

Financial results Q2 2024

16 July 2024

Johan Torgeby, President & CEO
Masih Yazdi, CFO

Highlights in Q2 2024

- Improved business momentum, including positive net flows in asset management across divisions, an increase in investment banking activity, and signs of improving credit demand.
- Return on equity remained strong at 17.6 per cent, our capital buffer was solid at 430 basis points above the regulatory requirement, and asset quality remained robust.
- Decision to increase the quarterly share buyback programme to SEK 2.5bn.

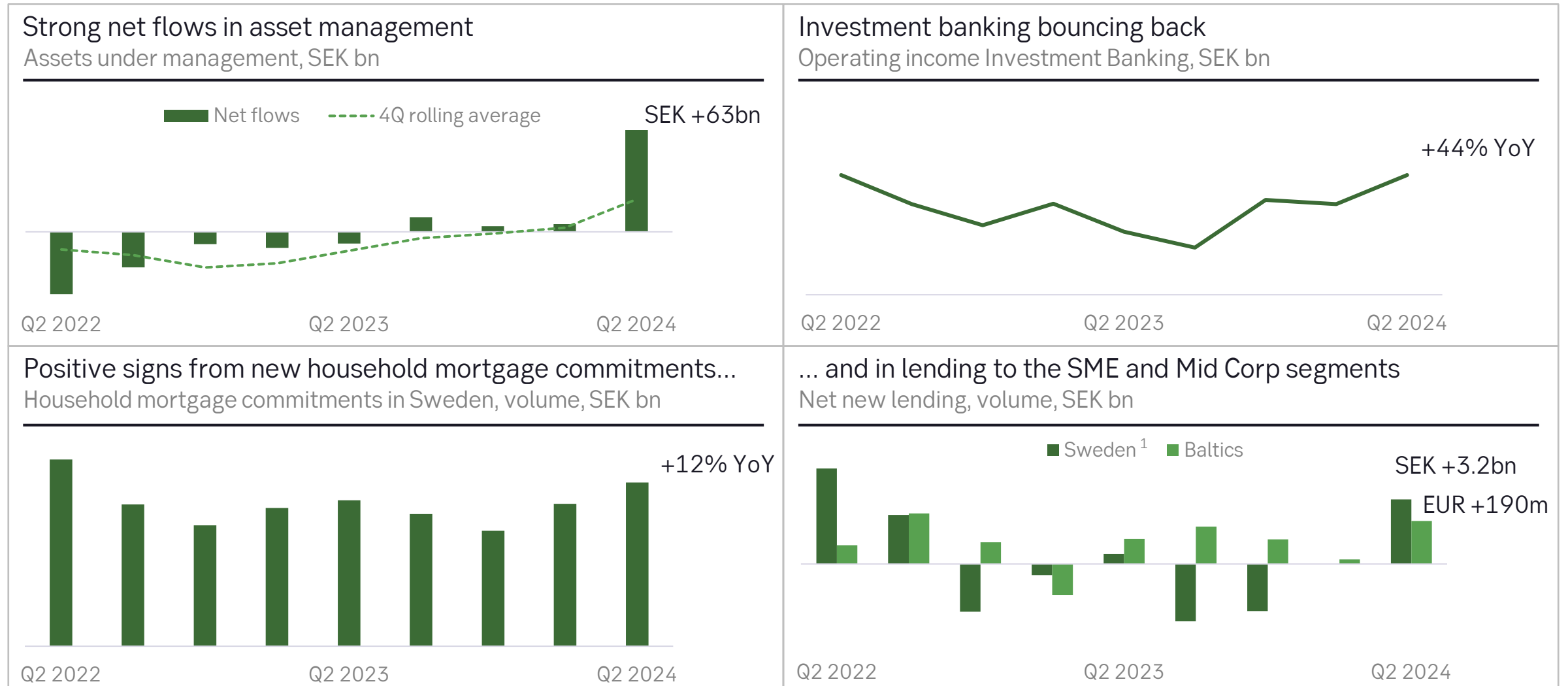
Return on equity
17.6%

Cost income ratio
0.36

CET1 ratio
19.0%

Capital buffer
430 bps

Improving business momentum



¹ Excluding property management.

Development of credit portfolio



Credit portfolio by sector

	QoQ	YoY
Corporates <i>fx-adjusted</i>	-2% -0%	-3% -0%
Households <i>Swedish mortgages</i>	+1% +1%	-0% 0%
Commercial real estate <i>fx-adjusted</i>	-2% -1%	-2% -0%
Residential real estate	-2%	-2%
Housing co-ops	-3%	-7%
Non-banks	-1%	-3%

Lending by sector

	QoQ	YoY
	-0% +0%	-4% -2%
	+0% +0%	-0% -0%
	+1% +2%	+1% +2%
	-2%	-3%
	-2%	-6%
	-0%	-2%

Note: Credit portfolio includes loans, contingent liabilities and derivatives. FX-adjusted excludes trading products.

An aerial photograph of a river winding through a lush, green forested valley. The river is the central focus, reflecting the sky and surrounding trees. The forest is dense and covers the entire valley floor and the surrounding hillsides. The lighting is bright, suggesting a sunny day.

Masih Yazdi, CFO

Financial summary YTD 2024

SEK m	H1 2024	H1 2023	
Total operating income	40,994	39,078	5%
Net interest income	23,376	23,177	1%
Net fee and commission income	11,561	10,807	7%
Net financial income	5,996	5,012	20%
Total operating expenses	14,542	13,414	8%
Profit before ECL and imposed levies	26,452	25,665	3%
Net expected credit losses	117	315	-63%
Imposed levies	2,179	1,636	33%
Operating profit	24,156	23,714	2%
Income tax expense	5,237	4,553	15%
Net profit	18,919	19,161	-1%

