

Swedbank debt investor presentation

January 2013



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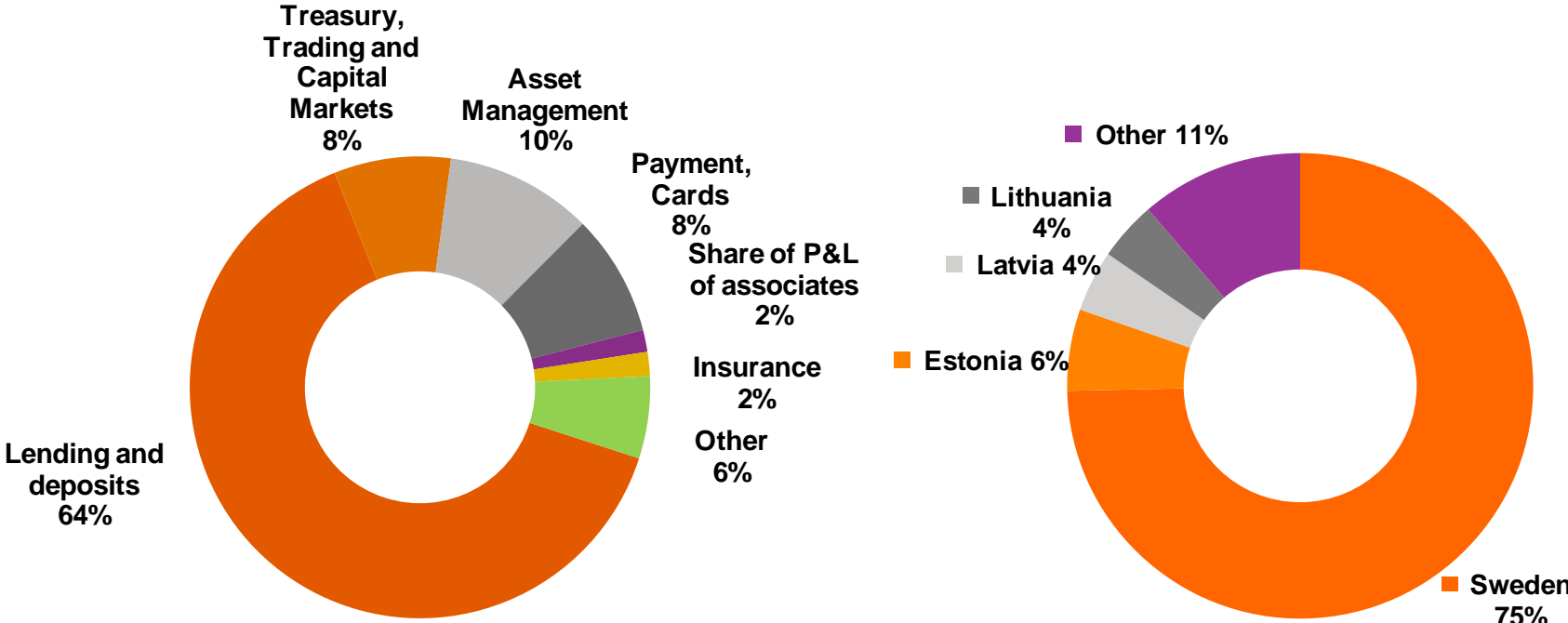
1. Financial performance

Strong quarter

SEKm	Q3	Q4	2011	2012
Net interest income	5 263	5 465	19 014	21 188
Net commission income	2 381	2 504	9 597	9 636
Net gains and losses	568	752	1 584	2 534
Total income	9 051	9 491	34 045	36 620
Total expenses	3 998	4 287	18 399	16 949
Profit before impairments	5 053	5 204	15 646	19 671
Impairment of tangible assets	102	199	174	466
Credit impairments	204	11	-1 911	687
Tax	1 220	640	3 669	4 039
Profit for the period	3 511	4 340	11 744	14 438
Return on equity, %	14.1	16.7	12.2	14.4
Cost-income ratio	0.44	0.45	0.54	0.46

- One-offs affecting quarter
 - Net gains in Treasury
 - Tax gain of SEK 505m
- Stable NII Q/Q
 - Shrinking deposit margins
 - Repricing
 - Treasury effects
- Higher market related income
- Seasonally higher cost
- Stable asset quality in home markets

Income distribution FY 2012



Source: Swedbank

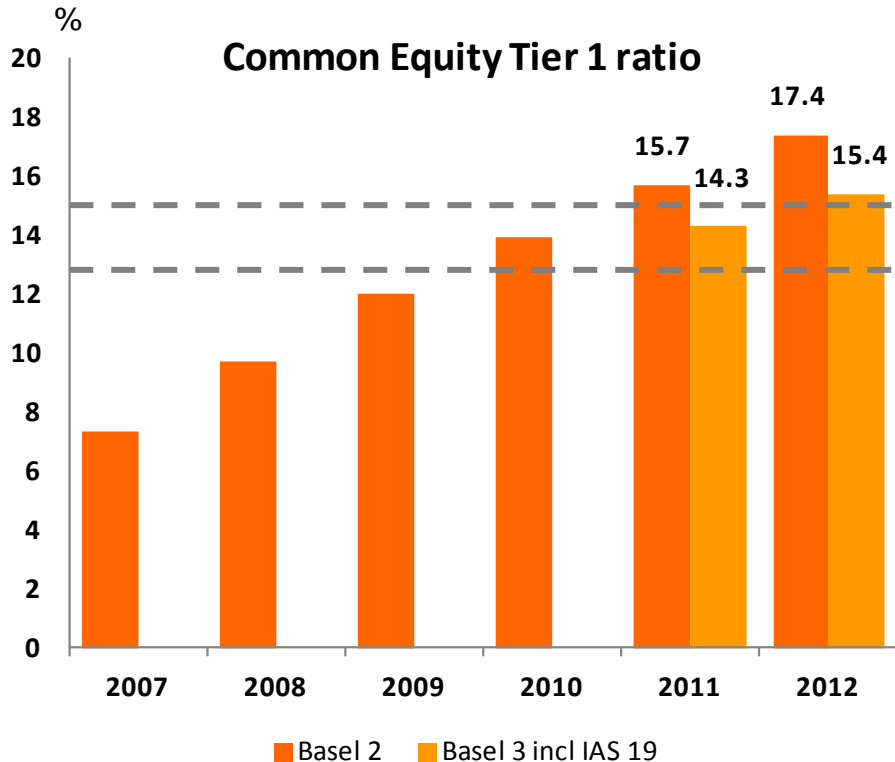
Strong execution on costs 2012

- Staff costs -847m and consultancy costs -241m year on year

Cost trend (SEKm)	FY 2011	FY 2012	▲ YTD
Total expenses	18 399	16 949	-1 450
Variable staff costs	-395	-738	
Compensation to savings banks	-530	-622	
Restructuring cost	-430	-2	
FX effects	-87		
Underlying cost	16 957	15 587	-1 370

Source: Swedbank

Capital – continued accumulation

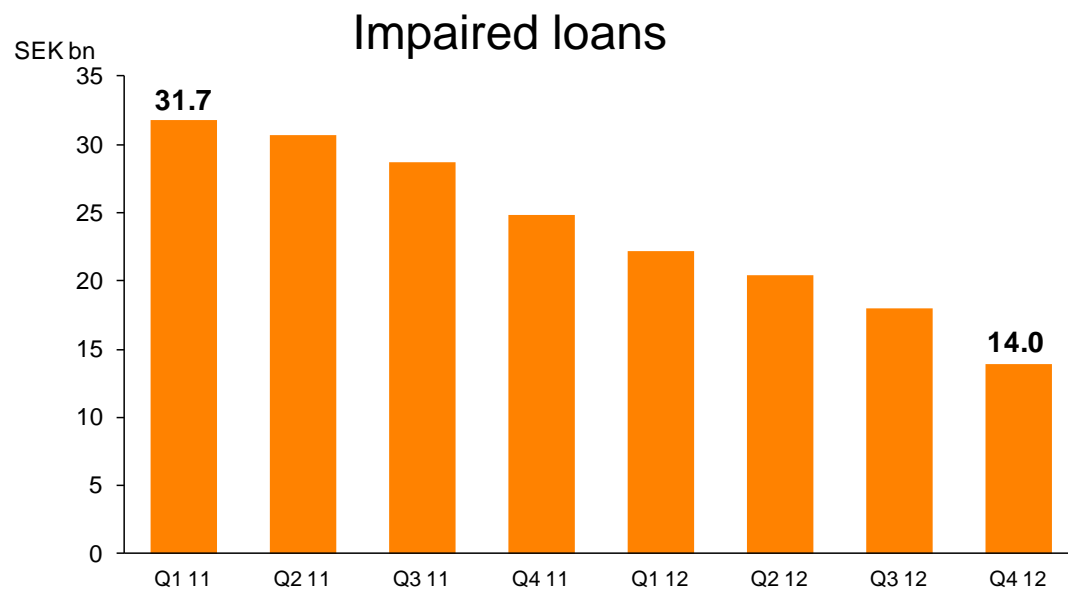


- Management's view is that 13-15% CET1-ratio is required
- Capital efficiency focus remains
- IRB-A application filed
- New dividend policy: 75% of the profit for the year (previously 50)

Stable asset quality

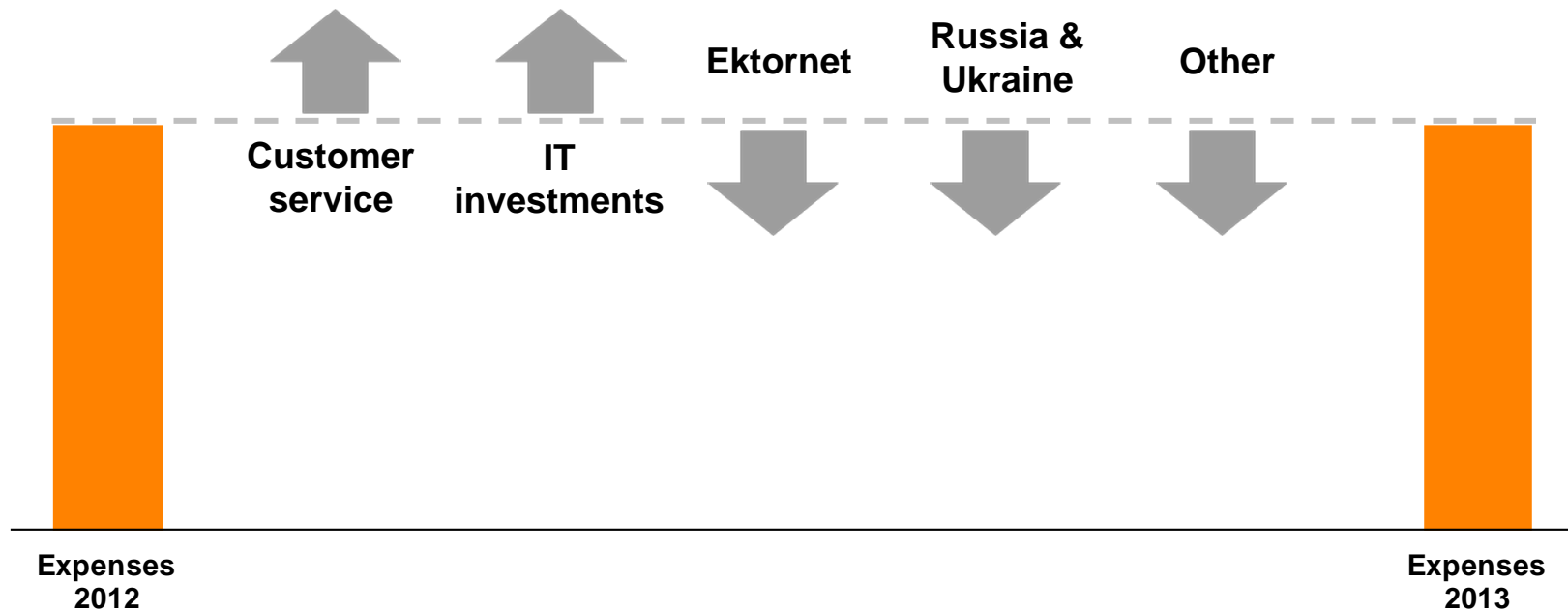
Credit impairments (SEKm)	Q3	Q4	2012
Retail	69	102	295
LC&I	-35	152	185
Baltic Banking	-18	-329	-685
Estonia	2	-242	-343
Latvia	8	86	-124
Lithuania	-28	-173	-218
Group Functions & Other	188	86	892
Russia	28	-30	-43
Ukraine	140	117	915
Other	20	-1	20
Swedbank Group	204	11	687

- Continued high credit quality in Sweden
- Net recoveries Baltic Banking
- Exit costs Ukraine continue



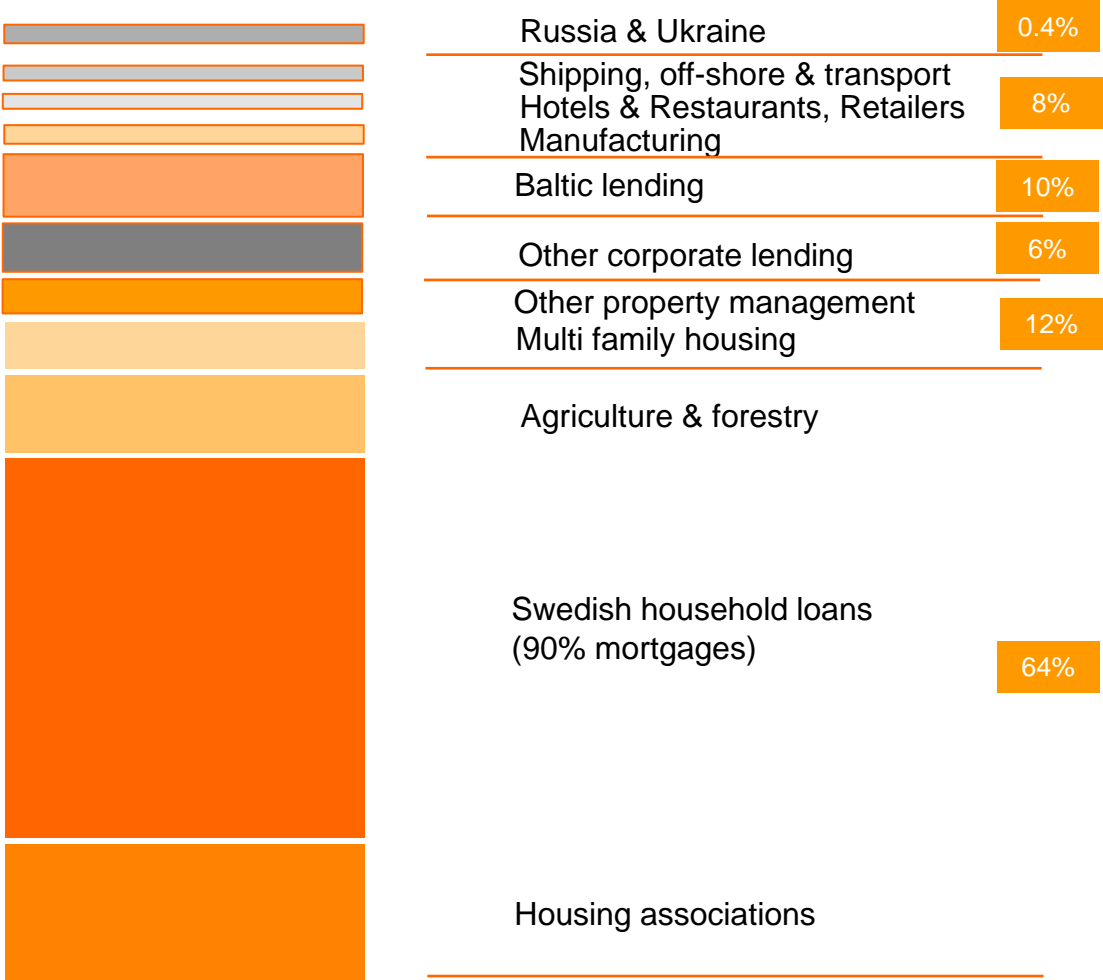
Source: Swedbank

Focus on customer and efficiency



Source: Swedbank

Asset portfolios – low risk



Source: Swedbank

Rating strategy – same level as the best rated Nordic banks

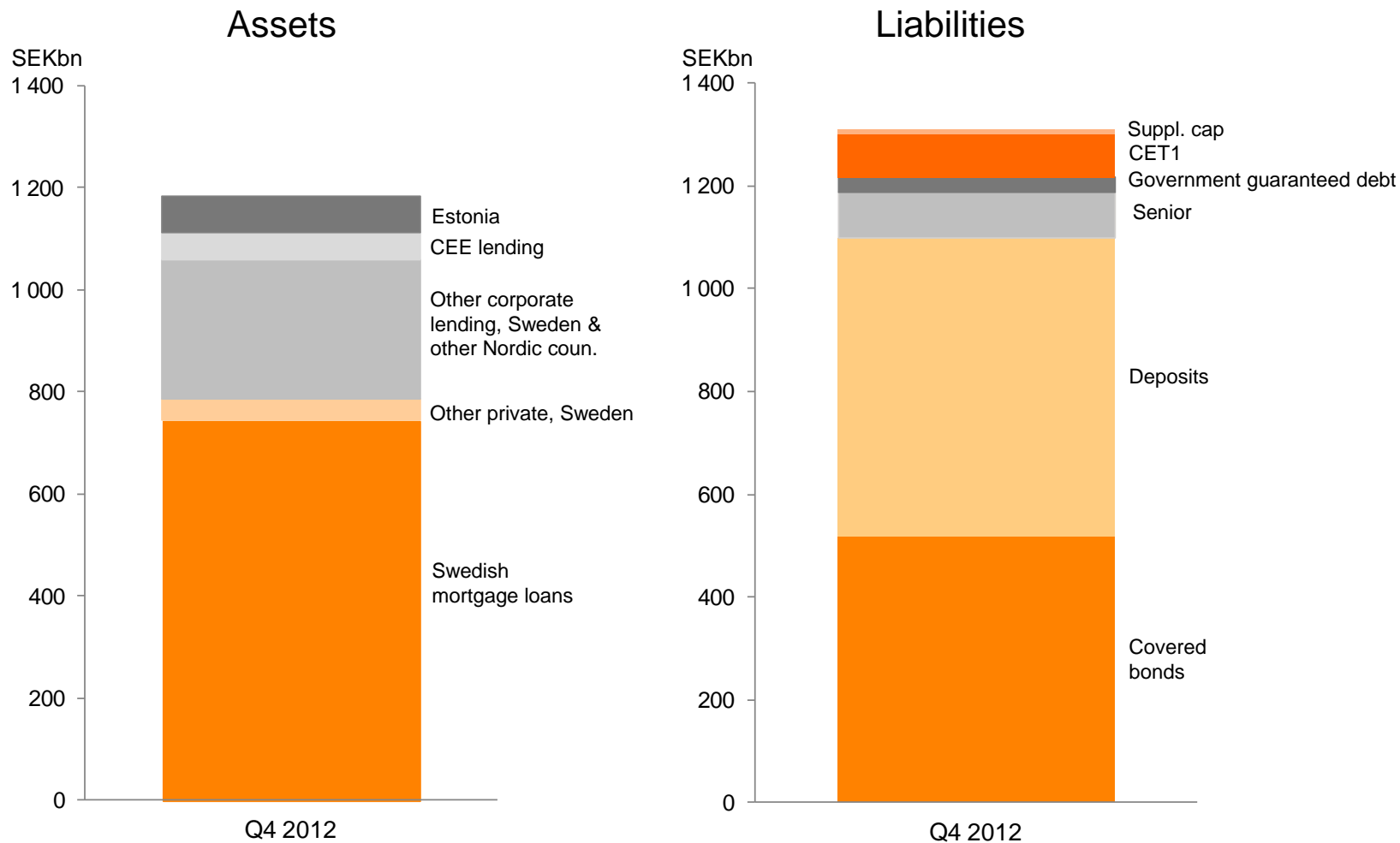
- On 26 Nov Moody's upgraded the outlook for Sweden's banking system from negative to stable
- On 20 Nov S&P put all major Swedish bank's on negative outlook due to weaker view on Swedish economy
- On 25 July Fitch Ratings upgraded Swedbank's long-term issuer default rating (IDR) from A to A+ and reaffirmed the short-term rating F1 with stable outlook

	S&P		Moody's			Fitch	
	Short	Long	Short	Long	BFSR*	Short	Long
Swedbank	A-1	A+	P-1	A2	C-	F1	A+
Swedbank Mortgage	A-1	A+	P-1	A2			
Covered bonds		AAA		Aaa			

* Bank Financial Strength Rating

2. Liquidity and funding

Core balance sheet* structure



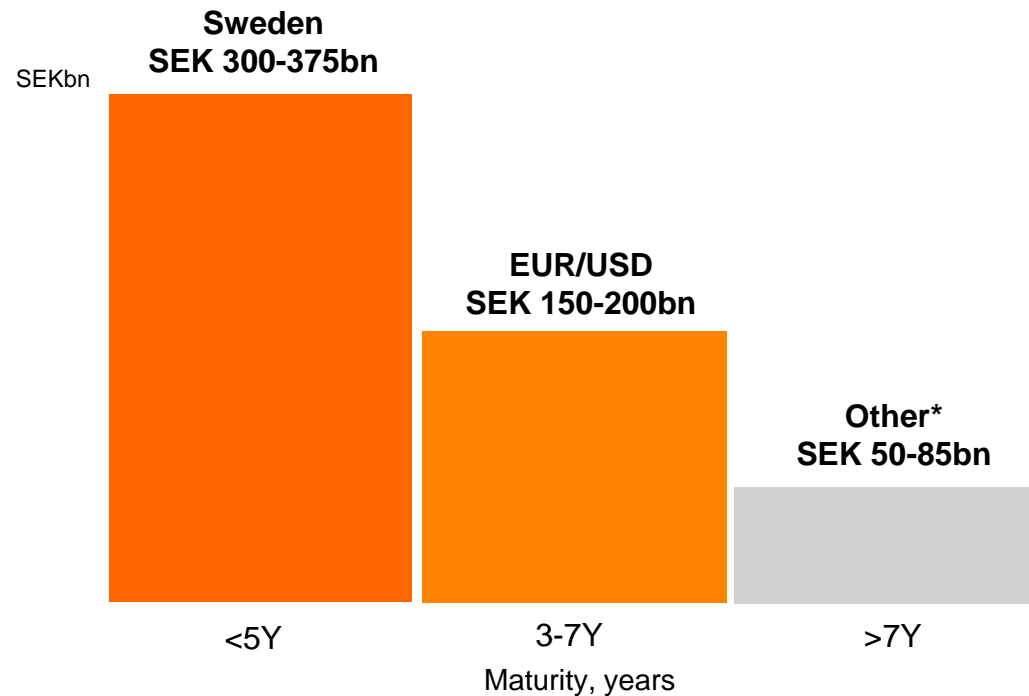
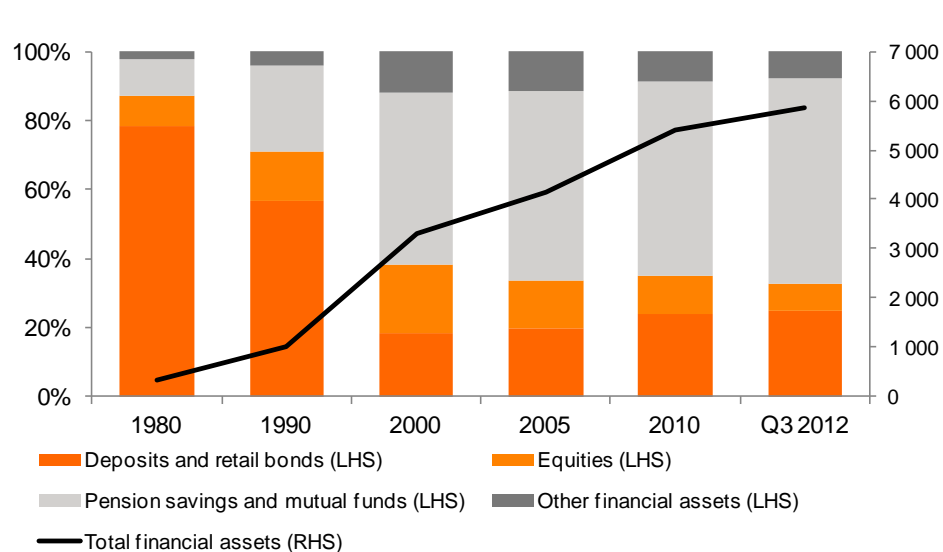
Source: Swedbank, Dec 31, 2012 * Simplified balance sheet

