

Swedbank's first quarter 2011 results

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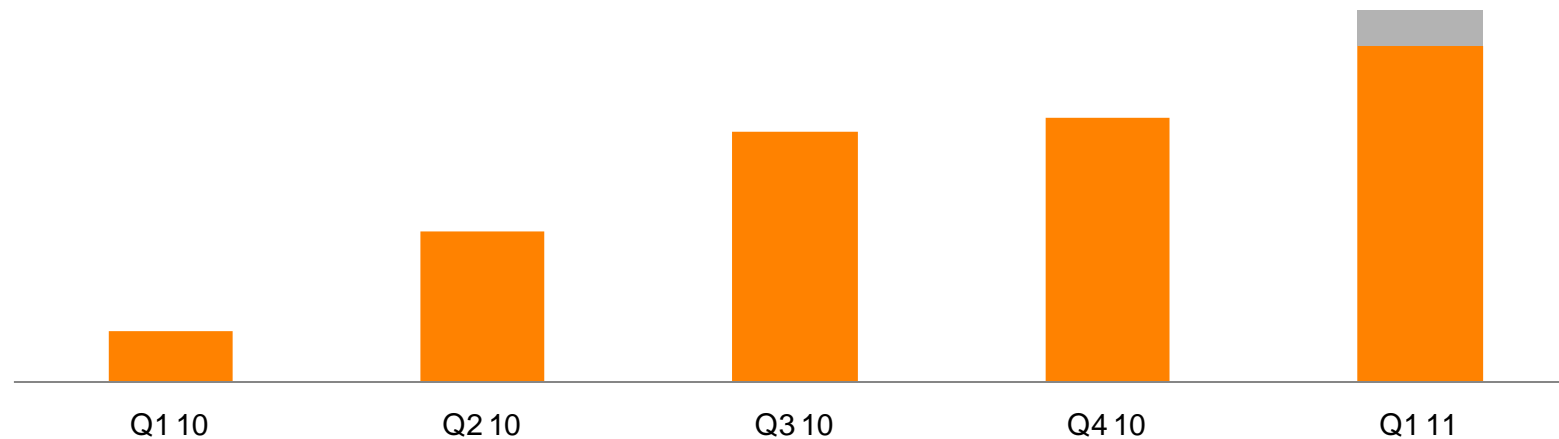


Strong start to the year

- Net profit of SEK 3.9bn for Q1
- Core Tier 1 capital ratio of 14.9 per cent
- Return on equity of 16.1 per cent in Q1

Net profit performance

■ Lehman contribution

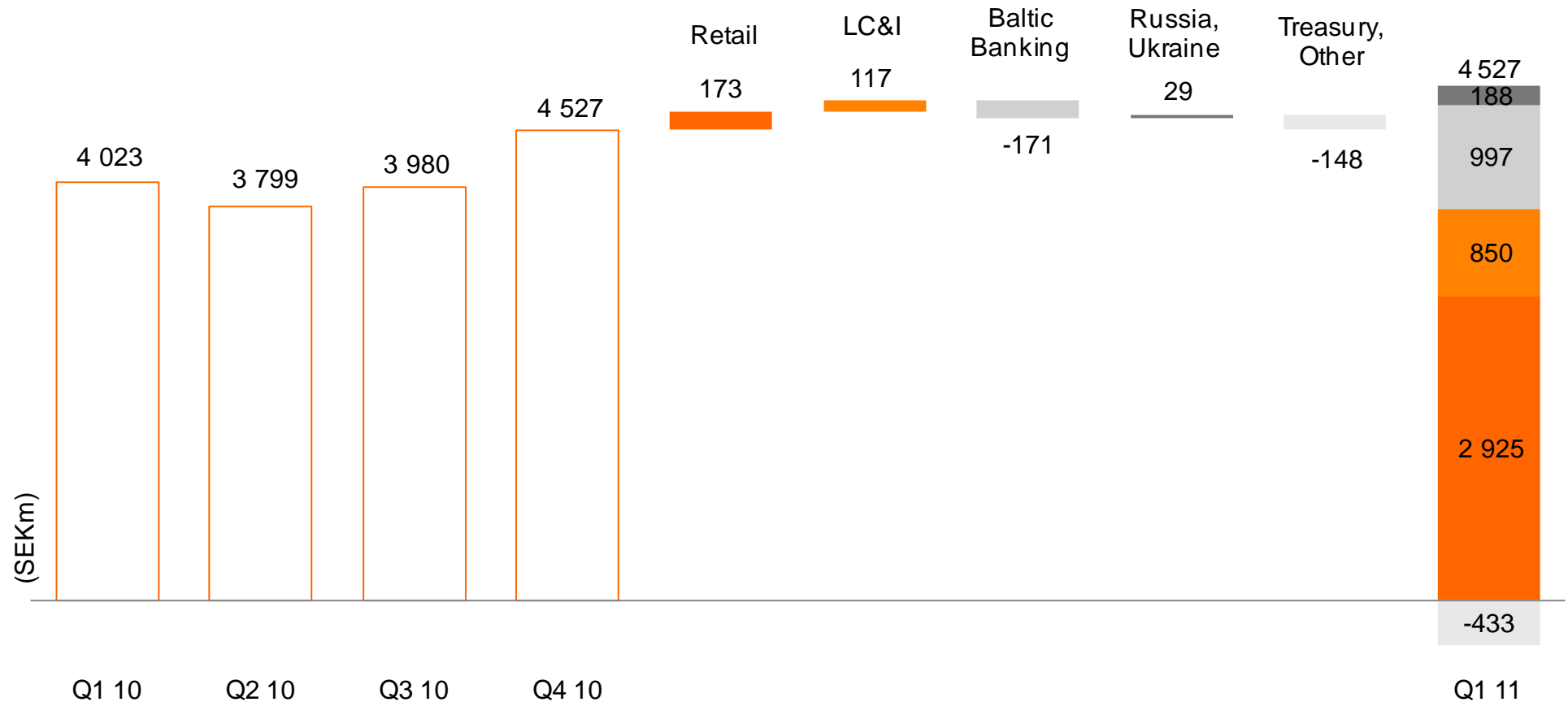


Follow-up on priorities 2011

- Customer focus
- Growth in selected segments
- Quality and effectiveness
- Robust and low-risk balance sheet