RoE
17.3%

C/I
0.35

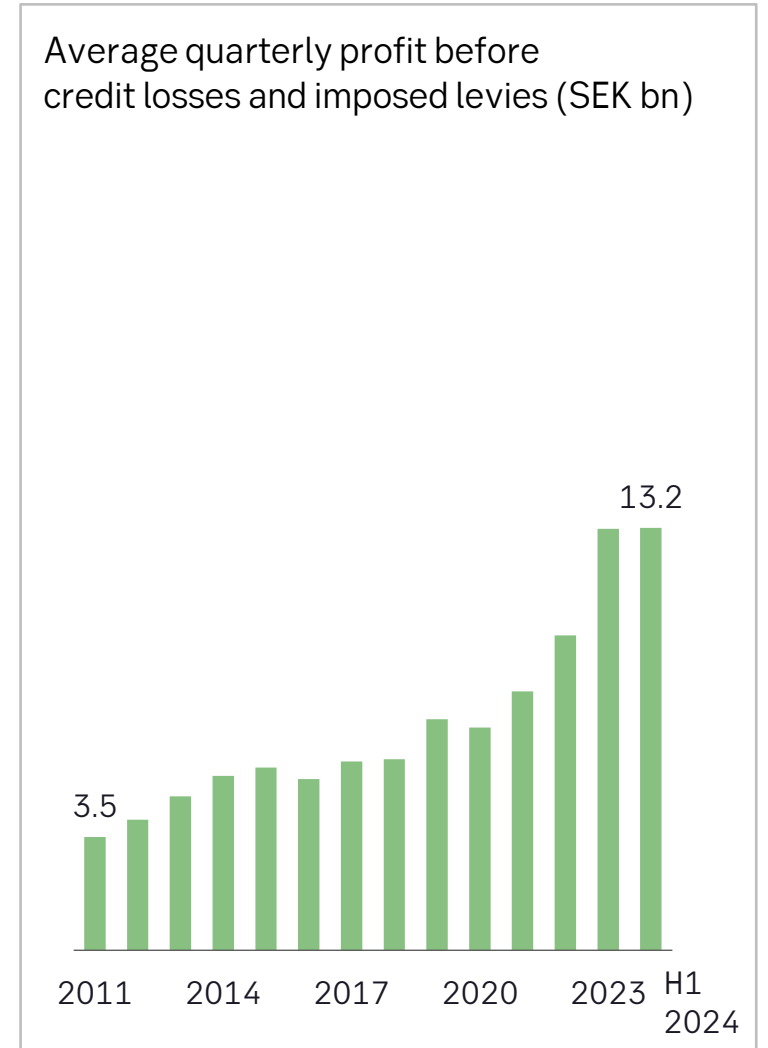
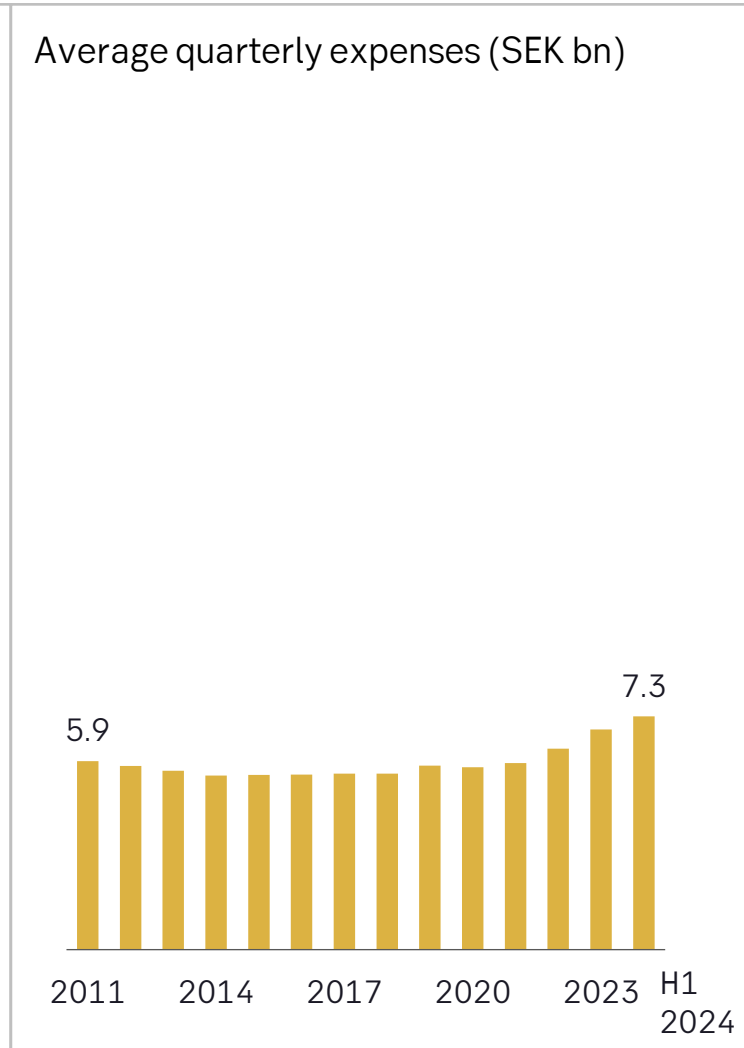
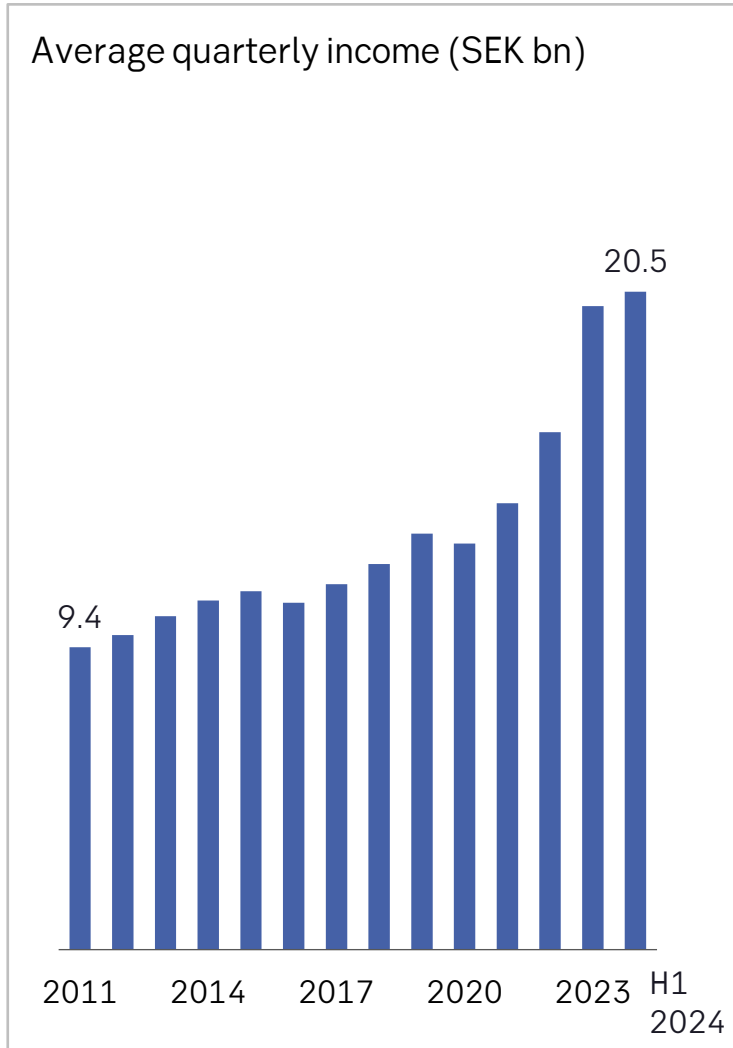
Net ECL level
1 bps