Wholesale funding strategy

- Main internal liquidity measure is survival horizon (accumulated cash-flows)
- Covered bonds less volatile than senior unsecured debt
- Secure presence in senior unsecured debt markets
 - OC level
 - Liquidity reserve
 - Structural subordination

Covered bond strategy

Swedish households' financial assets

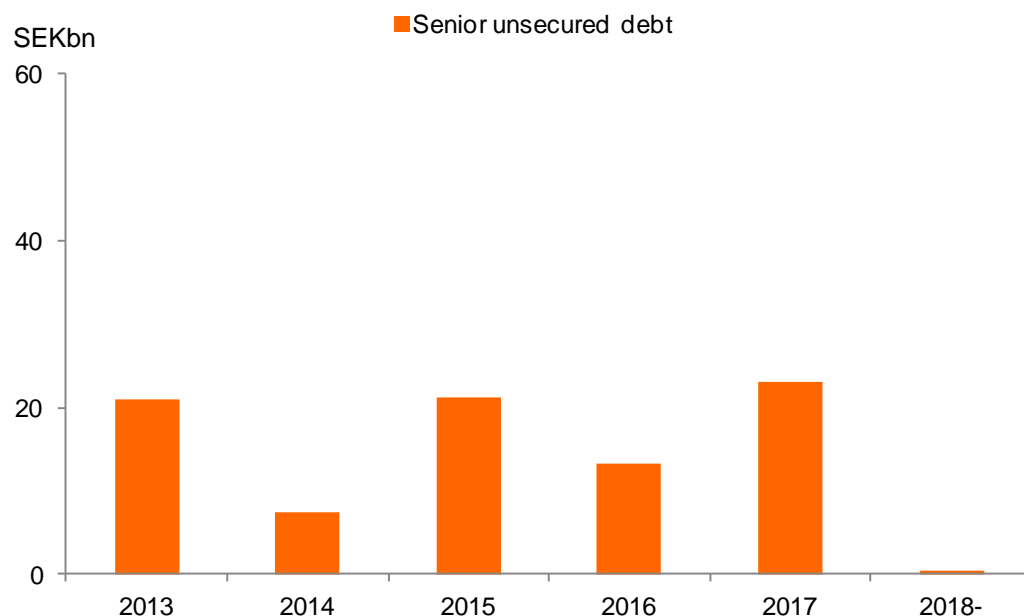


Source: Statistics Sweden "Hushållens ställning", Nov 15, 2012

Senior unsecured debt strategy

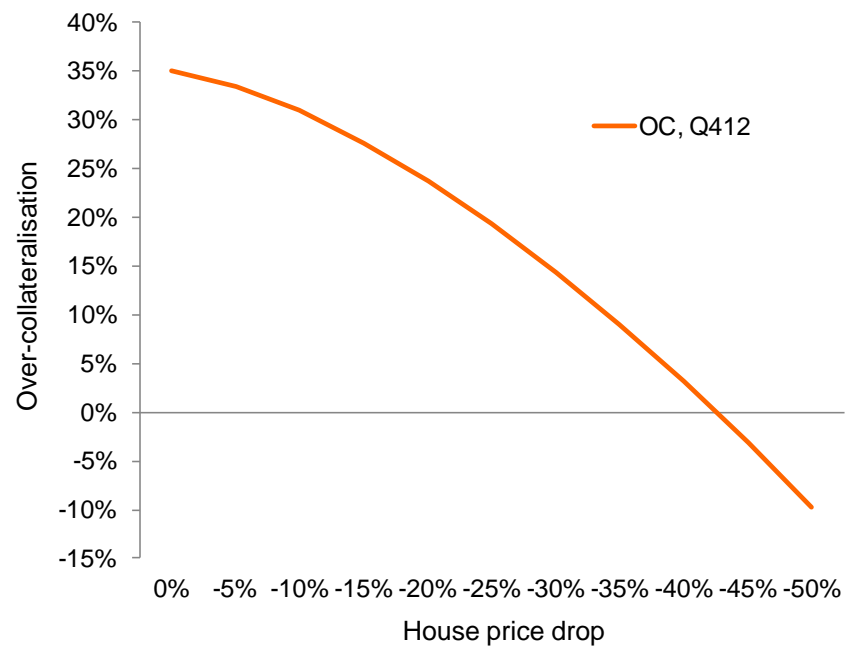
- Limited need given Swedbank's balance sheet structure
- Secure OC
- Fund liquidity reserves

Senior unsecured debt maturity profile



Source: Swedbank, Dec 31, 2012, nominal amounts

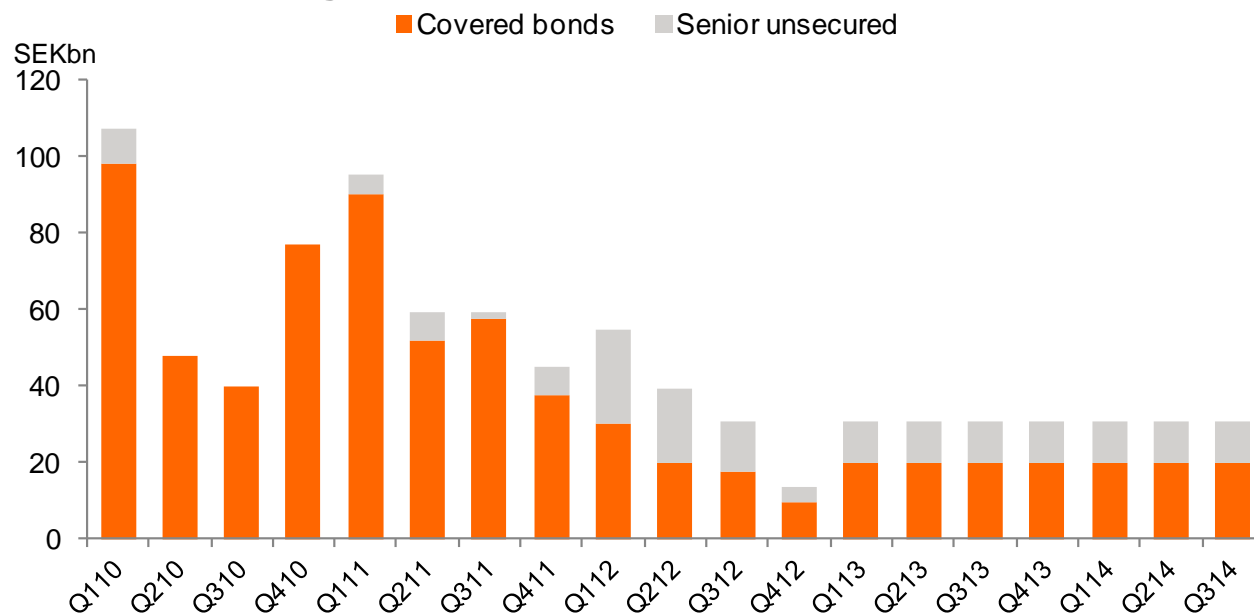
House price sensitivity of the cover pool



Lower funding needs

- LCR139% (Swedish FSA definition FFFS 2012:6)
- NSFR 91%
- Expanded investor base

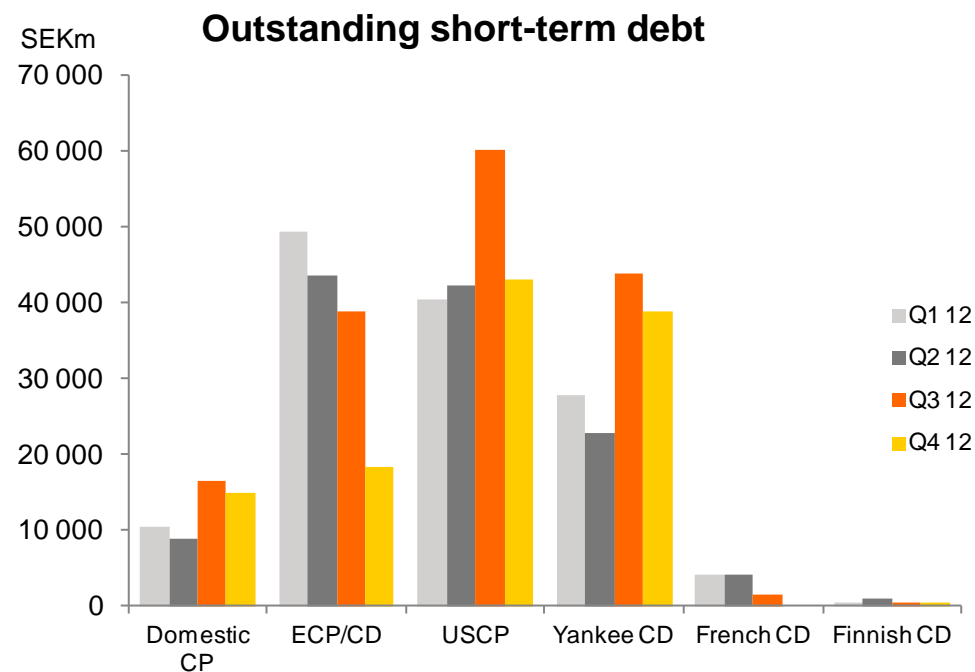
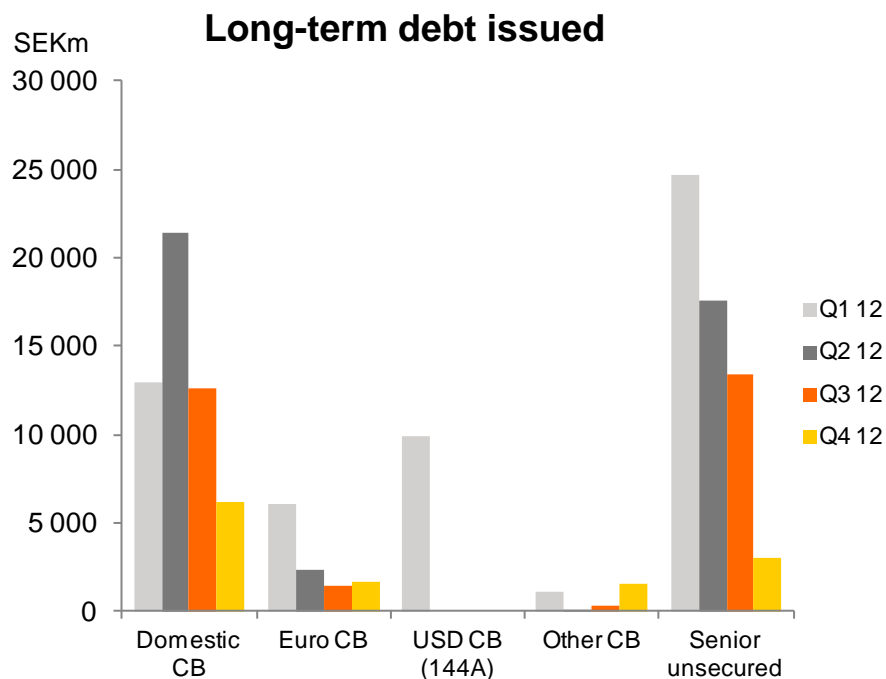
Term funding issuance – completed and planned



Source: Swedbank, Dec 31, 2012, nominal amounts

Conservative funding plan

- Issued SEK 142bn of term-funding FY 2012, maturities of SEK 86bn
- Term funding plan in 2013 of SEK 120bn, maturities of SEK 86bn



Source: Swedbank, Dec 31, 2012, nominal amounts

Liquidity reserve

According to the template defined by the Swedish Bankers' Association

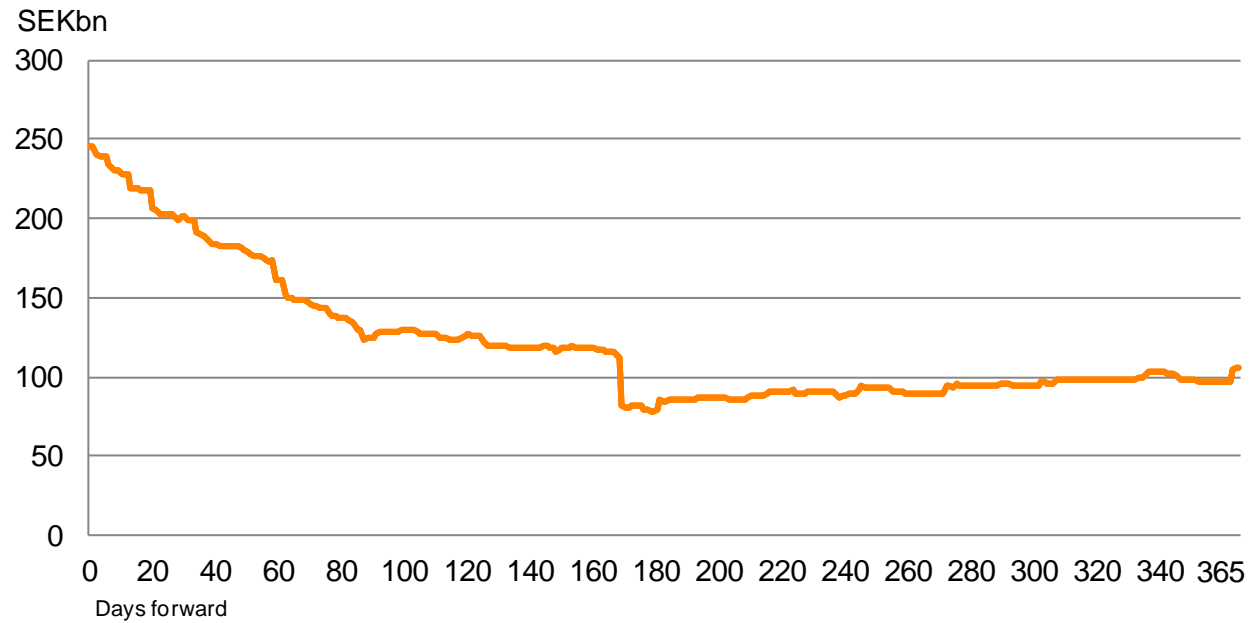
	SEKm
Cash and holdings in central banks	130 984
Deposits in other banks available overnight	1 500
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	22 666
Securities issued or guaranteed by municipalities or Public sector entities	389
Covered bonds	58 381
- Issued by other institutions	58 381
- Own issued	
Securities issued by non-financial corporates	
Securities issued by financial corporates (excl. covered bonds)	2 340
Other	
Total¹	216 260
Additional liquid assets, Group ²	57 875

¹ 95% of the securities in the liquidity reserve per Q4 2012 are rated AAA

² 87% of the additional liquid assets fulfill the Liquidity Reserve definition by the Swedish Bankers' Association except from that they are held outside the Treasury department.

Source: Swedbank Fact book, Dec 31, 2012

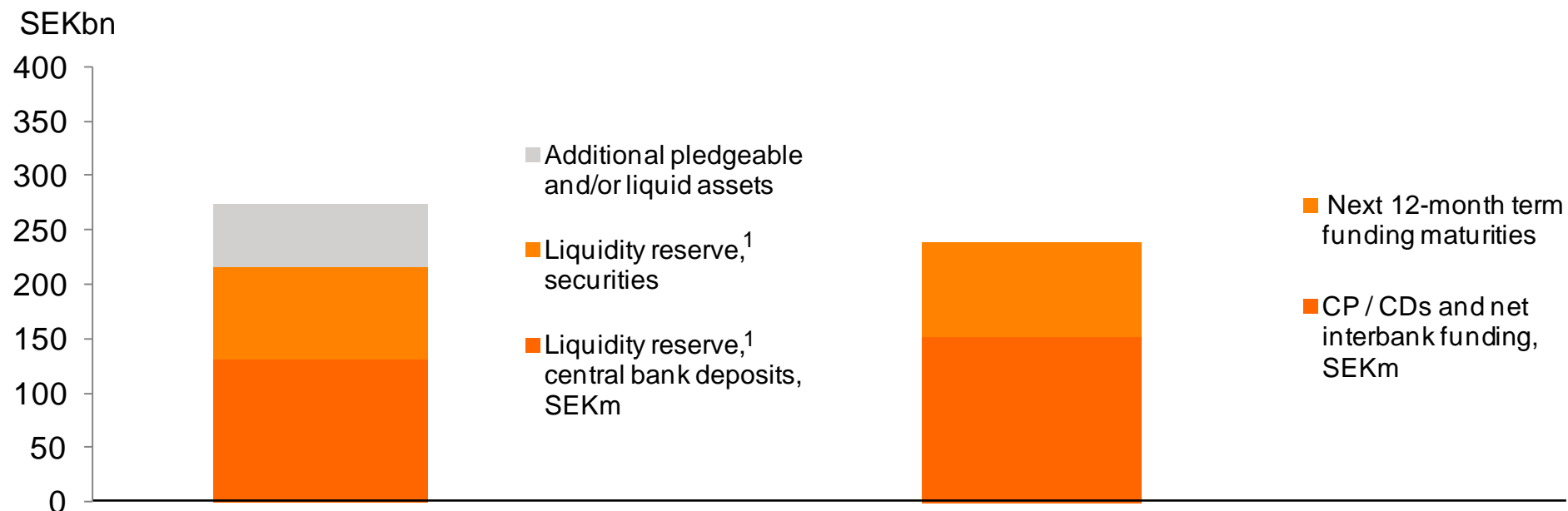
Prolonged survival horizon



Source: Swedbank Dec 31, 2012

Conservative liquidity levels

- Short-term funding mainly a tool for cash management
- More than 12 months pre-funded



Source: Swedbank Dec 31, 2012

¹ As defined by the Swedish Bankers' Association

Asset encumbrance

Distribution by type of liability and asset

SEKm	Central banks and Government debt instruments		Debt instruments issued by Covered bonds and credit institutions		Securities issued by corporate and other issuers		Mortgage ABS loans		Cash	Total
	Government debt instruments	supranational debt instruments	Covered bonds	credit institutions	corporate and other issuers	ABS	loans			
Central bank funding										
Intraday settlement collateral 1)	2		12 369							12 371
Repurchase agreements 2)	12 992		13 496							26 488
Derivative collateral 3)	162		862					14 120		15 144
Covered bonds 4)							516 749			516 749
Accrued interest of assets in the cover pool							2 330			2 330
Other 5)								366		366
Total	13 156		26 727				519 079	14 486		573 448

Financial assets pledged for insurance policy holders 103 083

Additional assets available for secured funding 6)

SEKm	Central banks and Government debt instruments		Debt instruments issued by Covered bonds and credit institutions		Securities issued by corporate and other issuers		Mortgage ABS loans		Cash	Total
	Government debt instruments	supranational debt instruments	Covered bonds	credit institutions	corporate and other issuers	ABS	loans			
Securities 7, 8)	26 883	3 265	84 045	11 393	8 203	1 059				134 848
Cover pool over collateralisation incl. accr. interest 4)							181 828			181 828
Cover pool eligible assets 9)							11 608			11 608
Total	26 883	3 265	84 045	11 393	8 203	1 059	193 436			328 284

1) Pledged securities on balance sheet.

2) Repoed securities on balance sheet.

3) Collateral posted under CSA agreements, gross (3-year, SEKm, High: 21 572, Low: 10 945, Average: 13 644).

4) Nominal amount excluding accrued interest.

5) Collateral pledged in securities lending activities and with exchanges

Source: Swedbank Facts Q4 2012

6) Assets not currently encumbered.

7) Reversed repos are included.

8) All type of securities, including securities non pledgeable at central banks, of which 82% are rated AAA, 2% are rated below A- and 8% are not rated.

9) Type of loans; Residential 84.4%, Forestry & Agriculture 15.3%, Commercial 0.3%.

3. Cover pool data

Cover pool data¹



Swedbank is a labeled issuer of the ECBC Covered Bond Label Foundation
www.coveredbondlabel.com

Rating, S&P / Moody's	AAA / Aaa
Total pool size	SEK 697.7bn
Geographic distribution	Sweden 100%
Current OC-level	35.0%
Weighted average seasoning ²	62 months
Average LTV ^{3, 4}	
– WA LTV on property level (Max LTV)	58%
Non-performing loans ⁵	None
Fixed /Floating interest loans ⁶	
– Fixed	42%
– Floating	58%
Repayment structure ⁷	
– Amortising	44%
– Interest only	56%
Average loan size	SEK 442 604
Number of loans outstanding	1 576 359
Number of borrowers	1 136 762
Number of properties	747 459
Dynamic pool	Yes

¹ As per Dec 31, 2012

² Public sector loans not included

³ Index valuation as per Dec 31, 2012

⁴ Maximum LTV: Residential 75%, Commercial 60%, Forest and Agriculture 70%

⁵ Past due loans > 60 days are not eligible for the cover pool

⁶ Floating interest loans < 365 days

Source: Swedbank Fact book, Dec 31, 2012⁷ Property level of cover pool

Cover pool data

Type of loans

Residentials	91.0%
of w hich Single-family housing	60.8%
of w hich Tenant ow ner rights	16.1%
of w hich Tenant ow ner association	9.7%
of w hich Multi-family housing	4.4%
Public	1.4%
Commercial	0.3%
Forest & Agricultural	7.3%
	100.0%



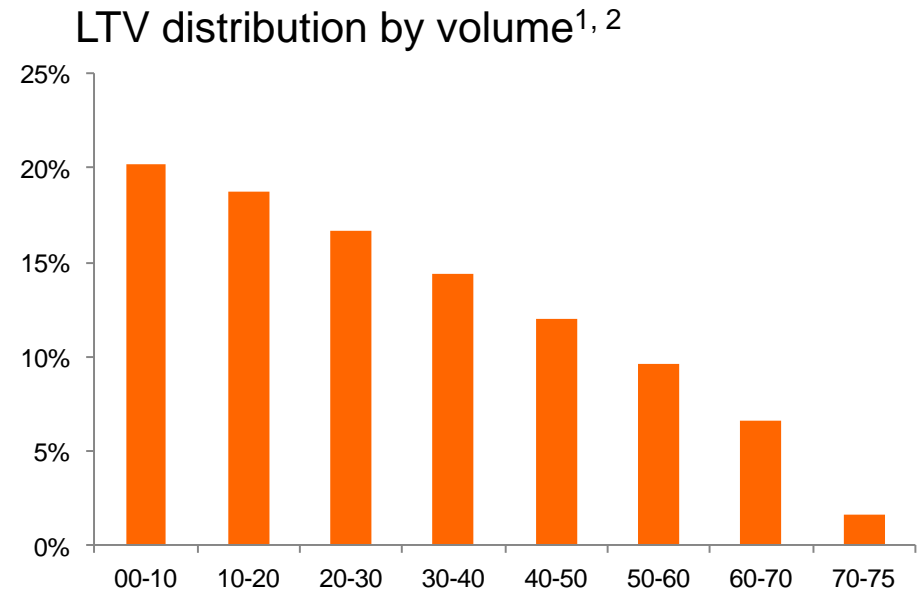
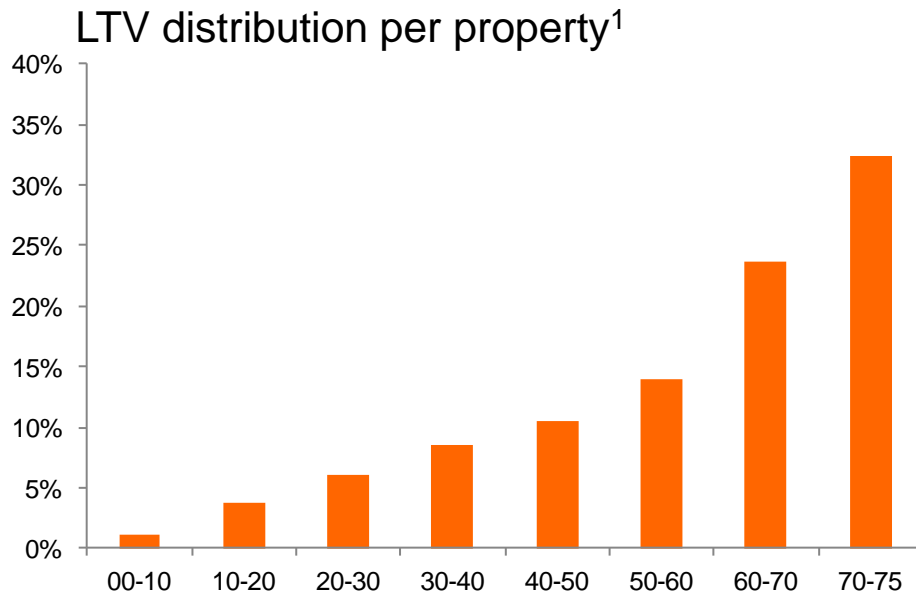
Geographical distribution - Sweden 100%