NII supported by higher interest rates

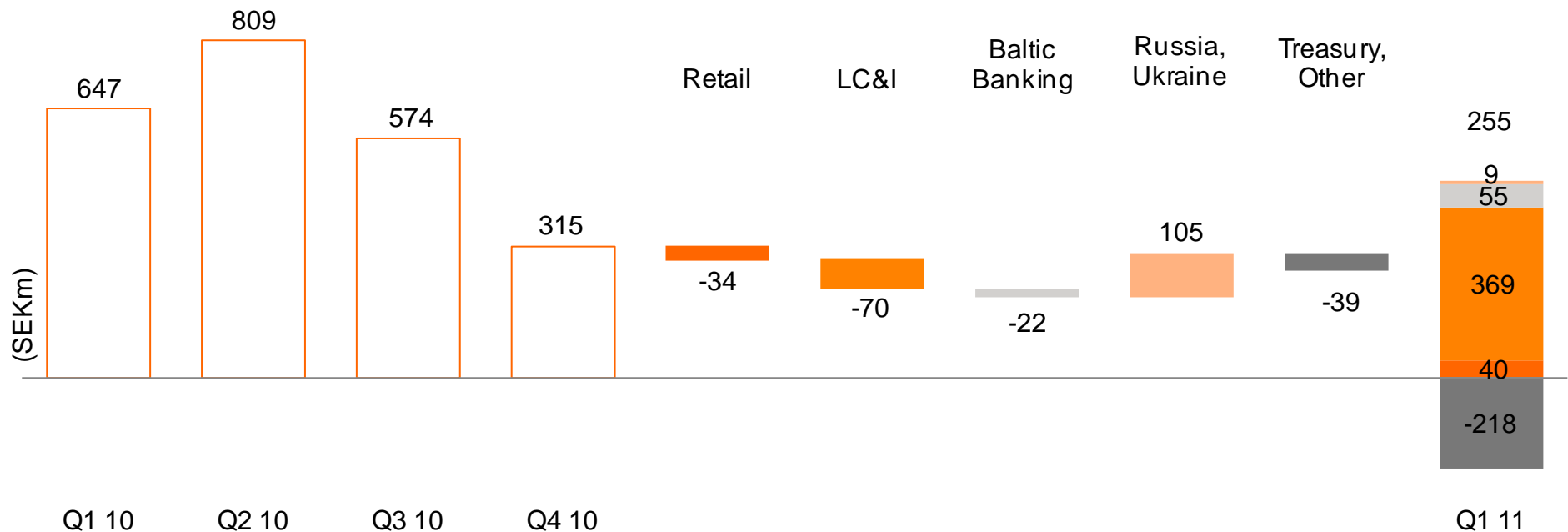
- One-offs and higher stability fee shadowing underlying NII growth
- Improving deposit margins in Retail
- Government guarantee cost kept within Treasury



Net gains/losses on financial items, fair value

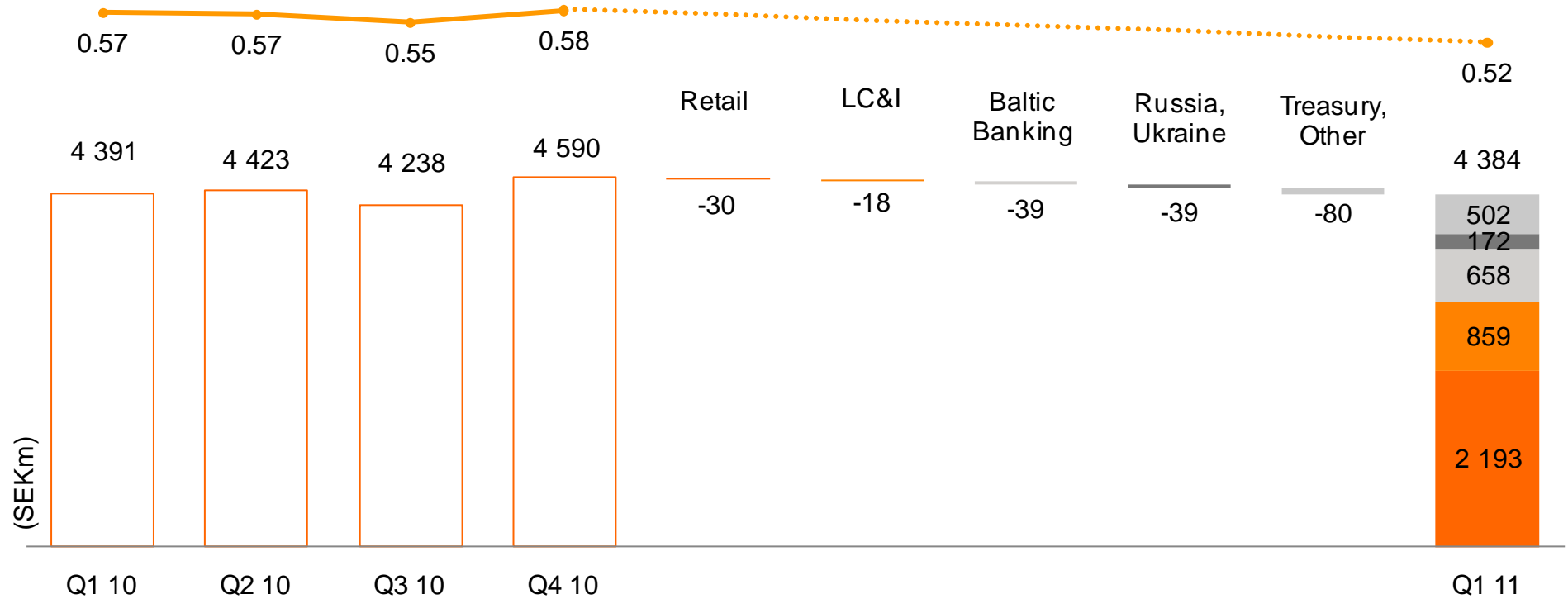
NGL affected by funding effects

- Strong trading result in LC&I, but higher portion of income reported as NII
- Russia & Ukraine returning to normalised levels
- Basis swap gains of 2010 partly reversed, benefits euro funding cost



Stable year-on-year expenses

- Enhancing internal capabilities
 - Key recruitments in Q1
 - Lower consultancy costs
- Improving cost/income ratio driven by one-off income



Income statement

SEKm	Q1 11	Q4 10	Δ	Q1 10
Net interest income	4 527	4 527	0	4 023
Net commission income	2 301	2 538	-237	2 282
Net gains/losses	255	315	-60	647
Other	1 369	578	791	715
Total income	8 452	7 958	494	7 667
Total expenses	4 384	4 590	-206	4 391
Profit before impairments	4 068	3 368	700	3 276
Total impairments	- 970	- 77	-893	2 260
Operating profit	5 038	3 445	1 593	1 016
Tax expense	1 182	693	489	469
Profit attributable to shareholders	3 852	2 750	1 102	536

Key ratios

Volumes, SEKbn	Q1 11	Q4 10	Δ	Q1 10
Lending to the public	1 141	1 146	-5	1 168
Deposits from the public	502	517	-15	496
Covered bonds	477	410	66	389

