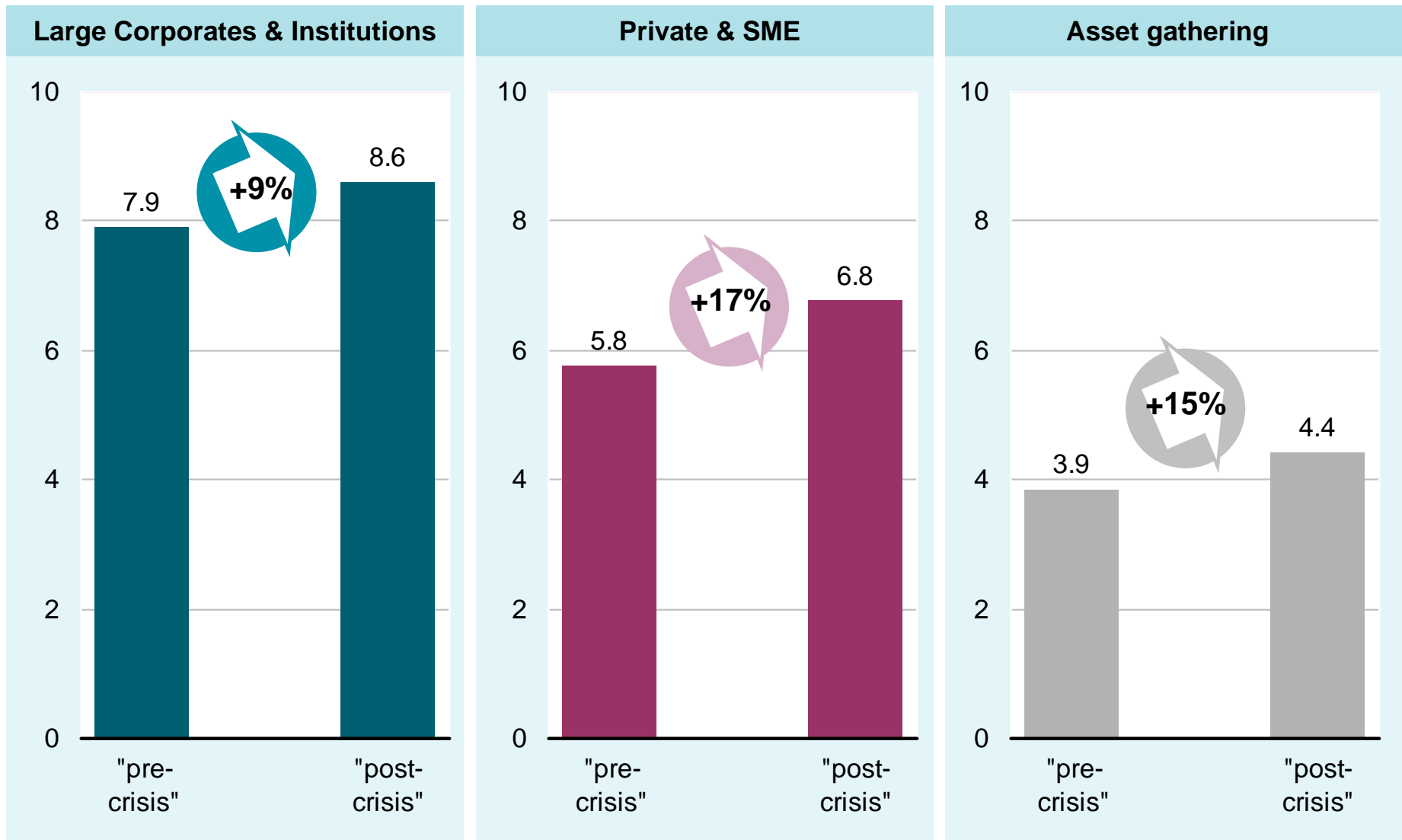
Income volatility, Q2 2008 – Q1 2012 (per cent)



Source: Nordea Equity Research, June 2012

...are supportive of long-term growth...

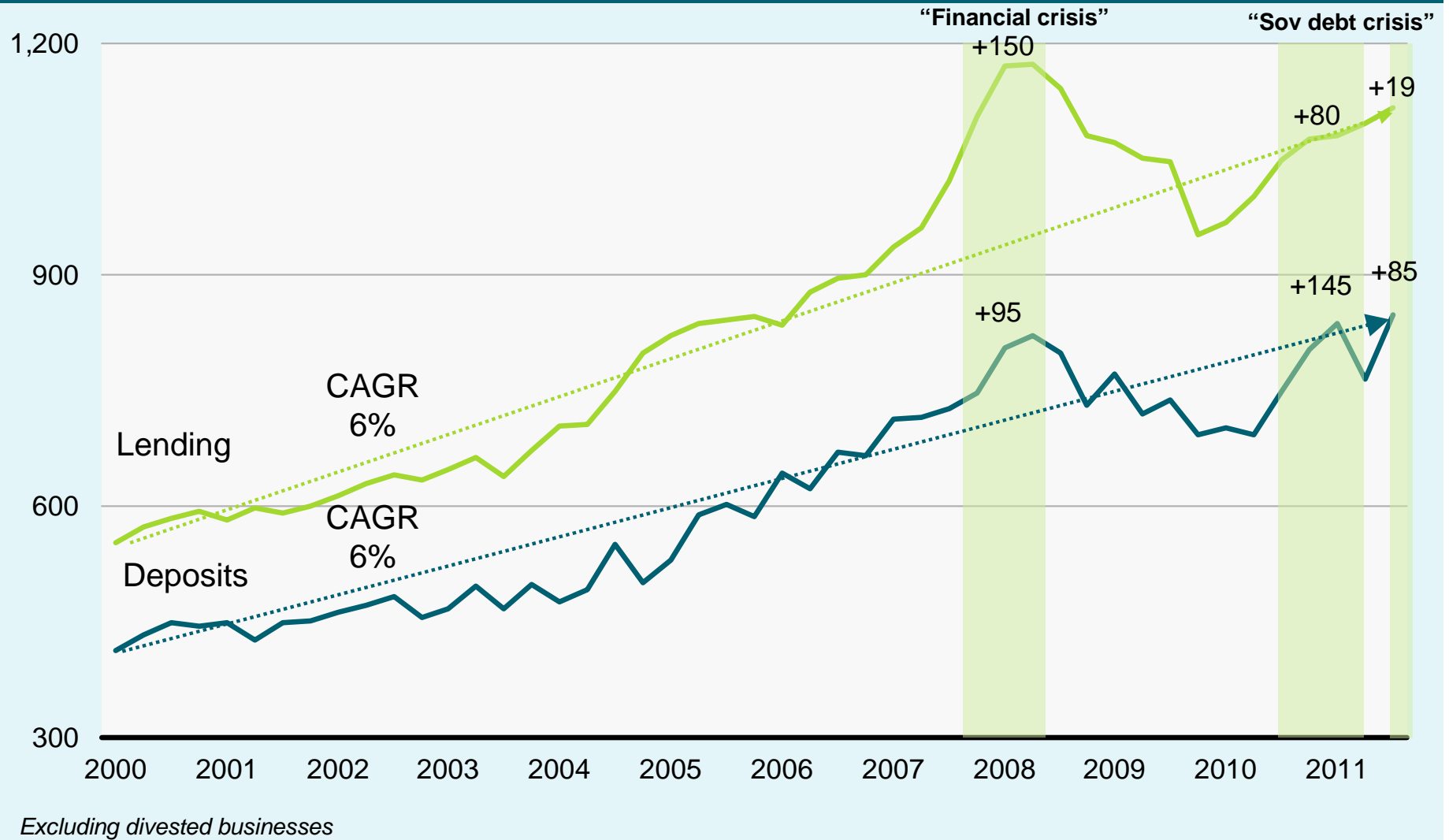
Operating income, SEK bn



"pre-crisis" is H1 2006; "post-crisis" is H1 2012

...over a long period of time

Lending to and deposits from corporates and households (SEK bn)



A balanced approach to cost management

Efficiency measures

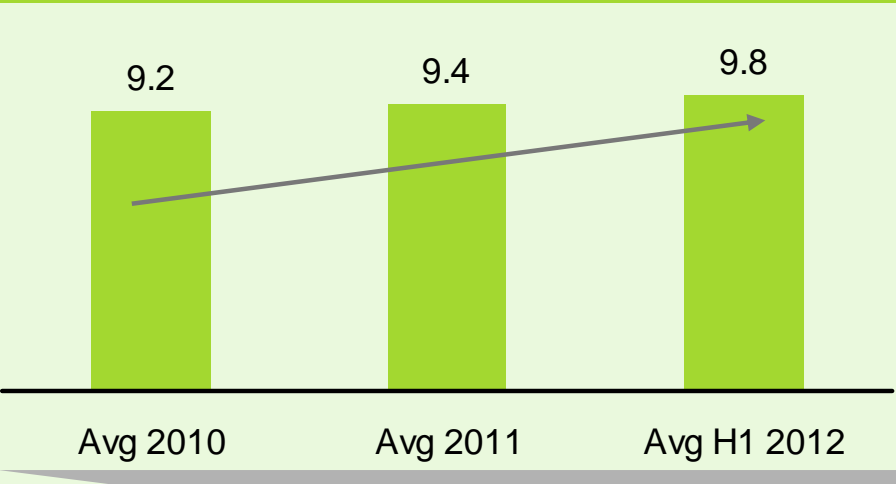
- Off-shoring of support functions
- Procurement
- Strict prioritization

Investments

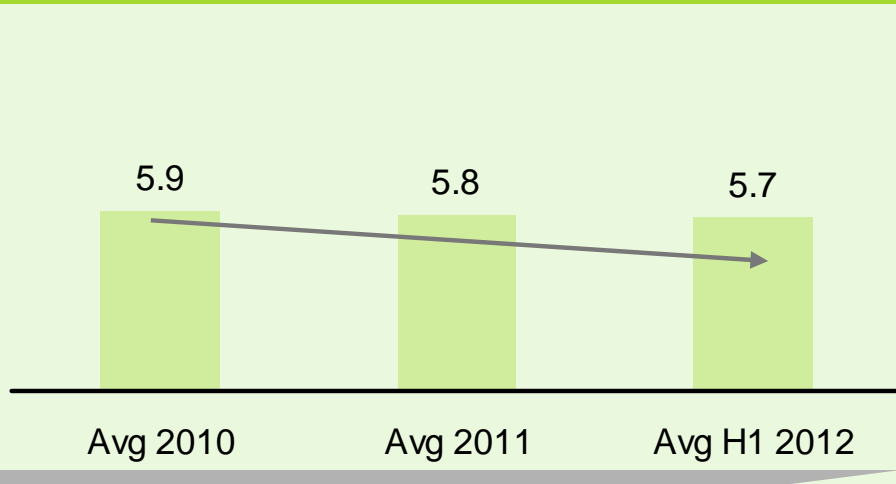
- Nordic and German expansion
- Hong Kong branch
- Swedish SMEs

Increased operating leverage

Average quarterly income (SEK bn)

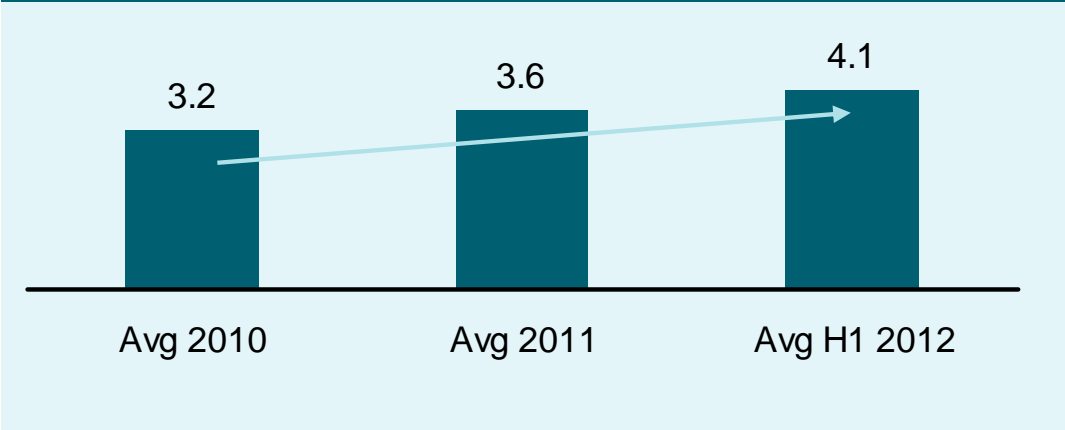


Average quarterly expenses (SEK bn)



Operating leverage

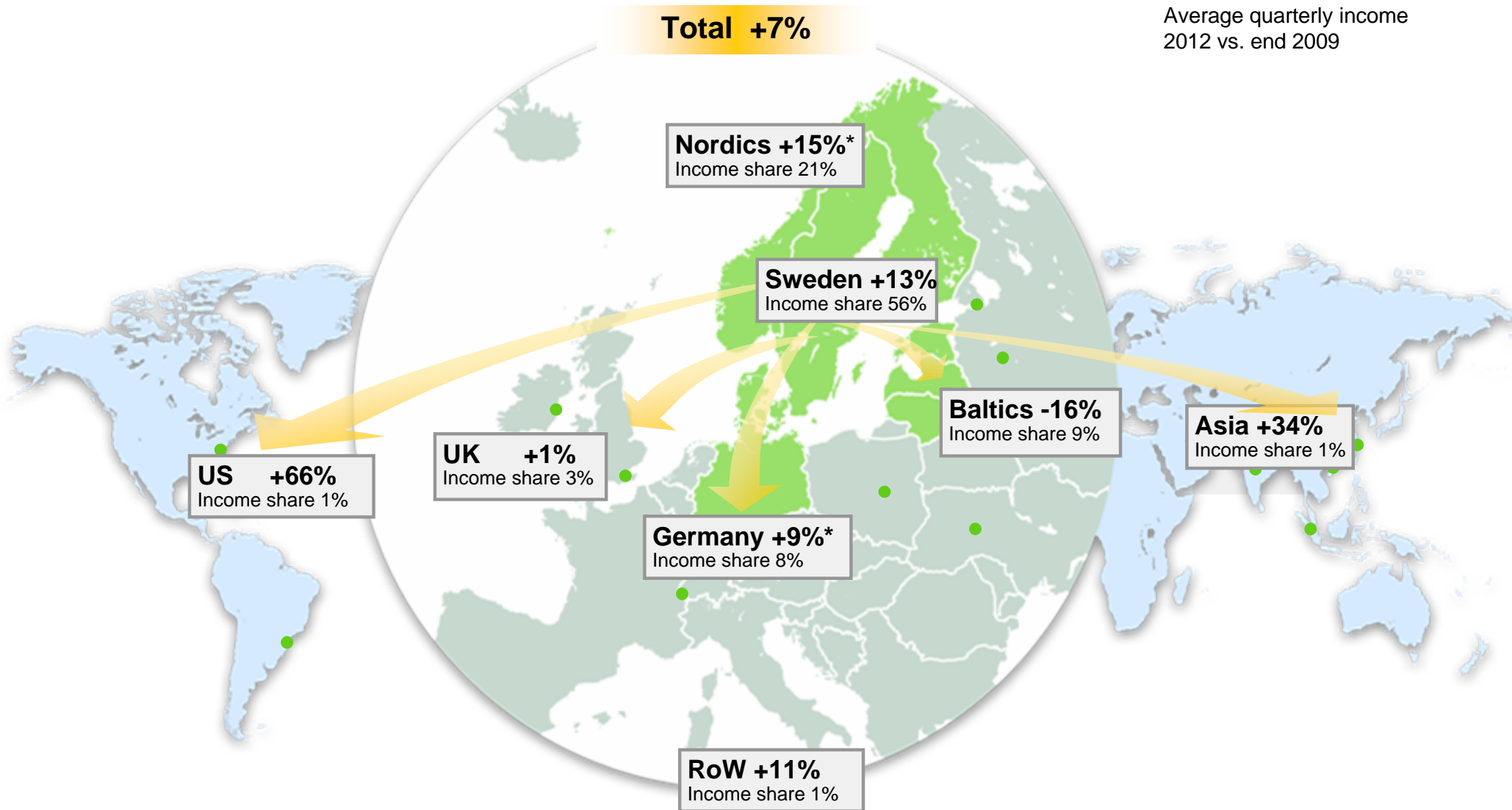
Average quarterly profit before credit losses (SEK bn)



Following in our customers' footprint

SEB Group income growth since growth initiatives started in 2010

Average quarterly income
2012 vs. end 2009



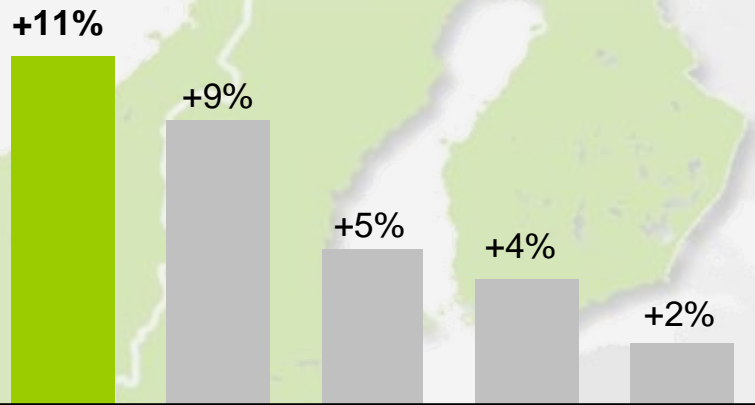
* Nordics reflect Merchant Banking's strategic expansion in Denmark, Finland and Norway, including other divisions the growth rate is 3 per cent.
All numbers exclude divestments.

Large Corporates: Progress of Nordic expansion

Perception in 2010 turned reality in 2011



2010: Customers' intention to expand banking services over next 12 months (net)



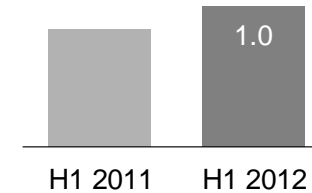
SEB

Source: Corporate Banking year-end 2010 Nordics

Operating profit growth (SEK bn)



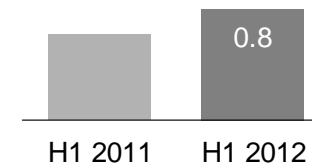
+20%



+22%



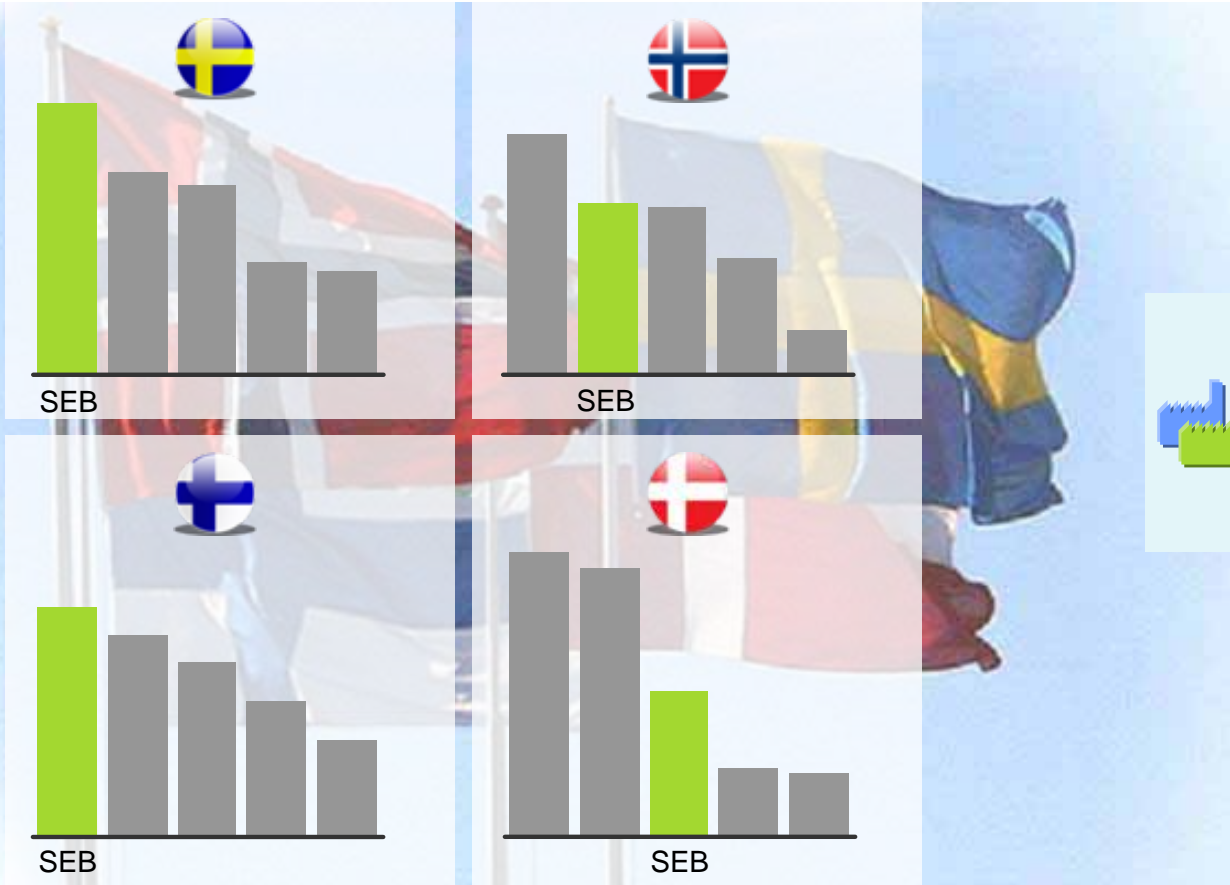
+29%





(total country contribution to Group's SEK 7.7bn operating profit)

For the first time SEB named Best Bank for Large Corporates and Institutions in the Nordics 2011

Voice of the customer:
 SEB is the **#1 wholesale bank** in the Nordics





Since launch 2010


Large cap clients:


Note: Country scores 2011 (right-hand graph). The result is based on 62 surveys across the Nordics. Source: Prospera Large Corporates & Institutions Surveys 2011

Strengthening the customer franchise through acquisition of new clients and up-tiering of existing

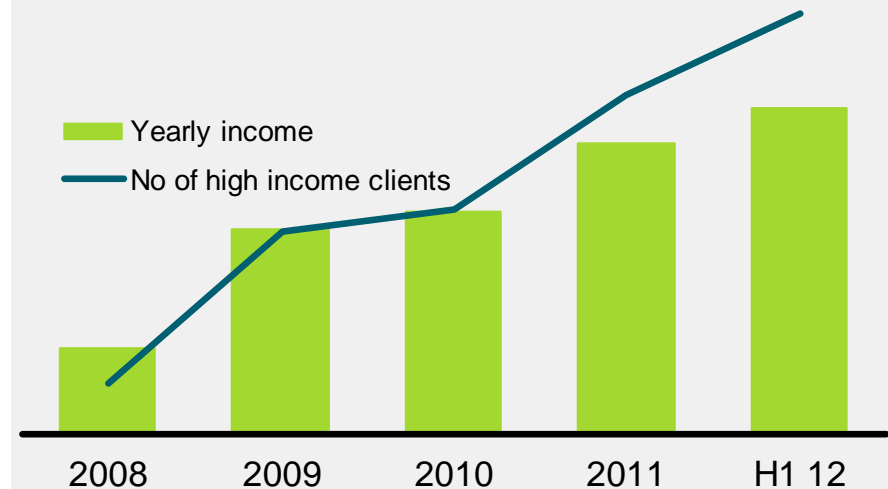
Expansion of customer base

	Operating expenses <i>(annual run-rate)</i>	New clients
	SEK 80m	138
	~60m	116
Total	SEK 140m	254

- Good return on the investment
- Increased market share in all markets
- Further potential when activity picks up

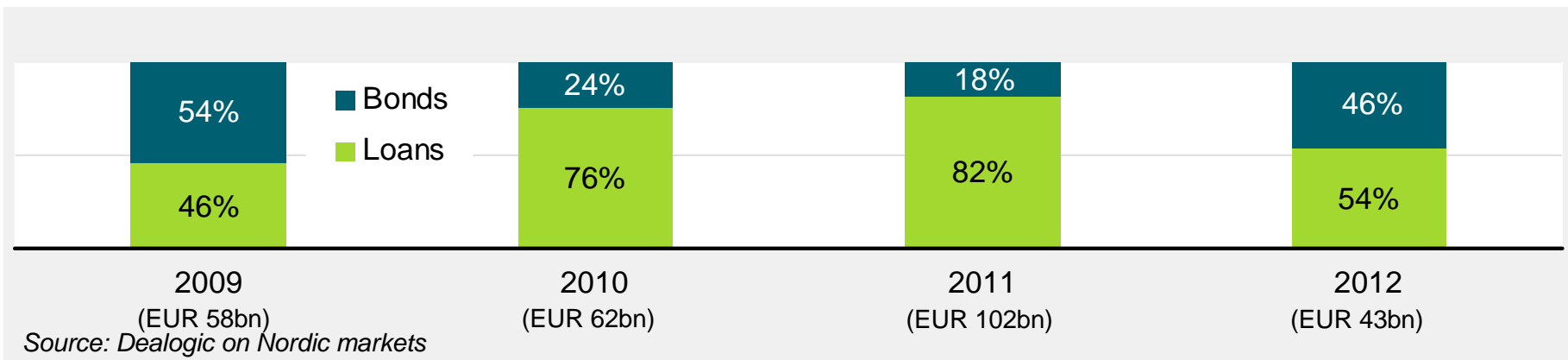
Increase share of wallet

- More than 8 product clusters
- Income **+33%** since 2008
- No. of customers **+34%** since 2008



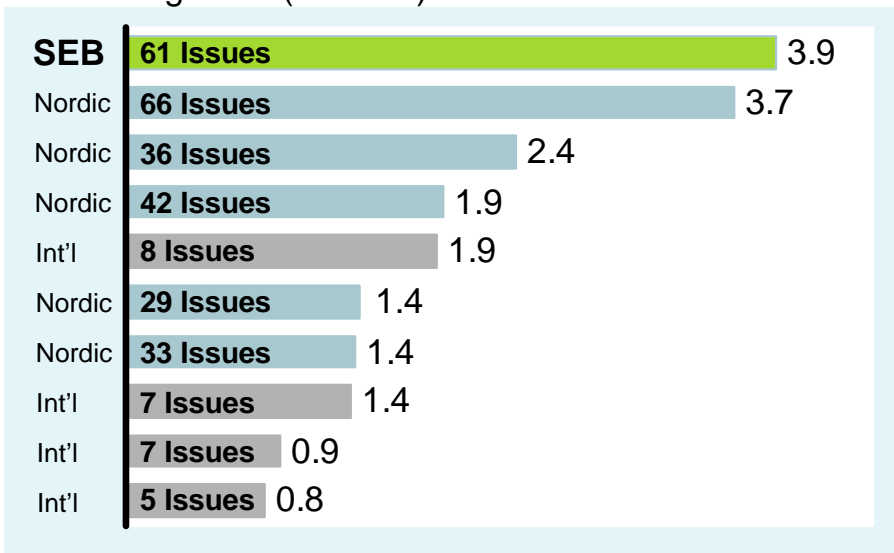
- Advisory driven approach key success factor to the increased product penetration
- Next phase is to up-tier the 254 new clients

SEB well positioned for lending and bond financing – “Disintermediation agnostic”



Nordic League Tables – Corporate Bonds

Jan – Aug 2012 (USD bn)

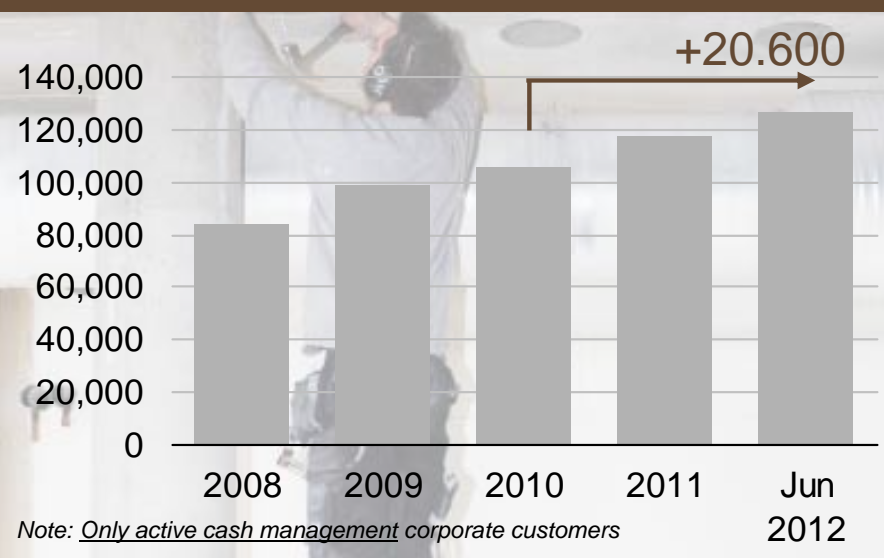


Source: Bloomberg

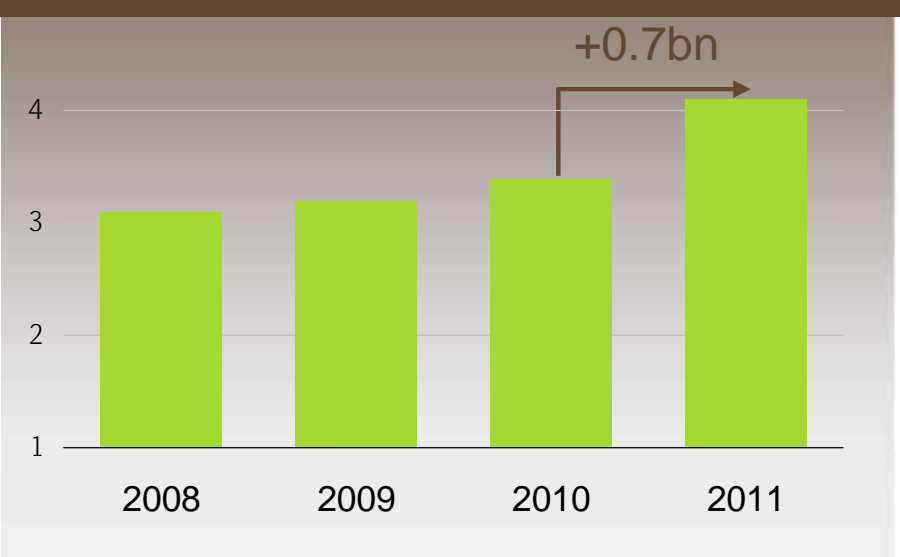
 <p>1.875% Fixed Bond Joint Lead September 2012/19 EUR 500m</p> <p>SEB</p>	 <p>3.000% Fixed Bond Joint Lead August 2012/27 EUR 500m</p> <p>SEB</p>
 <p>5.000% Fixed Bond Joint Lead February 2012/19 EUR 500m</p> <p>SEB</p>	 <p>2.750% Fixed Bond Joint Lead February 2012/17 EUR 350m</p> <p>SEB</p>

Swedish SMEs: Market share steadily increases with 1 per cent per annum – Target 15 per cent

Increased number of customers*



SME – income (SEK bn)



Standardised solutions

- ✓ Solutions, not products
- ✓ Directly covers 70 per cent of the customers need



Tailored solutions

- ✓ Advisory
- ✓ International/FX
- ✓ More complex financing
- ✓ Insurance
- ✓ Occupational insurance (corporate paid)



Swedish SMEs: Step-change in customer satisfaction

Last year: Market recognition



SME bank of the year 2008, 2009, 2011*

**Our concept –
“The whole entrepreneur”**



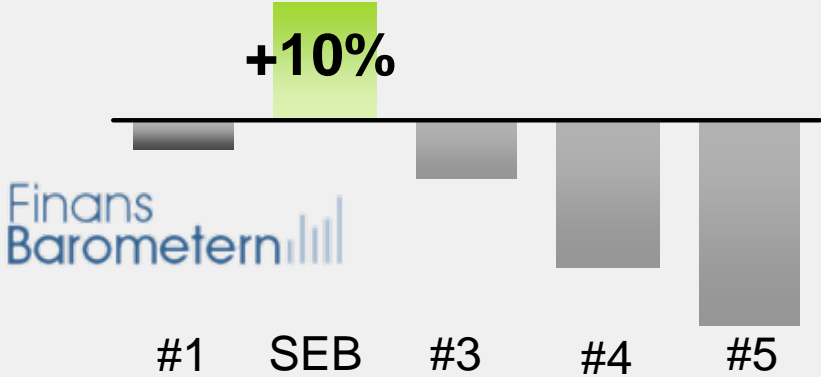
2012: SME Bank of the Year

Based on survey of 1,000 micro-SMEs for the first time



2012: Business Bank of the Year

SMEs with turnover >SEK 100m or >100 staff

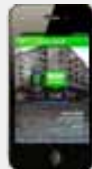
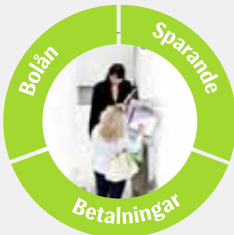
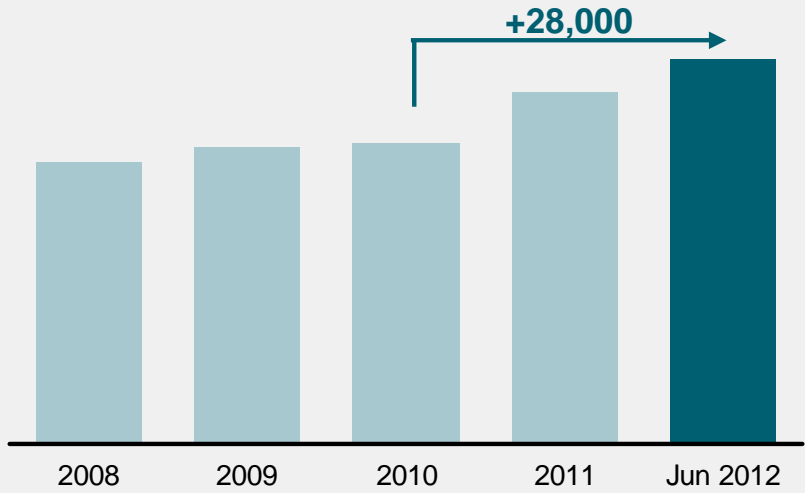


*No award was announced in 2010

Retail Sweden: Continuous growth among private customers enhances franchise

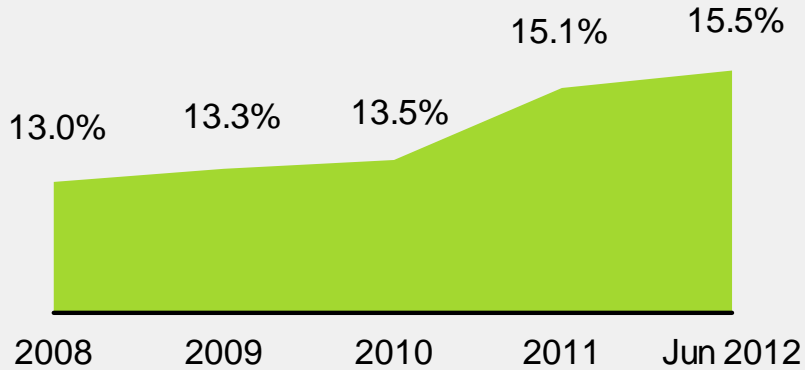
Growth private market

Full-service customers (thousands)



Source: SCB/Swedish statistics

Mortgage market share

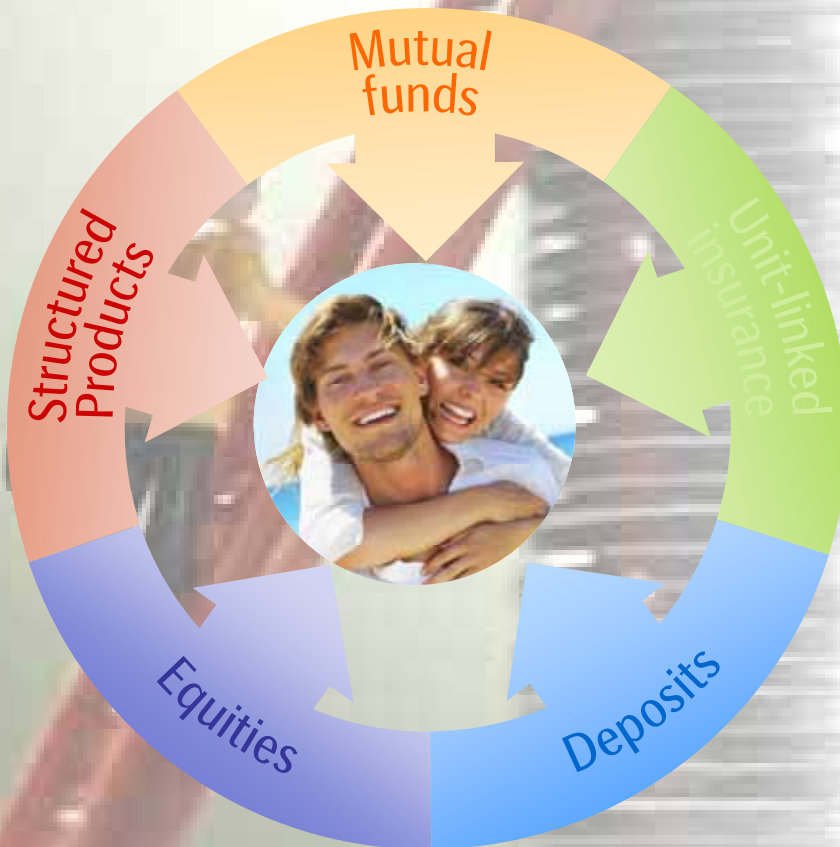


>70%

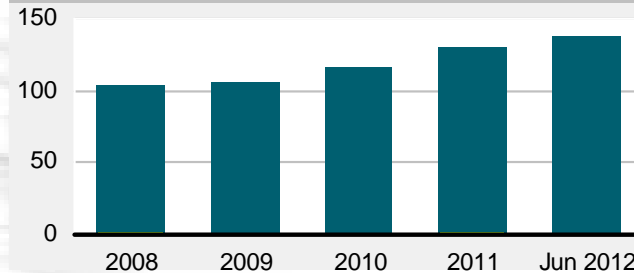
conversion to full-service customers

Asset gathering: coordinated savings offering

Full range of savings products through bancassurance model

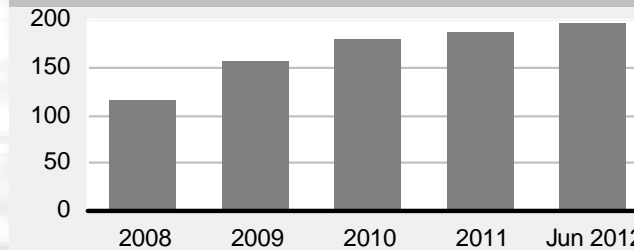


Household deposits (SEK bn)



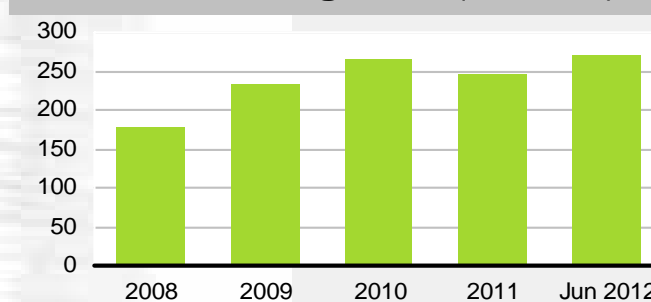
+9%
CAGR

Unit-linked AuM (SEK bn)



+16%
CAGR

Private Banking AuM (SEK bn)

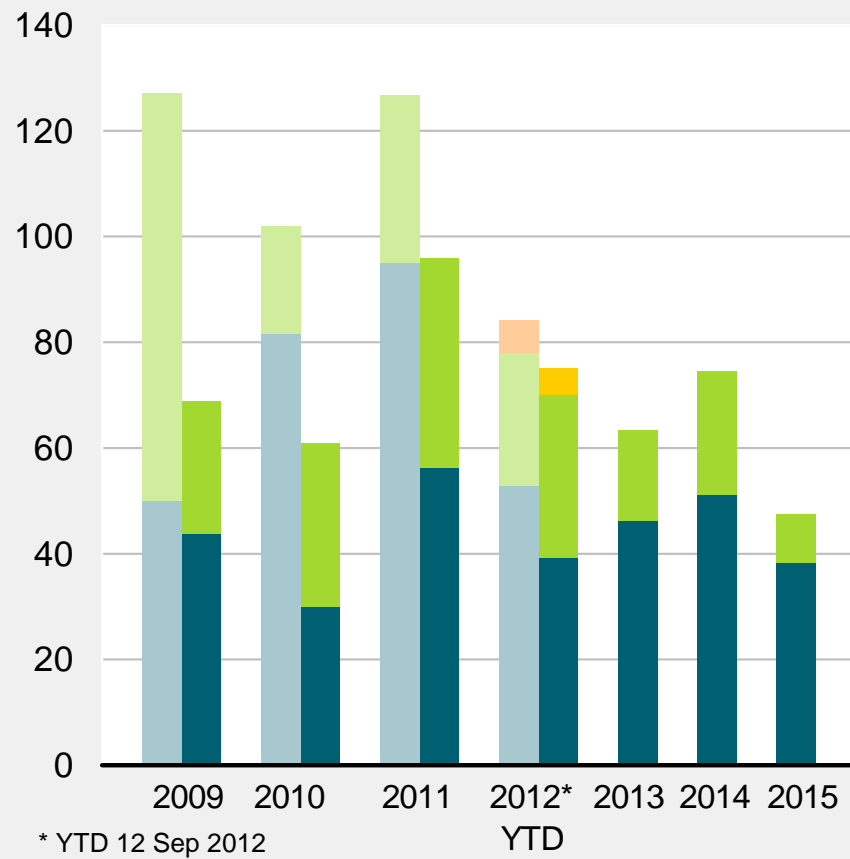


+13%
CAGR

Resilience: Solid funding and liquidity situation

Long-term funding activities (SEK bn)

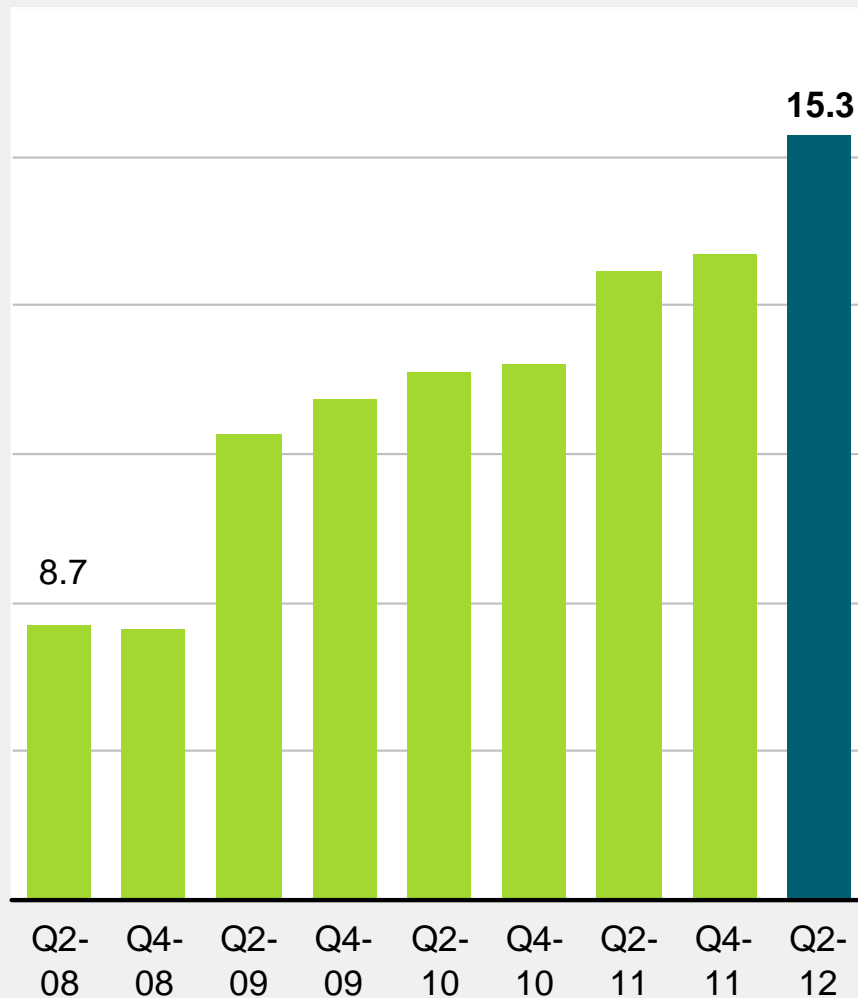
■ Issued Subordinated Debt ■ Matured Subordinated Debt
■ Issued Senior Unsecured ■ Matured Senior Unsecured
■ Issued Covered Bonds ■ Matured Covered Bonds



- ✓ >100% of 2012 maturities refinanced
- ✓ Loan-to-deposit ratio excluding household mortgage lending ~100%
- ✓ Unutilised capacity for covered bonds > SEK 100bn
- ✓ Liquid resources ~25% of balance sheet
- ✓ Confirmed stable rating outlook by all agencies

Resilience: Higher Core Tier 1 ratio

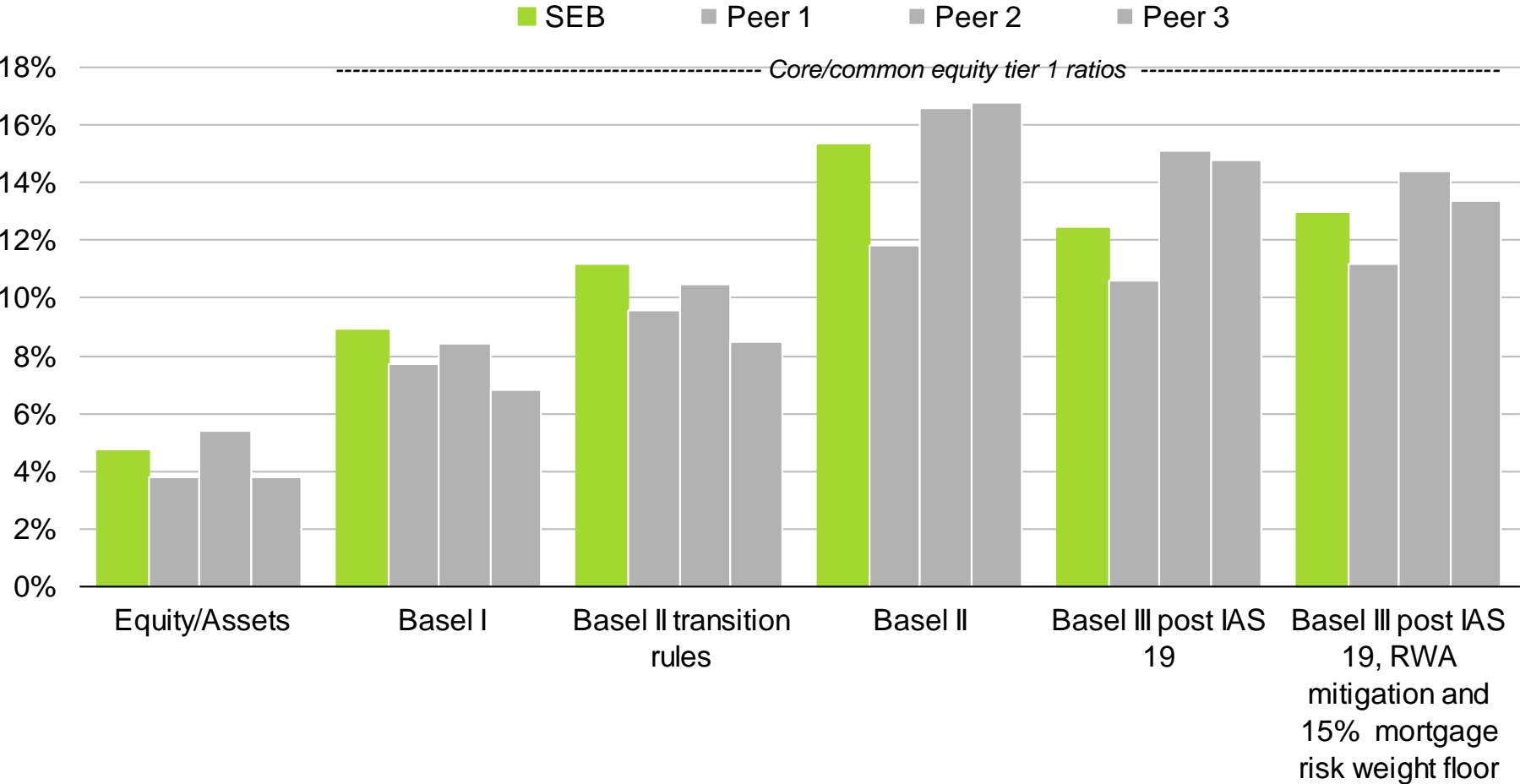
Basel 2.5 Core Tier 1 ratio (per cent)



- ✓ Strong capital formation
- ✓ Basel III CET 1 ratio of 12.4 per cent incl. IAS 19 adjustment
- ✓ Maintain buffer to minimum regulatory levels
- ✓ Capacity to issue additional tier 1 instrument

SEB is well capitalised across all metrics

30 June, 2012



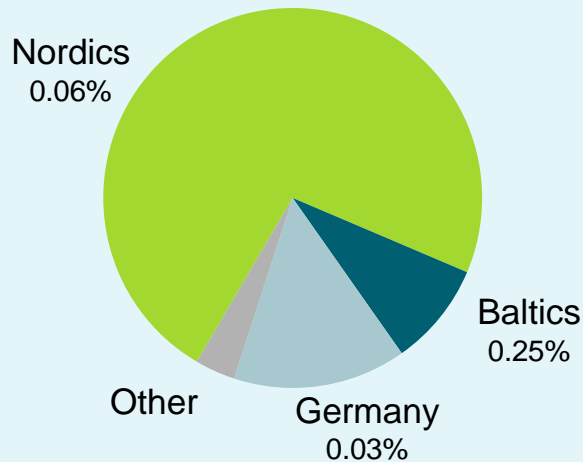
Source: SEB Enskilda



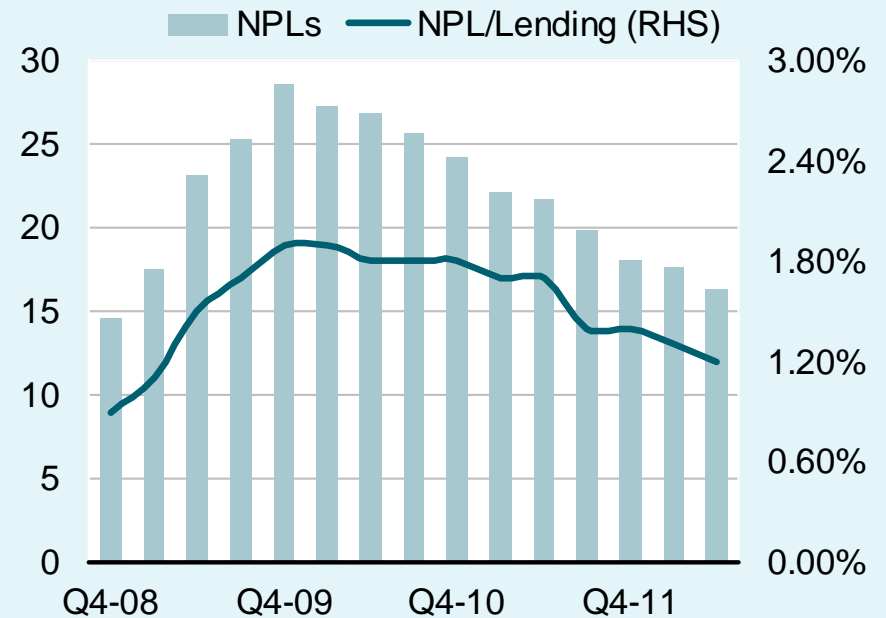
Continued strong asset quality

Distribution of lending portfolio and credit loss levels by geography

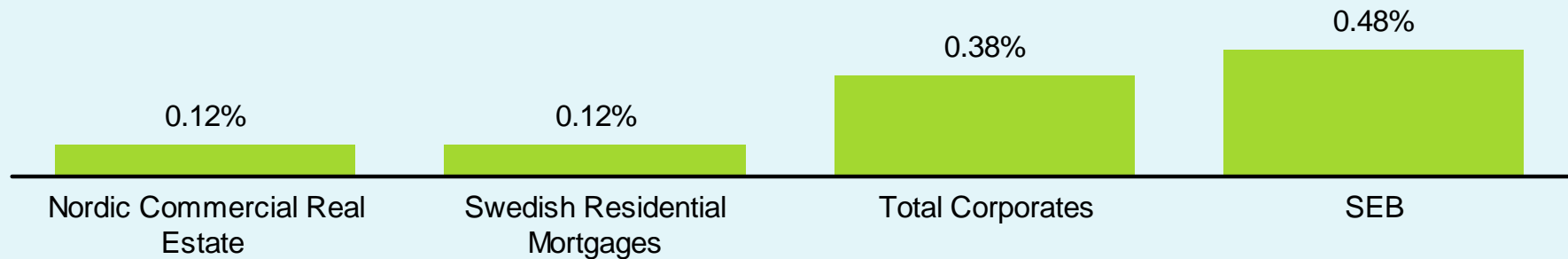
SEB Group 0.07%



Non-performing loans (SEK bn)



Non-performing loans to lending outside the Baltic countries, June 2012



The road map to further profit growth

Key priorities

- Enhance customer satisfaction and increase share of wallet
- Use strategic window to expand franchise in:
 - Nordic large corporates
 - Selected German Mittelstand
 - Retail Sweden
- Increased cost efficiency
- Maintain high asset quality
- Maintain strong balance sheet

The Relationship bank in our part of the world