	Q4 2012
North	6.8%
Norrbottn county (BD)	1.5%
Västerbotten county (AC)	2.4%
Västernorrland county (Y)	1.6%
Jämtland county (Z)	1.3%
Middle (including Stockholm)	44.0%
Dalarna county (W)	2.4%
Gävleborg county (X)	2.2%
Värmland county (S)	2.3%
Örebro county (T)	2.6%
Västmanland county (U)	2.7%
Uppsala county (C)	4.0%
Södermanland county (D)	2.7%
Stockholm county (including Stockholm) (AB)	25.2%
South (including Göteborg and Malmö)	49.2%
Västra götaland county (Including Göteborg) (O)	17.2%
Östergötland county (E)	4.1%
Jönköping county (F)	3.7%
Halland county (N)	3.7%
Kronoberg county (G)	2.3%
Kalmar county (H)	3.4%
Skåne county (including Malmö) (M)	12.5%
Blekinge county (K)	1.8%
Gotland county (I)	0.6%
	100.0%

Source: Swedbank, Facts, Sep 30, 2012

Cover pool loan-to-value distribution

- Weighted average LTV 58%

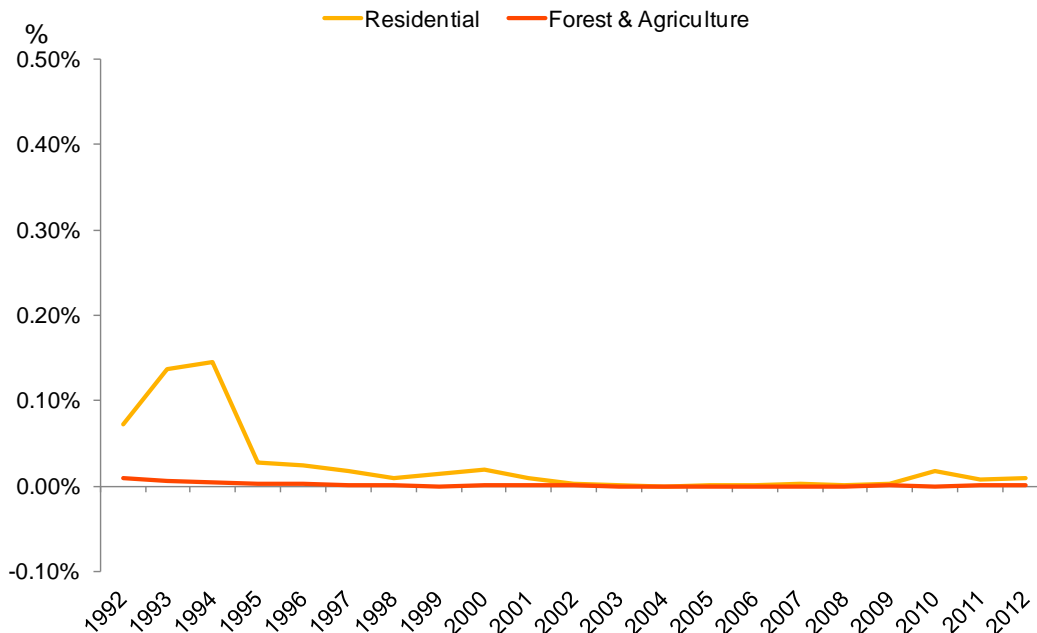


¹ Public loans of 1.4% of the cover pool are excluded as they are either guaranteed by a Swedish municipality or the government and have therefore no LTV assigned to them. ² LTV distribution as defined by the Association of Swedish Covered Bond Issuers (www.ascb.se)

Insignificant credit loan losses in Swedbank Mortgage

- Total accumulated Swedish mortgage loan losses since 1982 of SEK 7.4bn (size of total loan book SEK 737bn)
 - Main part incurred during the years of 1992 and 1993
 - Around 20% in the private segment

Credit impairments, Swedbank Mortgage

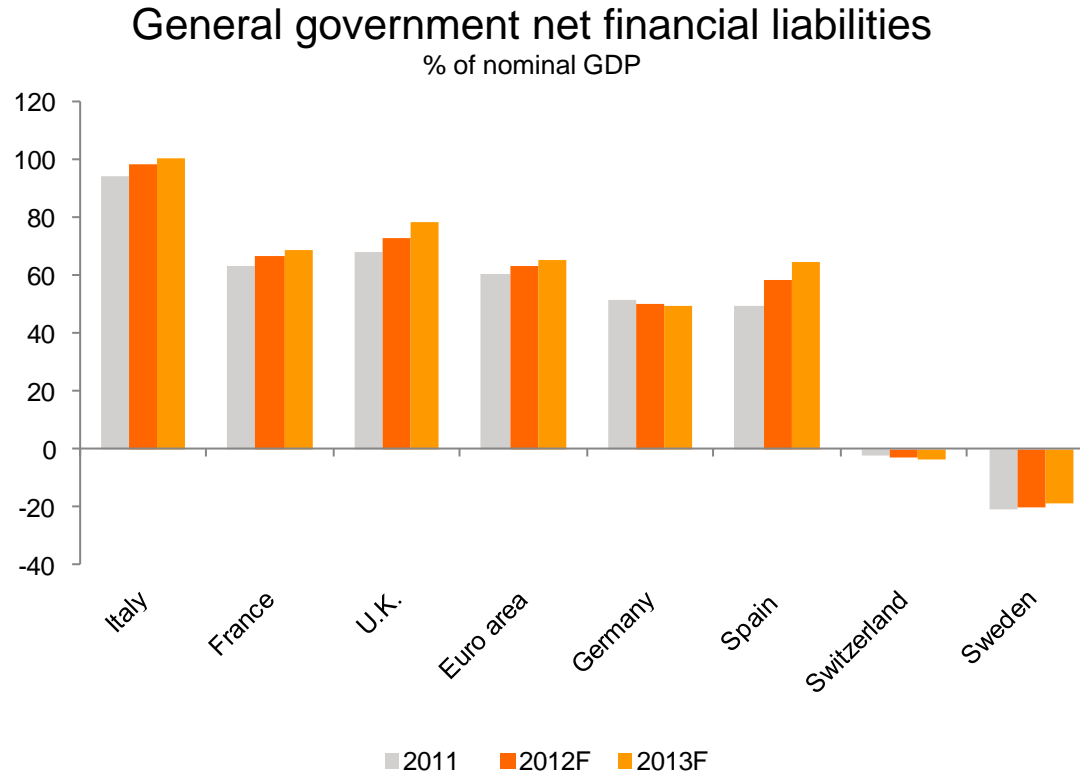


Source: Swedbank Dec 31 2012

4. Swedish economy

A balance sheet in favourable condition

- Sweden's financial assets continue to exceed its liabilities

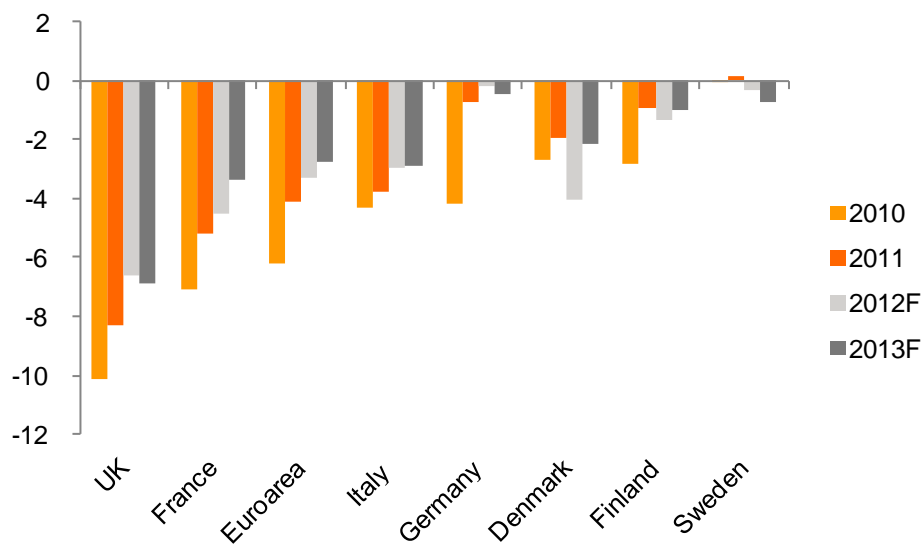


Source: OECD Economic outlook 92 (table 33), Dec 18, 2012

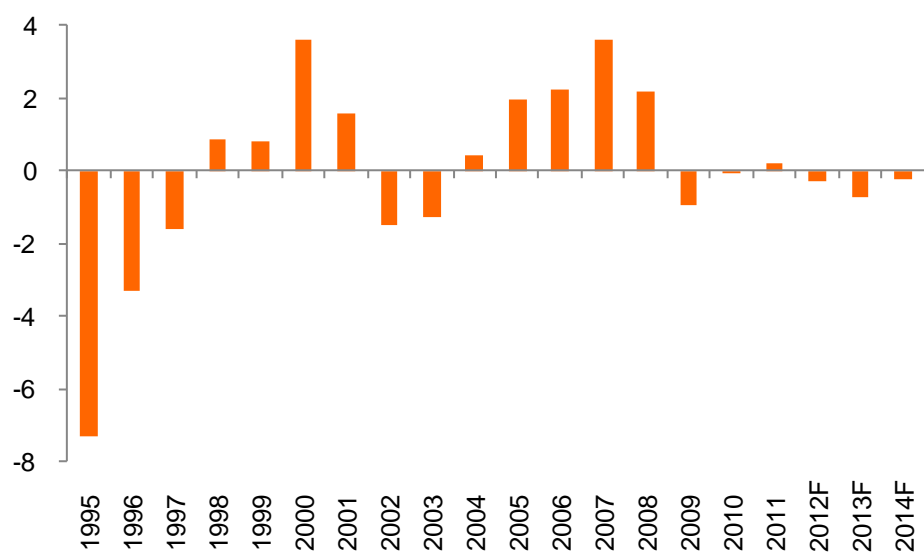
A budget in balance

- Budget framework since early 1990's – to stabilize and achieve long-term sustainability in the public finances
 - Mandatory public sector excess savings target of 1% of GDP on average over a business cycle
 - Mandatory ceiling for the state and pension system expenses (3 years ahead)

Budget balance as a percentage of GDP

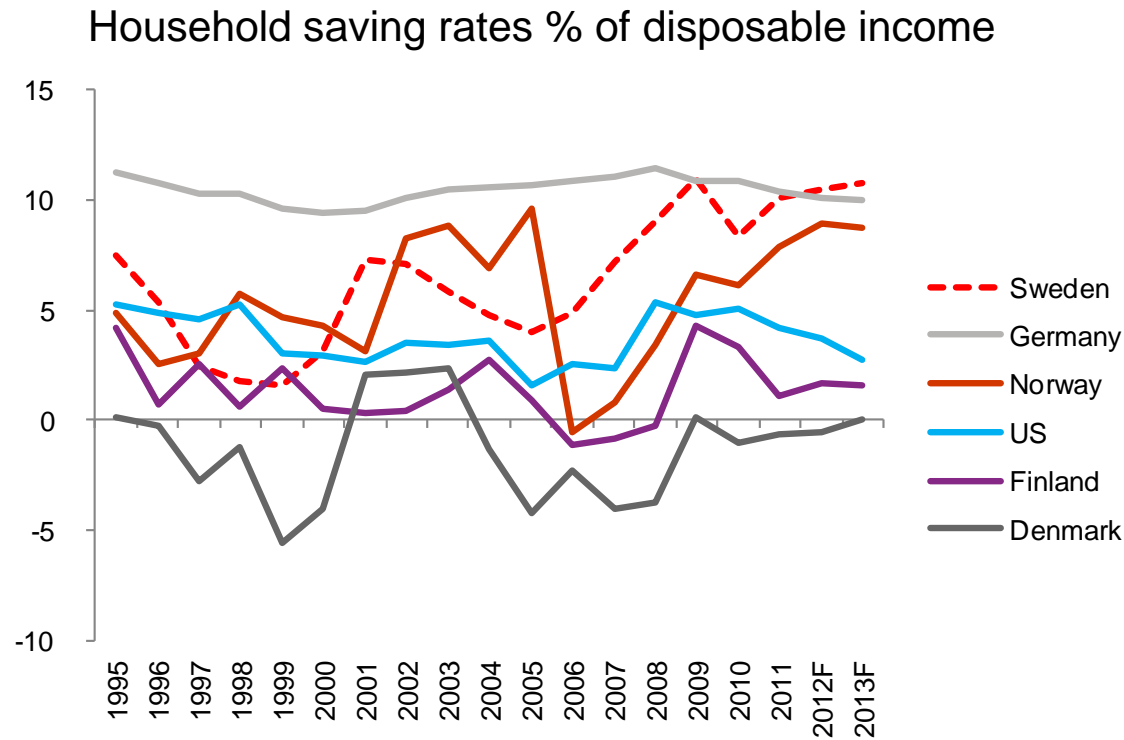


Swedish historic budget balance as a percentage of GDP



Source: OECD Economic outlook 92 table 27, Dec 18, 2012

Savings



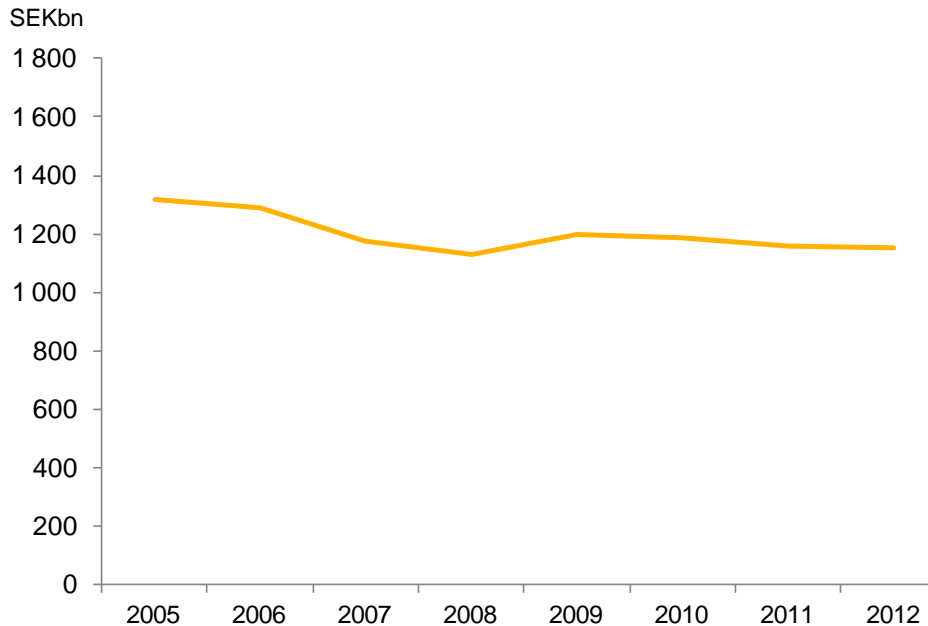
Source: OECD Economic Outlook 92, table 23, Dec 18 2012

Continued strong fiscal position

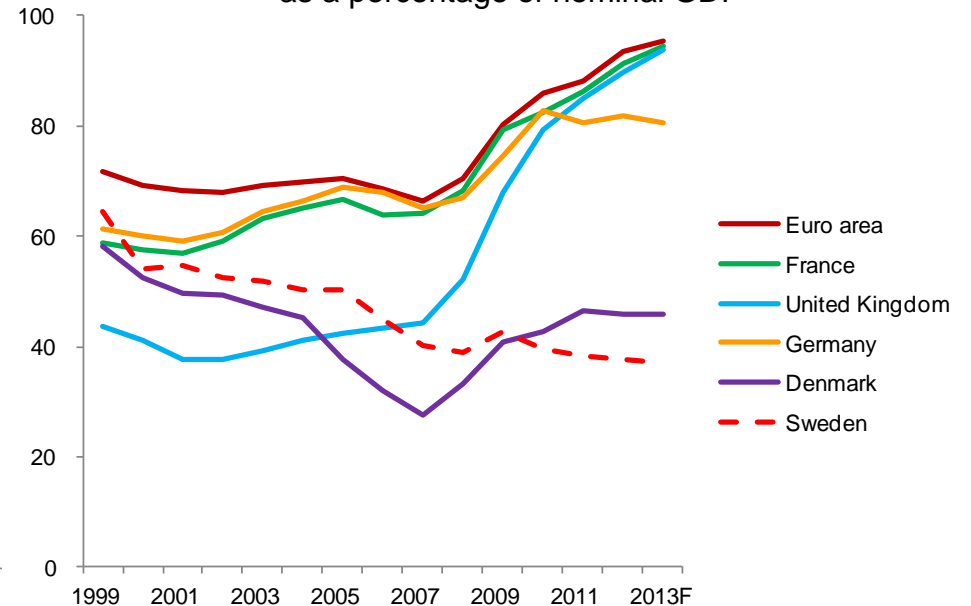
- Kingdom of Sweden rated Aaa/AAA/AAA
- GDP growth 0.7% (Q312 Y/Y)
- CPI/CPIF -0.1% / 1.0% (Dec 12 Y/Y)
- Unemployment 7.4% (Dec 12 Y/Y)
- Debt to GDP 31.0% (Dec 11)

Source: Statistics Sweden and National Debt Office

Swedish government debt



Maastricht definition* of general government gross public debt as a percentage of nominal GDP



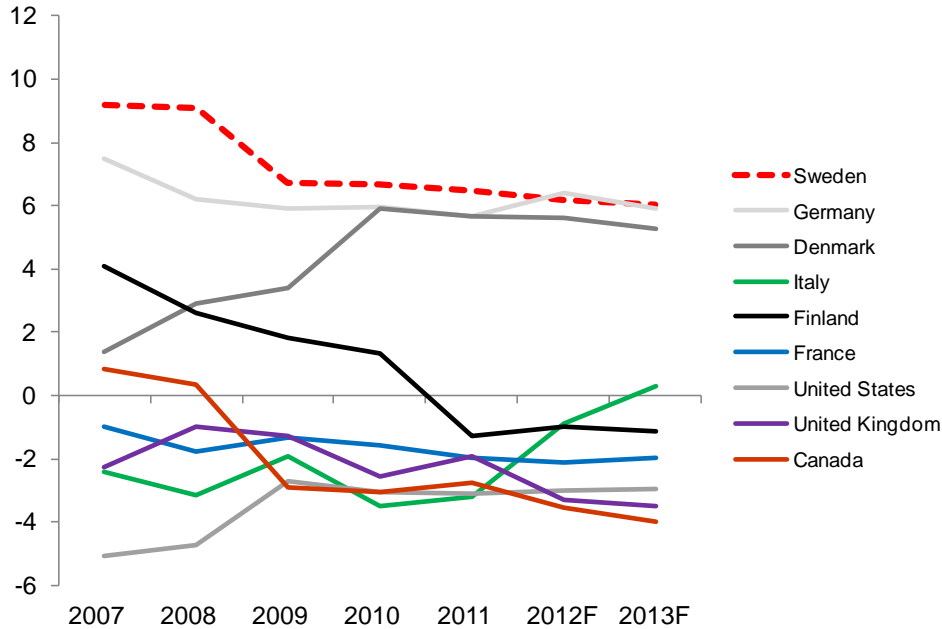
*General government gross debt according to the convergence criteria set out in the Maastricht Treaty comprises currency, bills and short-term bonds, other short-term loans and other medium- and long-term loans and bonds, defined according to ESA 95.

Source: Swedish National Debt Office, Jan 2013

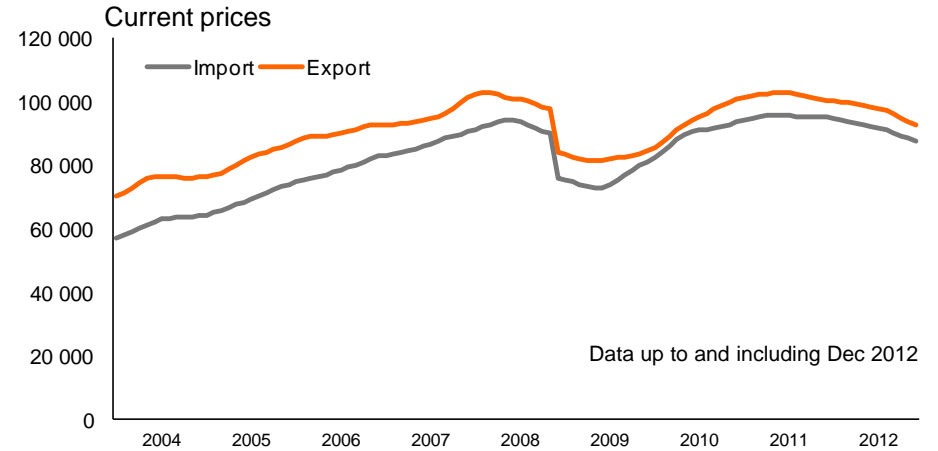
Source: OECD Economic outlook 92 table 61, Dec 18, 2012

Exports – key factor for growth

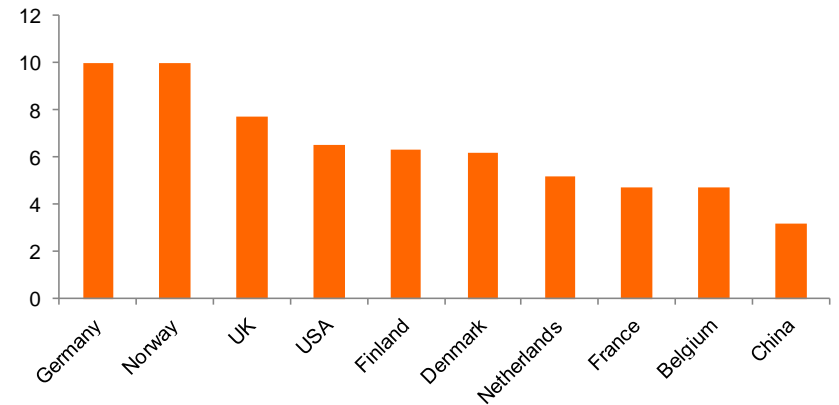
Current account balance as % of GDP



Exports and imports trend per month, SEKm



Top 10 export countries 2012



Source: OECD – Economic outlook 92, table 51, Dec 18, 2012

Source: Statistics Sweden, Jan, 2013

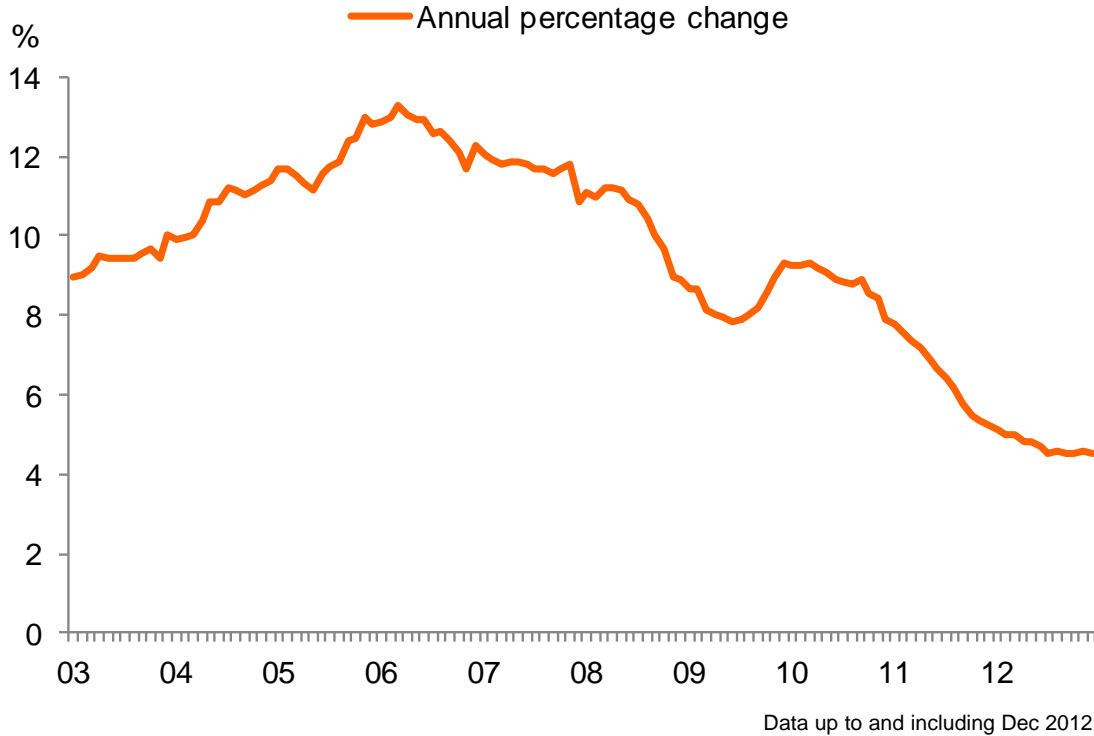
5. Swedish housing and mortgage market

Swedish mortgage market

- No securitization (on balance sheet), no sub-prime market, no 3rd party origination, no buy-to-let market
- 70% home ownership¹
- Rental market is regulated
- Transparent credit information (credit information agency, www.uc.se)
 - Publicly available information regarding income, debt, payment track record etc
- Consumer credit legislation requires affordability calculations including stress test of higher interest rate
- Very limited debt forgiveness possibilities (full recourse)
- Strong social security and generous unemployment benefit system

