

Swedbank's second quarter 2013 results

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Stable results continue

SEKm	Q2 12	Q1 13	Q2 13	▲ Q/Q	▲ Y/Y
Net interest income	3 362	3 332	3 367	35	5
Net commissions	1 531	1 589	1 536	-53	5
Total income	5 352	5 377	5 312	-65	-40
Total expenses	2 411	2 406	2 398	-8	-13
Profit before impairments	2 941	2 971	2 914	-57	-27
Impairments	102	55	37	-18	-65

ROE, %	26.3	27.9	28.1
C/I ratio	0.45	0.45	0.45

- **Stable NII**
 - Stable deposit and lending margins
 - New lending mortgage margins
10-15bp below stock margins
 - Increased new mortgage lending market share
- **Solid asset quality**

Continued improved market position

SEKm	Q2 12	Q1 13	Q2 13	▲ Q/Q	▲ Y/Y
Net interest income	750	783	851	68	101
Net commissions	396	419	523	104	127
Total income	1 601	1 814	1 926	112	325
Expenses excl variable staff costs	640	646	730	84	90
Variable staff costs	120	88	104	16	-16
Profit before impairments	841	1 080	1 092	12	251
Impairments	57	74	150	76	93

ROE, %	10.3	16.7	14.5
C/l ratio	0.47	0.40	0.43

- Improved NII
 - Increased volumes and margins
- Stronger commission income
 - Higher corporate finance fees in Norway
- Higher quality profit
- Costs under control
- Impairments
 - SEK 56m related to IT systems

Focus on efficiency and risk adjusted returns

SEKm	Q2 12	Q1 13	Q2 13	▲ Q/Q	▲ Y/Y
Net interest income	868	742	763	21	-105
Net commissions	394	388	445	57	51
Total income	1 448	1 281	1 378	97	-70
Total expenses	594	586	593	7	-1
Profit before impairments	854	695	785	90	-69
Impairments	-200	-66	-41	25	159
ROE, %	15.0	12.6	13.4		
C/I ratio	0.41	0.46	0.43		

- Stable NII
 - Intensified focus on repricing
- Stronger commission income
 - Increased customer activity
 - Increased income from fund management
- Continued recoveries
- Latvia approved for euro

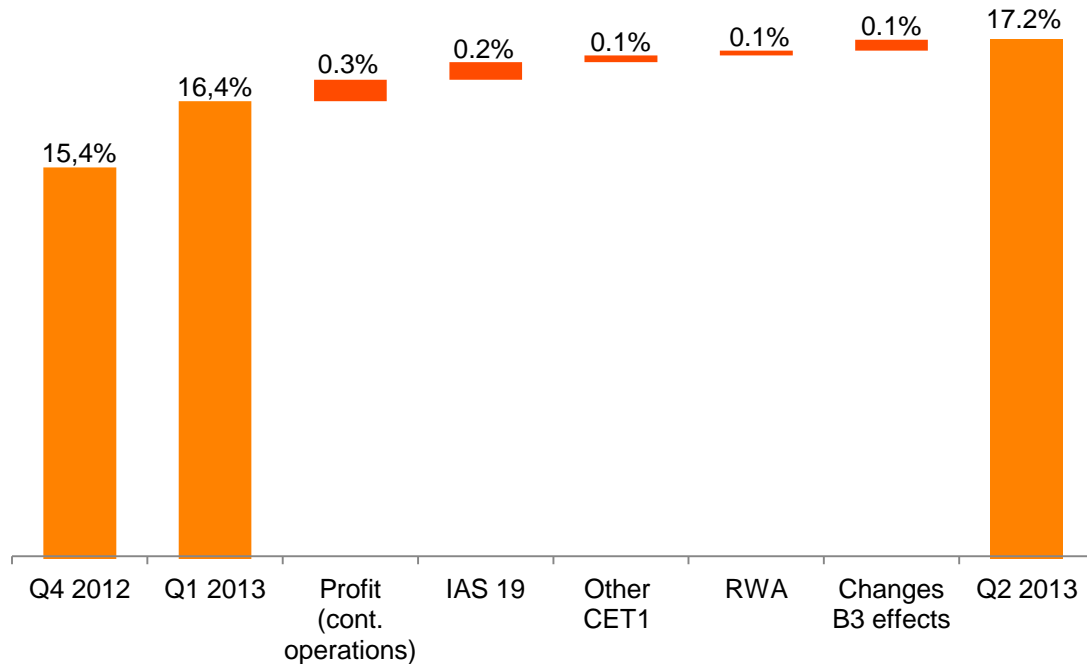
Stable earnings

- Stable NII
- Stronger commission income
- One-offs
 - Net gains and losses
 - Impairments
- Stable expenses
- Continued good asset quality

	Q2 12	Q1 13	Q2 13
Profit from continuing operations, SEKm	3 491	3 918	3 480
ROE continuing operations, %	14.6	15.3	14.1
C/I ratio	0.47	0.45	0.46
CET 1 ratio, % (Basel 3)	15.1	16.4	17.2

Excess capital building

Changes B3 CET1 ratio Q1-Q2

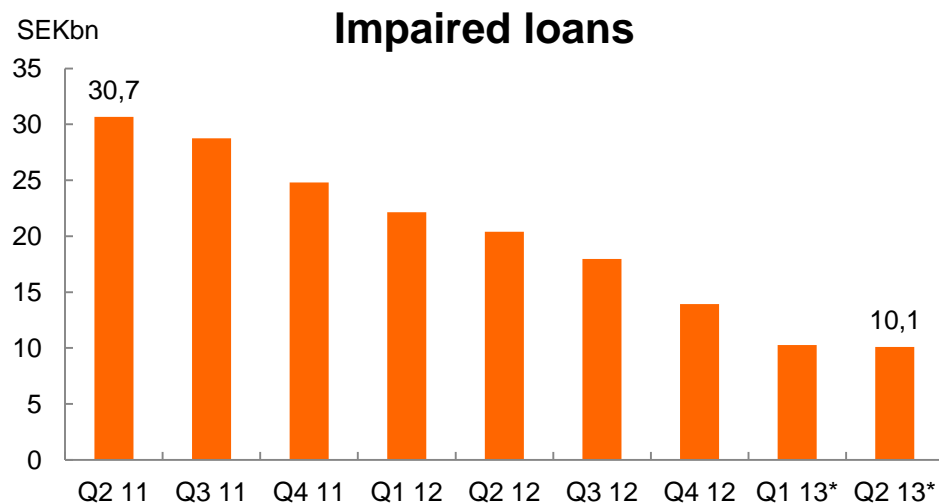


- IRB Advanced
 - On schedule
- 13 – 15% CET 1 ratio
- Waiting for regulatory clarity
 - Resolution regime
 - CRD IV implementation
 - Leverage ratio/corporate risk weights?

Continued strong credit quality

Credit impairments, SEKm	Q2 12	Q1 13	Q2 13
Retail	102	55	37
Large Corporates & Institutions	53	74	94
Baltic Banking	-204	-70	-43
Estonia	-25	-54	-36
Latvia	-197	4	18
Lithuania	18	-20	-25
Swedbank Group	-49	60	88

- Continued high asset quality in Sweden
- Slower net recoveries in Baltic Banking



* Russia and Ukraine reported as discontinued operations.

Swedbank Group resilience confirmed

- In 2013 stress test (ICAAP), Swedbank's CET 1 ratio strengthened throughout the scenario period, despite a scenario with a sharp contraction followed by an extended downturn with slow recovery.
- The stress test in Swedish Riksbank's latest stability report concludes that Swedbank is the only Swedish bank with a positive result in the scenario period.