CET1
19.0%

Financial summary Q2 2024

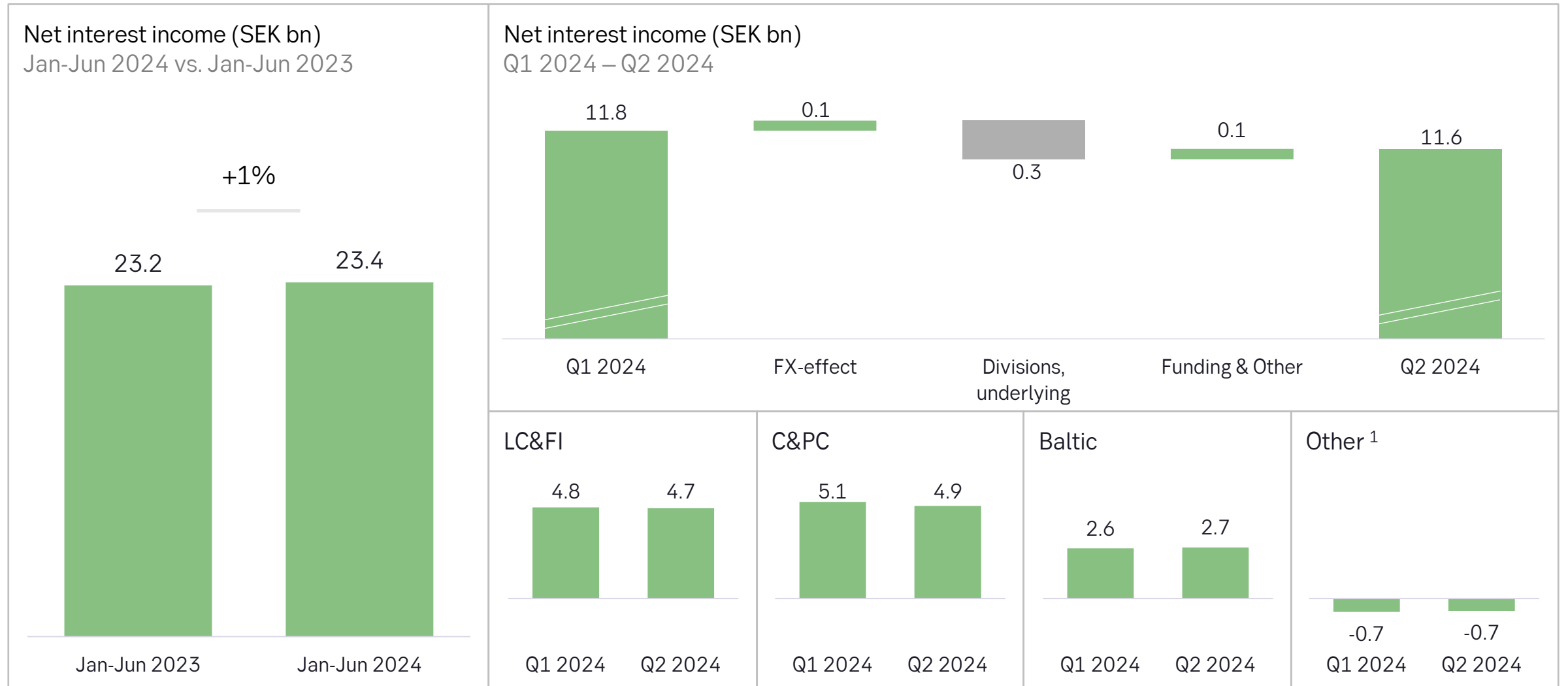
SEK m	Q2 2024	Q1 2024		Q2 2023		
Total operating income	20,312	20,682	-2%	20,019	+1%	RoE 17.6% C/I 0.36 Net ECL level 1 bps CET1 19.0%
Net interest income	11,611	11,765	-1%	11,881	-2%	
Net fee and commission income	5,936	5,625	+6%	5,637	+5%	
Net financial income	2,747	3,249	-15%	2,609	+5%	
Total operating expenses	7,383	7,160	+3%	6,948	+6%	
Profit before ECL and imposed levies	12,929	13,522	-4%	13,070	-1%	
Net expected credit losses	44	73	-40%	43	+2%	
Imposed levies	1,046	1,133	-8%	934	+12%	
Operating profit	11,840	12,316	-4%	12,093	-2%	
Income tax expense	2,424	2,813	-14%	2,326	+4%	
Net profit	9,416	9,503	-1%	9,768	-4%	

Operating leverage



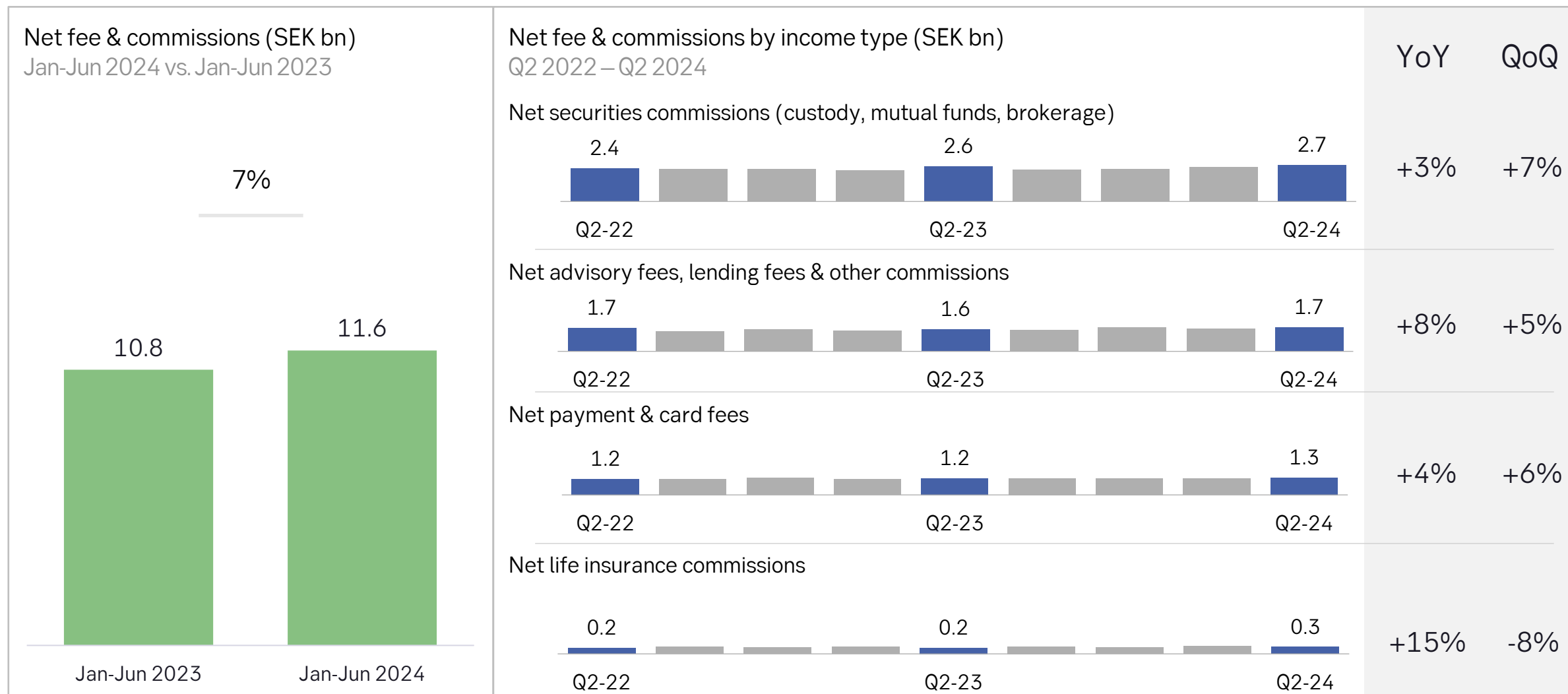
Note: Excluding items affecting comparability.