¹ Source: Boverket, 2011

Pace of household borrowing declines



Source: Sweden statistics Dec, 2012

Real estate prices – Sweden 12 months development

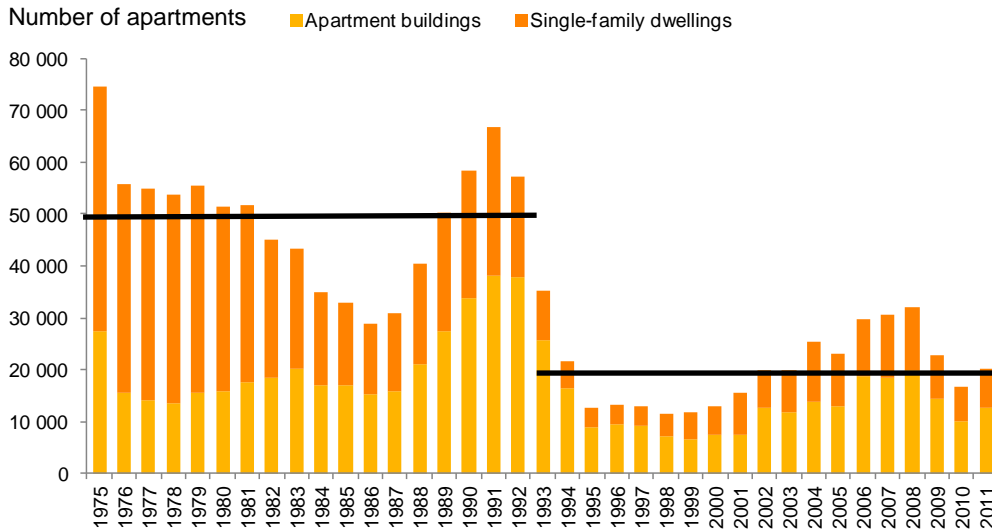
	Single-family homes ¹ 12M Δ	Tenant-owner rights ² 12M Δ	Combined ³ 12M Δ
Jan/12	-4%	-2%	-4%
Feb/12	-4%	-1%	-3%
Mar/12	-4%	1%	-3%
Apr/12	-2%	2%	-1%
May/12	-2%	3%	-1%
Jun/12	-1%	4%	0%
Jul/12	0%	4%	1%
Aug/12	2%	4%	3%
Sep/12	2%	5%	3%
Oct/12	1%	6%	3%
Nov/12	3%	7%	4%
Dec/12	4%	7%	6%

Source: Valuegard www.valuegard.se (Based on data from Mäklarstatistik), ¹ HOXHOUSESWE, ² HOXFLATSWE, ³ HOXSWE

Housing investments at a conservative level

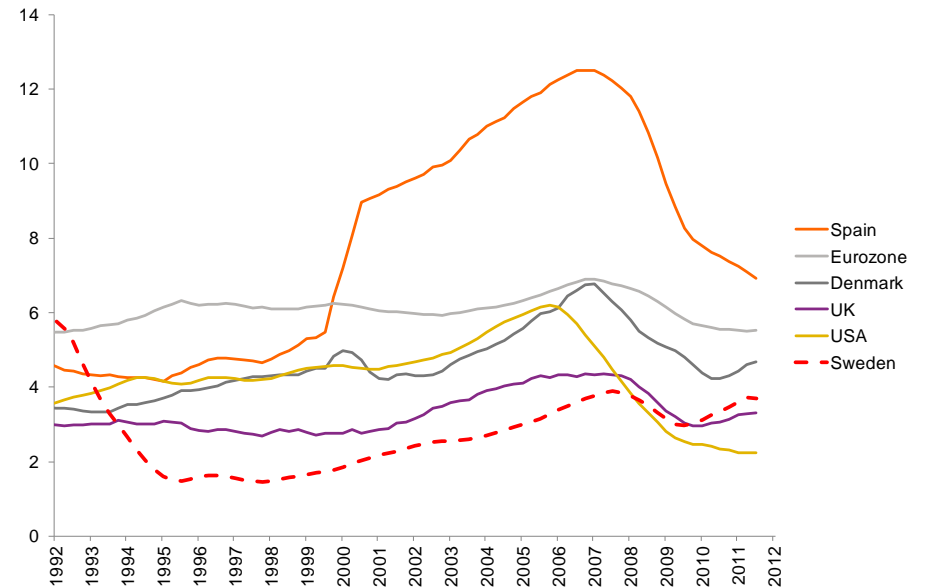
As per Q3 2012, 16,800 apartments were completed during 2012

Housing completions, apartments in Multi-family dwellings and Single-family houses in Sweden



Source: Statistics Sweden, May 9, 2012 (data as per FY 2011)

Housing investments as a percentage of GDP (4Q moving average)



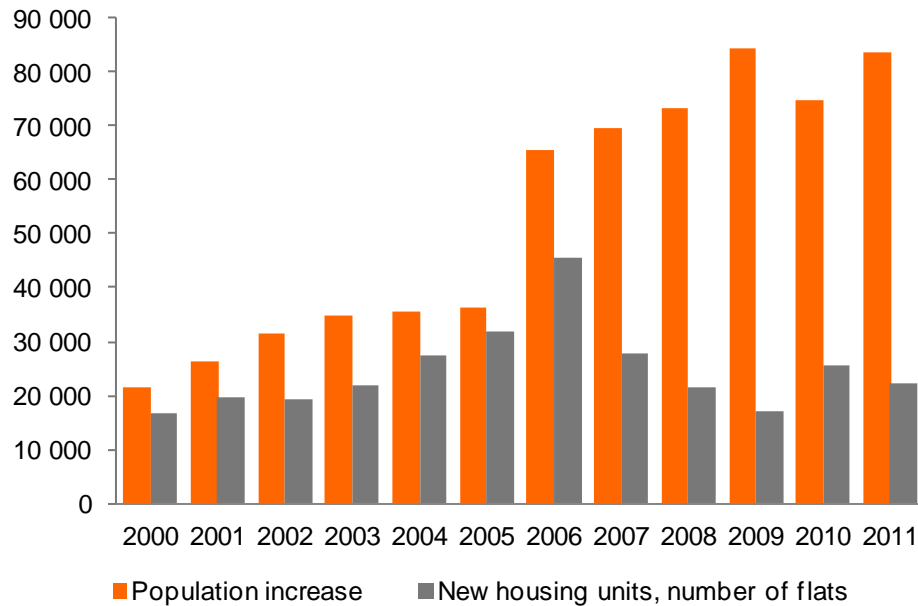
Source: Reuters Ecowin, Oct 20, 2012 (data as per Q2 2012)

Population growth far exceeds housing unit growth

- Number of households increase as population grow

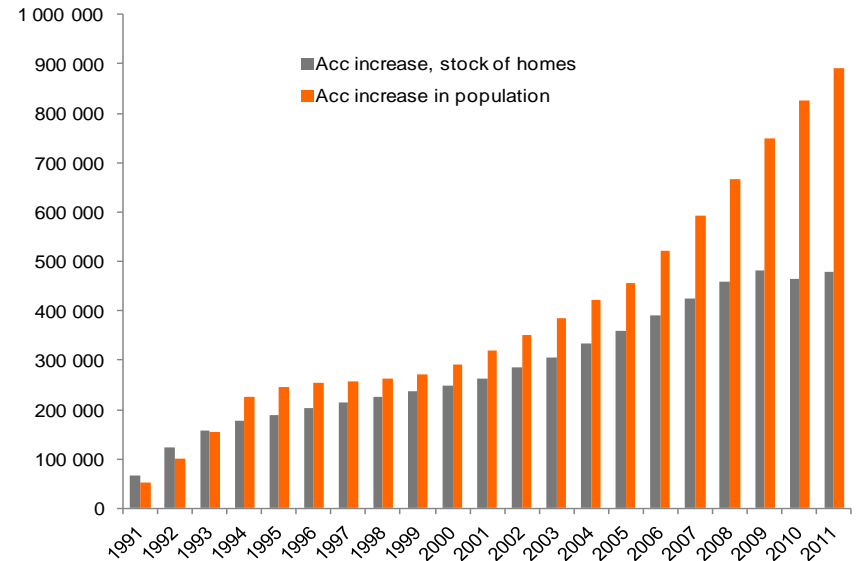
Population- and new housing starts

Number of homes / persons



Population- and housing growth

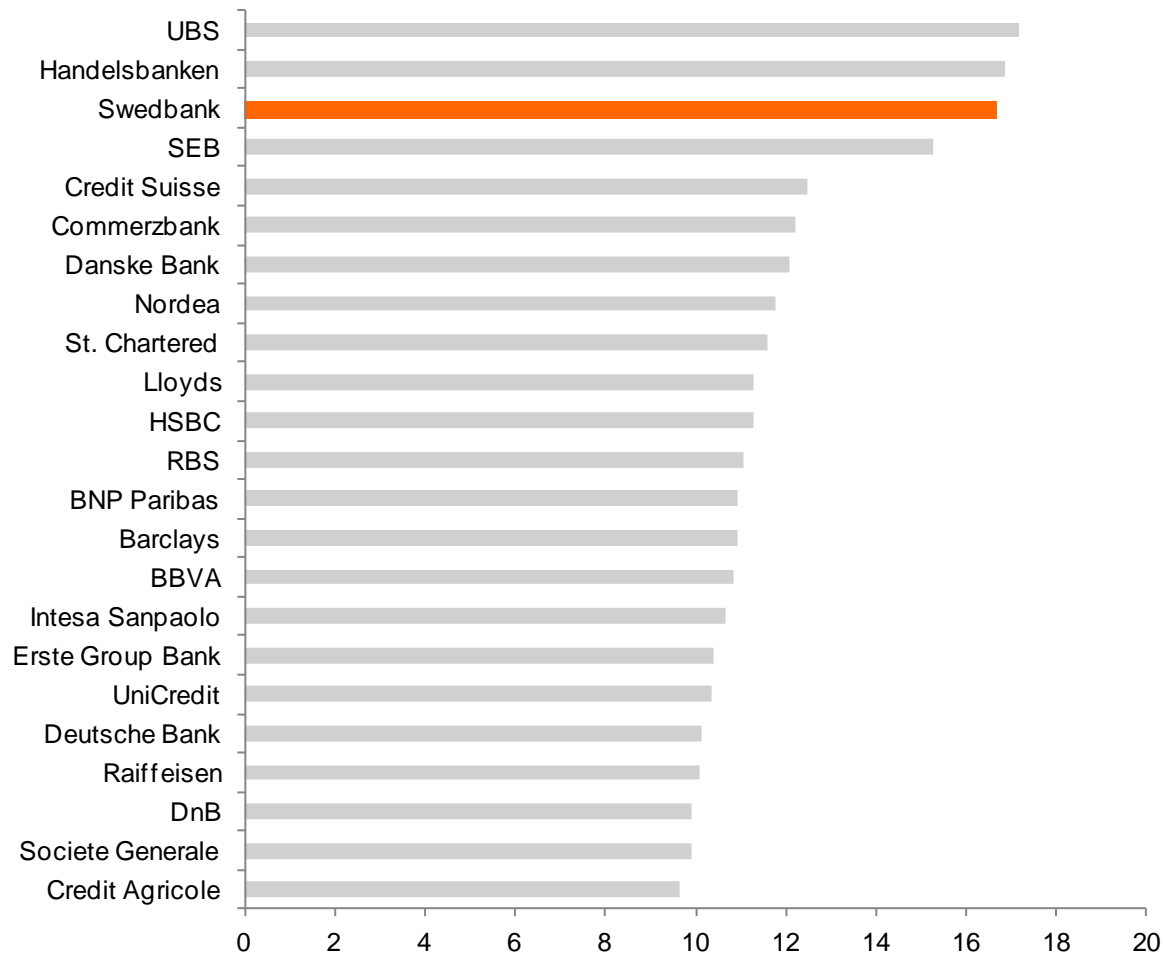
Number of homes / persons



Source: Statistics Sweden April 2012

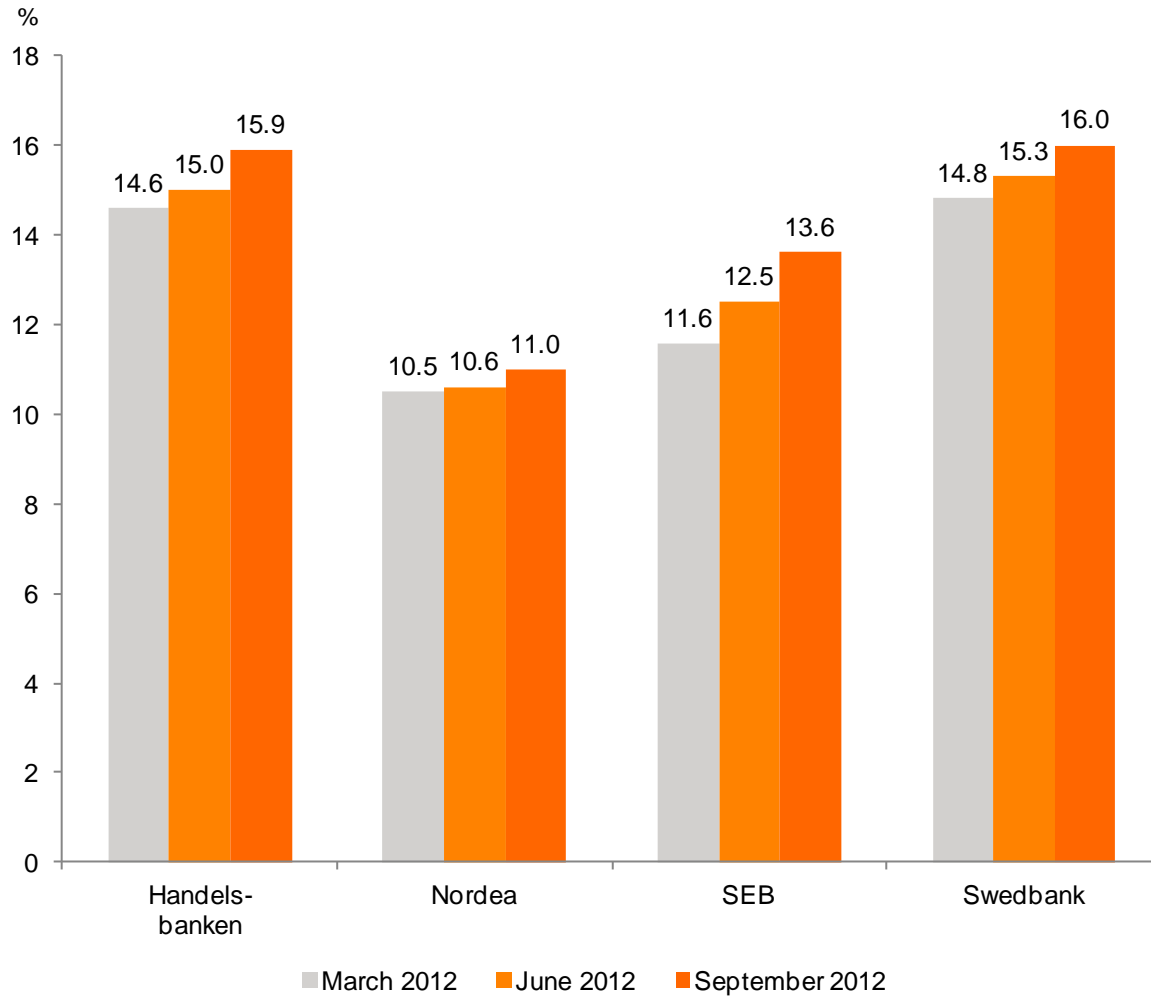
6. Swedish Riksbank's Financial Stability Report

Core Tier 1 capital ratios according to Basel II (June 2012)



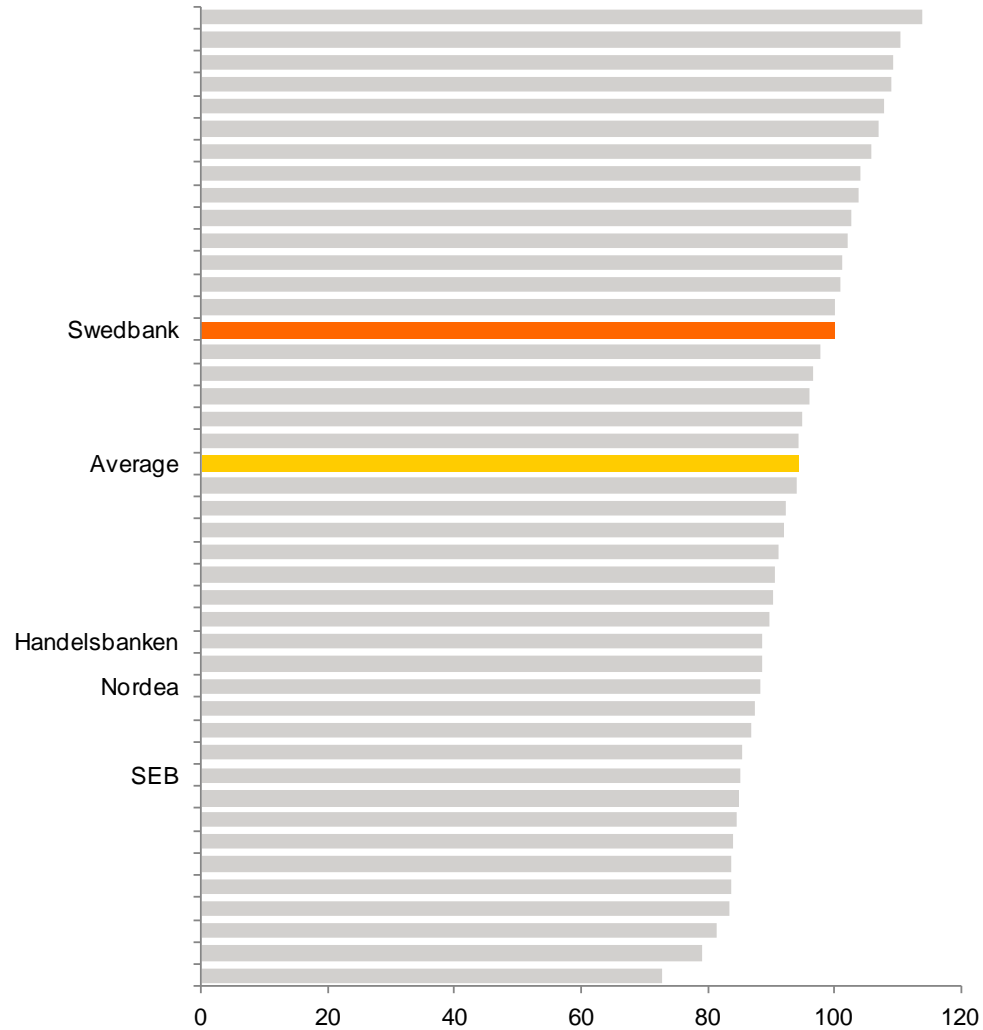
Source: The Riksbank's financial stability report 12:2, Nov 2012, chart 1:4

Common Equity Tier 1 capital ratios according to Basel III



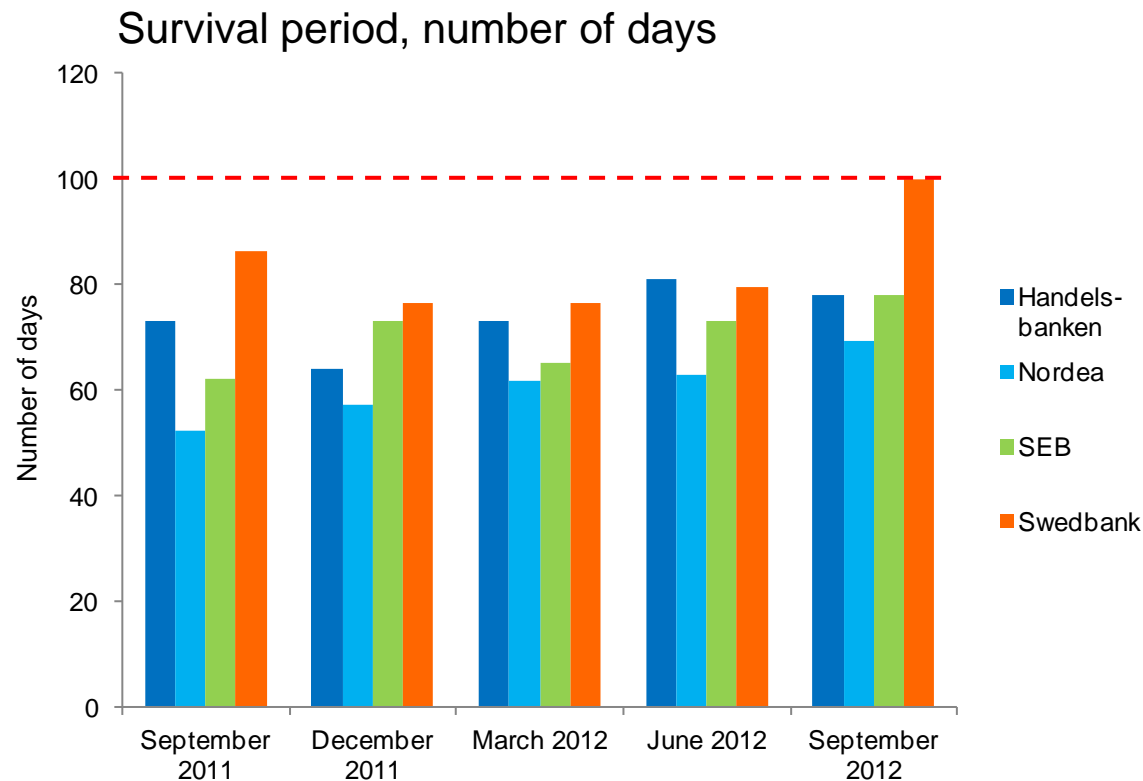
Source: The Riksbank's financial stability report 12:2, Nov 2012, chart 1:13