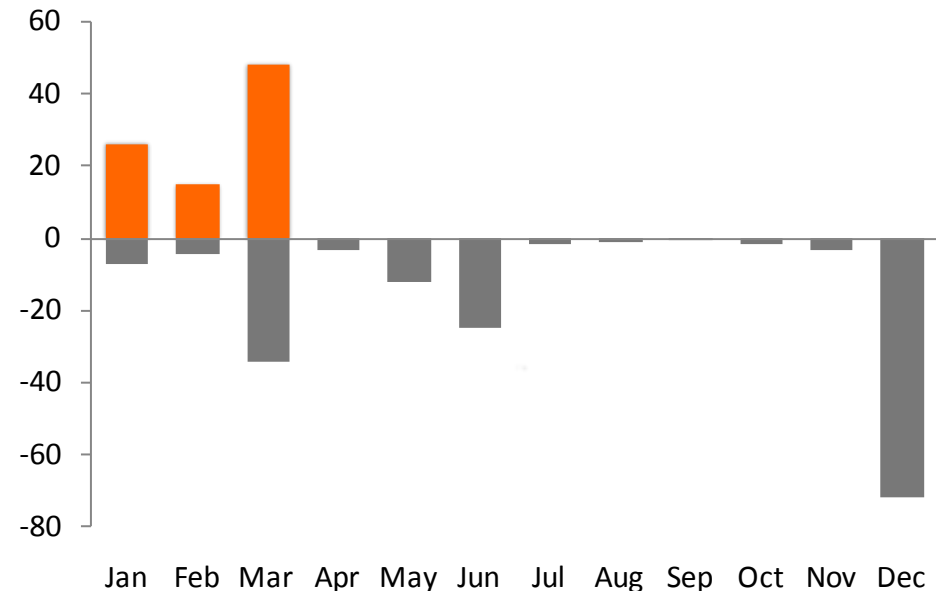
Key ratios	Q1 11	Q4 10	Q1 10
Return on equity, %	16.1	11.7	2.4
Cost-income ratio	0.52	0.58	0.57
Core funding ratio, %*	114	121	127
Core Tier 1 capital ratio, %**	14.9	13.9	12.3

* Lending/(deposits+covered bonds+retail bonds), ** Basel 2

SEK 91bn term funding issued in Q1 2011

- First US covered bond issue (144A), dual tranche of USD 1bn each
- Two EUR benchmark covered bonds
- Maturities of nominal SEK 121bn for the remainder of 2011
- Average maturity of wholesale funding, including short-term funding, 30 months (39 months for covered bonds)

Issuance Q1 & maturities full year 2011
(nominal SEKbn)

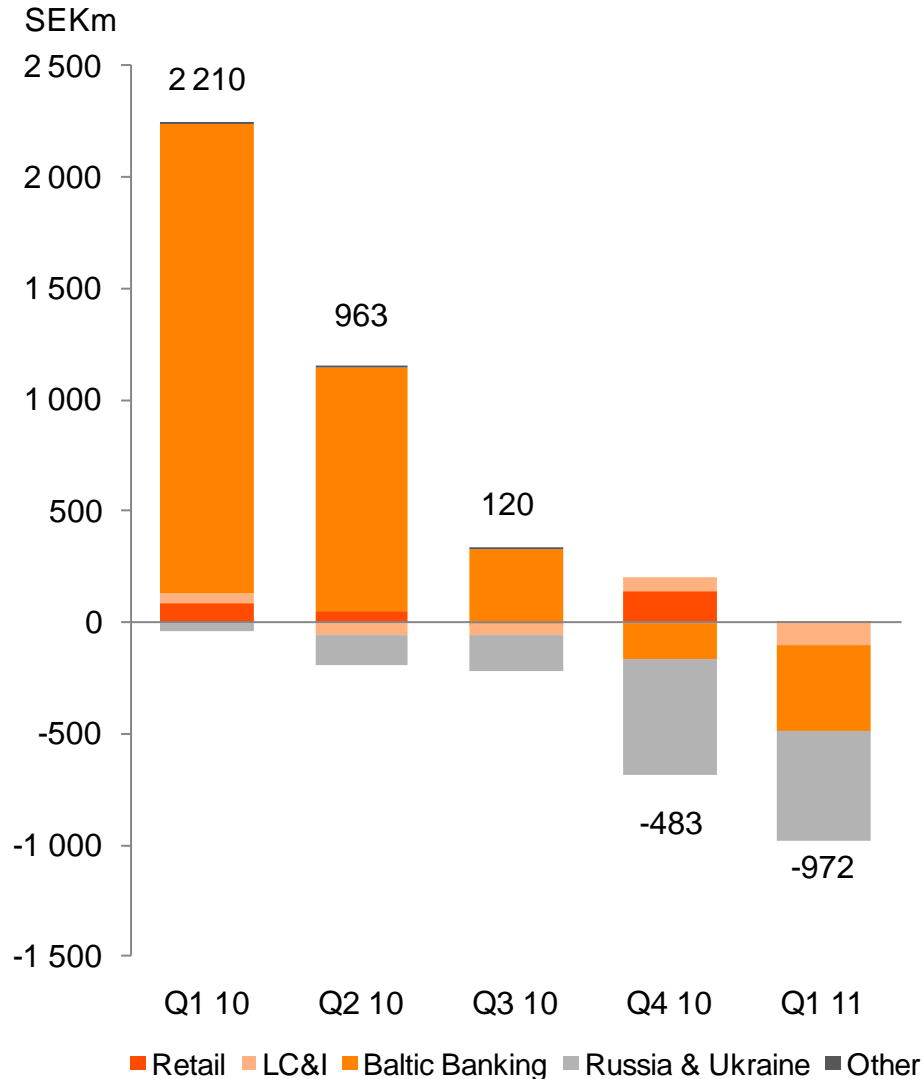


Continued improvements

- Asset quality
 - Decreasing impaired loans
 - FR&R/Ektornet according to plan
- Substantial recoveries – all countries
- Lehman income
- RWA decreased by SEK 22.3bn in Q1
 - SEK 11.0bn lower credit risk
 - SEK 8.7bn lower market risk
- Strong funding position