Net interest income development

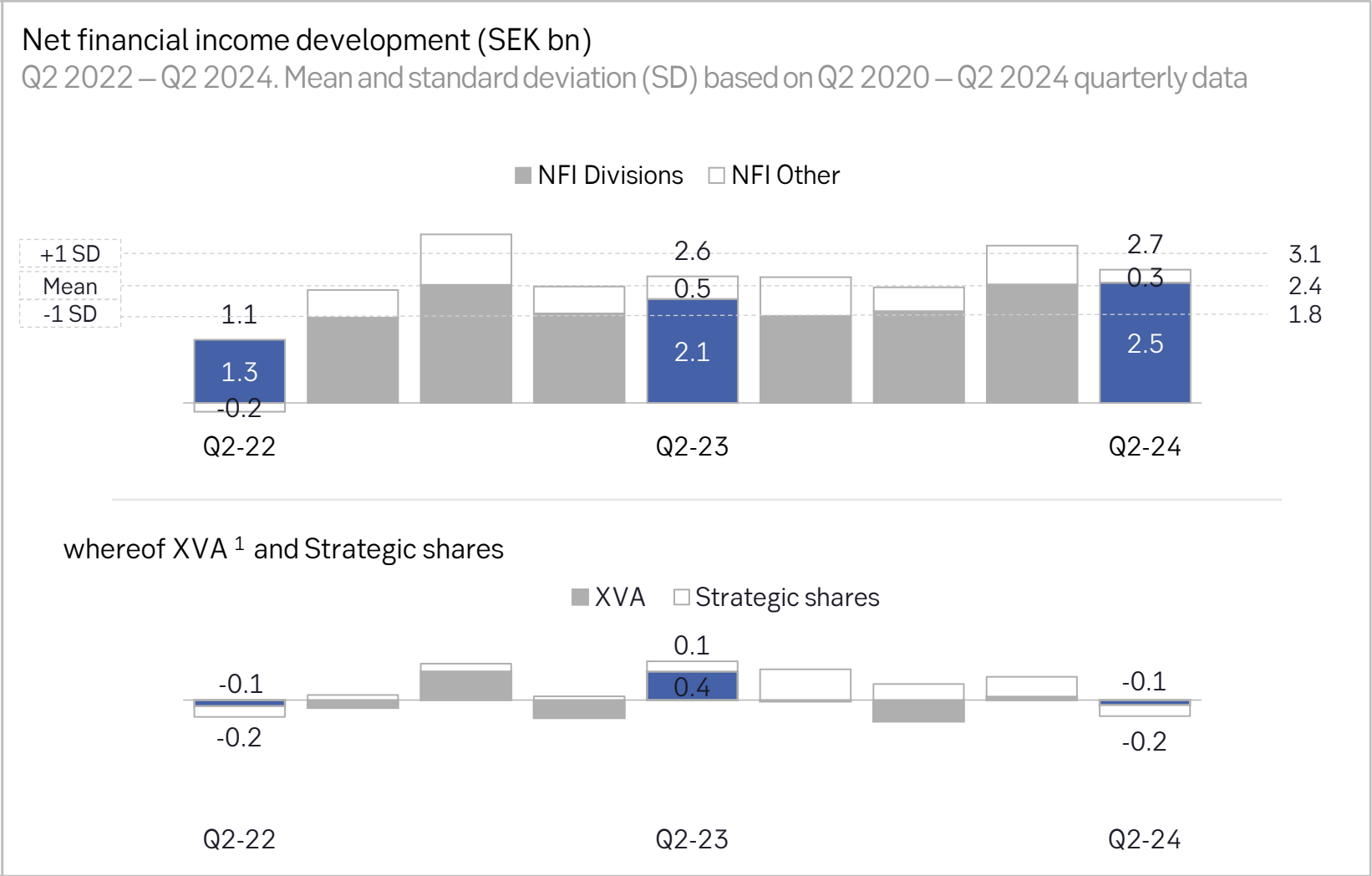
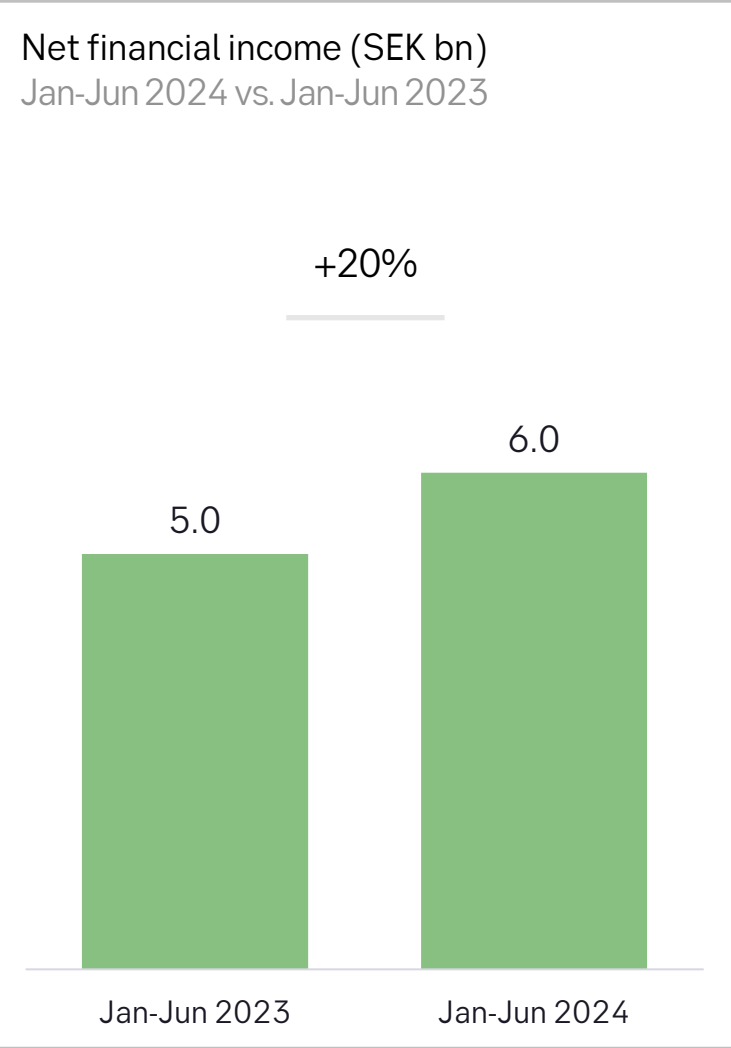


¹ "Other" includes divisions PWM&FO, Life, Asset Management, Group Functions and Eliminations.