The Riksbank's structural liquidity measure, percent



Source: The Riksbank's financial stability report 12:2, Nov 2012, chart 1:14

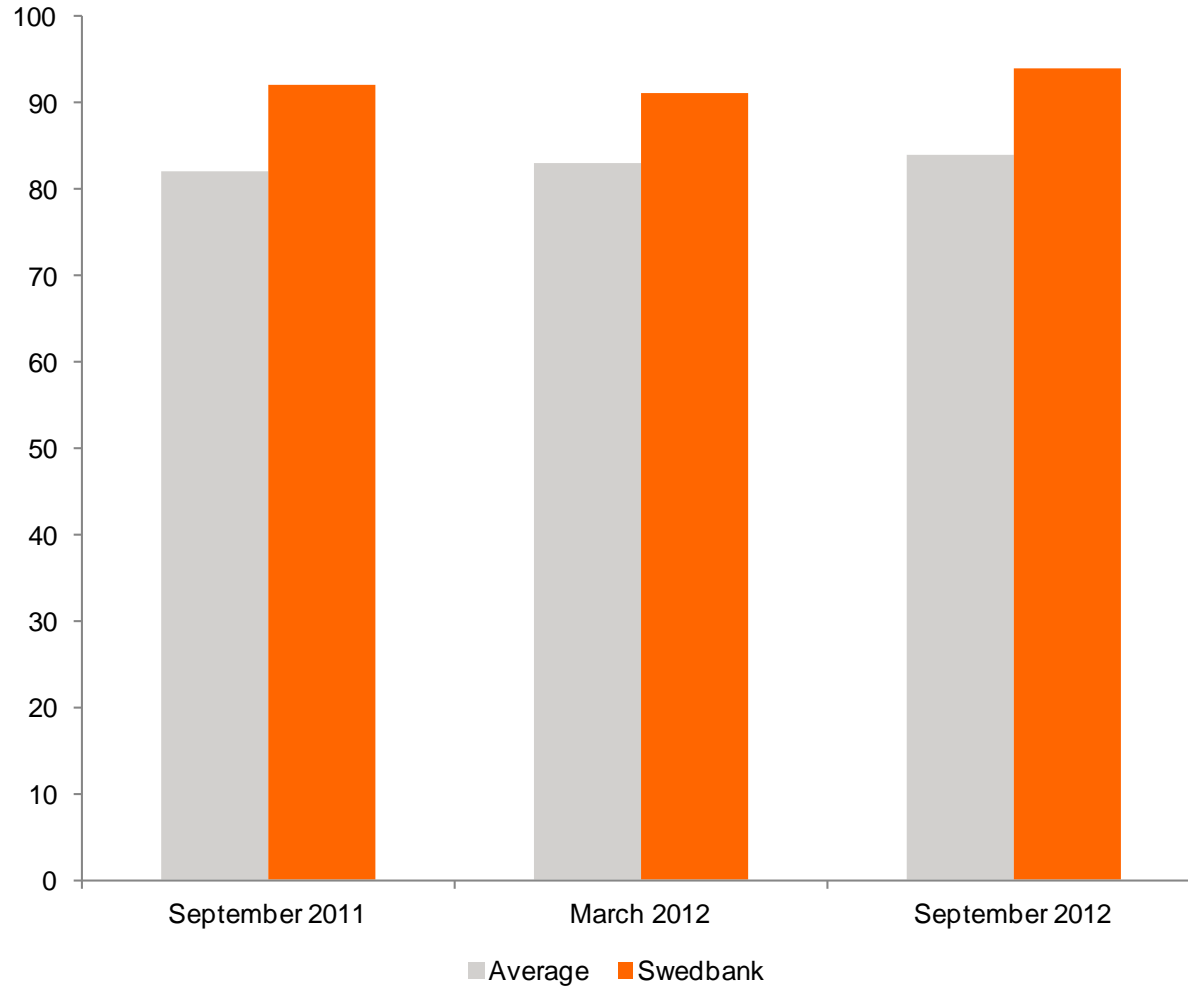
The Riksbank's short-term liquidity measure



Note. The Riksbank's short term liquidity measure is volatile and can vary over the year. The measure can be influenced by factors such as substantial bond maturities.

Source: The Riksbank's financial stability report 12:2, Nov 2012, chart 5:12

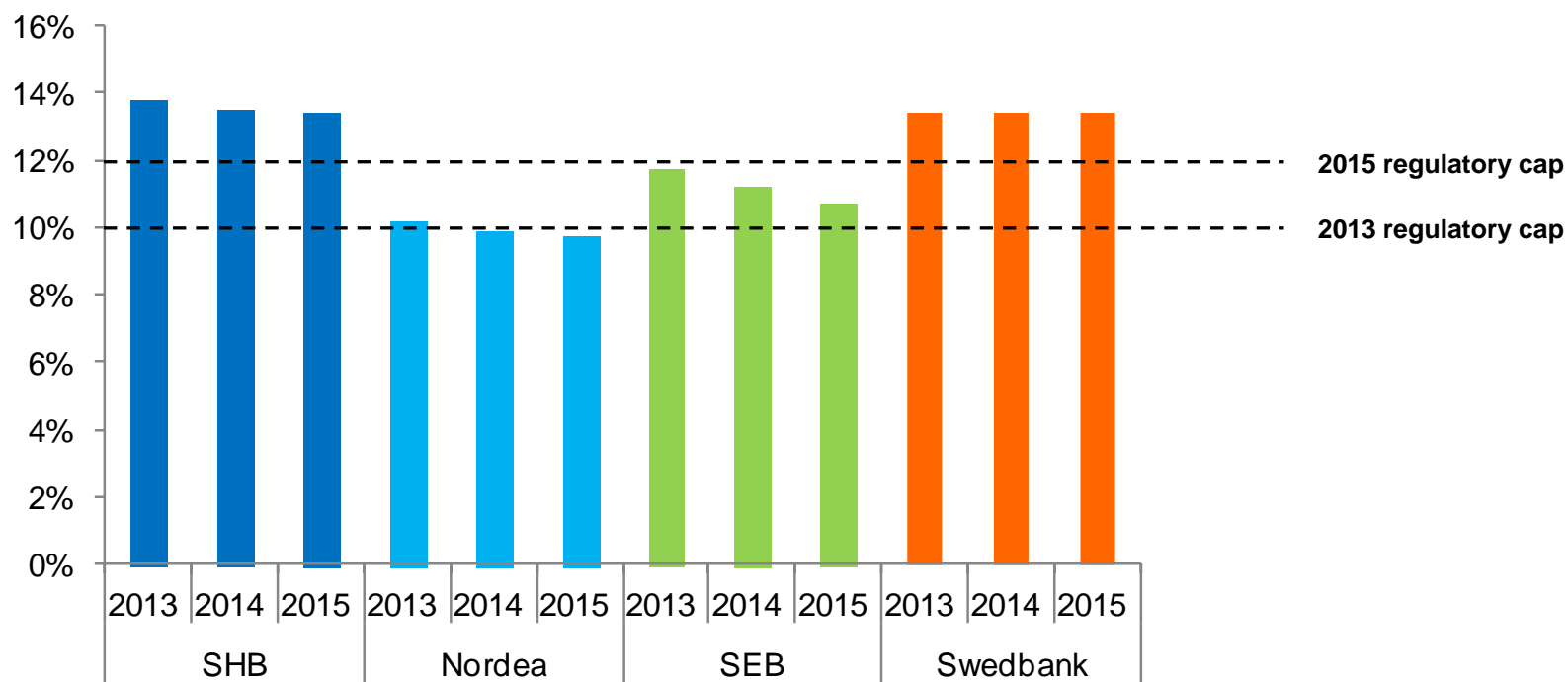
The major banks' average NSFR



Source: The Riksbank's financial stability report 12:2, Nov 2012, chart 1:5 and Swedbank Fact book

Profit and capital ratios in stress test

	SHB			Nordea			SEB			Swedbank		
	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Profit before impairments	17.2	17.2	17.2	38.8	38.8	38.8	14.8	14.8	14.8	16.7	16.7	16.7
Impairments	-15.4	-17.4	-16.9	-36.4	-40.1	-38.6	-14.3	-17.5	-16.6	-12.0	-15.2	-14.6
Operating profit	1.8	-0.2	0.3	2.4	-1.3	0.2	0.5	-2.7	-1.8	4.7	1.5	2.1
CT1 capital, end of year (Basel II)	87	87	87	183	181	182	91	88	98	82	83	85
RWA end of year (Basel II)	510	514	518	1 625	1 655	1 689	618	626	636	500	506	513
CT1 capital ratio, Basel II	17.1%	16.9%	16.8%	11.3%	10.9%	10.8%	14.7%	14.1%	15.4%	16.4%	16.4%	16.6%
CT1 capital ratio, Basel III	13.8%	13.5%	13.4%	10.2%	9.9%	9.7%	11.7%	11.2%	10.7%	13.4%	13.4%	13.4%



Source: The Riksbank's financial stability report 12:2, Nov 2012, Table 5:5, page 61

Appendix

This is Swedbank

The Bank for the many people, households and businesses

Sweden

Population	9.5m
Private customers	4.0m
Corporate customers	266 000
Organisations	67 000
Branches	310
ATMs	635
Cards	3.8m
Employees	7 981

Latvia

Population	2.2m
Private customers	0.9m
Corporate customers	82 000
Branches	54
ATMs	412
Cards	1.0m
Employees	1 740

Estonia

Population	1.3m
Private customers	1.0m
Corporate customers	116 000
Branches	58
ATMs	502
Cards	1.1m
Employees	2 438

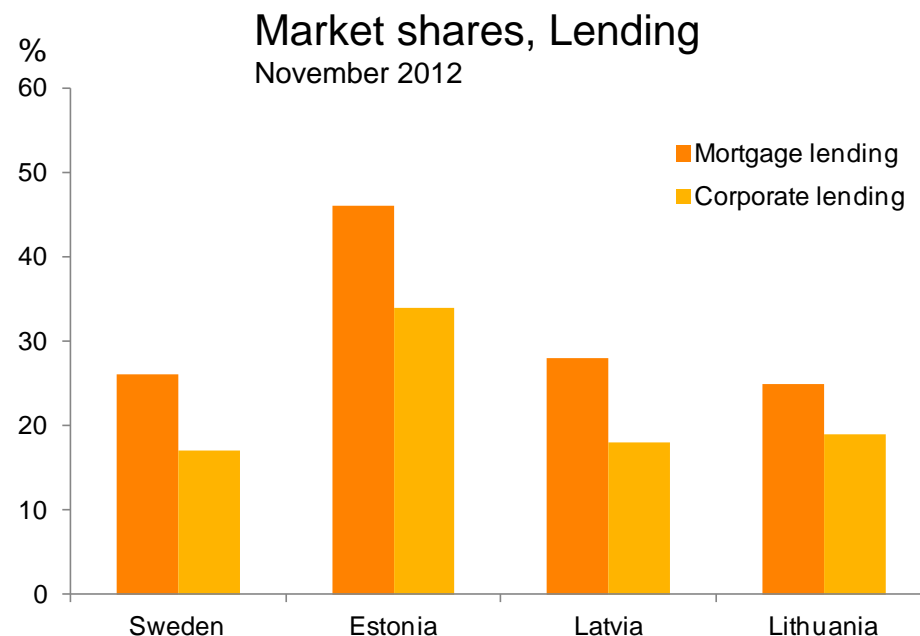
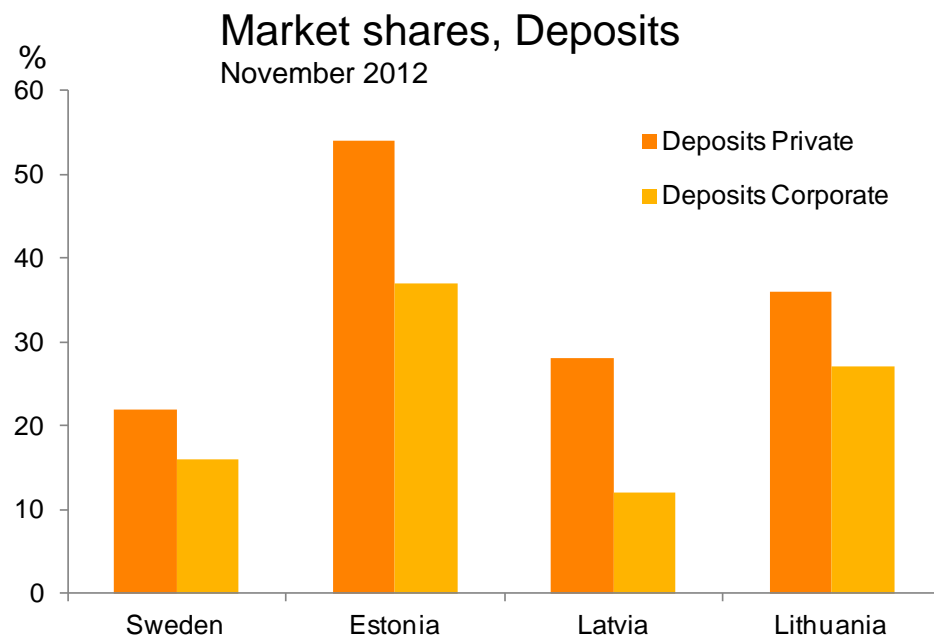
Lithuania

Population	3.2m
Private customers	1.9m
Corporate customers	84 000
Branches	82
ATMs	502
Cards	1.9m
Employees	1 956

Source: Swedbank Fact book Q4, 2012

Market leading retail franchise in all home markets

- Largest retail bank and fund manager in Sweden



Source: Source Sweden: Statistics Sweden (SCB)

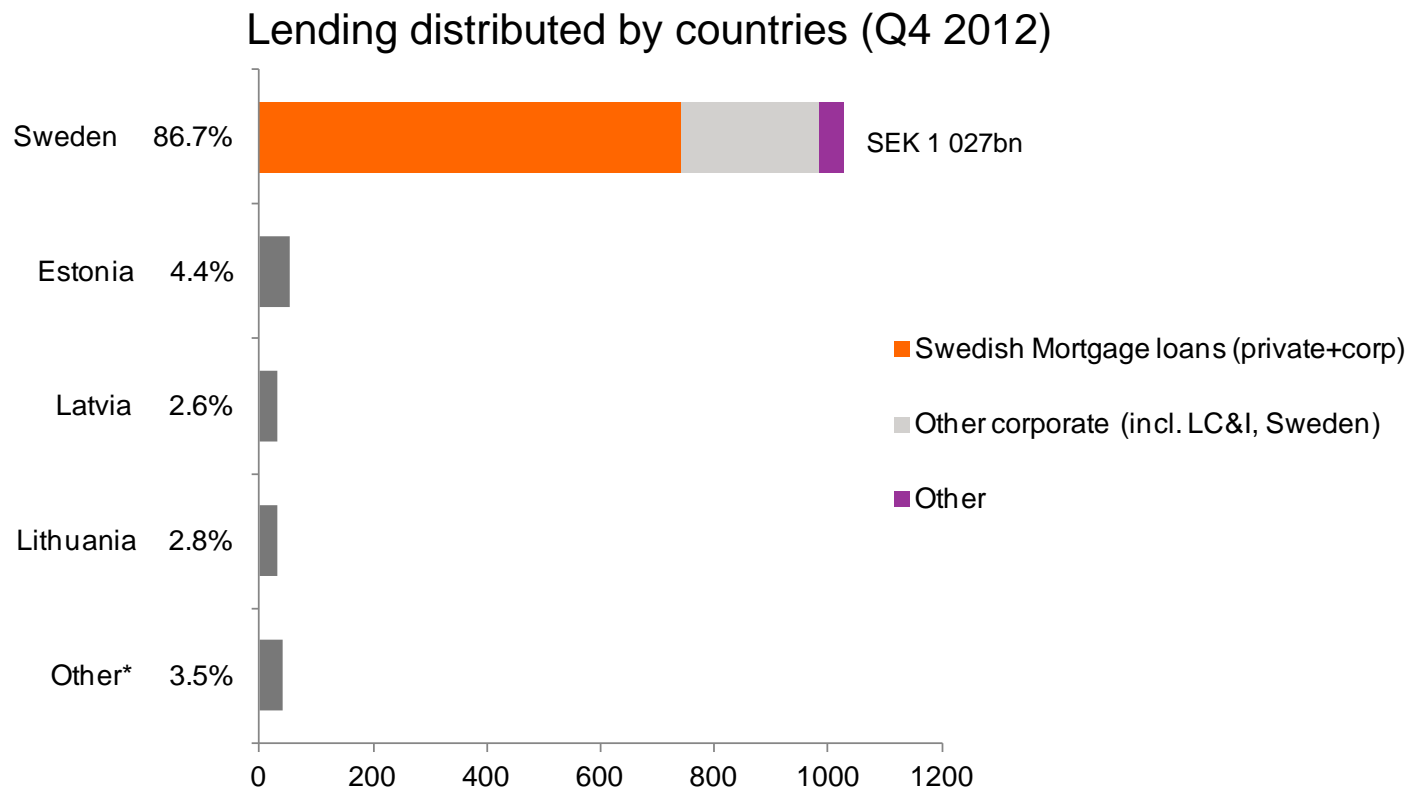
Source Estonia: Estonian Central Bank

Sources Latvia: Association of Commercial Banks of Latvia (ACBL) & The Financial and Capital Market Commission (FCMC)

Source Lithuania: Association of Lithuanian Banks (LBA)

Sweden – the dominating home market

- Total lending to the public amounts to SEK 1,184bn (as per Q4 2012), out of which around 87% is originated in Sweden
- Estonia makes up 45% of total lending in the Baltics



Source: Swedbank Fact book Q4 2012, page 39 * Russia & Ukraine, Denmark, Norway, Finland and NY Branch

Baltic market fundamentals

- Legal and institutional framework
- Fiscal position
- Market concentration
- Absence of “irrational” players
- Sophisticated product penetration
- Swedbank retail and deposit incumbent
- GDP / capita less than half of Sweden’s
- Risk mitigators
 - Loan-to-deposit restriction
 - Group governance model



Financial performance

Stable development

SEKm	Q2	Q3	Q4	▲Q/Q
Net interest income	3 404	3 447	3 407	-40
Net commissions	1 248	1 269	1 320	+51
Total income	5 138	5 209	5 107	-102
Total expenses	2 345	2 357	2 432	+75
Profit before impairments	2 793	2 852	2 675	-177
Credit impairments	100	69	102	+33
ROE, %	24.6	24.4	26.2	
C/I ratio	0.46	0.45	0.48	

- Deposit margins pressure
- Repricing lending
- Increased sales of funds support commissions
- Solid asset quality

Improved profitability

SEKm	Q2	Q3	Q4	▲Q/Q
Net interest income	825	852	824	-28
- of which LC/FI*	666	689	729	+40
Net commissions	346	379	443	+64
Net gains and losses	316	341	412	+71
Total income	1 499	1 581	1 703	+122
Expenses excl. variable staff costs	602	638	612	-26
Variable staff costs	118	66	71	+5
Profit before Impairments	779	877	1 020	+143
Credit impairments	54	-35	152	+187

ROE, %	9.8	14.2	17.5
C/I	0.48	0.45	0.40

* Large Corporates/Financial Institutions

- Continued growth in Large Corporates NII
- High activity debt capital markets and corporate finance (Norway)
- Equities continue to be slow
- Credit impairment – one large exposure

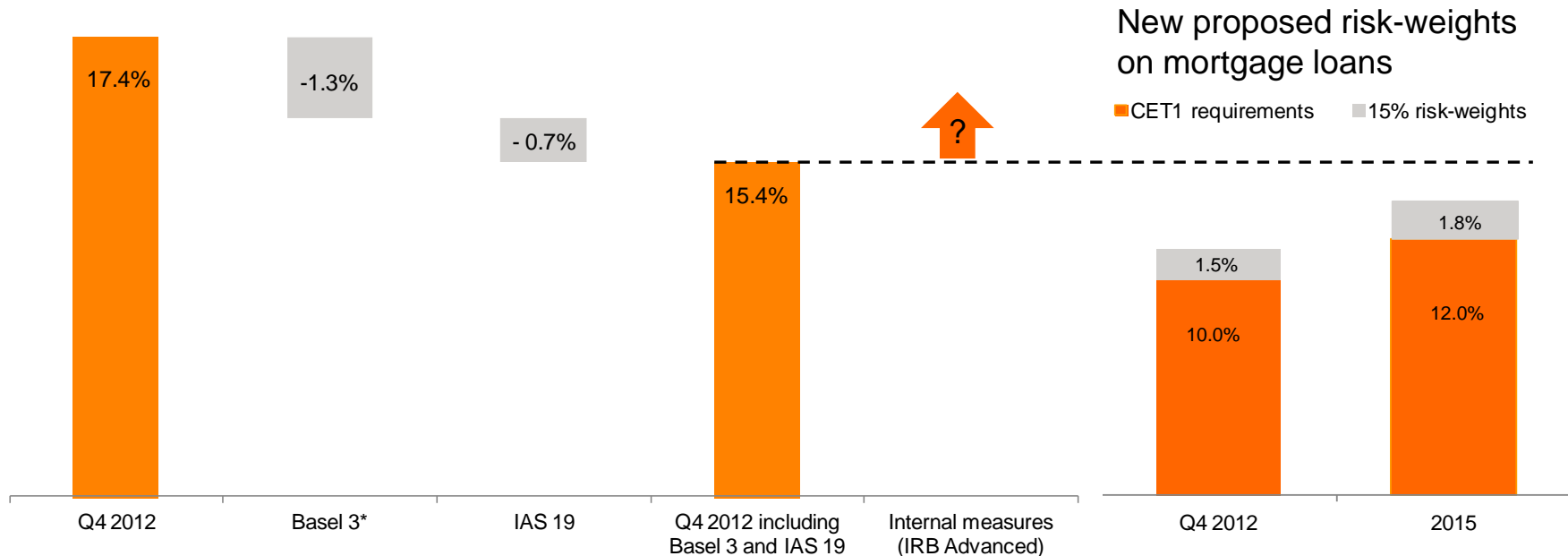
Slow banking environment

SEKm	Q2	Q3	Q4	▲Q/Q
Net interest income	870	755	761	+6
Net commissions	378	360	351	-9
Total income	1 430	1 273	1 275	+2
Total expenses	588	553	631	+78
Profit before impairments	842	720	644	-76
Credit impairments	-204	-18	-329	-311
ROE, %	14.8	11.0	13.7	
C/I	0.41	0.43	0.49	

- Lower Euribor affected NII
- Small lending growth in EUR
- One-off in Lithuania SEK -35m affecting commissions
- Seasonally higher expenses
- Recoveries continued
- Further efficiency focus needed

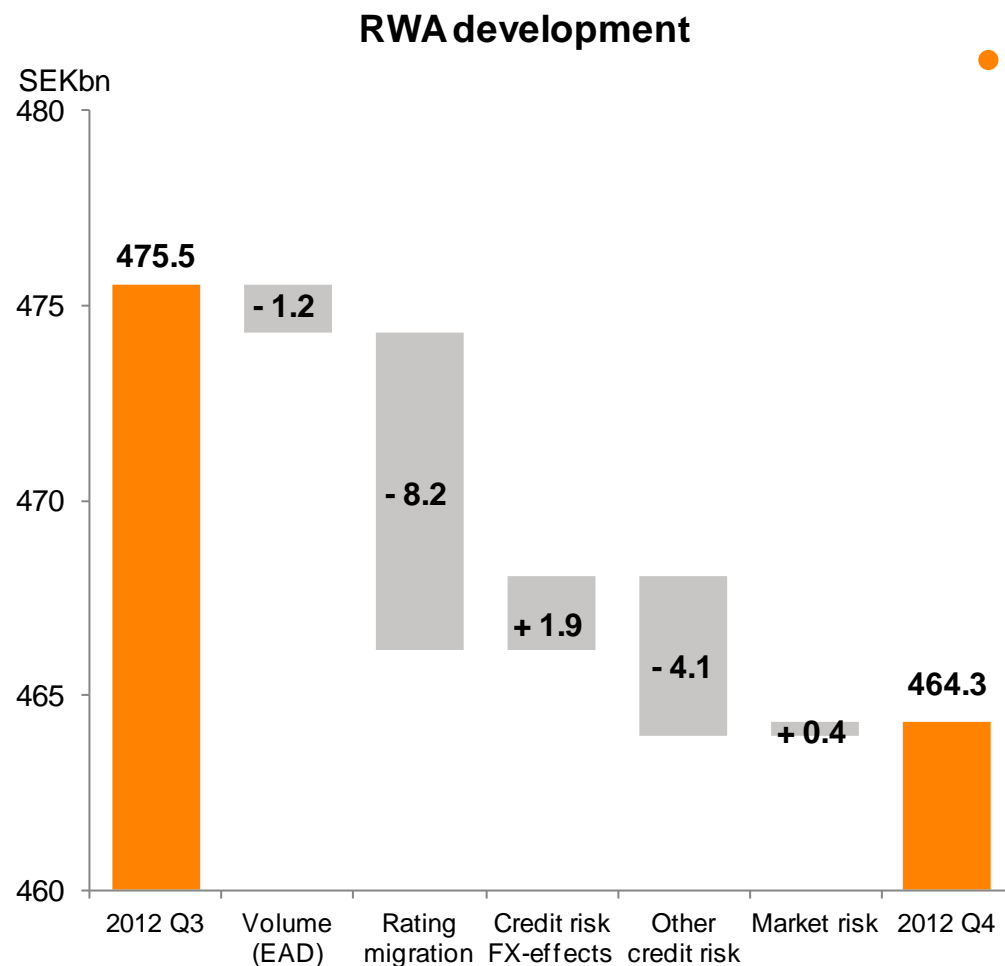
Strong capitalisation – CET1 ratio of 17.4% (full Basel 2)