Net recoveries of SEK 972m in Q1

Credit impairments

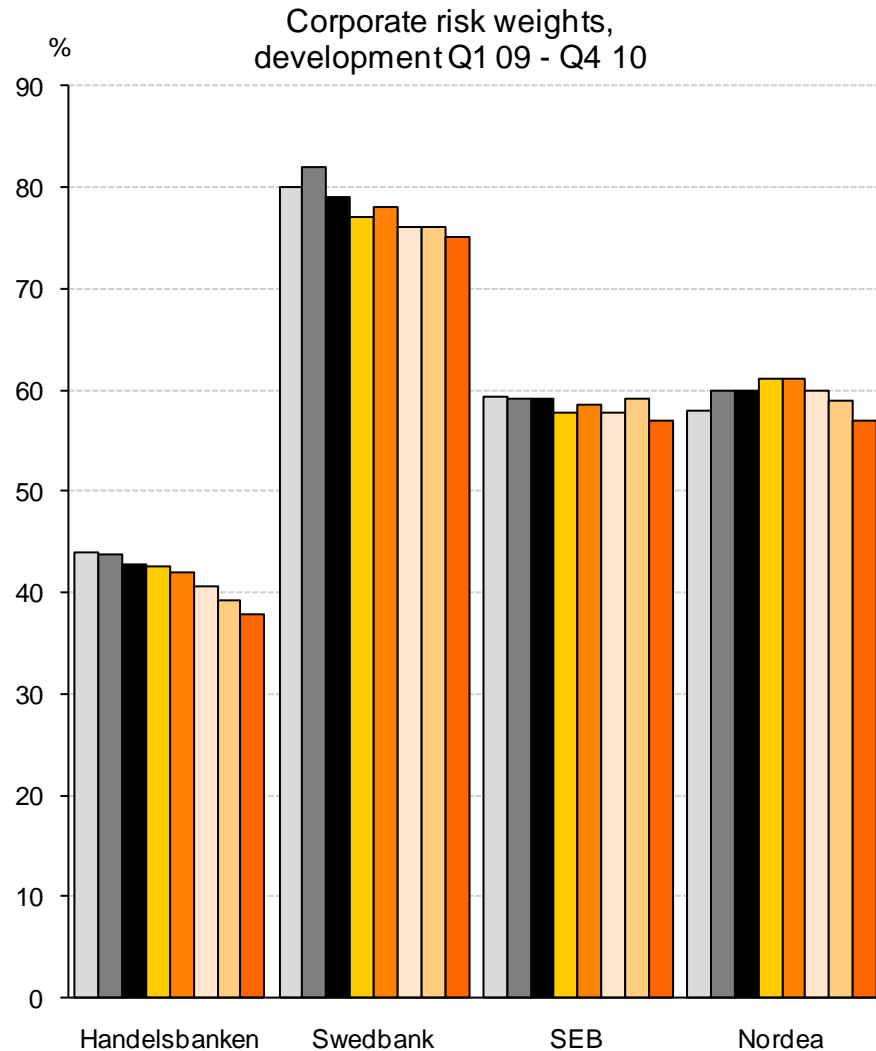


- Net recoveries in all CEE countries
- Sweden – also recoveries
- Collateral revaluations, repayments and rating migration

One-off income in US commercial real estate lending

- One-off pre-tax income of SEK 716m in Q1 after agreement with Lehman
- Remaining gross exposure was USD 1.1bn as of 31 March 2011, consisting of 35 assets
- No. of repossessed assets are expected to increase (2 as of today)
- Over-collateralisation still intact

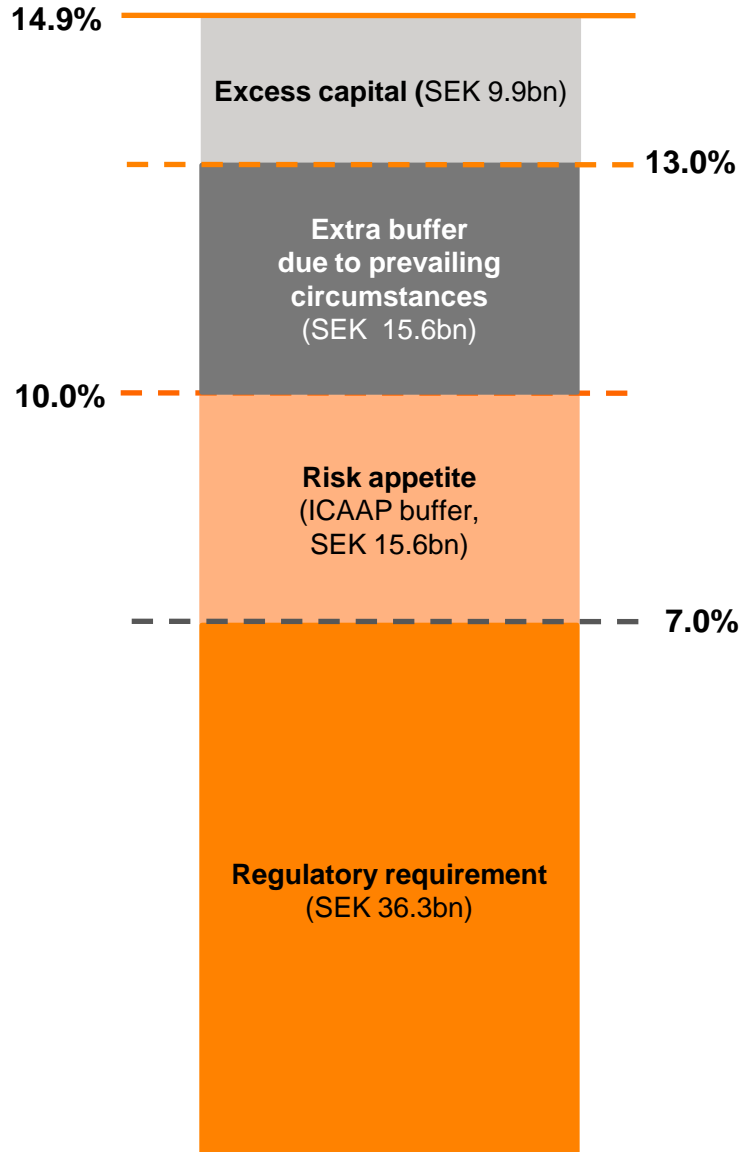
Corporate risk weights – focus on capital efficiency



- Several different work streams
- Expected gradual effect in small steps
- History not enough to predict future
 - Stress tests key steering tool
 - Transparency

Source: SEB Enskilda Equity Research

Buy-back programme

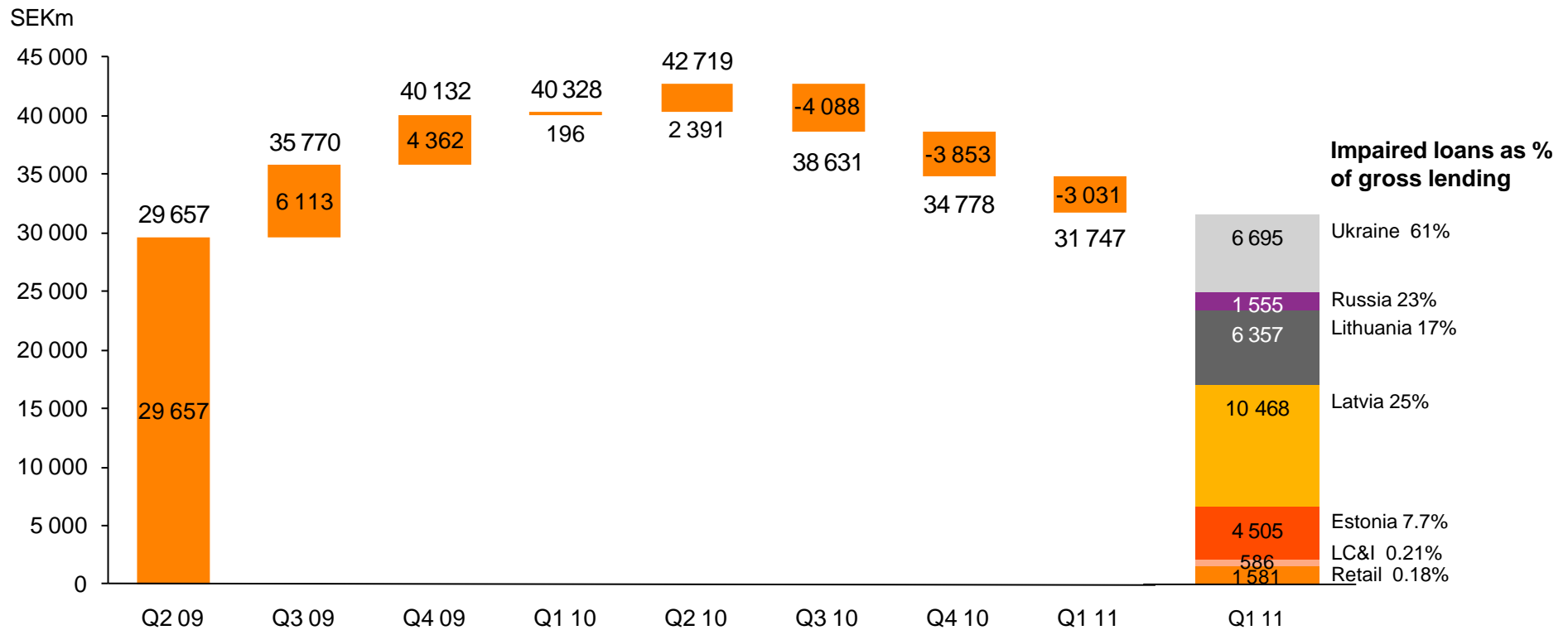


- As of 31 March the excess capital amounts to SEK 9.9bn
- Gradually during four quarters
- Both A-shares and preference shares