Net fee & commission income development

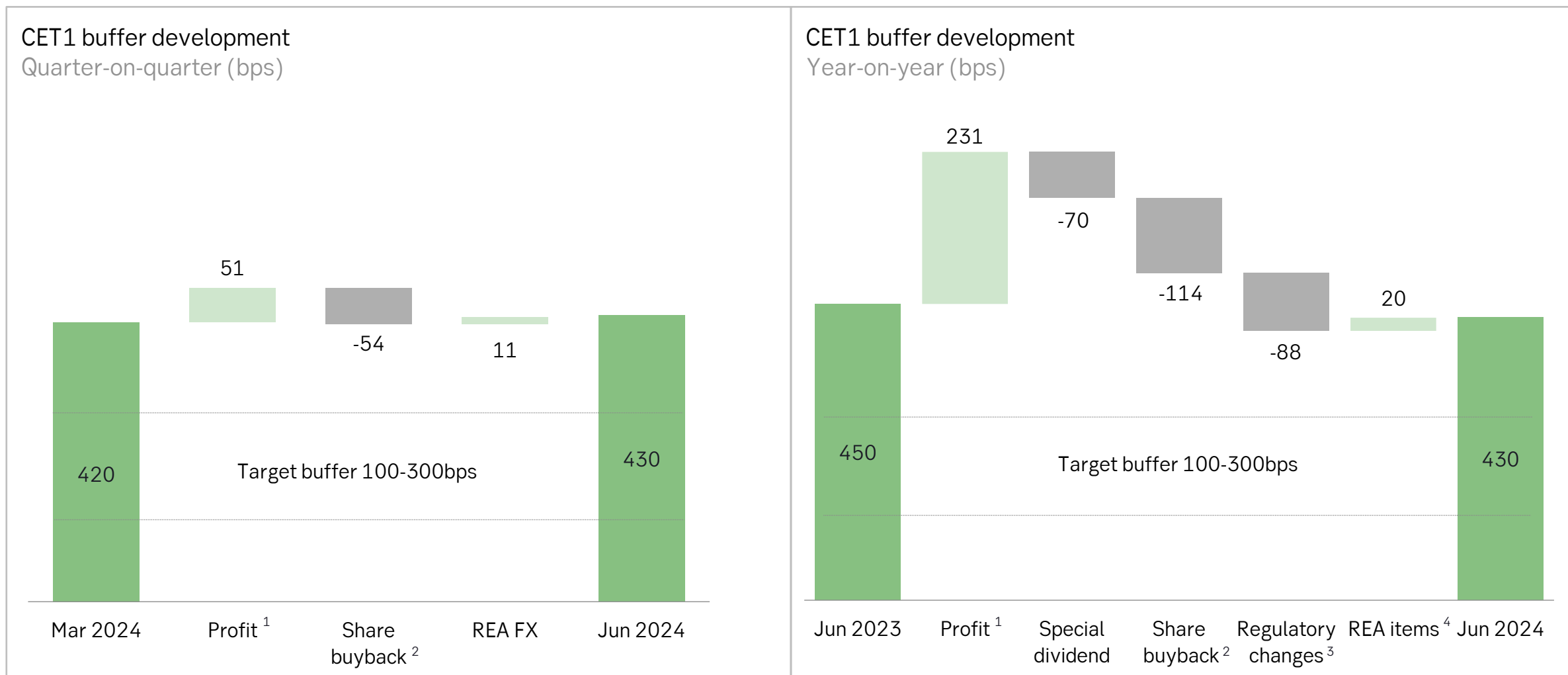


Net financial income development



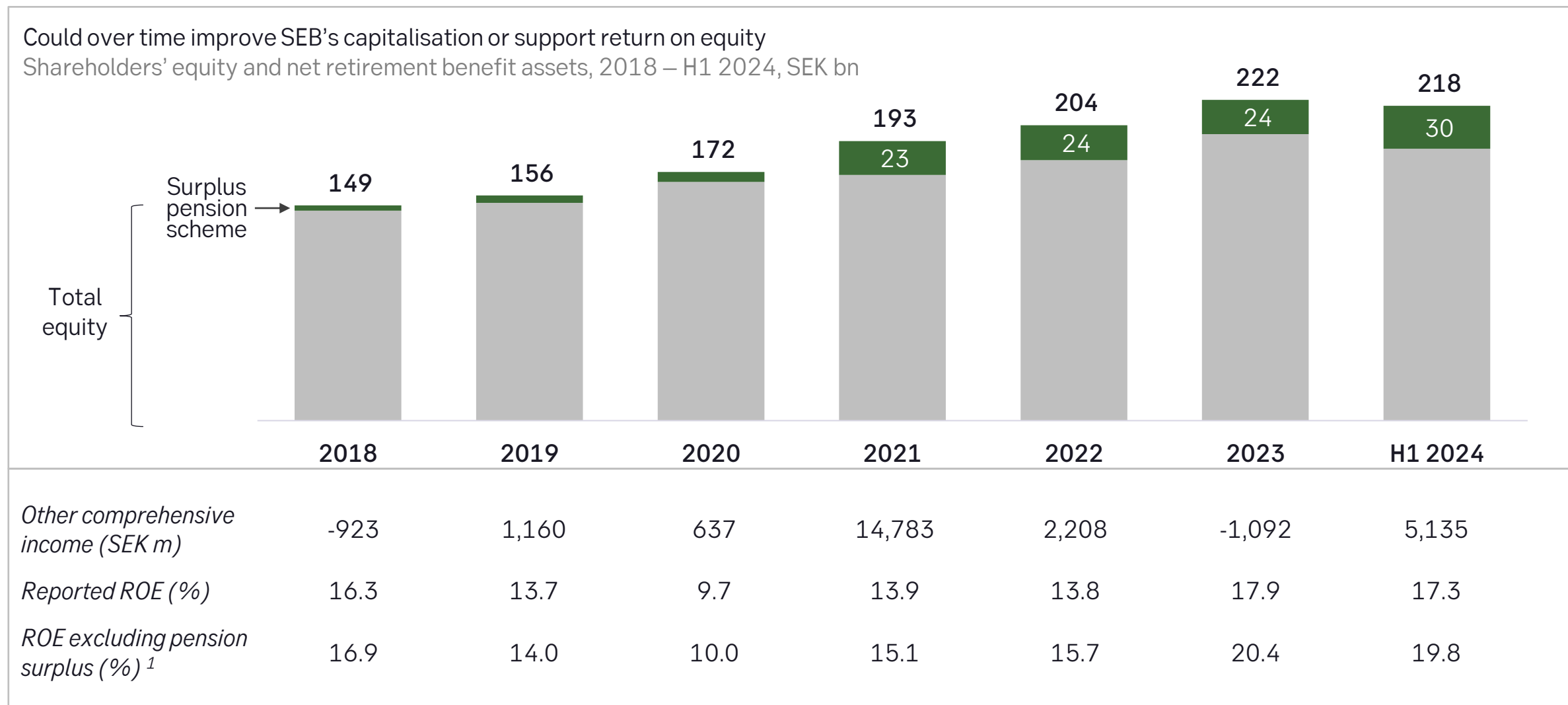
¹ Consists of CVA, DVA, FVA and ColVa.