- Negative impact on CET1 ratio of 130bps under full Basel 3
- New 15% RW-floor on Swedish mortgage loans - Pillar 2 requirement



Source Swedbank , Dec 31 2012 * Swedbank 's estimate on current proposal

Reduced RWA – continued focus

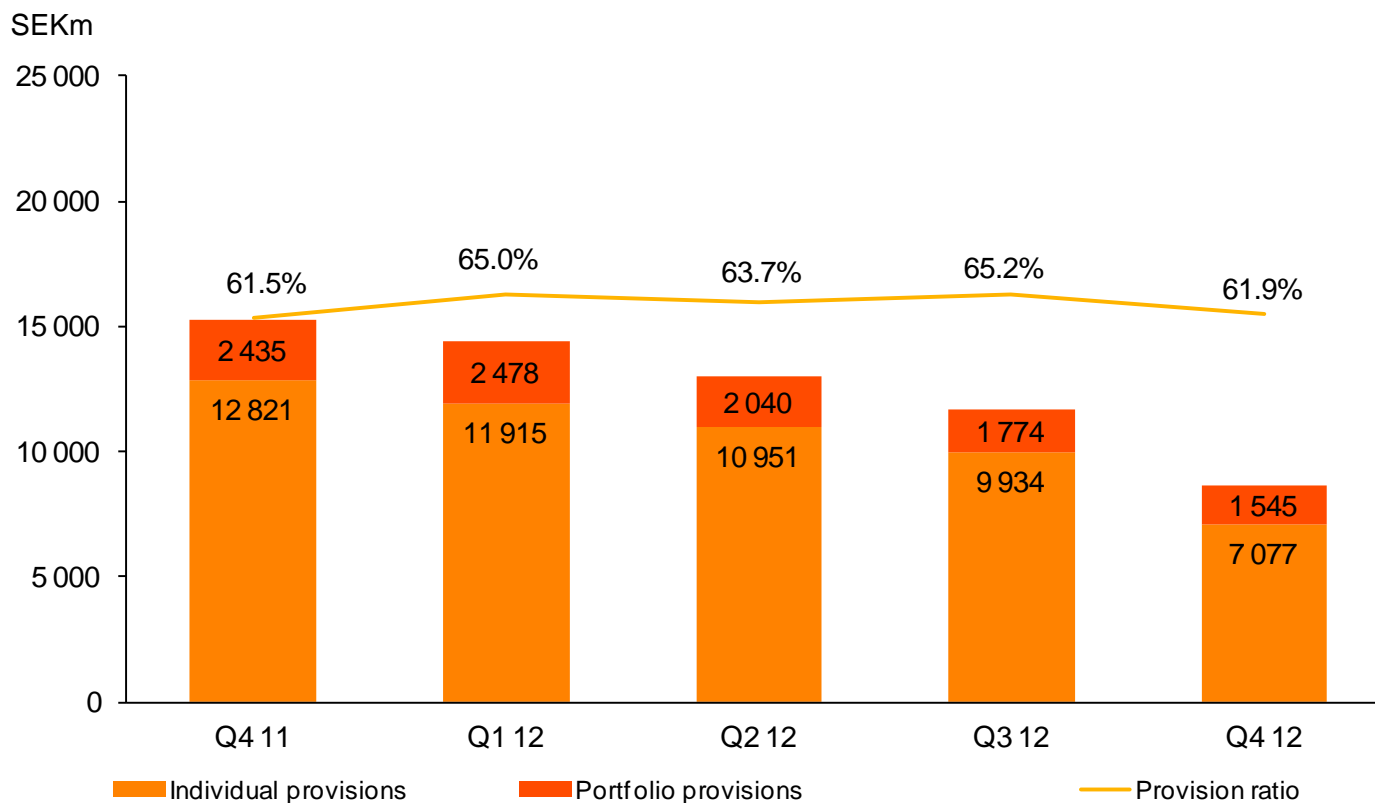


- RWA down SEK 11bn in quarter
- Positive P/D changes

Application for IRB-A filed Q4

Asset quality

Provisions – conservative coverage ratio

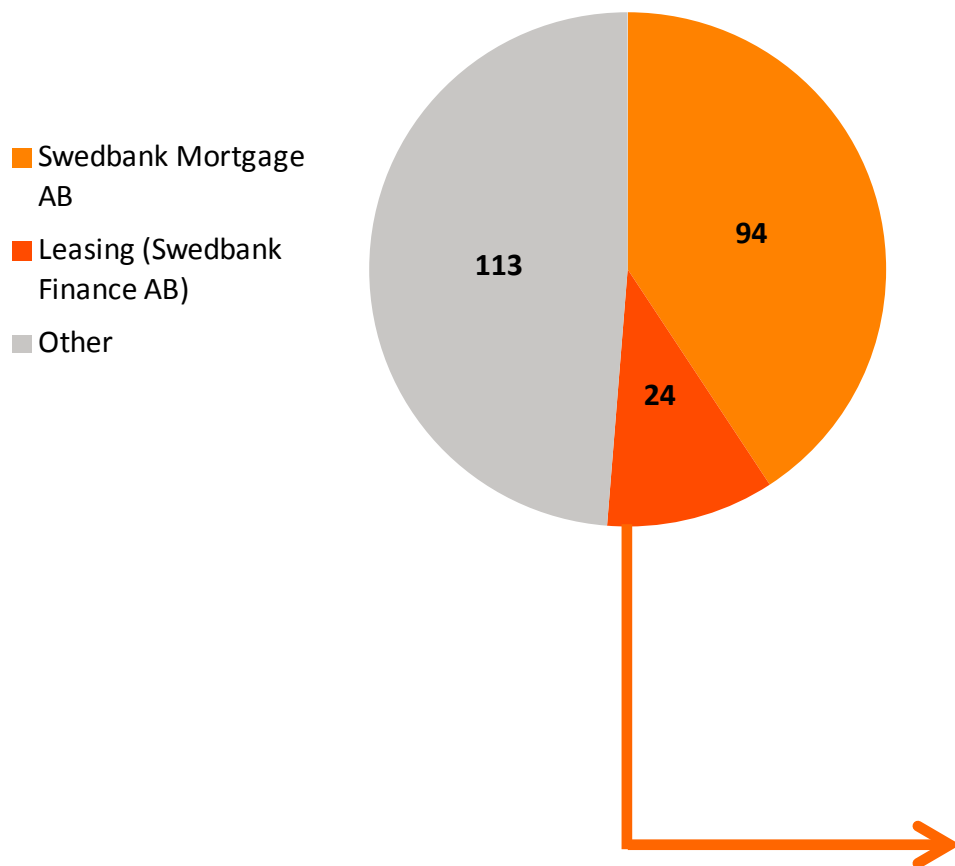


Provision ratios, %	Q4 12
Retail	75
LC&I	166
Baltic Banking	52
Russia	64
Ukraine	78
Group	62

Source: Swedbank Dec 31, 2012

Corporate Retail portfolio will drive capital efficiency

Total portfolio SEK 231bn

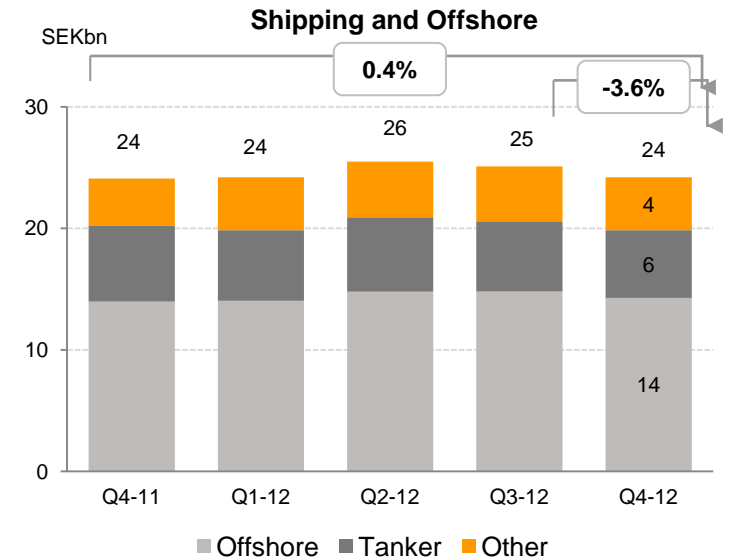


Segments excl. Swedbank Mortgage and Swedbank Finance	Volume (SEKbn)	Secured (%)
Agriculture	6.0	82
Manufacturing	11.3	70
Public sector and utilities	4.7	86
Construction	4.4	85
Retail	8.8	89
Transportation	2.0	78
Shipping	0.1	95
Hotels and restaurants	3.0	90
Information & communication	0.9	49
Finance and insurance	3.3	79
Property management	54.9	96
Professional service	6.7	59
Other	6.4	61
Total	113	86

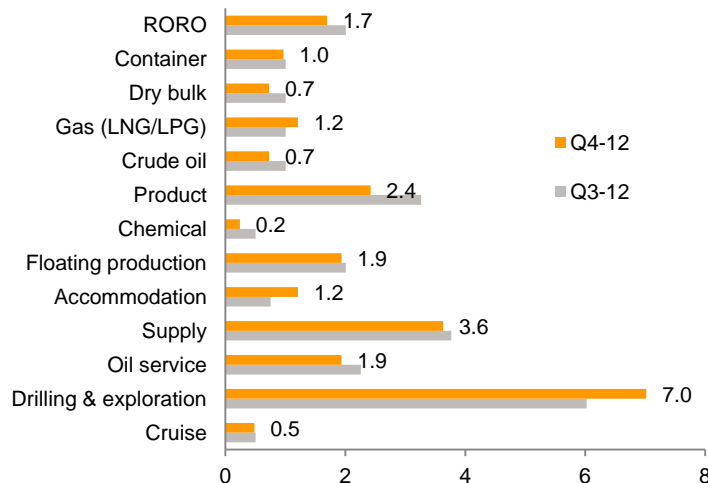
Source: Swedbank Dec 31, 2012

Shipping and offshore

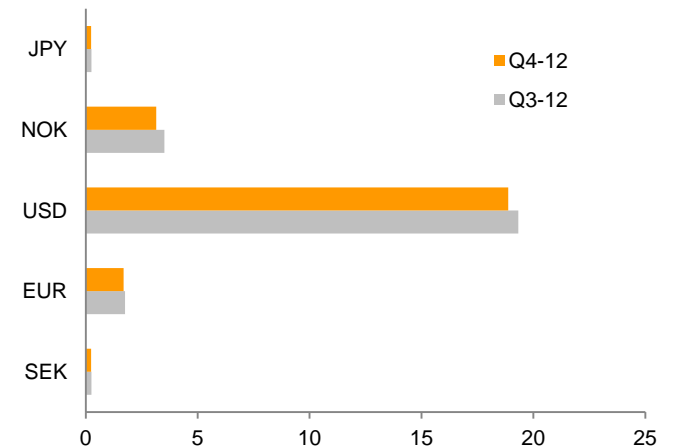
- Lending exposure to shipping and offshore sector of SEK 24.2bn plus unutilised commitments of SEK 7.9bn
 - Portfolio duration 4-5y
 - Average fleet age 7y
 - Strong employment profiles



Shipping and Offshore Portfolio by Subsegment



Shipping and Offshore Portfolio by Currency



Source: Swedbank Dec 31, 2012

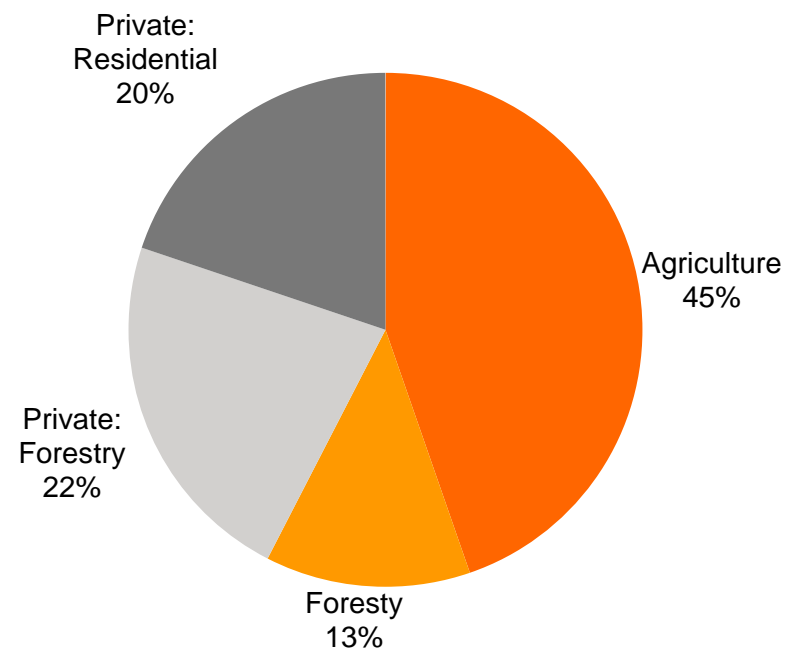
Credit portfolio – Agriculture

- **Segmentation Definitions**

- **Corporate Agriculture:** Business that derive their main income from Agricultural activities
- **Private Investments:** Private individuals who own the agricultural properties for living or investment purposes

- **Lending to the Agriculture Industry 62.9bn**

- Corporate Agriculture: (58%)
 - Agriculture 45%
 - Forestry 13%
- Private Investments (42%)
 - Residents: 20%
 - Forestry: 22%



Liquidity and funding

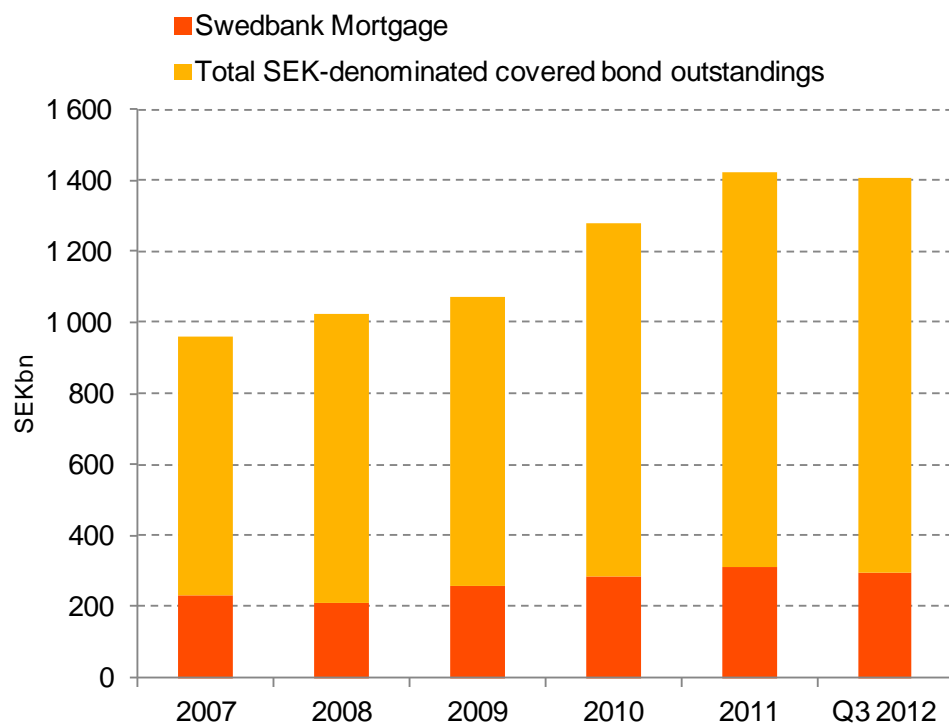
Structure of the Swedish domestic covered bond market

- Benchmark system established in early 1990s
- Tap issuance enhances liquidity and reduces execution risk
 - Continuous daily issuance
 - Buy-backs against issuance of longer tenors
 - Total issue size often peak at SEK 40-60bn
- Market making at pre-set bid/offer spreads

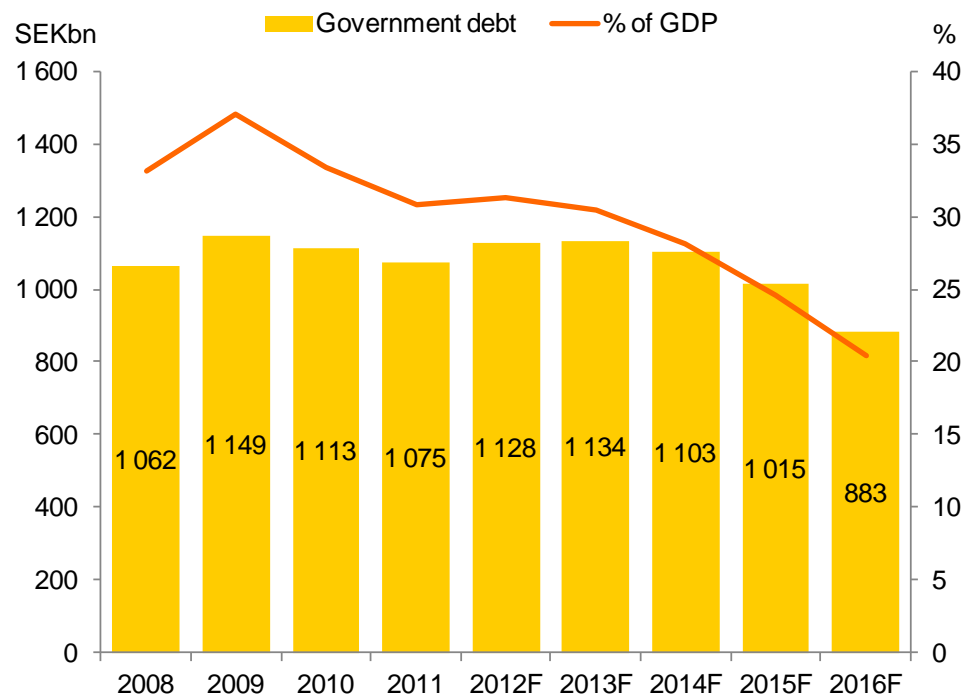
The Swedish covered bond market

- Domestic covered bonds represent approximately 1/3 of GDP and 1/2 of the total Swedish bond market

Swedish Domestic Covered Bonds, in SEKbn



Public debt projections 2012-2016

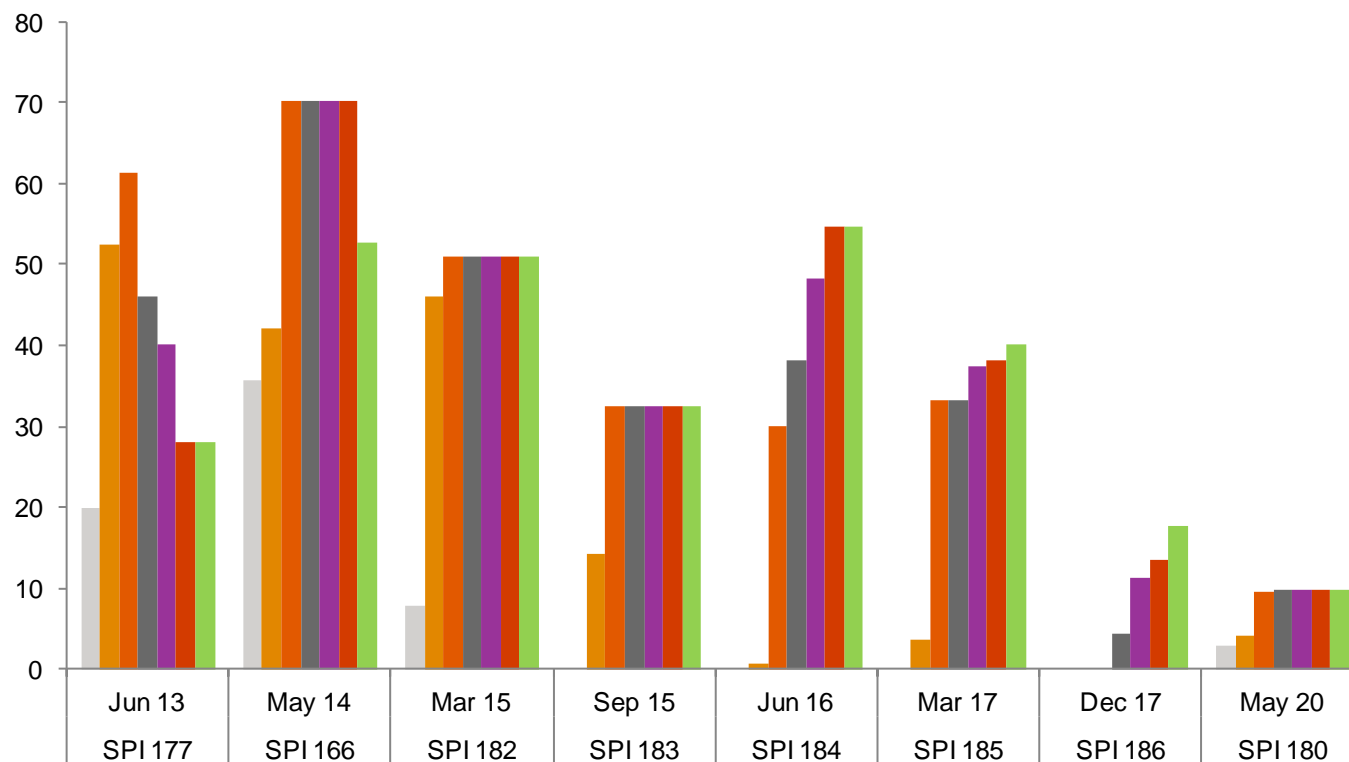


Source: www.ascb.se, Dec 31, 2011

Source: Actual and forecast from government budget statement, Sep 20, 2012

Swedbank's domestic covered bonds

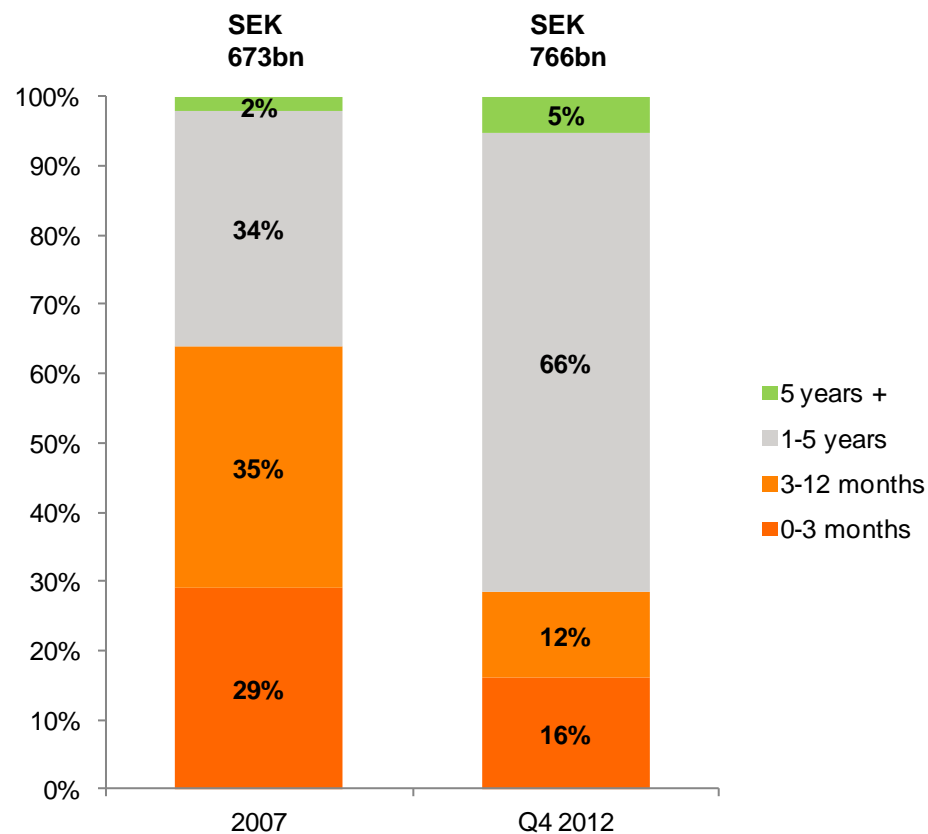
SEKbn ■ 2009-12-31 ■ 2010-12-31 ■ 2011-12-31 ■ 2012-03-31 ■ 2012-06-30 ■ 2012-09-30 ■ 2012-12-31