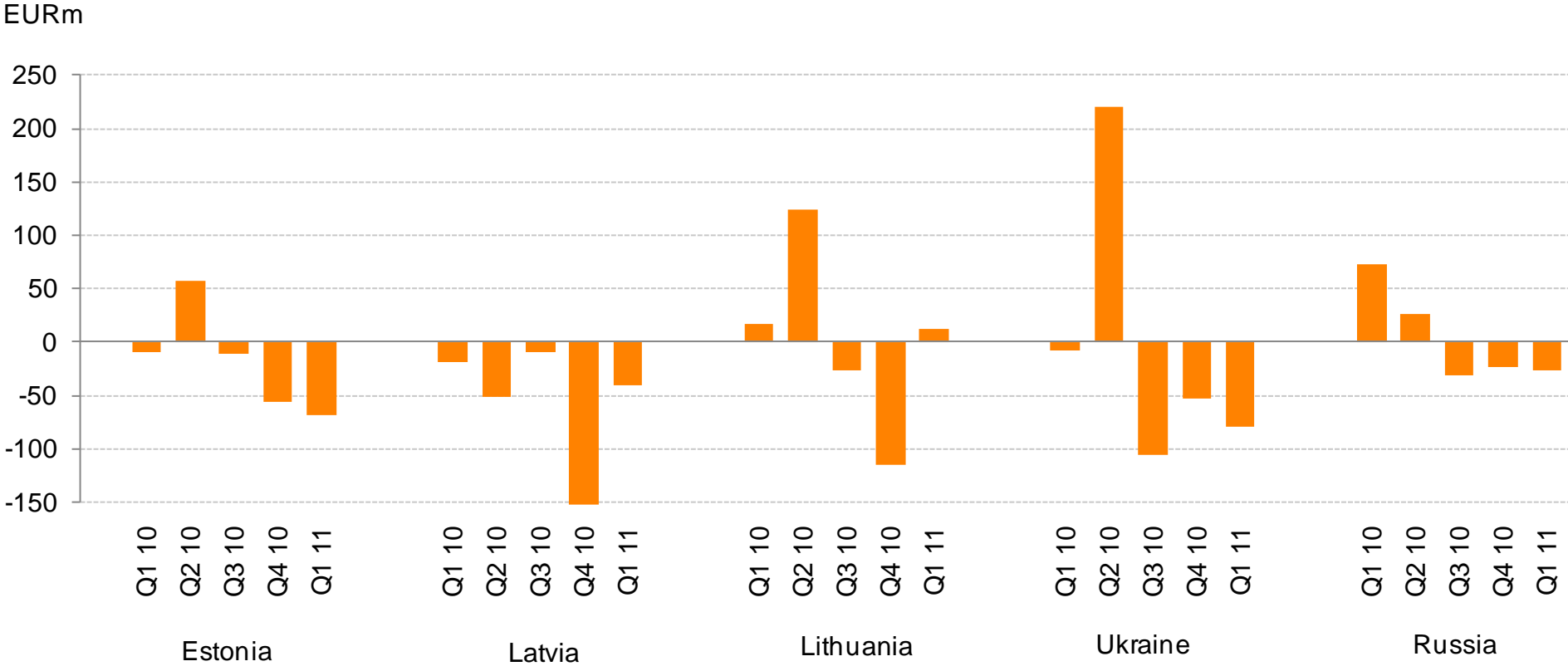
Appendix

Impaired loans decreasing

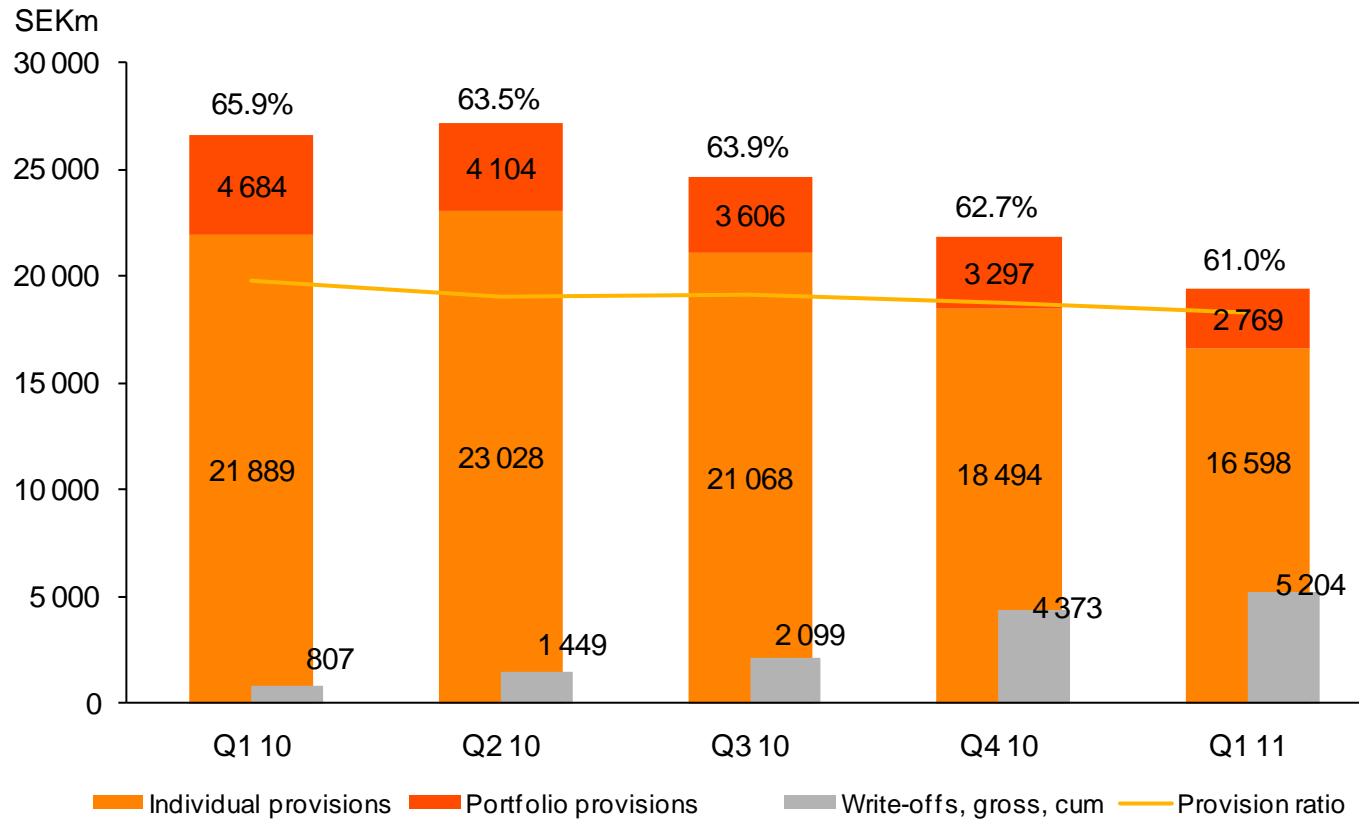
- Excl. FX effect down SEK 2.5bn in Q1
- Underlying decreases in all business areas in Q1



Loans past due 60 days – performance Q/Q

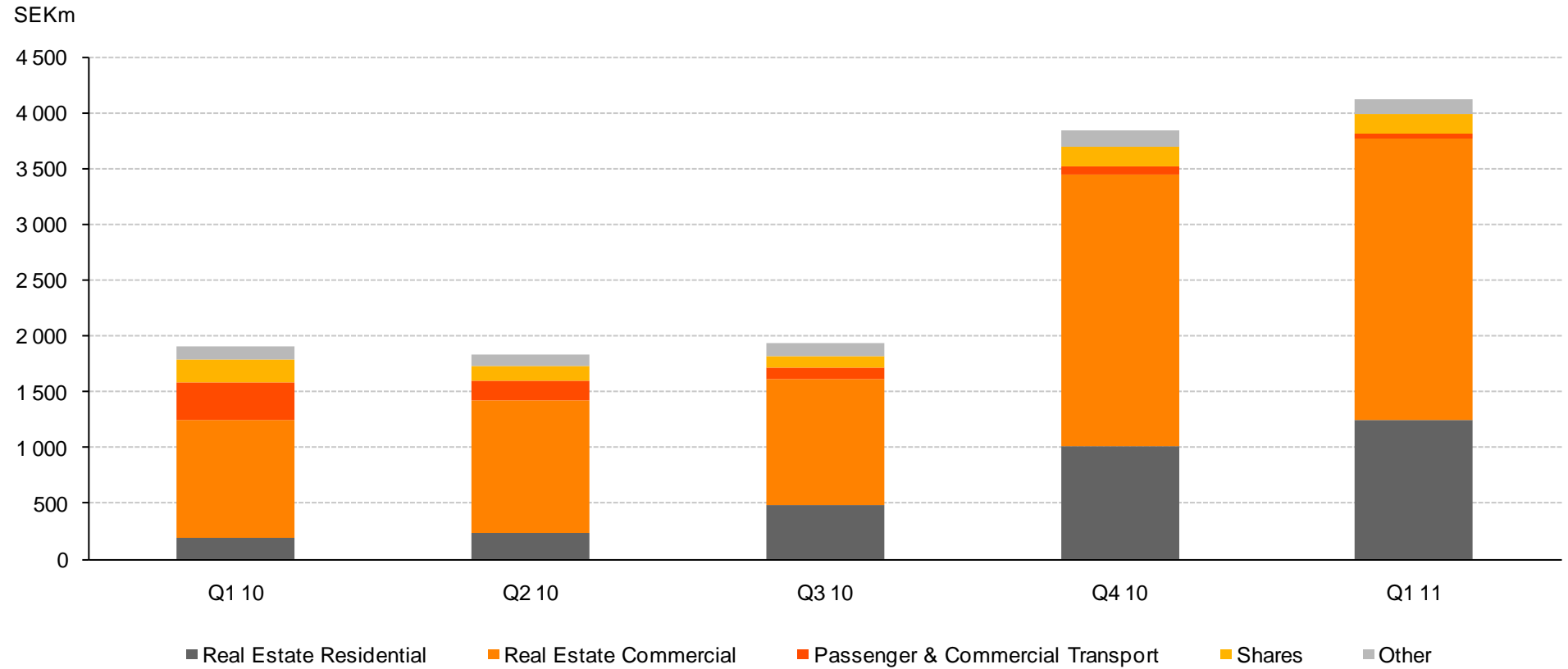


Provisions – work-out portfolios slowly declining



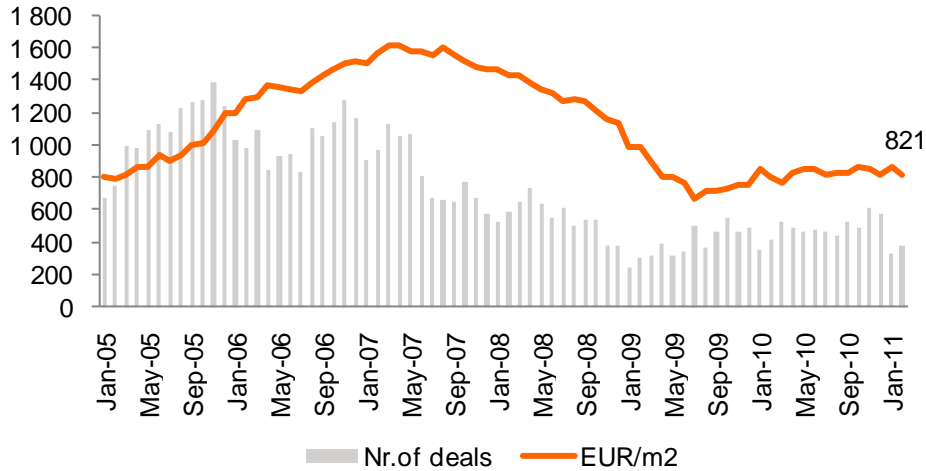
Provision ratios, %	Q1 11
Retail	97
LC&I	116
Baltic Banking	56
Russia	58
Ukraine	64
Group	61

Repossessed assets



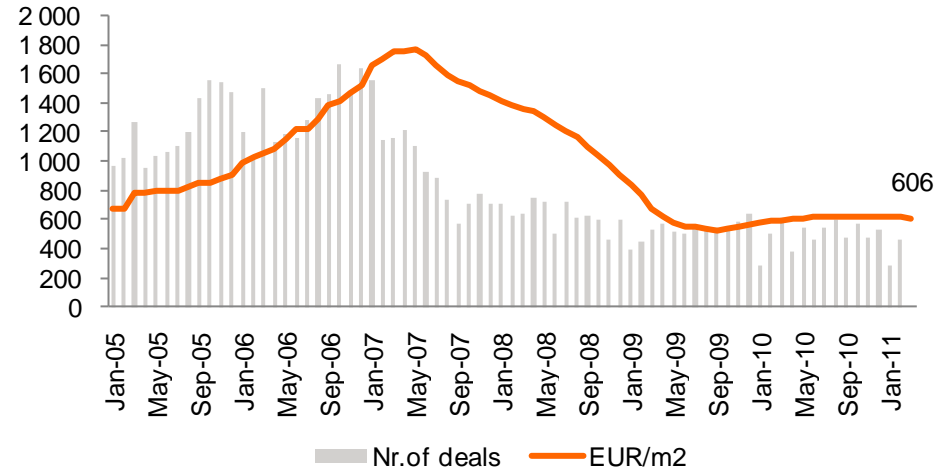
Real estate prices

Tallin



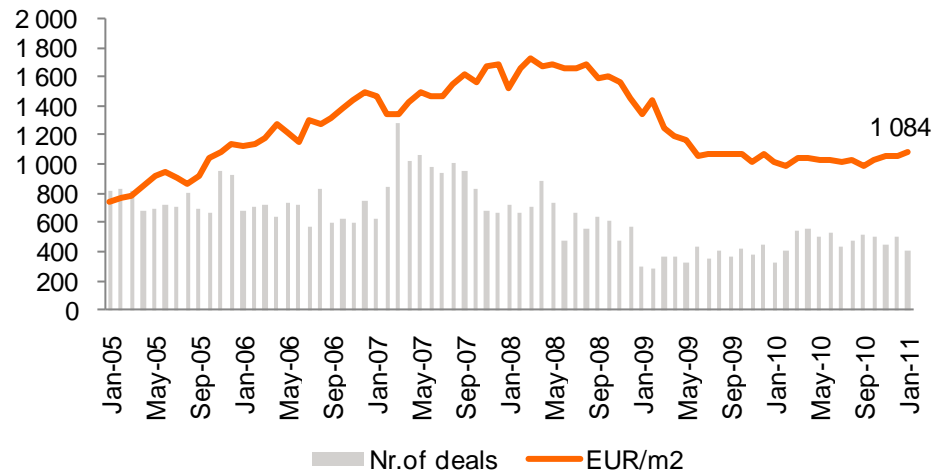
Source: Swedbank, Estonian Land Board

Riga



Source: Swedbank

Vilnius

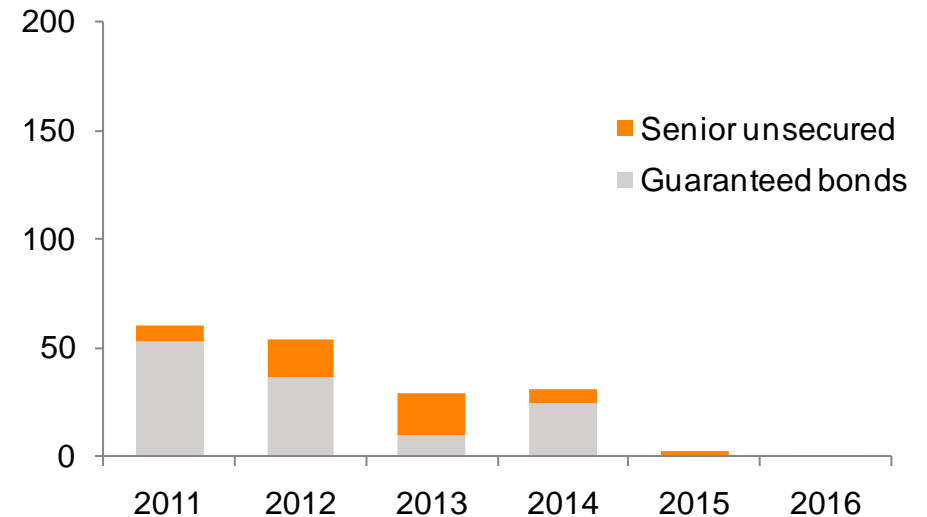
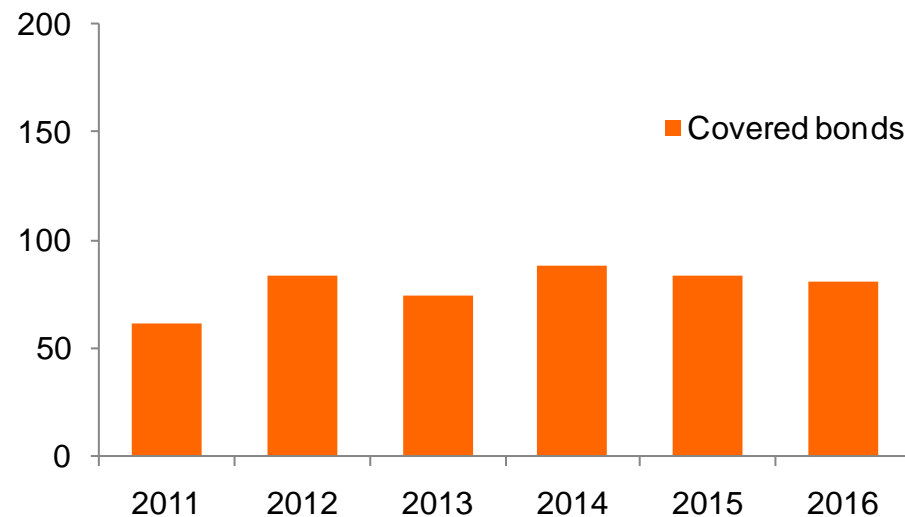


Source: Swedbank, State Enterprise Centre of Registers

Long-term funding

- Continued focus on covered bonds with Q1 issuance of SEK 85bn
- SEK 4bn in senior unsecured issuance
- 2 USD-denominated covered bond benchmark deals - of EUR 1bn each
- 2 EUR-denominated covered bond benchmark deals of EUR 1bn and EUR 1.5bn
- Total term funding maturities for the remainder of 2011 - of nominal SEK 121bn

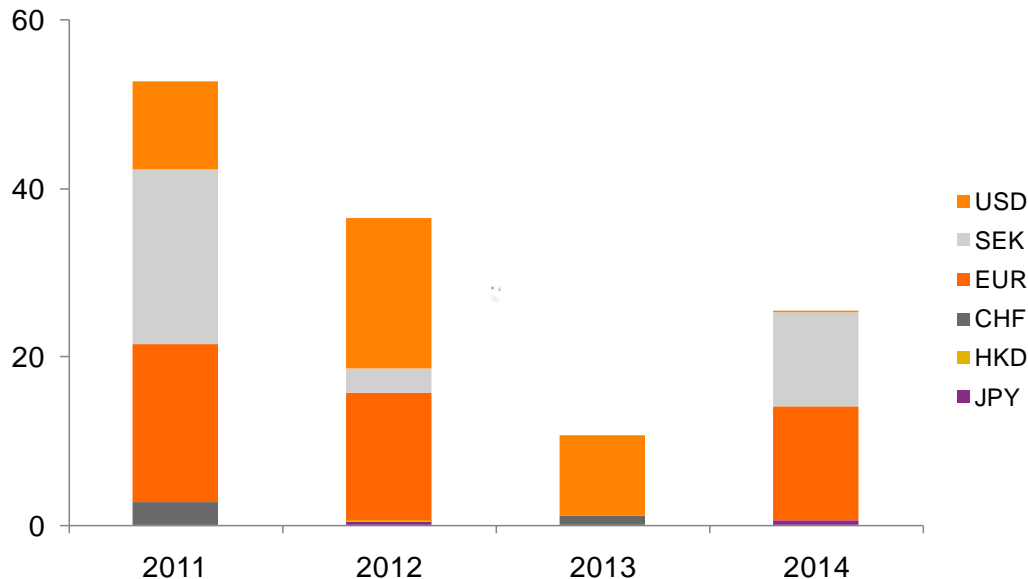
Long-term funding maturity profile, SEKbn



Remaining government guaranteed debt

- Exited the programme on 30 April 2010
- No issuance under the programme since summer 2009
- SEK 25bn of government guaranteed debt matured during Q1 2011
- Maturities of SEK 53bn for the remainder of 2011

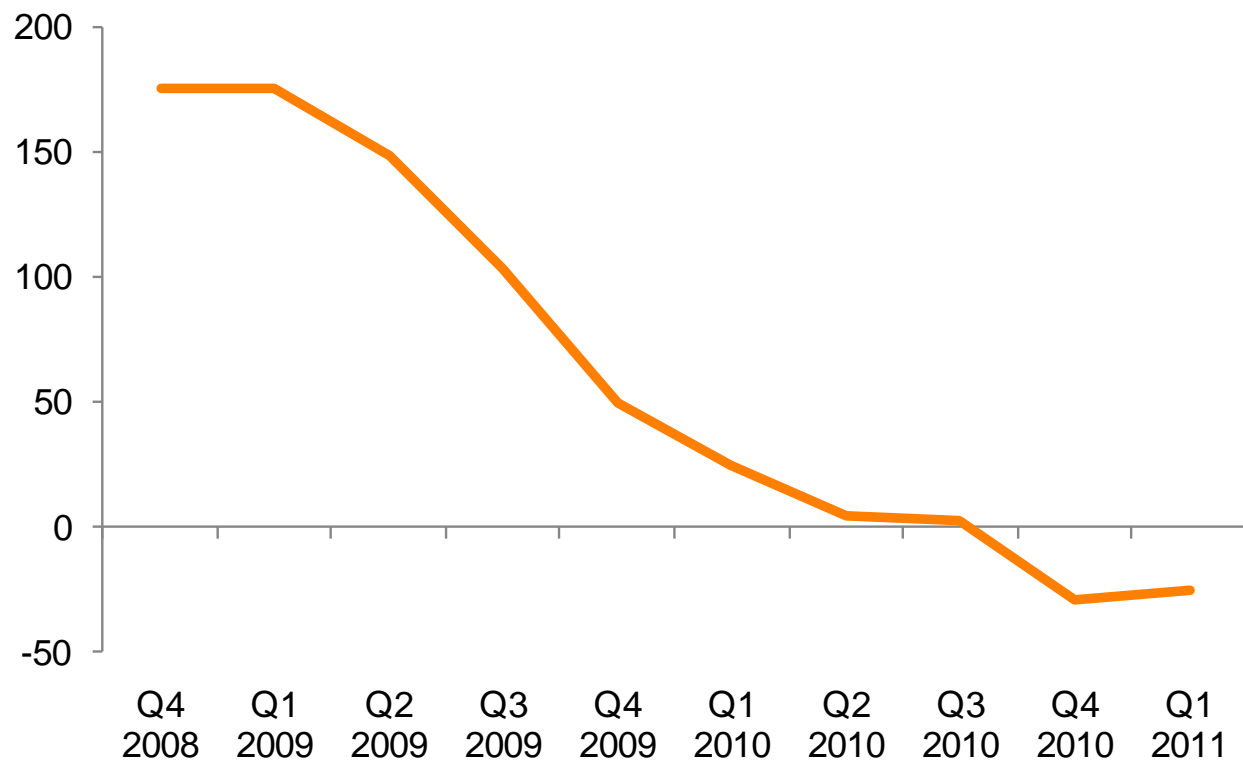
Maturity profile as per Q1 2011, SEKbn



Limited unsecured funding need

Lending to the public, less deposits, covered bond pool and retail bonds

SEKbn



Liquidity reserve*

	SEKm
Cash and holdings in central banks and deposits in other banks available o/n	63 437
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	29 214
Securities issued or guaranteed by municipalities or PSEs	0
Covered bonds	53 366
- Issued by other institutions	53 272
- Own issued	93
Securities issued by non-financial corporates	0
Securities issued by financial corporates (excl. covered bonds)	1 869
Other	0
Total	147 886
* As defined by the Swedish FSA	
Liquid assets outside Treasury organisation	103 737
Total	251 623