Capital buffer development



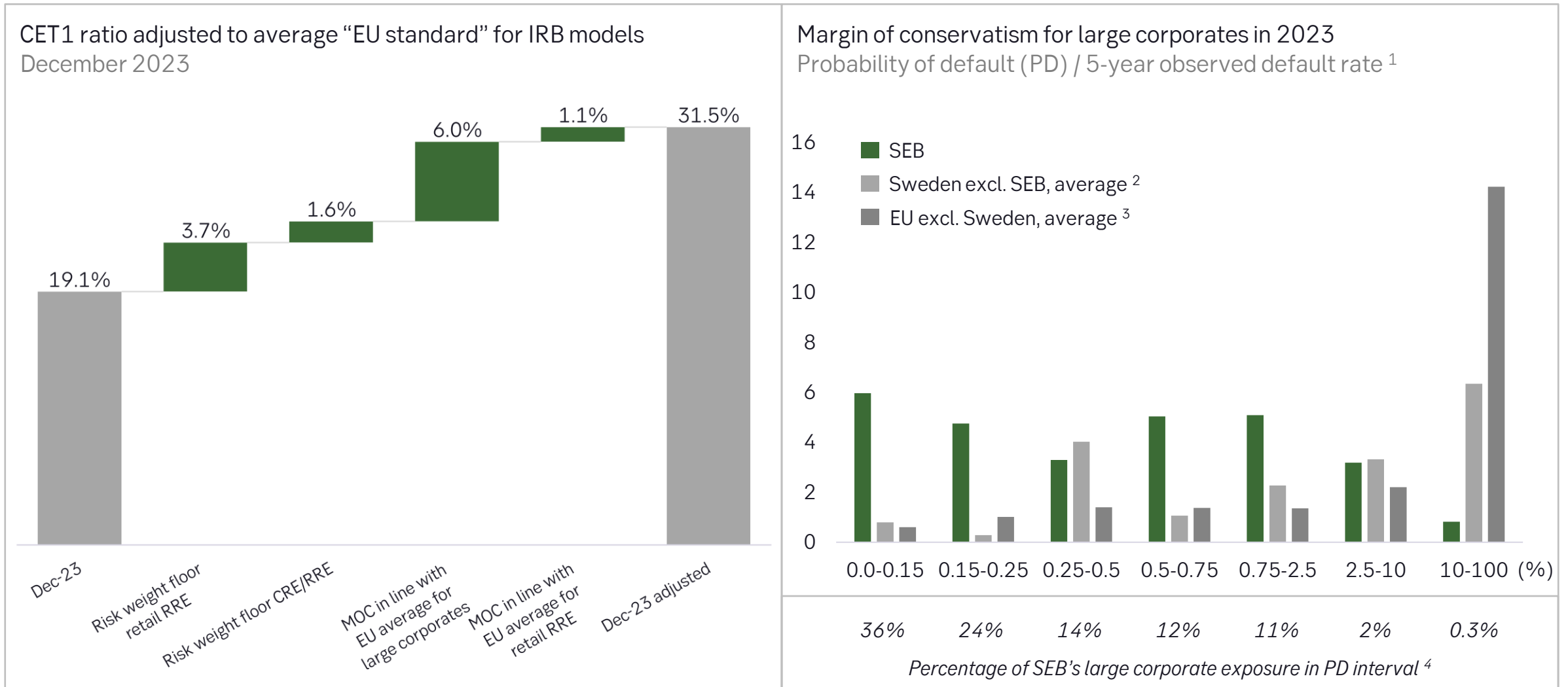
¹ Profit net of ordinary dividend. ² In Q2, SEB received a new supervisory approval to repurchase shares for up to SEK 5bn, and has deducted this amount in full from the CET1 capital. In July 2024, the Board of Directors decided to initiate a new SEK 2.5bn buyback programme of Class A shares, expected to commence on 17 July and end on 22 October 2024, at the latest. ³ Regulatory changes consists of 2023 SREP decision (IRB add-on, etc. -40bps), CCyB (-20bps) and the move of risk weight floors for exposures secured by real estate in Sweden from Pillar 2 to Pillar 1 (-30bps). ⁴ REA items consists of REA Asset size, REA Asset quality, Market risk, FX, Operational risk and CVA.

Pension scheme surplus has increased equity and lowered ROE



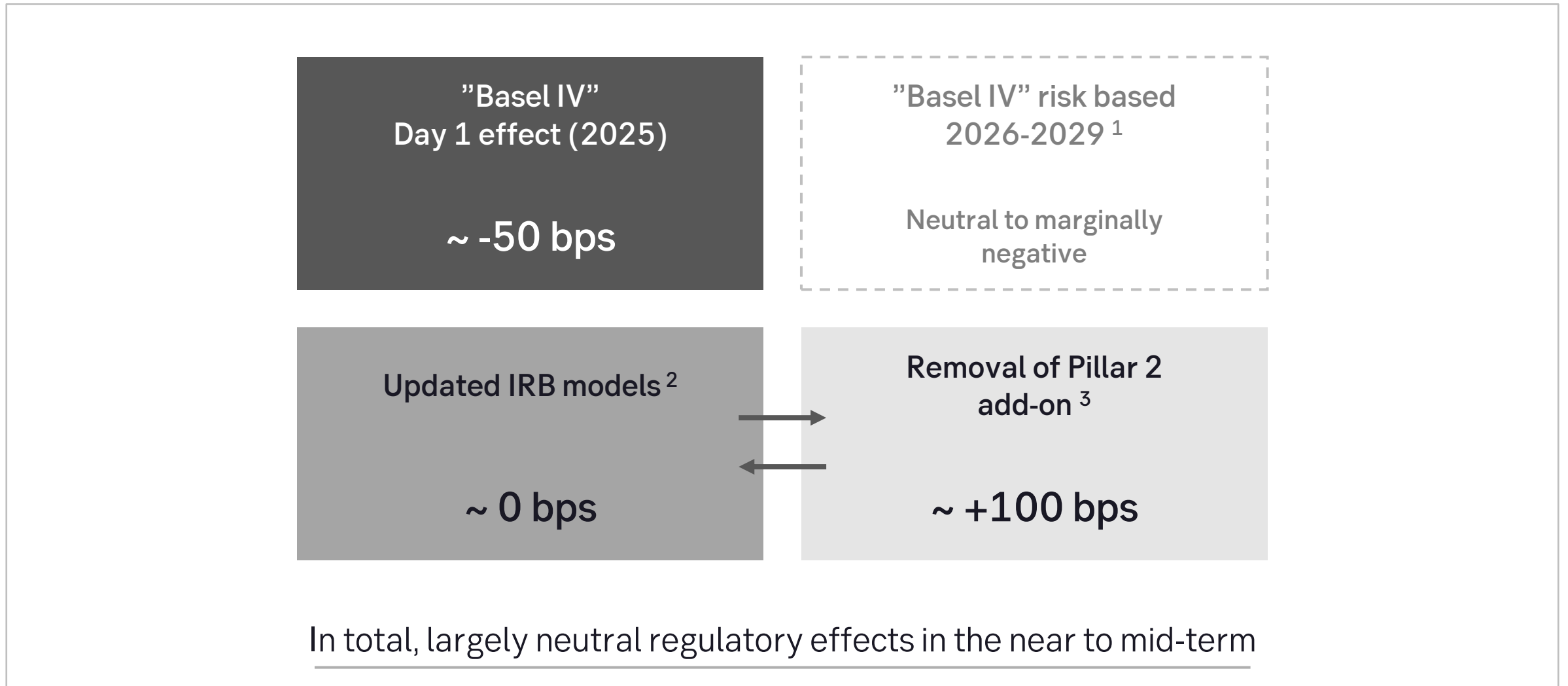
¹ Calculated as unadjusted net profit / average (total equity – net retirement benefit assets).

SEB's CET1 ratio significantly higher when applying European standards



¹ If no observed defaults in the 5-year period then the margin of conservatism (MOC) is calculated as if one default occurred. ² Consists of Swedbank, Handelsbanken and Nordea. ³ Includes Norway. 14 peers in total. ⁴ Exposure at default. Difference against 100 per cent due to rounding.

Assessment of future regulatory effects on SEB's capital buffer



¹ Including the Fundamental Review of the Trading Book, which could be implemented in 2026 at the earliest. ² IRB repair programme, outcome will be subject to SFSA approval. ³ Temporary current capital requirements due to non-compliance with new IRB repair programme requirements.

Strong asset quality and balance sheet

2023

Asset quality

Net expected credit loss level 3 bps

Funding & liquidity

Customer deposits (SEK) 1,612bn

Liquidity coverage ratio 140%

Net Stable Funding Ratio (NSFR) 112%

Capital

CET1 ratio (Basel 3) 19.1%

CET1 buffer above requirement 440 bps

Total capital ratio (Basel 3) 22.4%

Leverage ratio (Basel 3) 5.4%

June 2024

Asset quality

Net expected credit loss level 1 bps

Funding & liquidity

Customer deposits (SEK) 1,957bn

Liquidity coverage ratio 130%

Net Stable Funding Ratio (NSFR) 112%

Capital

CET1 ratio (Basel 3) 19.0%

CET1 buffer above requirement 430 bps

Total capital ratio (Basel 3) 22.8%

Leverage ratio (Basel 3) 4.7%

SEB Group financial targets

~50%

Dividend payout ratio of EPS ¹

100-300_{bps}

CET1 ratio above requirement

Return on Equity
competitive with peers
(Long-term aspiration 15%)

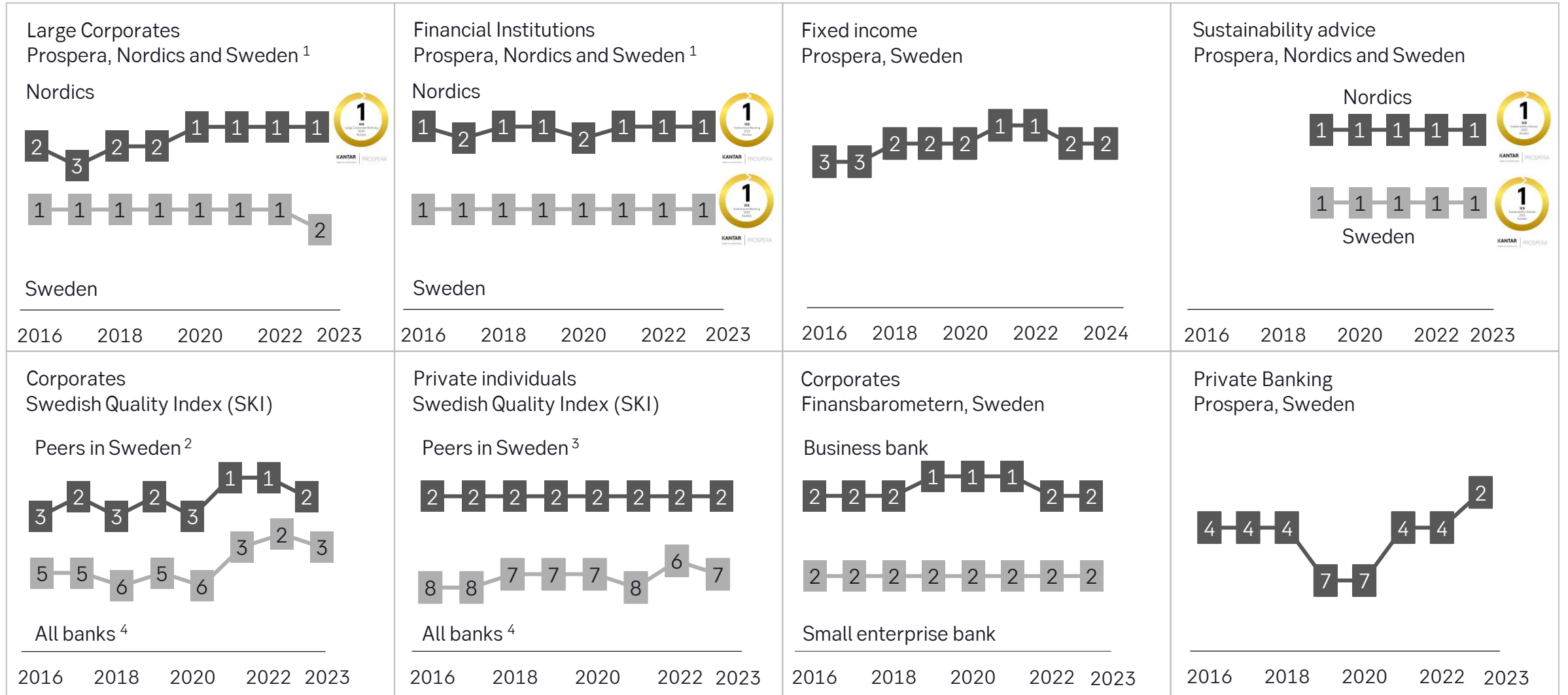


Share repurchases will be the main form of capital distribution when SEB's capital buffer exceeds, and is projected to remain above, the targeted range of 100-300 basis points.

¹ Excluding items affecting comparability.

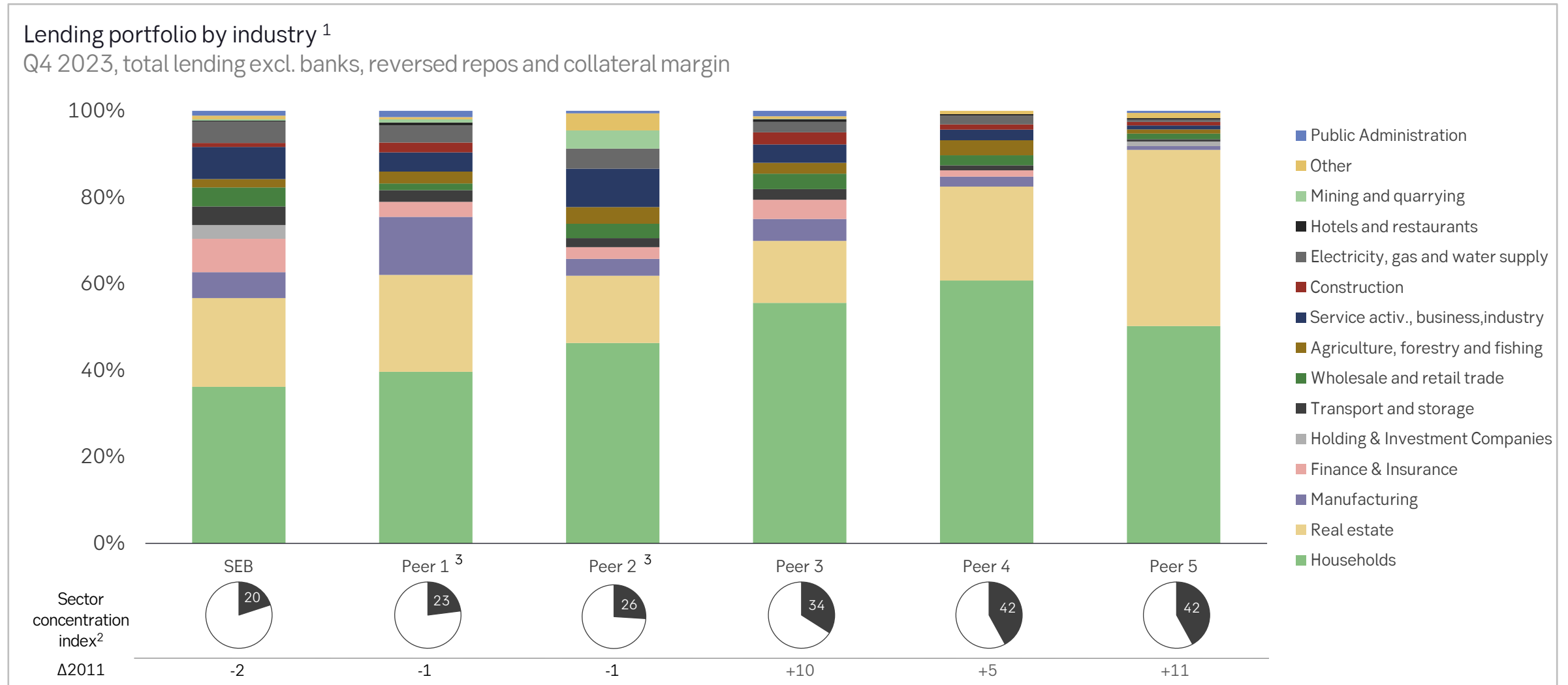
Appendix

We continue to receive positive feedback from our customers



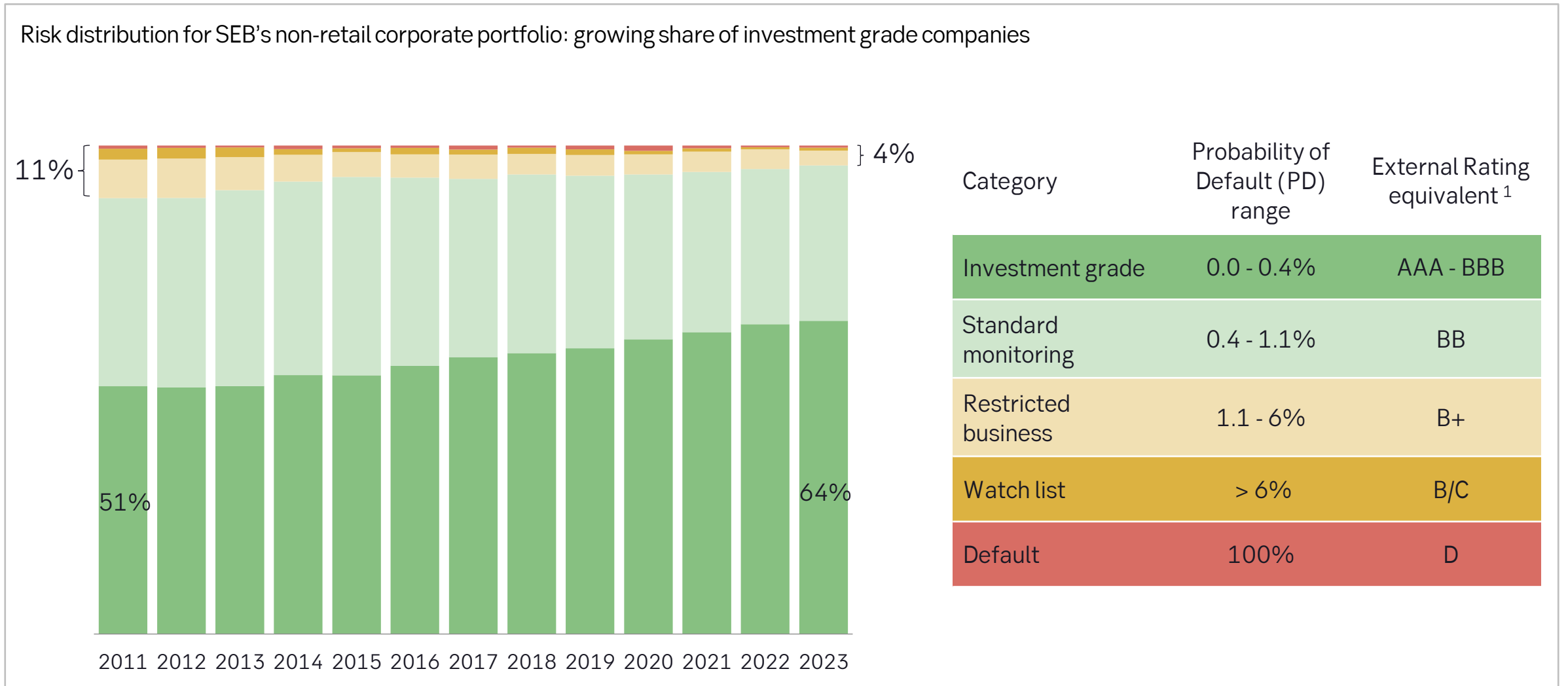
¹ All Tiers. ² Ranking including SEB, Handelsbanken, Swedbank, Nordea, Danske Bank. ³ Ranking including SEB, Handelsbanken, Swedbank, Nordea. ⁴ Banks with less than 300 respondents are summarised as one actor ("Other").

Lending portfolio more sector-diverse than competitors'



¹ Based on information from external reporting, best-estimate industry categorisation. ² Measured as Herfindahl-Hirschmann index (100 = full concentration). Used as an indicator of credit concentration risk to industries/economic sectors by Swedish FSA. ³ Loans and financial commitments.

A strong risk culture and focus on robust asset quality



¹ Estimated link between internal PDs and external ratings based on comparison of historical default outcomes.

An aerial photograph of a river winding through a dense, green forested valley. The river is the central focus, reflecting the sky and surrounding trees. The valley is flanked by steep, forested hillsides. The overall scene is serene and natural.

Thank you for listening