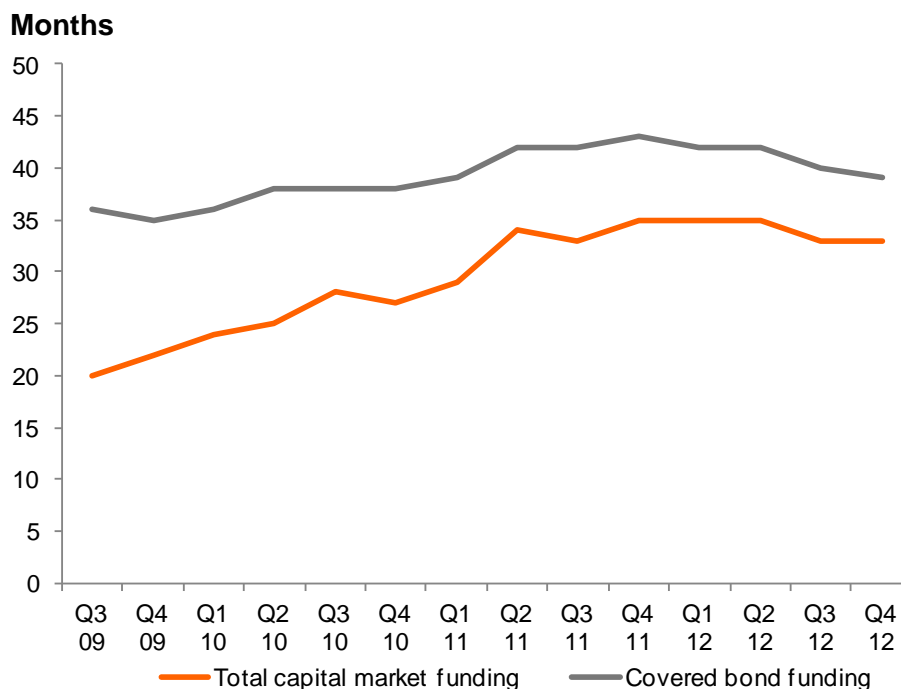
Source: Swedbank, Dec, 2012

Fundamental change of maturity profile

- 2007 – 64% of wholesale funding < 12 months, SEK 13bn in central bank deposits
- Q4 2012 – 28% of wholesale funding < 12 months, SEK 131bn in central bank deposits



Average maturity profile of outstanding market funding

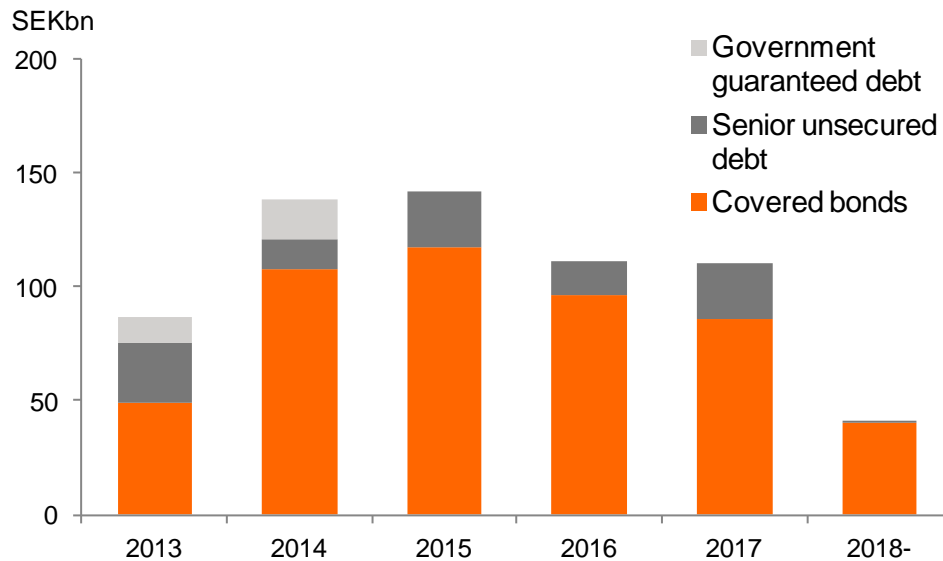


Source: Swedbank, Dec 31, 2012

Long-term funding maturity profile

- FY 2013 maturities amount to nominal SEK 86bn

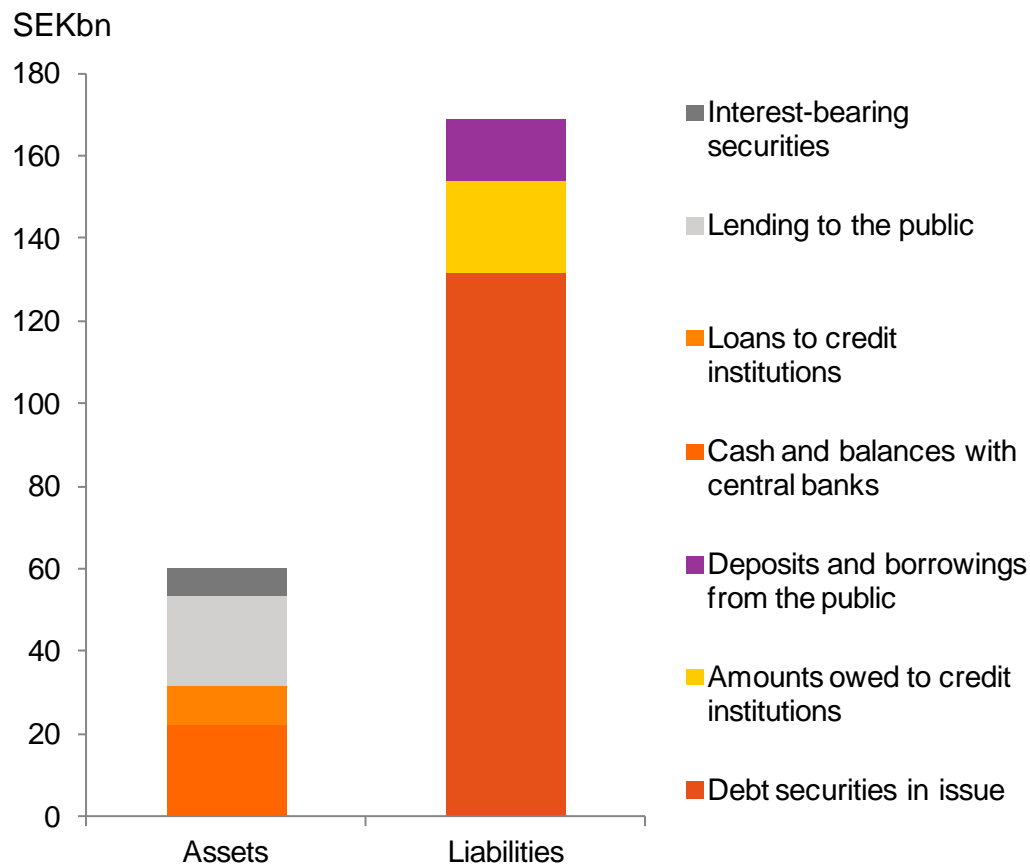
Long-term funding maturity profile



Source: Swedbank Dec 31, 2012

Limited need for USD-funding

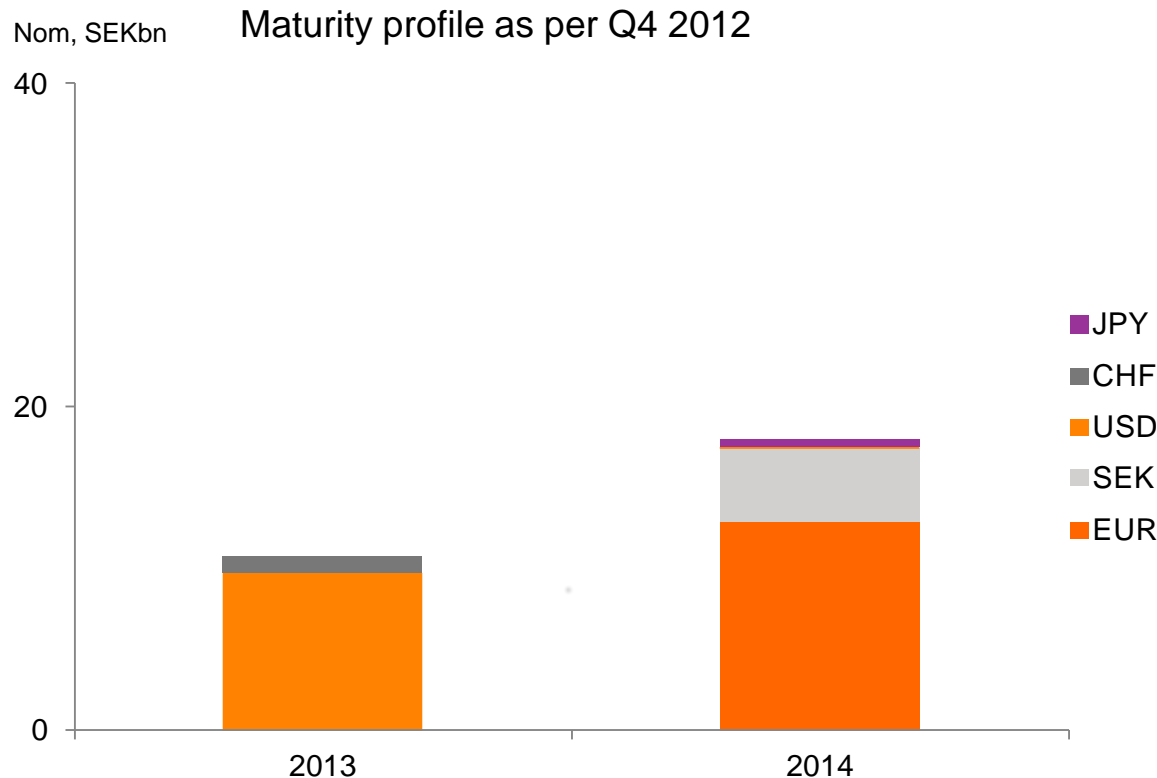
- USD-funding need covered for more than 12 months
- Issued USD 1.5bn of covered bonds (144a) FY 2012



Source: Swedbank Fact book, Dec 31, 2012

Remaining government guaranteed debt

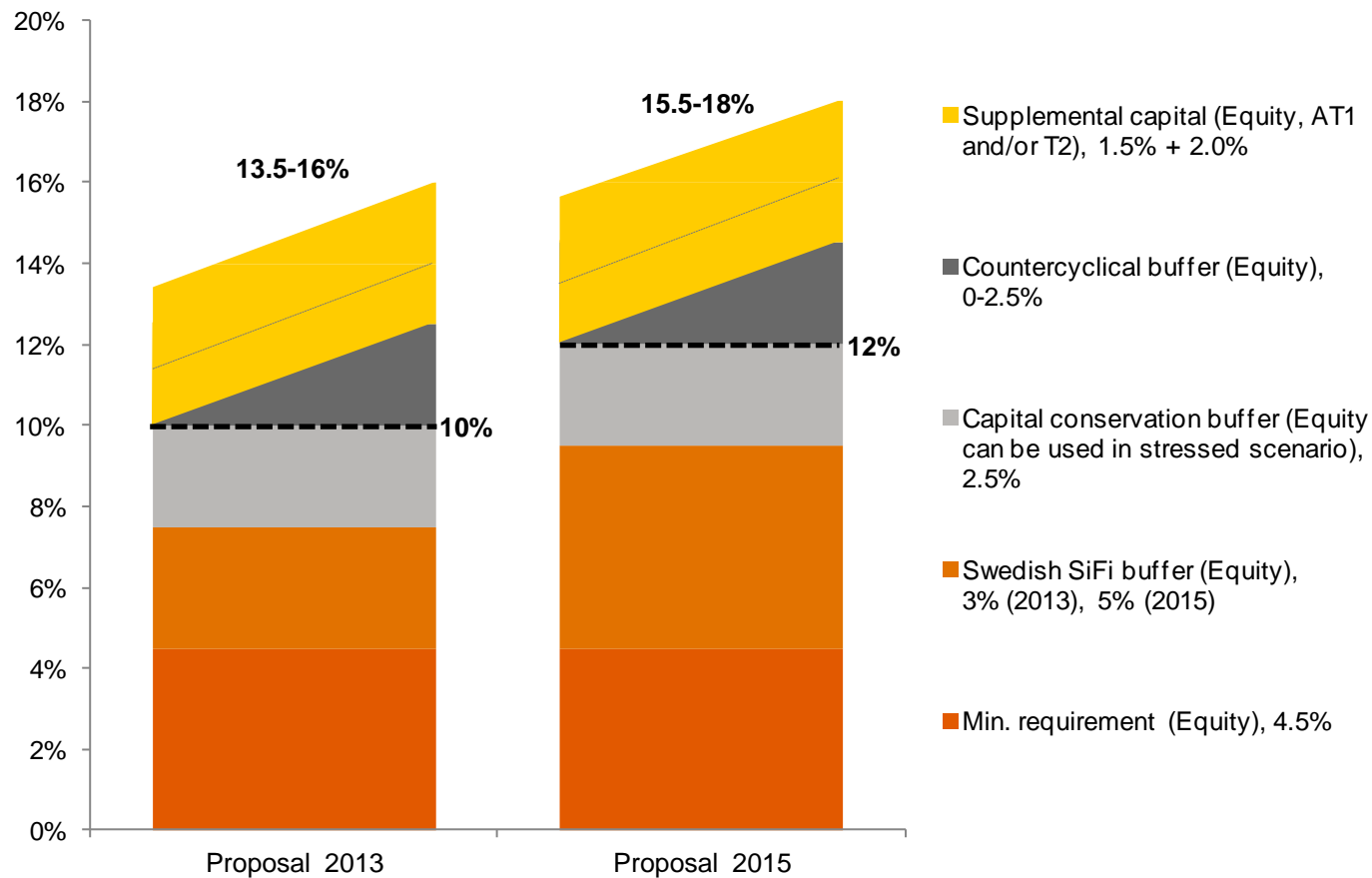
- Exited the programme on 30 April 2010
- No issuance under the programme since summer 2009
- Remaining outstanding debt of SEK 30bn maturing during 2013 and 2014, of which SEK 10bn matured in January 2013



Source: Swedbank Dec 31, 2012

Swedish capital requirement proposal

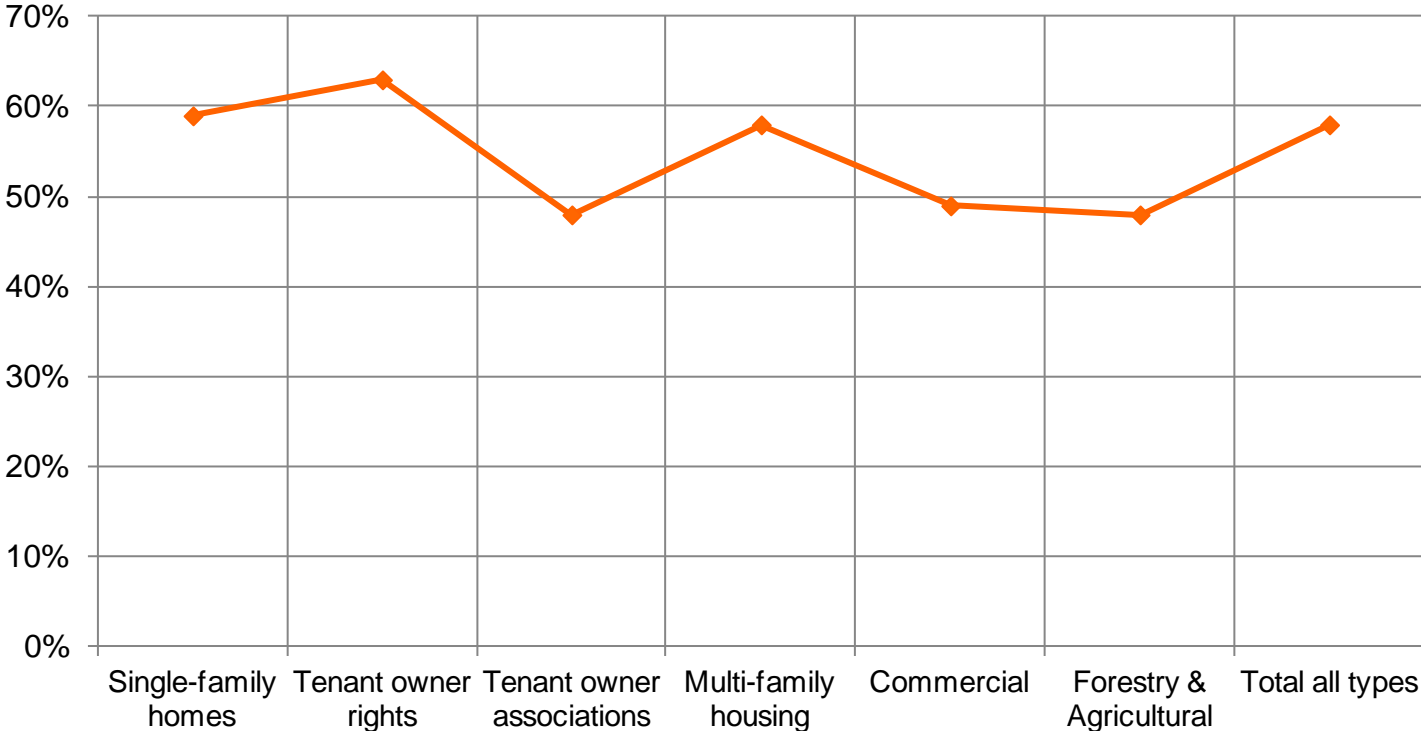
- Delayed, earliest implementation mid of 2013



Source: The Ministry of Finance, the Riksbank and the Swedish FSA

Cover pool loan-to-value distribution

WA LTV per property type¹



Source: Swedbank, Dec 31, 2012 (¹excluding public sector loans)

Overview of the Swedish covered bond legislation

The Covered Bond Act

- The Covered Bond Act entered into force on July 1, 2004 and is over-sighted by the Swedish FSA. Its main characteristics are:
 - ▶ Dual recourse to the issuer and cover pool
 - ▶ Dynamic, regulated pool of assets – frequently monitored by the Swedish FSA via appointment of an independent inspector
 - ▶ Regulated valuation of cover pool assets
- The cover pool may consist of certain mortgage credits, public credits and supplemental assets

Loan-to-value Ratios and Other Limitations

- Maximum LTVs: Residential 75%, Agricultural 70%, Commercial 60%
- Maximum 10% commercial loans and 20% supplemental assets in cover pool
- Regular monitoring of the property values (reviewed on a monthly basis by Swedbank)

Matching Requirements

- The cover pool value shall always exceed the aggregate value of claims (including derivatives)
- A sound balance in terms of FX, interest rates and maturities must be achieved. It is deemed to exist when the present value of the cover pool at all times exceed the present value of liabilities (including derivatives), even on a stressed basis
- Non-performing assets in the cover pool which are more than 60 days overdue must be disregarded for the purposes of the matching tests

Benefit of a priority right over the cover pool

- Holders of covered bonds and relevant derivative counterparties benefit from a priority claim over the cover pool should the institution be declared bankrupt
- Holders of covered bonds and relevant derivative counterparties rank pari passu ahead of unsecured creditors and all other creditors of the Institution in respect of assets in the cover pool

Administration in event of bankruptcy

- The assets in the cover pool, the covered bonds and any relevant derivative contracts that have been entered into the Register are required to be maintained as a unit and kept segregated from other assets and liabilities of the bankruptcy estate of the Institution
- The administrators-in-bankruptcy are then required to procure the continued timely service of payments due under the covered bonds and any relevant derivative contracts

Source: www.ascb.se

Funding sources

Swedbank AB

100% owned

Swedbank Mortgage AB*

Program	Limit
Long Term	
Global MTN	USD 40bn
Domestic MTN	SEK 60bn
USD Senior (144a/Reg.S)	USD 15bn

NSV (stand alone doc.)	
Short Term	
Domestic CD	SEK 80bn
European CP/CD	EUR 6bn
US CP	USD 15bn
Yankee CD	USD 10bn
French CD	EUR 4bn
Finnish CD	EUR 4bn

Program	Limit
Long Term	
Domestic Benchmark CB	Unlimited**
EMTN CB	EUR 25bn
USD Covered bonds (144a/Reg.S)	USD 15bn
Domestic MTN CB	SEK 150bn
Norwegian Benchmark CB	Unlimited**

Registered CB (stand alone doc.)	
Short Term	
Domestic CD	SEK 50bn

- * 100% guaranteed by parent company
 - Irrevocable
 - Unconditional
 - Timely
- ** Limited by cover pool size

Swedish economy

Sweden

- Following three quarters of relatively strong growth, the Swedish economy appears to have slowed sharply in the closing quarter of 2012, due to a combination of weaker external demand and increasing gloominess amongst households and companies.
- The recovery will be slow in the early part of 2013 and thereafter pick up on the back of more expansionary economic policies, stabilizing external markets, and a renewed willingness to spend on behalf of consumers. Growth is forecast at 1.1% in 2013 and 2.6% in 2014. Combating rising unemployment will be the main policy challenge ahead of elections in 2014.

Estonia

- Economic growth slowed substantially in 2012 but remained the highest in the euro area. Increasing investment activity based on EU-financed infrastructure projects was the main growth driver.
- Due to fragile external demand conditions in Nordic countries, export performance will remain weak over the first half of 2013. In addition, state-financed investments are expected to be somewhat smaller than in 2012. As a result, we are lowering the GDP growth forecast for 2013 to 3.1%. Growth is expected to pick up to 4.5% in 2014.

Latvia

- GDP rose by 5.6% in the first nine months of 2012. Exports and household spending have remained strong, while investment growth has dipped. The improved fiscal stance and better chances to adopt the euro in 2014 have led to higher sovereign ratings and cheaper government borrowing.
- We expect growth to slow from 5.4% last year to 4.1% in 2013 due to weak external demand and tougher competition in export markets. Growth is anticipated to pick up to 5% in 2014, when the personal income tax is cut further, global conditions improve, and Latvia joins the euro area.

Lithuania

- The economy expanded in line with our forecast in 2012, and household consumption and exports surprised on the upside, but investments grew slower than expected. Average annual inflation decreased to 3.1% but was slightly above our forecast. Lithuania did not formally apply to join the EMU.
- We have lowered our GDP growth forecast for 2013 and 2014 to 4.0% in both years, mainly due to a weaker outlook for main export markets and domestic policy uncertainty. The budget deficit is expected to decline further, but inflation will remain the main obstacle to joining the euro area.

Source: Swedbank Economic outlook, Jan 16, 2013

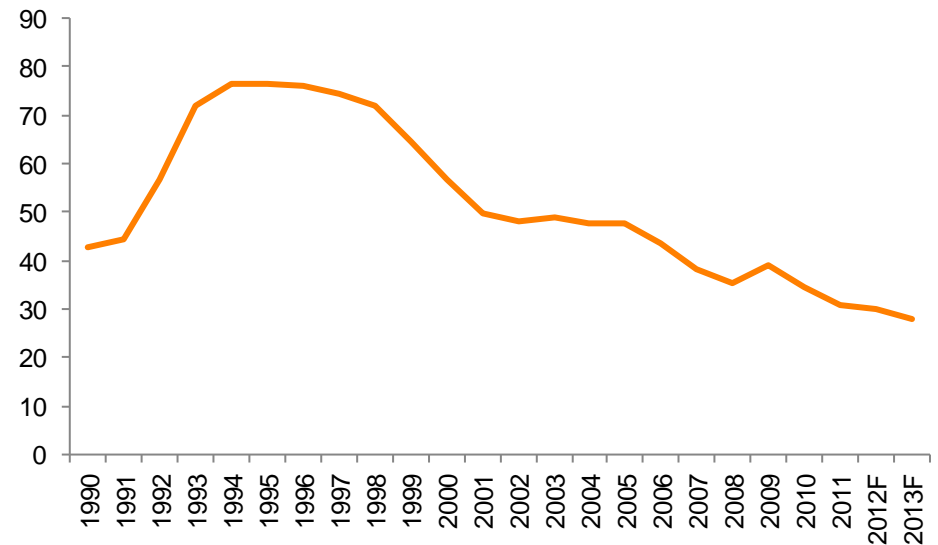
Government debt

- Around 15% in foreign currencies

Government net financing need

SEKbn	2011	2012F	2013F
Government debt in the beginning of the year	1188	1158	1167
Primary financing need excluding sell-off's	-79	6	-4
Sale of government assets	-23	0	0
Interest cost on government debt	34	26	19
Net financing need	-68	32	15
Corrections of debt	22	-6	4
Money-market assets (annual change)	16	-17	0
Government debt change	-30	10	19
Government debt at year end	1158	1167	1186

Debt to GDP ratio, % – historic distribution

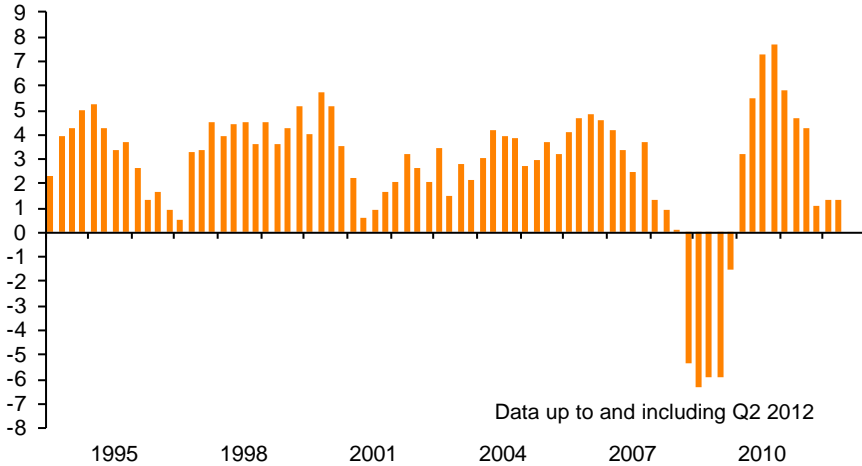


Source: Swedish National Debt Office, Jul 2012

Swedish GDP breakdown

GDP growth

From corresponding quarter previous year, %, fixed prices

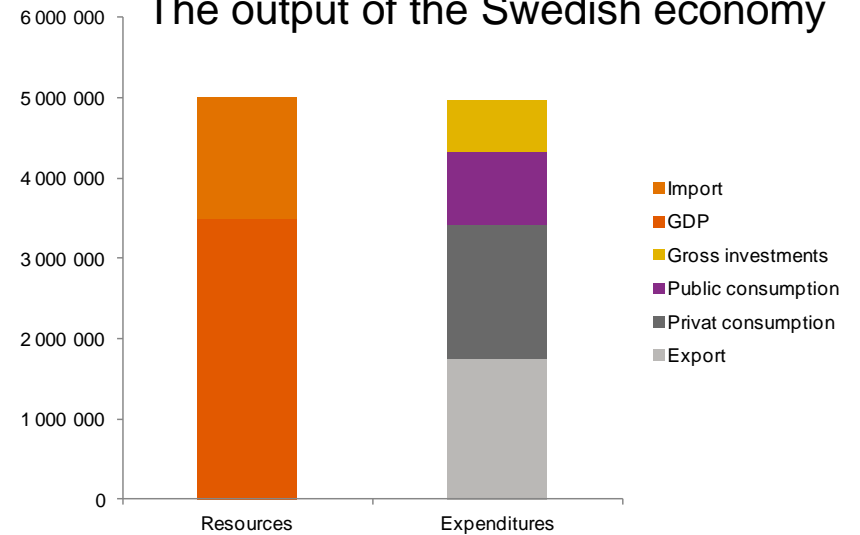


GDP production approach at market price



SEKm

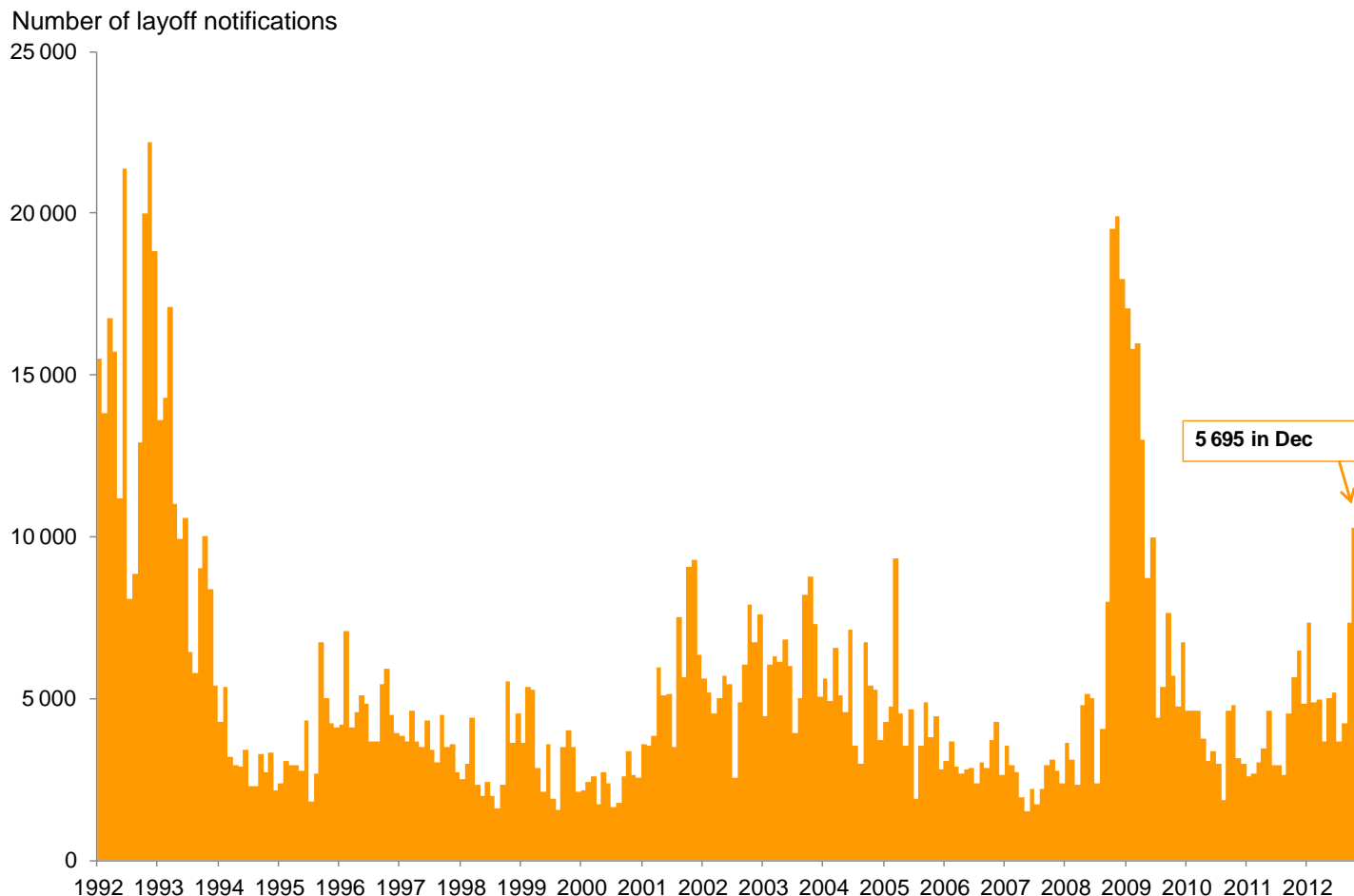
The output of the Swedish economy



Source: Statistics Sweden, Sep, 2012

Monthly distribution of layoff notifications in Sweden

- According to the Swedish Employment office around 20% of layoff notifications will transfer into unemployment

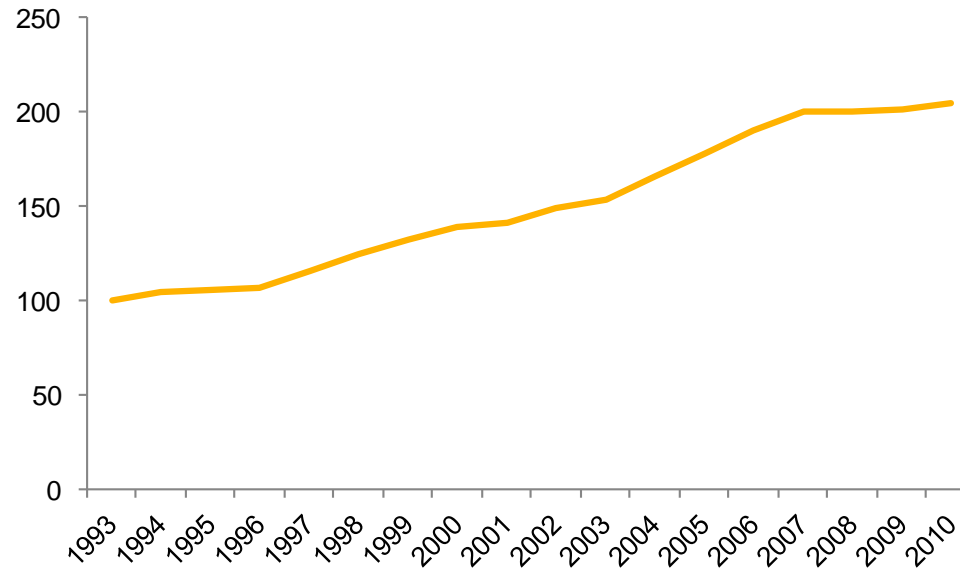


Source: Swedish Employment Office, Dec 2012

Housing and mortgage market

Price development

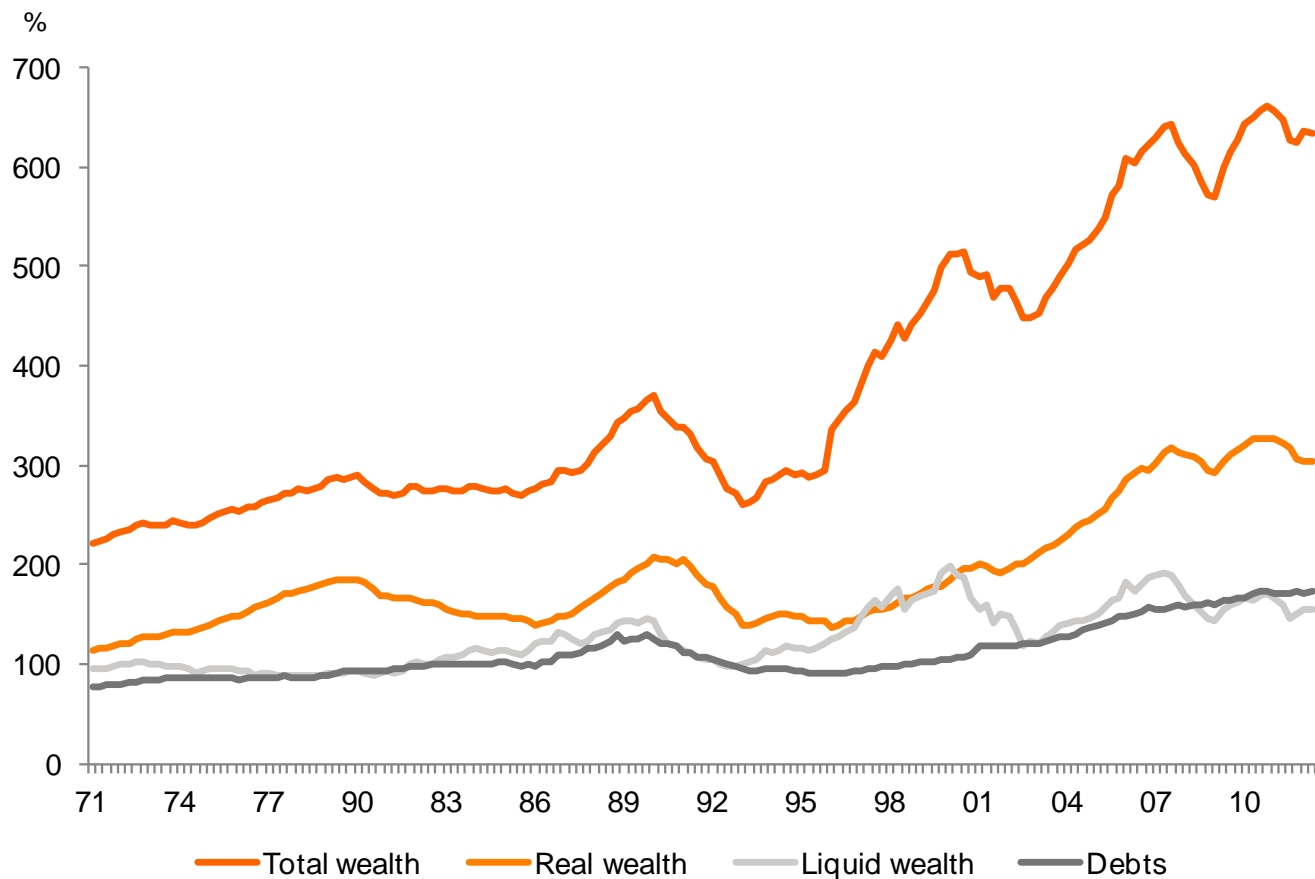
Real estate price to disposable income, index 1993= 100



Source: SCB and Swedbank

Debt servicing ability of the households will remain good

Swedish household financial assets and liabilities to disposable income

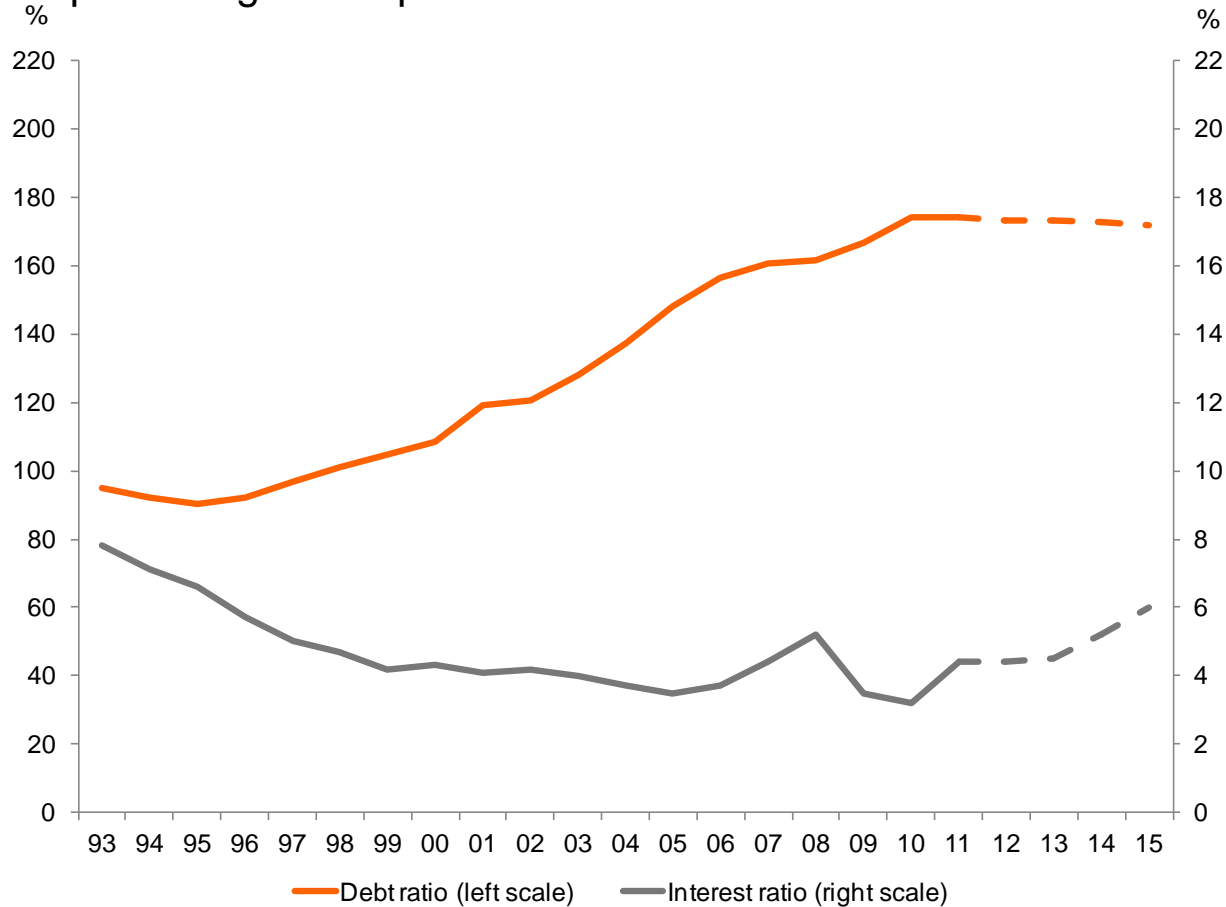


Note. Liquid wealth refers mainly to cash, bank deposits, bonds and shares. Own financial saving is total saving excluding collective and real saving.

Source: Riksbanks' financial stability report 12:2. Nov 2012, chart 3:10.

Structural interest rate decline key to affordability

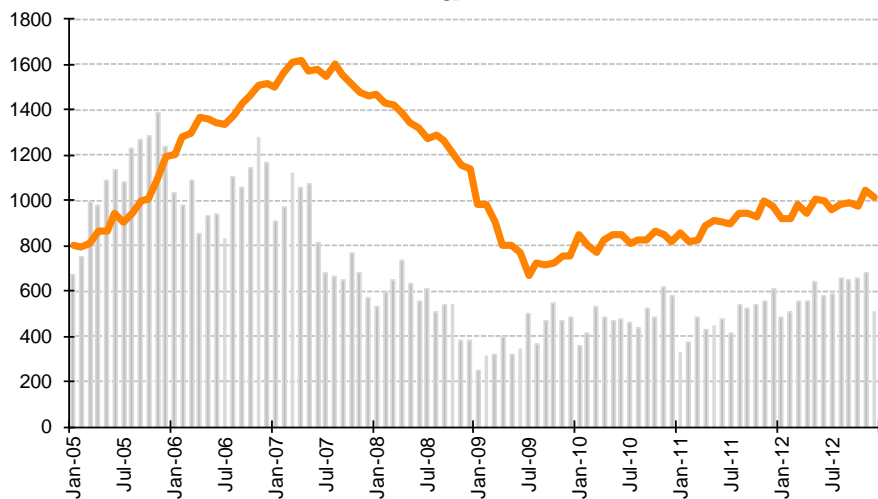
Household indebtedness and interest expenditures after tax as percentage of disposable income



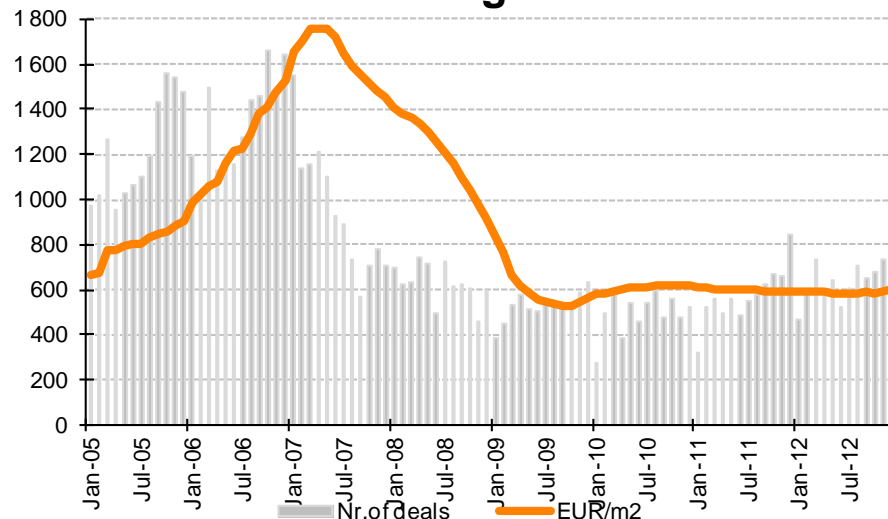
Source: Riksbanken, Financial Stability Report 2012:2, Nov, 2012, chart 3.5

Real estate prices – Baltic countries

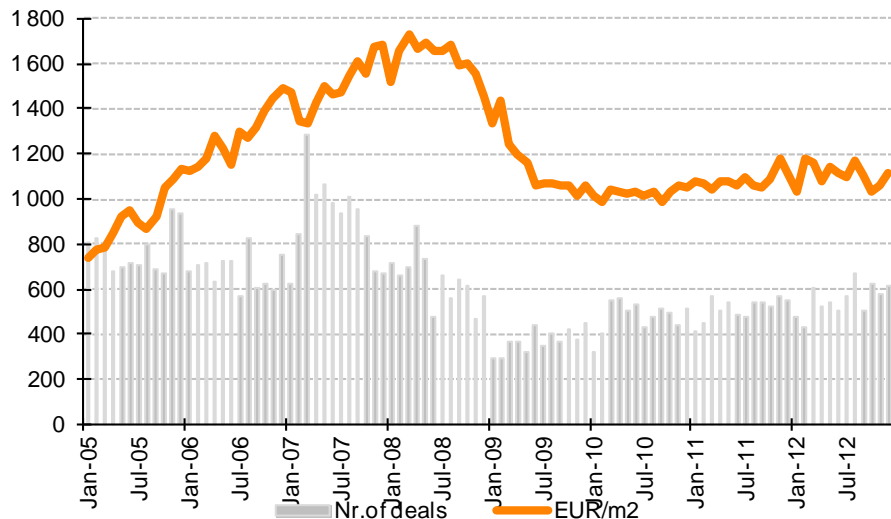
Tallinn



Riga



Vilnius



Source: Swedbank Dec 31, 2012

Swedbank – contacts and financial calendar

For further information, please contact:

Jonas Erikson, Head of Group Treasury

jonas.erikson@swedbank.com

+46 767 6550 88

Gregori Karamouzis, Head of Debt Investor Relations

gregori.karamouzis@swedbank.com

+46 8 585 930 31

Peter Stenborn, Debt Investor Relations

peter.stenborn@swedbank.com

+46 8 585 909 30

Ulf Jakobsson, Head of Funding

ulf.jakobsson@swedbank.se

+46 8 700 90 61

Kimmy Samuelsson, Head of Long-Term Funding

kimmy.samuelsson@swedbank.se

+46 8 700 97 89

Ingela Saarinen-Kindbom, Money Markets and Short-Term Funding

Ingela.saarinen-kindbom@swedbank.com

+46 8 700 98 10

Financial calendar

AGM 2012	20 March 2013
Q1 Interim report	23 April 2013
Q2 Interim report	17 July 2013
Q3 Interim report	22 Oct 2013

Contact debt investor relations:

debt.ir@swedbank.com

www.swedbank.com/investor-relations/debt-investor

Postal address:

SE-105 34 Stockholm, Sweden

Visitors: