

Investor Presentation

Q1 2020

SBAB Bank AB (publ)
Jan-Mar 2020

SBAB!

Executive summary



About SBAB

- 100% owned by the Kingdom of Sweden
- Swedish mortgage portfolio, predominantly residential mortgages (5th largest player in Sweden)
- Financial targets from owner covering profitability, capitalisation & dividend
- Total funding needs for 2020 expected to be around SEK 60 billion

Credit update Q1 2020

- Underlying financial development and lending growth continued to be healthy in Q1 2020. Limited Covid-19 effects (increased IFRS9 provisions and lower net result of financial transactions (CVA/DVA))
- Strong balance sheet and high quality assets (>98% collateralized lending)
- 100% retained earnings in 2019 has further strengthened capitalisation and ability to grow lending

Total lending, SEK bn

389

Total deposits, SEK bn

129

SBAB!

booli!

En tjänst från SBAB

hittamäklare!

En tjänst från SBAB

9.2%

Return on equity
Q1 2020

0.03%

Credit loss level
Q1 2020

12.7%

CET1 capital ratio
Q1 2020

37.7%

C/I ratio
Q1 2020





Sweden's most satisfied customers

SBAB has Sweden's most satisfied residential mortgage customers according to Swedish Quality Index (Svenskt Kvalitetsindex, SKI), which each year measures customer satisfaction in the banking and finance sector. With a customer satisfaction score of 76.3 out of 100, SBAB ranks well above the sector average of 69.3. For the second consecutive year, SBAB also has Sweden's most satisfied customers in terms of property loans to corporates and tenant-owners' associations.



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Business overview

SBAB at a glance

- 1 Swedish mortgage bank operating in a supportive macro environment → AAA country with strong fiscal balances and low unemployment
- 2 Supportive ownership structure → SBAB was founded in 1985 & 100% owned by the Kingdom of Sweden. No specific social mandate from owner
- 3 Low risk & stable business model with superior asset quality → Mortgage bank with >98% collateralized lending & <1bps credit losses last 10 years
- 4 Focused strategy of mortgages & housing financing → Home owners, tenant-owners' associations and property companies prime focus. Limited exposure to commercial/SMEs
- 5 Cost efficient lending origination → No traditional retail bank branches, products and services offered online or by telephone. Personal service offered to corporate clients
- 6 Resilient funding model with a stable investor base → Mortgage lending primarily funded by covered bonds (SEK & EUR)
- 7 Proven track record of strong and capable management team → Delivering on financial targets from owner & business targets



Vision



To offer the best residential mortgages in Sweden

Mission



To contribute to better housing and household finances



Strategic objectives

- Grow market shares over the coming years
- Continue deposit growth in order to reduce reliance on wholesale funding
- Keep strong asset quality with low loan losses & problem loans
- Meet & exceed financial targets from owner;
 - Profitability (RoE > 10%)
 - Capitalisation (CET1 > 0.6% above regulatory requirement from the Swedish FSA)
 - Dividend (40% of profit after tax)
- Ecosystem; creating a platform with value adding services relating to housing and household finances
- Continued focus on sustainability



SBAB assigns priority to four SDGs

The business sector, including SBAB, has an important role to play in achieving the SDGs within the 2030 Agenda. We have identified and chosen four of the 17 SDGs that we consider particularly important and relevant to our operations. The prioritised goals have been chosen based on extensive analysis in the form of internal workshops and ranking exercises within operations, the Executive Management and the Board, and today comprise an important and integrated part of our sustainable governance model.

Financial targets from the owner

	Target	Result Q1 2020	Result 2019
Profitability: Return on equity over a business cycle	≥ 10%	9.2%	11.7%
Dividend: Ordinary dividend based on profit for the year after tax, taking the Group's capital structure into account	≥ 40%	40% (expected)	0% (revised)
Capitalisation: CET1 capital ratio and total capital ratio above regulatory requirement communicated by the Swedish FSA	CET1 capital ratio: ≥ 0.6%	4.5%*	2.4%
	Total capital ratio: ≥ 0.6%	5.2%*	5.2%

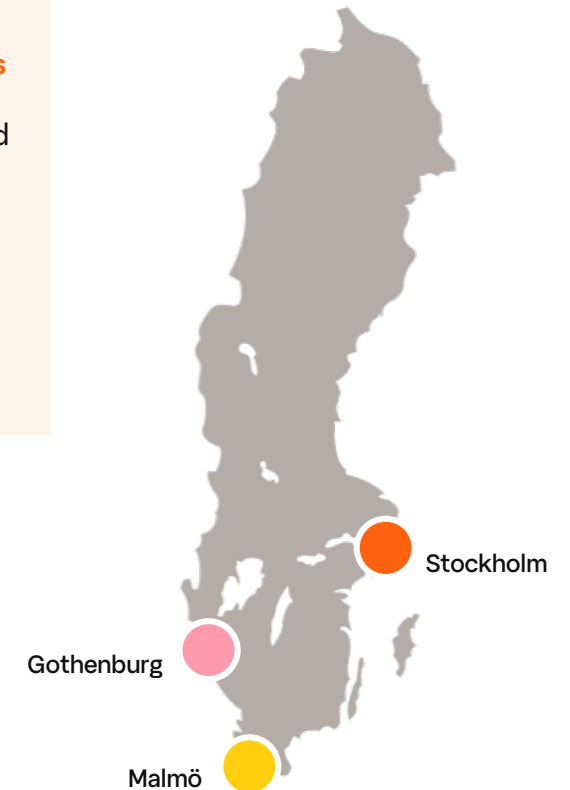
* In relation to expected (internally estimated) capital requirement from the Swedish FSA as of 31 Mar 2020 (CET1 capital ratio requirement: 8.2% & Total capital ratio requirement: 12.3% vs. CET1 capital ratio: 12.7% & Total capital ratio: 17.5%)



Business overview

- Founded in 1985 & 100% owned by the Kingdom of Sweden
- Mortgage bank with >98% collateralized lending (SEK 389 billion)
- Straightforward business model (mortgage lending & savings) & customer operations only in Sweden
- 707 employees in five offices
- Two business areas;
 - Retail business area
 - Corporate Clients & Tenant -owners' Associations business area

SBAB's lending is geographically concentrated to the economic hubs in Sweden (metropolitan areas including Stockholm, Gothenburg and Malmö as well as other university cities and growth regions). Lending is only offered in Sweden and in Swedish Kronor (SEK).



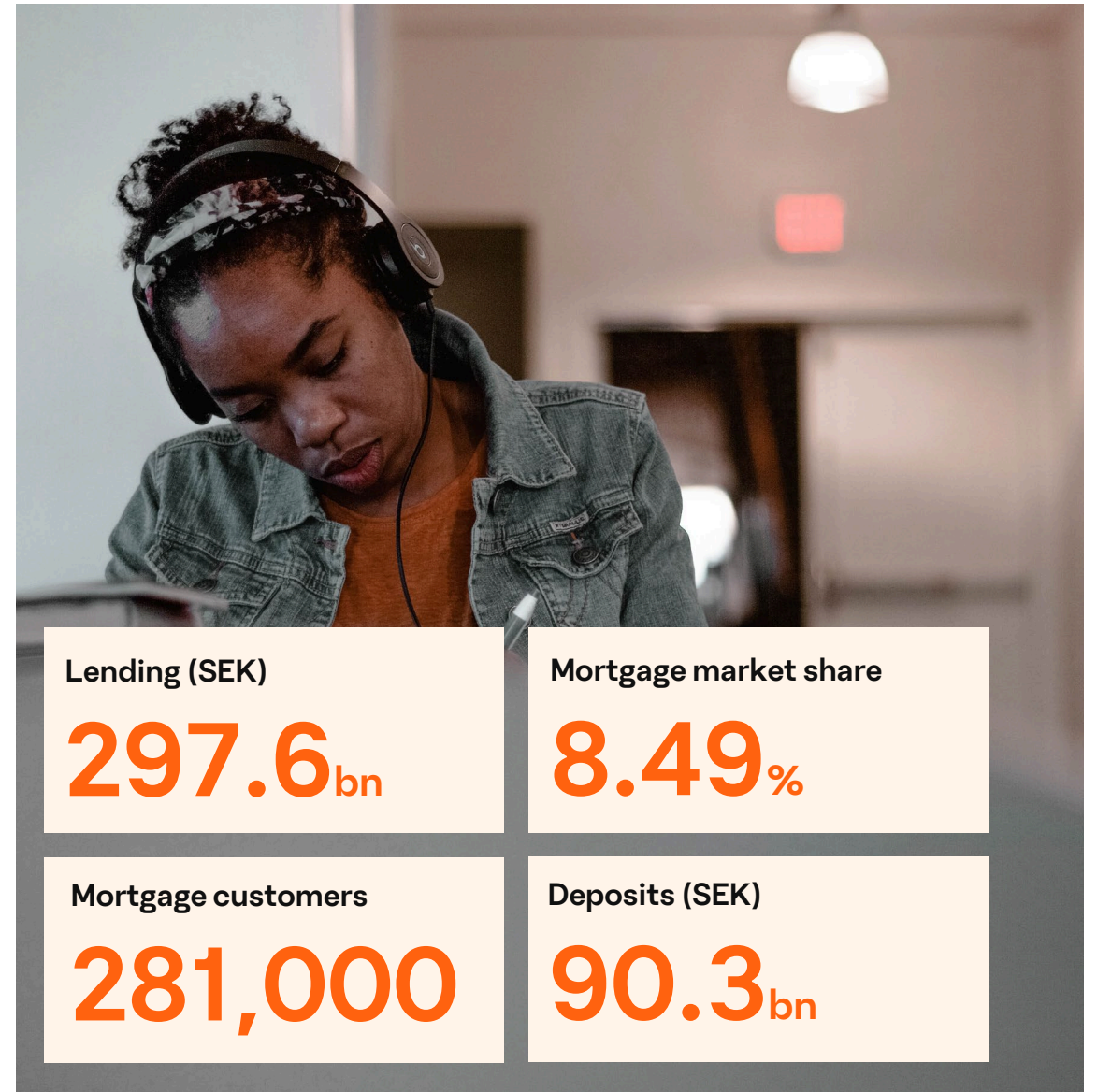
Retail business area

- Services within housing and household finances, such as savings and loan products, insurance mediation, housing search engine services and real estate-agent services. The core product is residential mortgages (5th largest player in Sweden)
- Activities are operated under the SBAB, Booli and HittaMäklare brands
- No traditional bank branches, products and services offered online or by telephone
- Customers primarily located in areas around Stockholm, Gothenburg, Malmö, and other university cities and growth regions

SBAB!

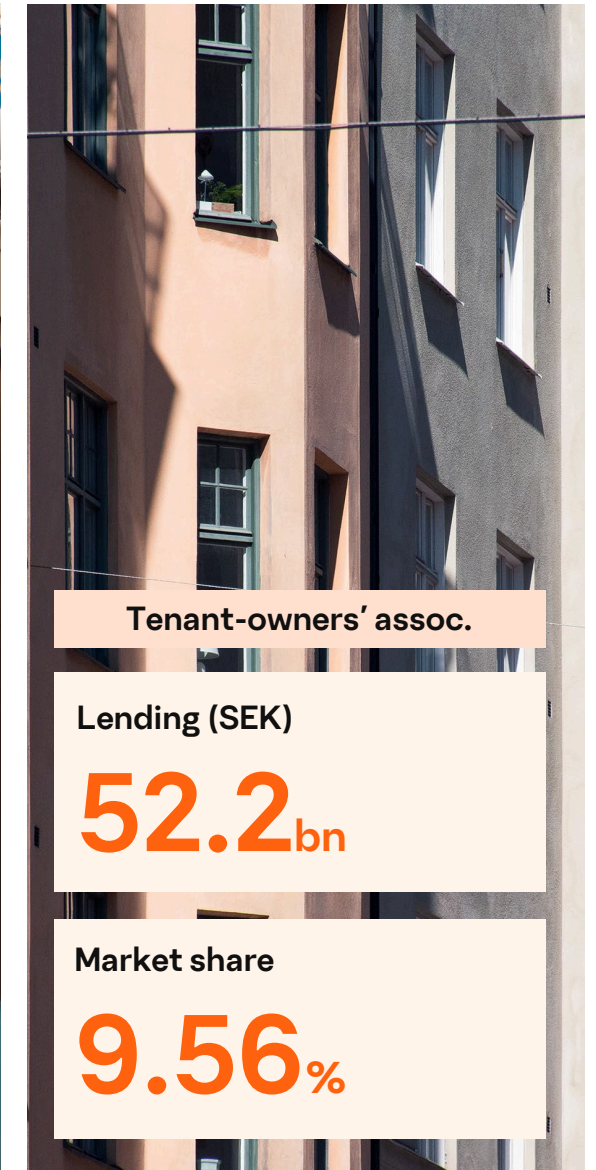
booli!
En tjänst från SBAB

hittamäklare!
En tjänst från SBAB



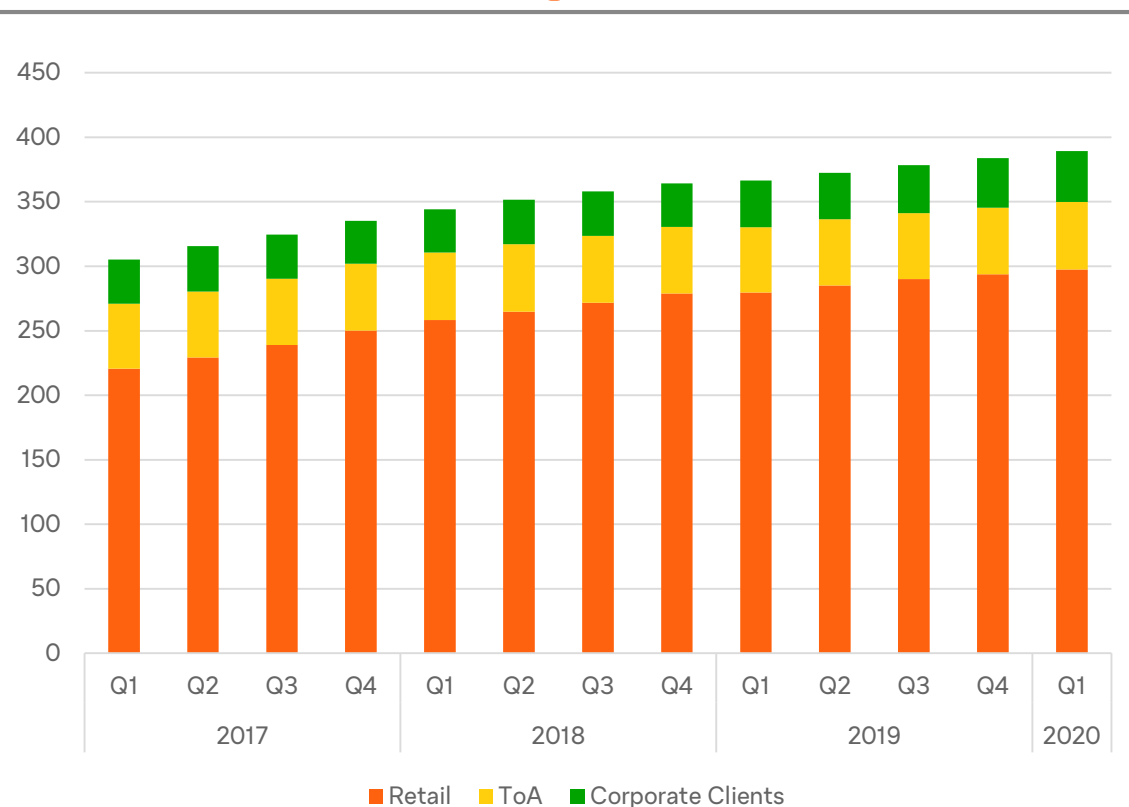
Corporate clients & ToA

- Housing financing solutions to property companies, housing developers and tenant-owners' associations as well as savings to corporates and organisations
- Multi-family dwellings, both privately owned and owned by tenant-owners' associations
- Existing buildings or new construction
- Personal service. Three offices in Stockholm, Gothenburg and Malmö
- Primarily target major residential developers, property owners and tenant-owners' associations
- Credit granting concentrated to growth regions surrounding our three offices in Stockholm, Gothenburg and Malmö

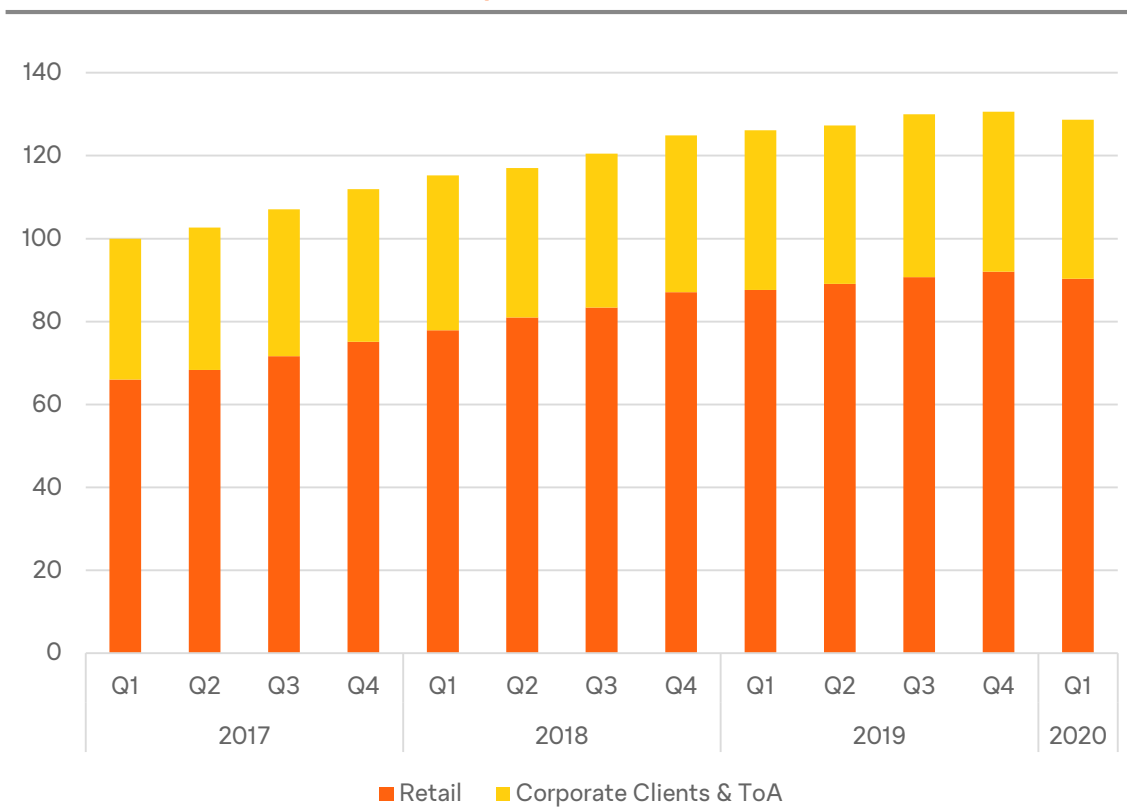


Lending & deposits development

Lending (SEK bn)

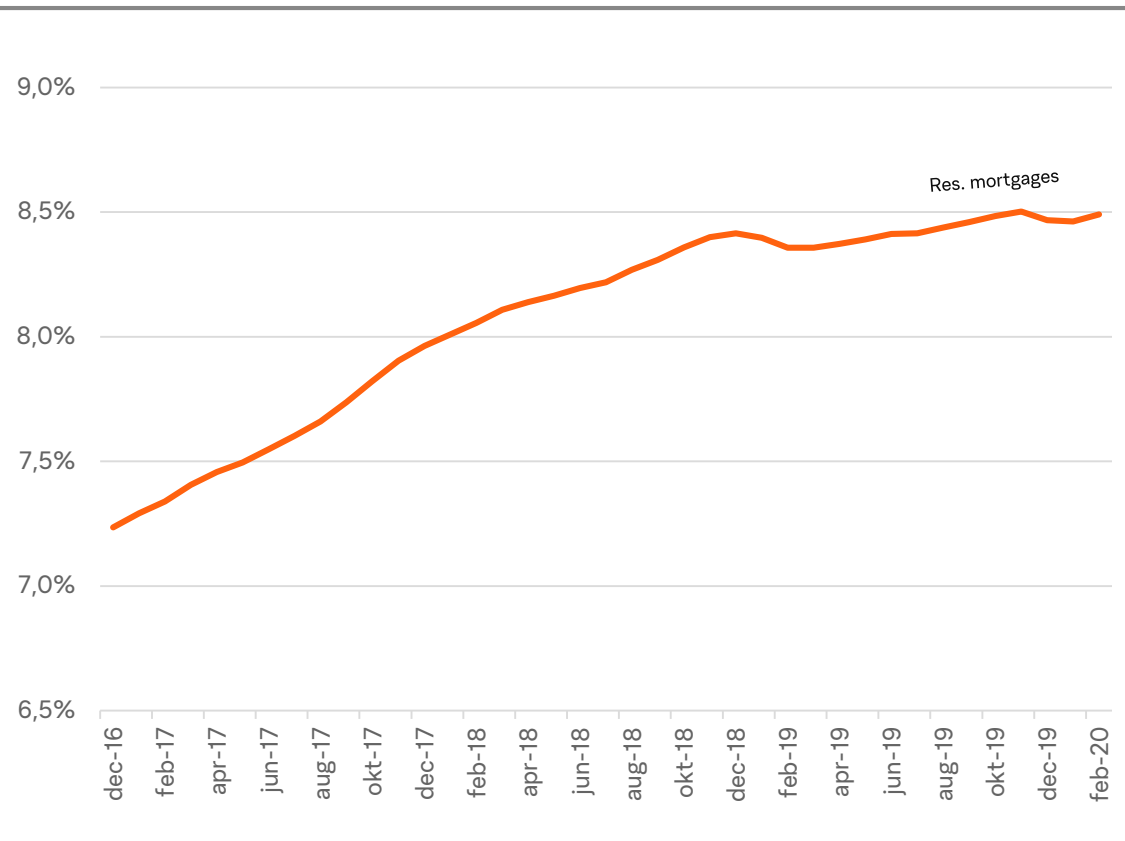


Deposits (SEK bn)

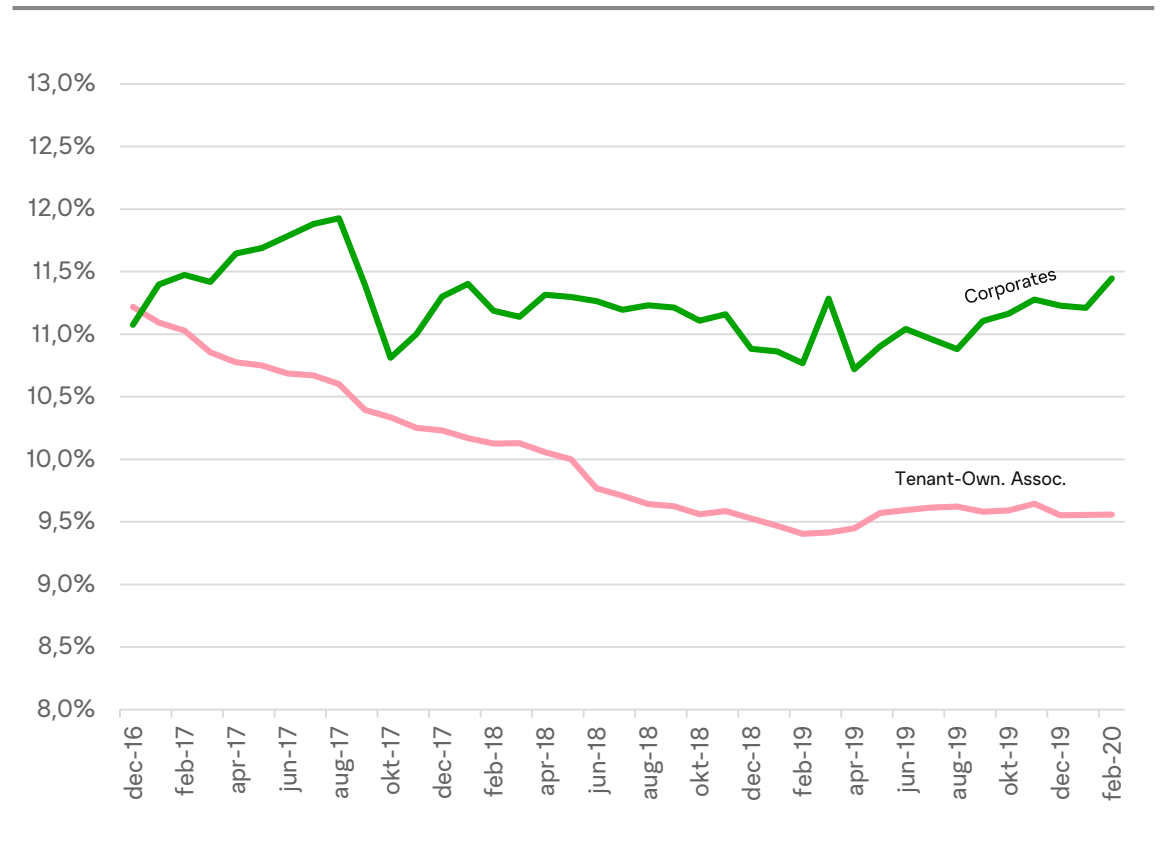


Market share development

Market share, Residential mortgages (Feb 2020)

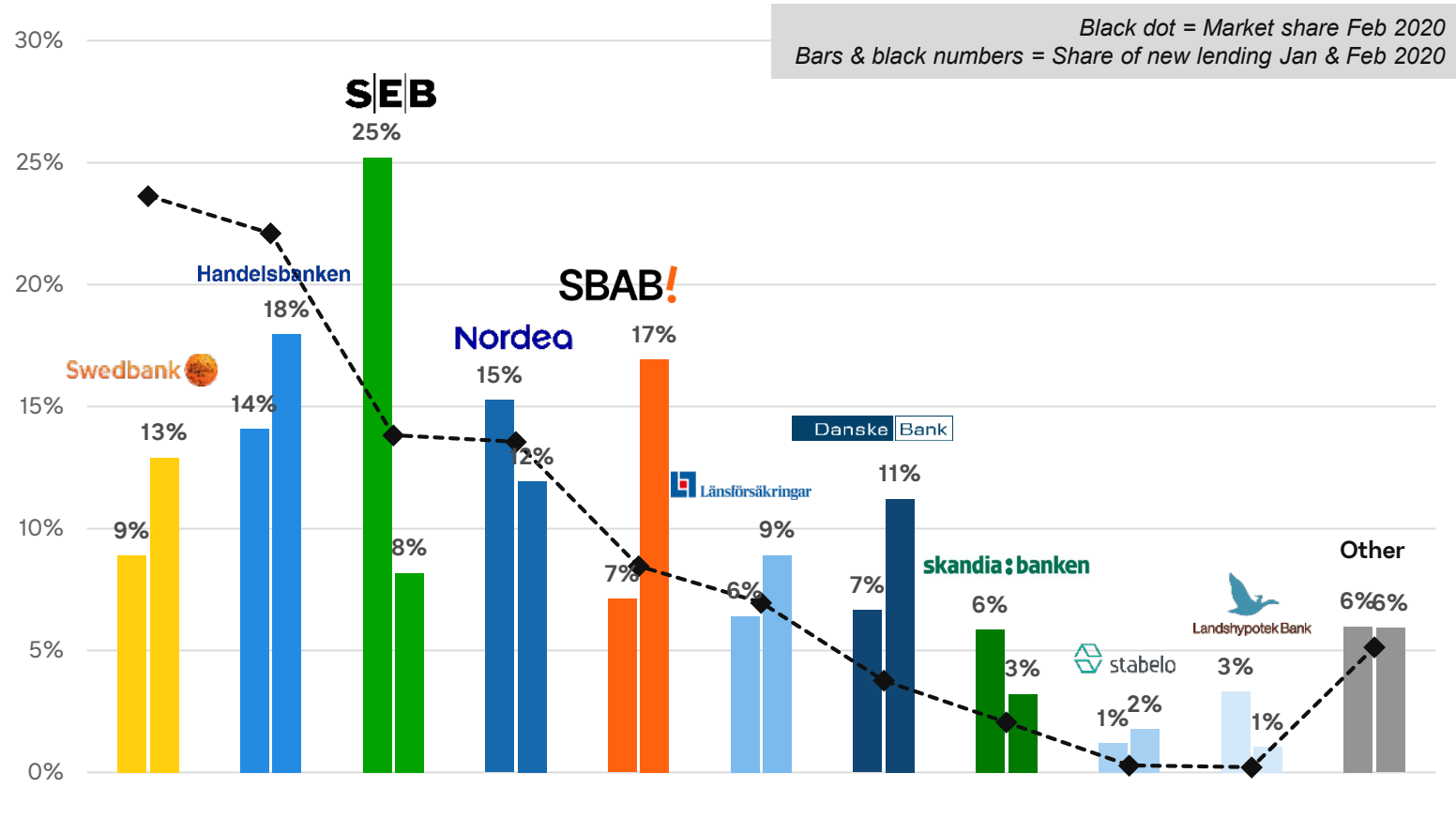


Market shares, Corporate clients & ToA (Feb 2020)



Residential mortgage market 2020

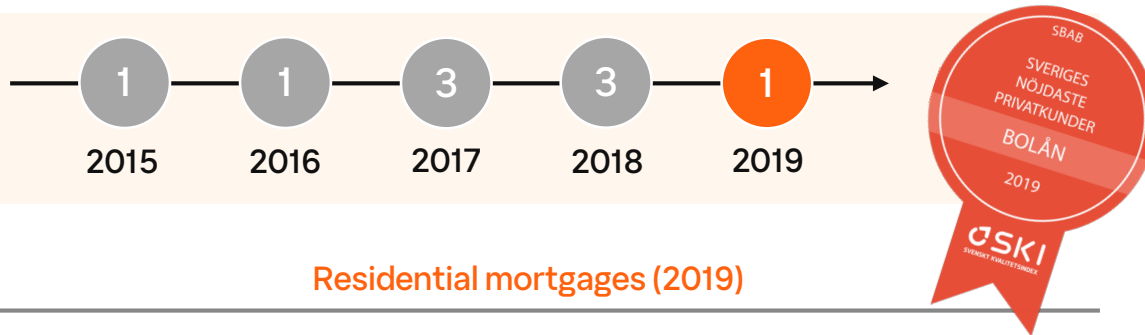
Shares of net growth in the Swedish residential mortgage market Jan-Mar 2020



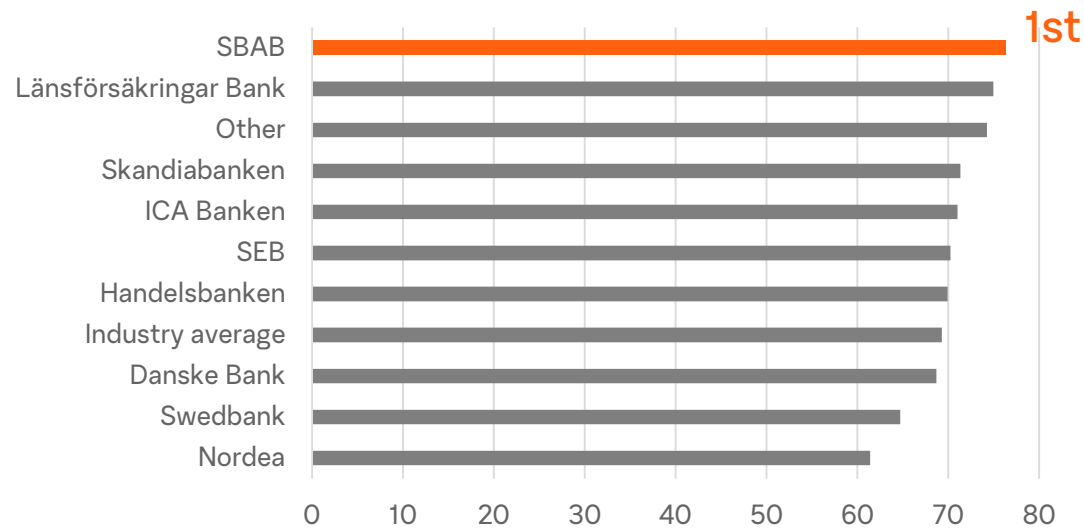
Comments

- Increased competition in the Swedish residential mortgage market
- Many established players are working intensively to retain and defend their positions, and several new competitors have emerged as serious contenders for the residential mortgage customers
- Market growth has slowed down. Currently at 5.1% YoY (Feb 2019). Expected to slow down to 4.7% for FY 2020 and remain at the same rate in 2021
- Price important, but not the whole story

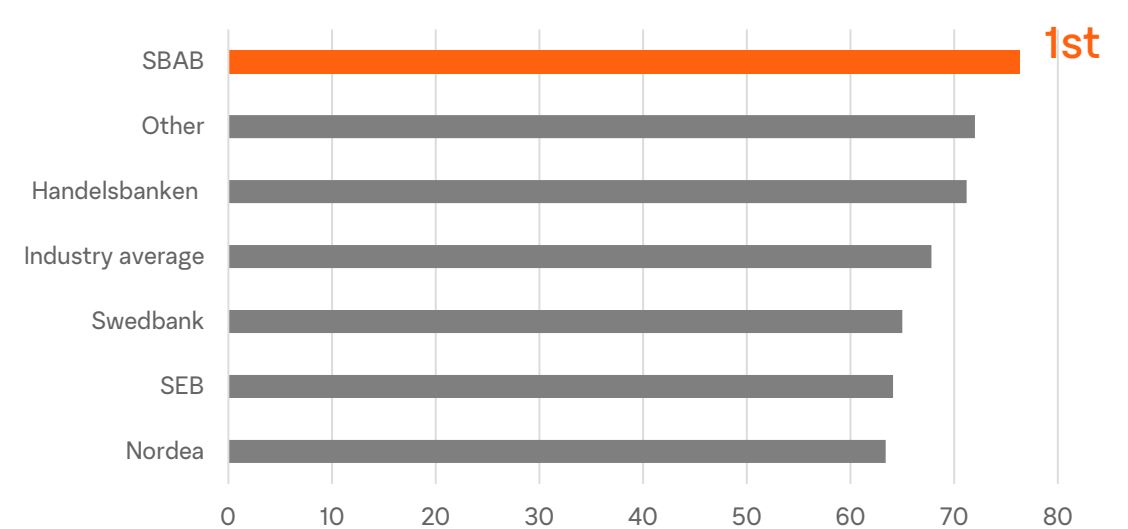
Customer satisfaction



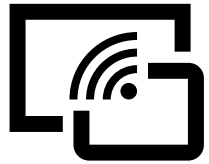
Residential mortgages (2019)



Property loans to corporate clients (2019)



SBAB's value proposition



Accessibility

Residential mortgages online and over the phone, seven days a week, covering all circumstances.



Transparency

Fair prices and appropriate terms and conditions from the start.



Consideration

Housing specialists who care.



Swedish mortgages – a low risk business

– Mortgage lending in Sweden a low risk business for a number of structural reasons

Affordability Assessment

Mortgage lending in Sweden is based on household affordability in the long term, i.e. funds left to live on after interest payments (including stressed interest rate), housing expenses and other general living expenses

Credit Information Agency

National computerized data base with information regarding civil status, income and changes in income, assets, debt, payment complaints and recent inquiries at the agency. Used in every credit process regarding loans

Mortgage Deed System

A Mortgage Deed for every house is registered and controlled by the Swedish mapping, cadastral and land registration authority (Lantmäteriet)

Enforcement Authority

Lender can initiate an enforcement order with this office to enforce his claim, this process normally takes up to 90 days

“Originate and hold” model

No “originate to distribute” model, no subprime lending

Restricted Buy-to-Let Market

Restricted buy-to-let market due to regulated rental market and tenant owner subletting restrictions

Personal Liability

A borrower is personally liable even after a default and foreclosure procedure, i.e. full and personal recourse

Social Security

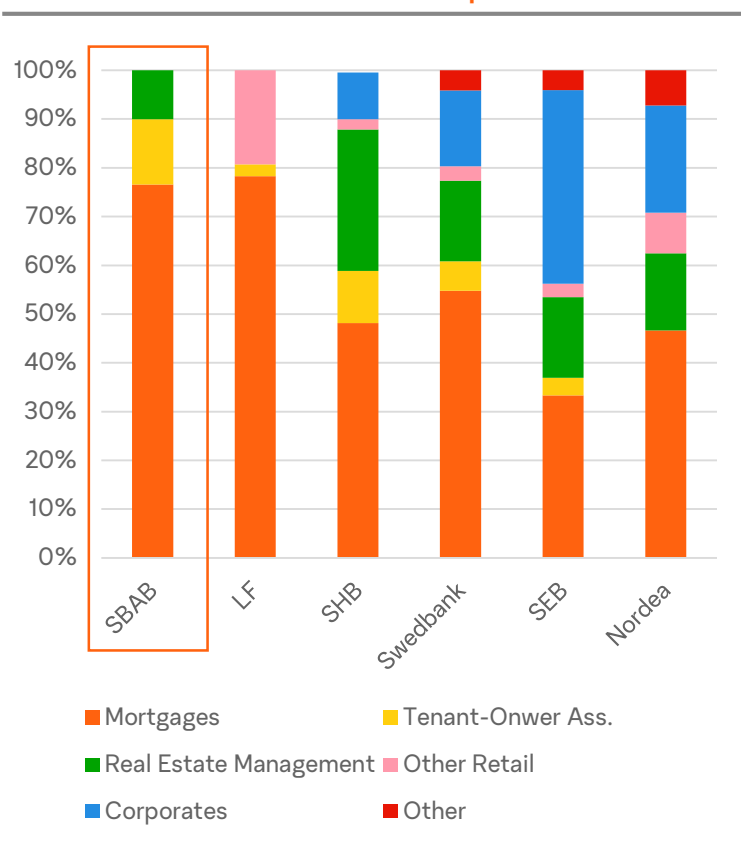
Well developed welfare system raising households’ ability to service debt even during times of unemployment



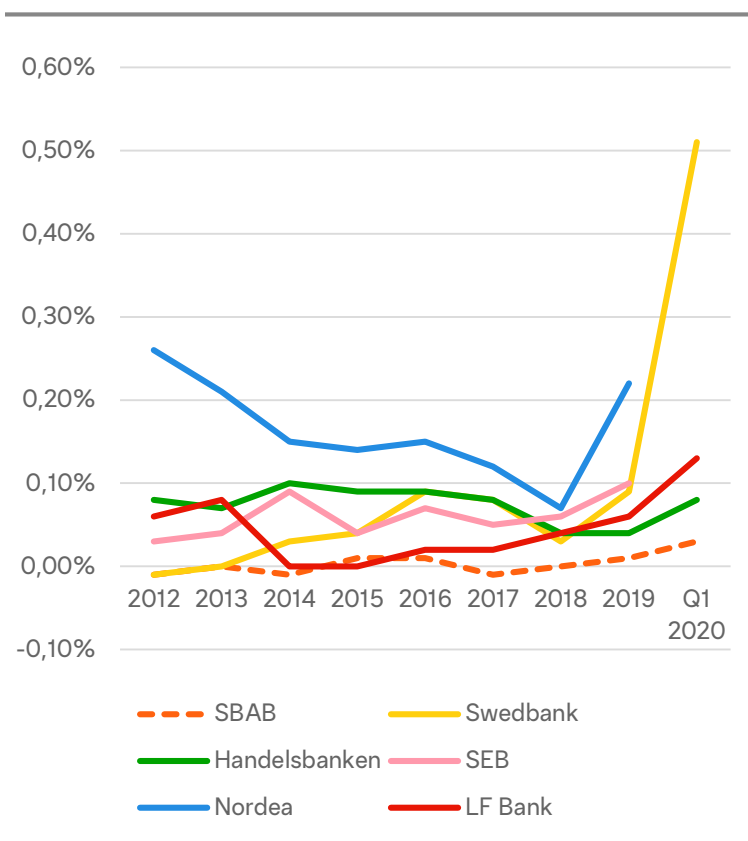
Swedish mortgages – a low risk business

– High concentration on Swedish residential mortgages – very low loan losses/problem loans over time

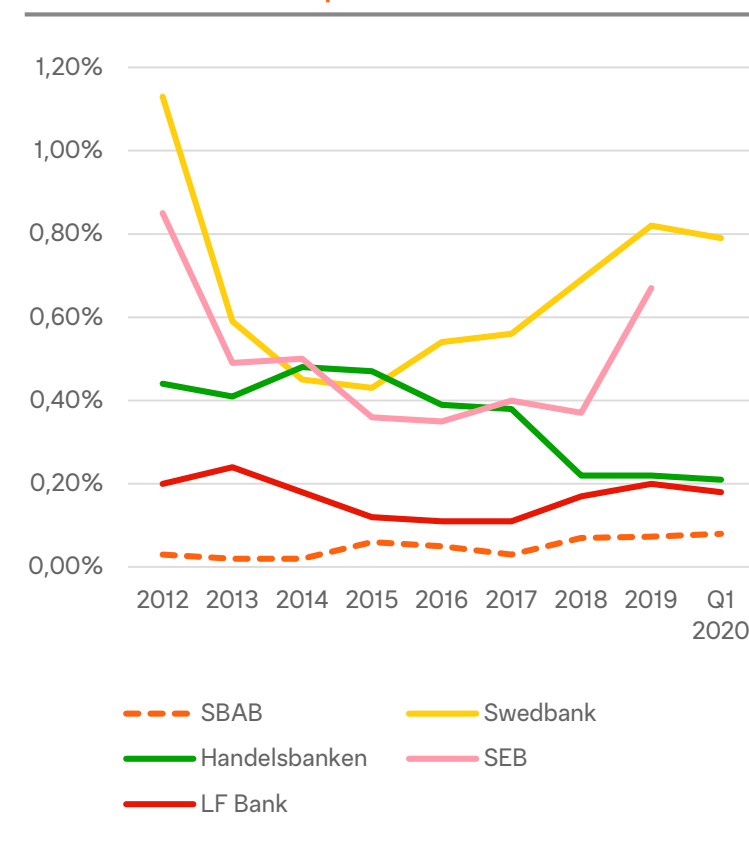
Loan Portfolio Split



Credit losses



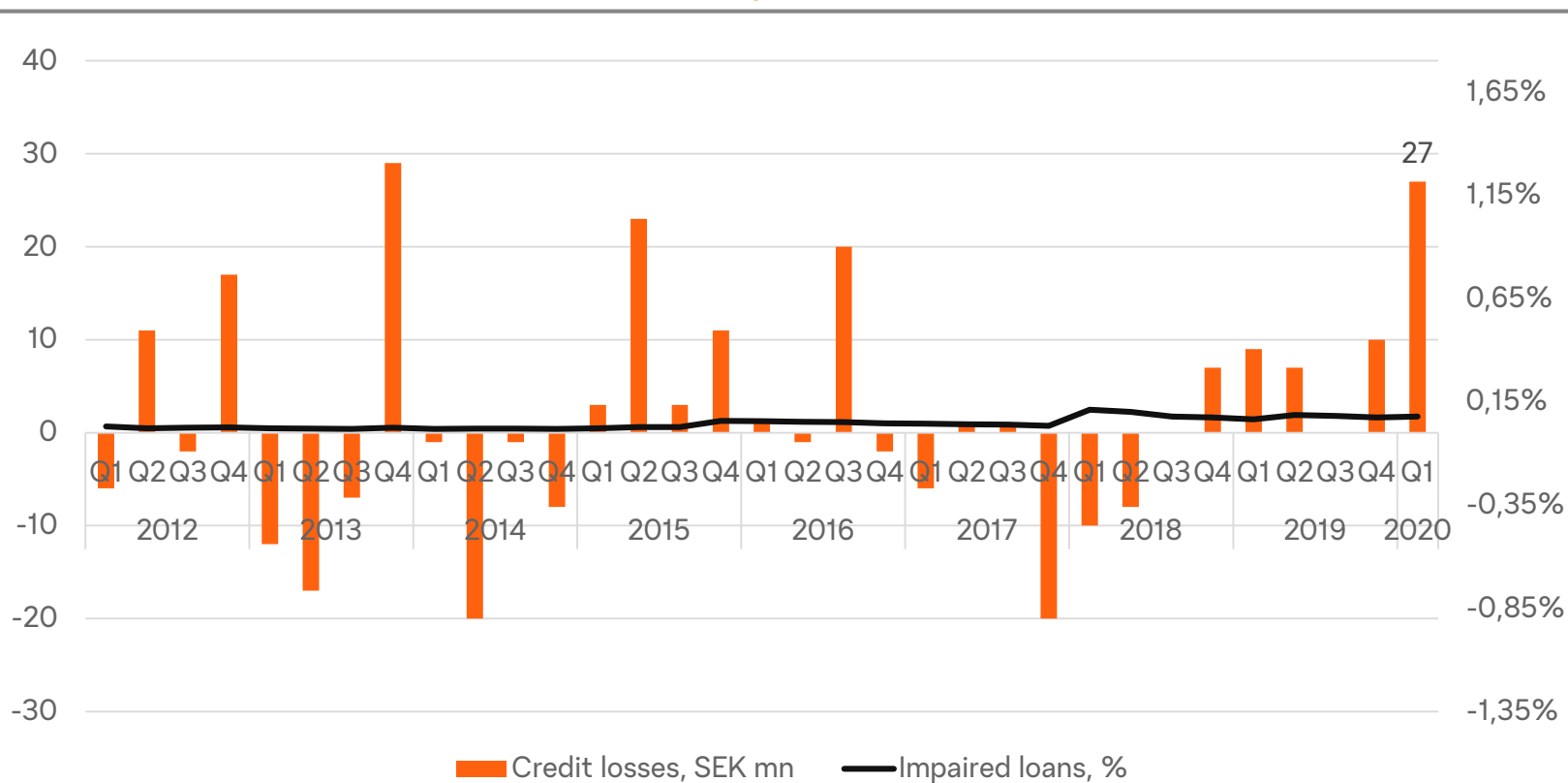
Impaired loans



Swedish mortgages – a low risk business

– High concentration on Swedish residential mortgages – very low loan losses/problem loans over time

Credit losses (LHS) & Impaired loans (RHS) QoQ



Key metrics Q1 2020

Credit losses
-27 million

Credit losses / Total lending
0.03%

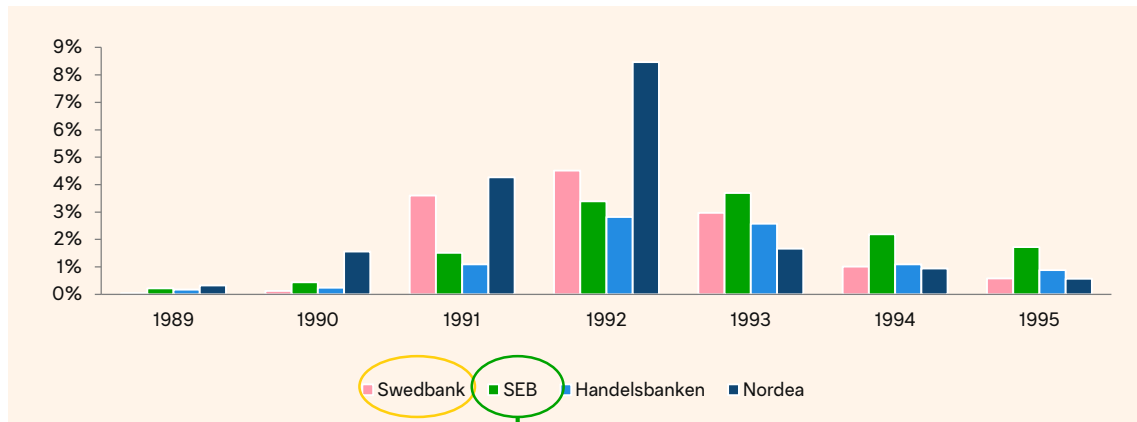
Gross loans in Stage 3 / Total lending
0.08%



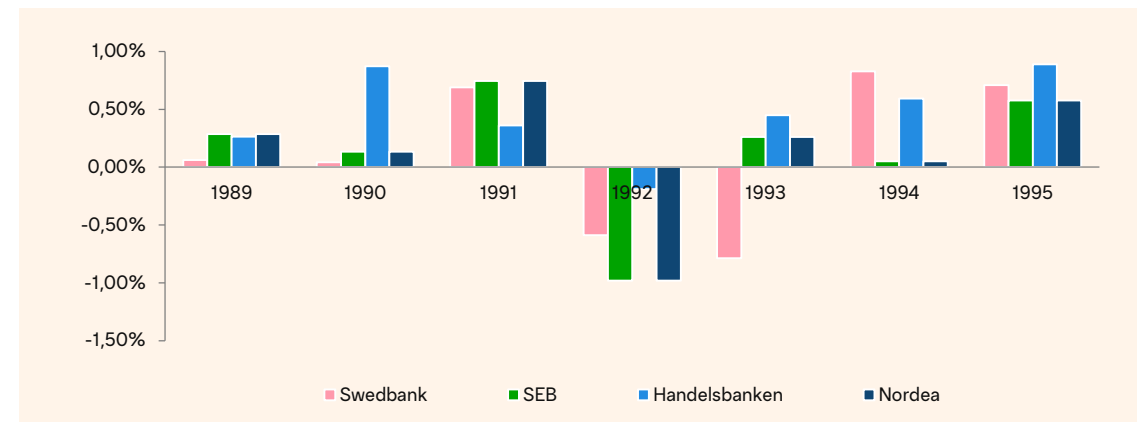
Loan losses during 1990's crisis

- Losses during the 90's crisis in Sweden shows the resilience of mortgages contrary to other asset classes

Loan Losses / Customer Loans



Net Income / Total Assets



Ranked by 1993 Loan Losses

	1992	1993
Construction operations	0.7 %	14.9 %
Real Estate Management	19.9 %	13.3 %
Wholesale & Retail	1.7 %	11.6 %
Transport	7.1 %	8.9 %
Manufacturing industry	3.3 %	7.5 %
Other	19.4 %	5.9 %
Multi-family homes in Spintab	0.9 %	0.7 %
Households	0.6 %	0.6 %

Ranked by 1993 Loan Losses

	1992	1993
Other service sectors	39.0 %	21.1 %
Wholesale & Retail, hotels and restaurants	3.9 %	8.6 %
Transportation	(0.2)%	8.2 %
Finance & Insurance	15.4 %	6.3 %
Construction	6.8 %	5.6 %
Property Management	4.6 %	4.4 %
Manufacturing	1.2 %	1.8 %
Other sectors	0.4 %	1.4 %
Households	1.1 %	0.9 %

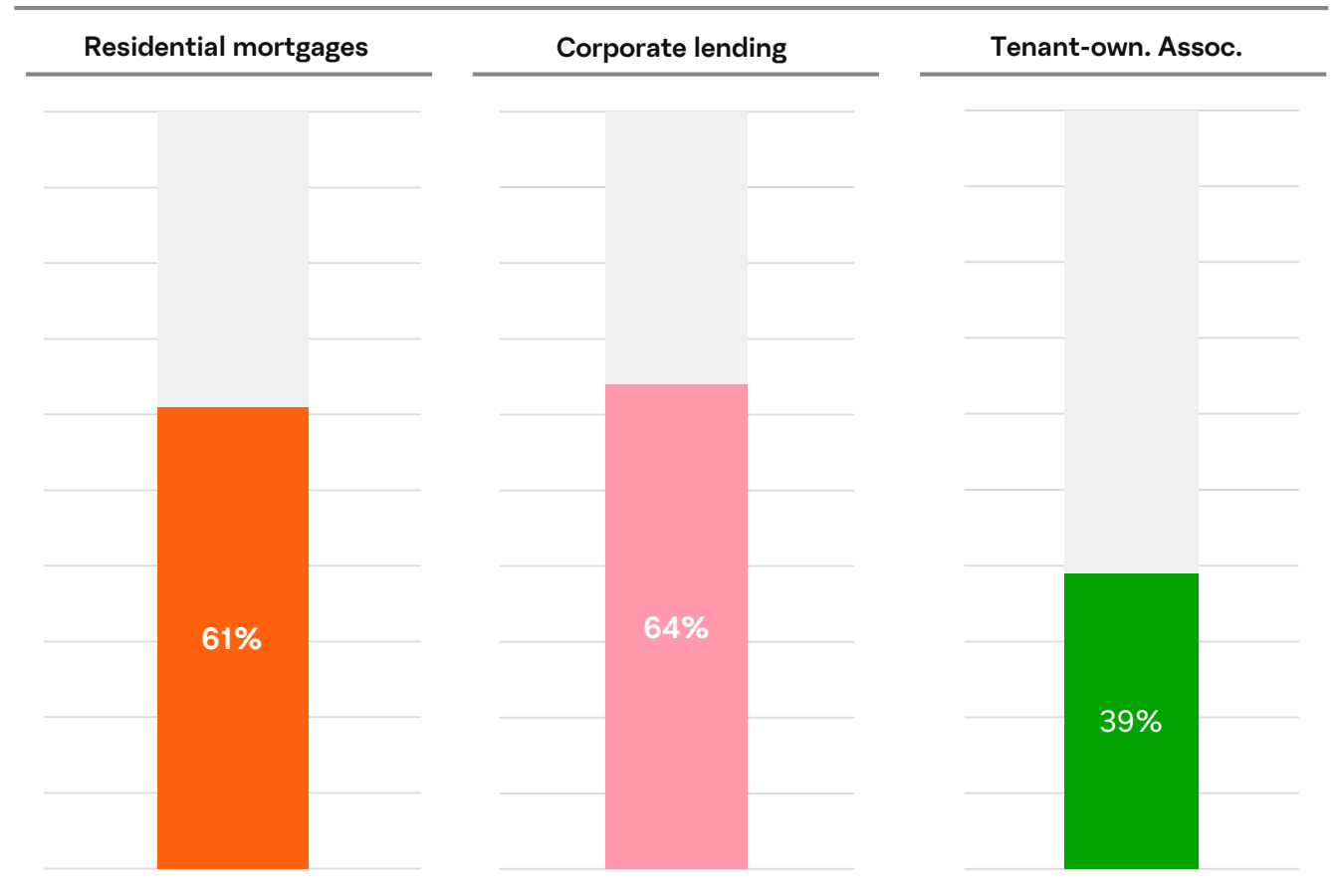


Lending mix

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	SEK bn	%
Residential mortgages	295.3	75.9%
Consumer loans	2.3	0.6%
Corporate lending	39.5	10.1%
- Of which, commercial lending	2.5	0.6%
- Of which, construction loans ("kreditiv")	8.4	2.2%
Tenant-owners' associations	52.2	13.4%
Total lending	389.3	

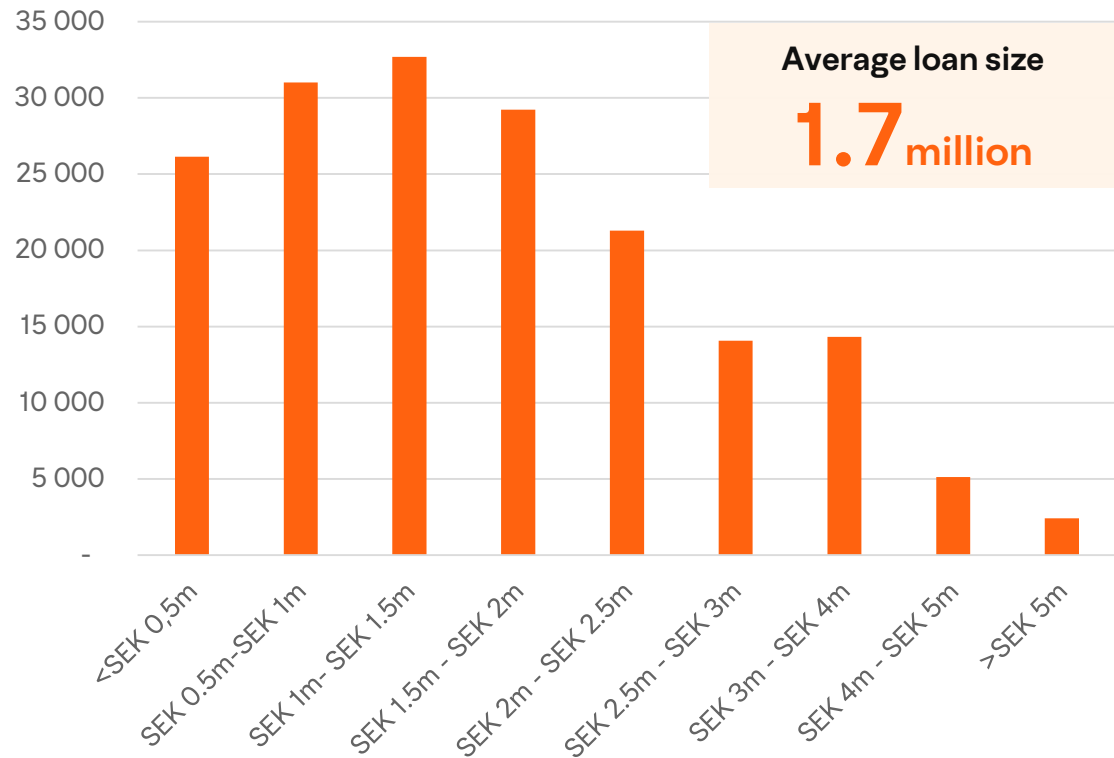
LTV ratios in loan book



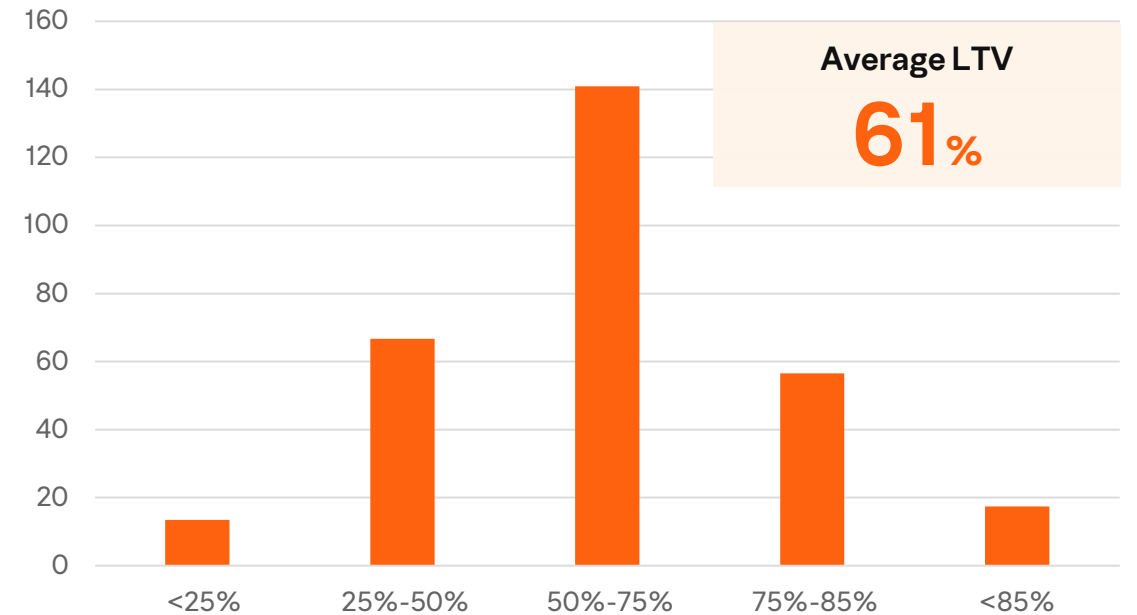
Granular & diversified portfolio

- Lending book spread over a large number of customers with relatively small exposures

Loan size distribution in mortgage book, Q1 2020 (no. of households)



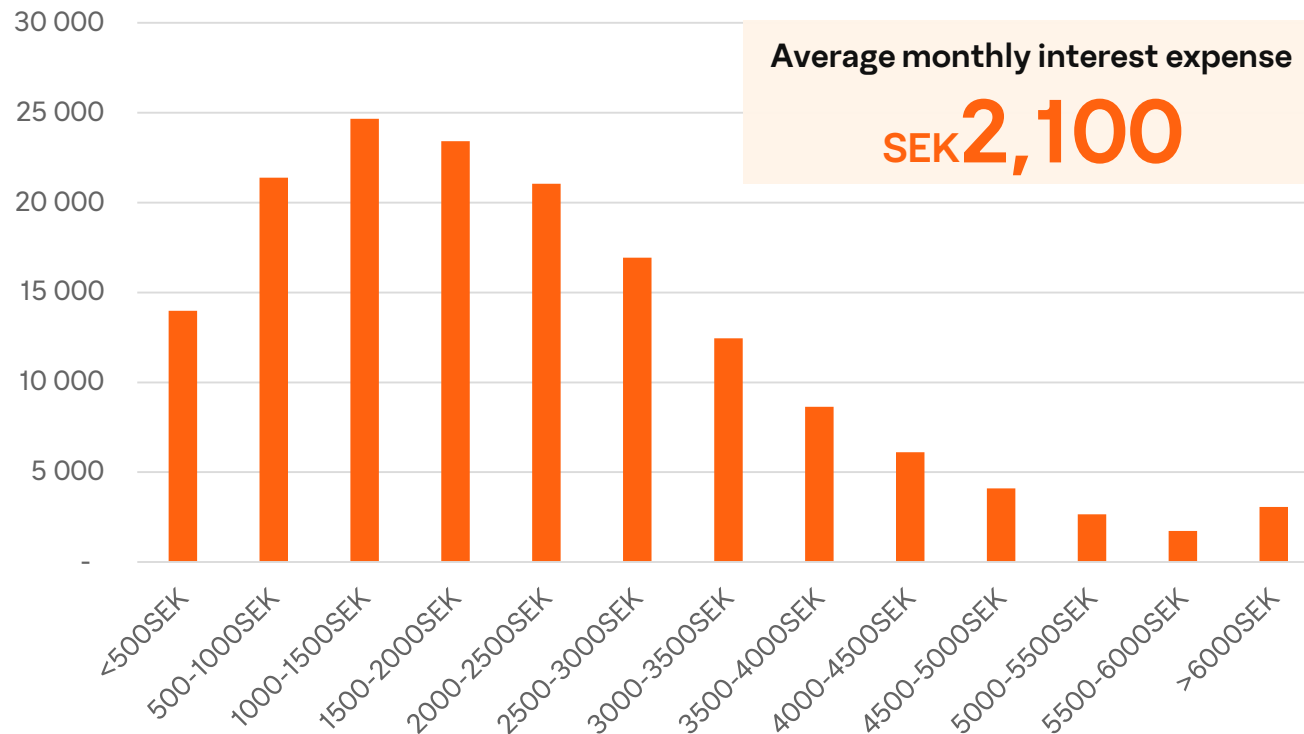
LTV split in mortgage book, Q1 2020 (SEK billion)



Interest expenses at low levels (1/2)

– Households' interest expenses (in relation to income) at very low levels from a historical perspective

Monthly interest expenses, March 2020 (no. of households)



Comments

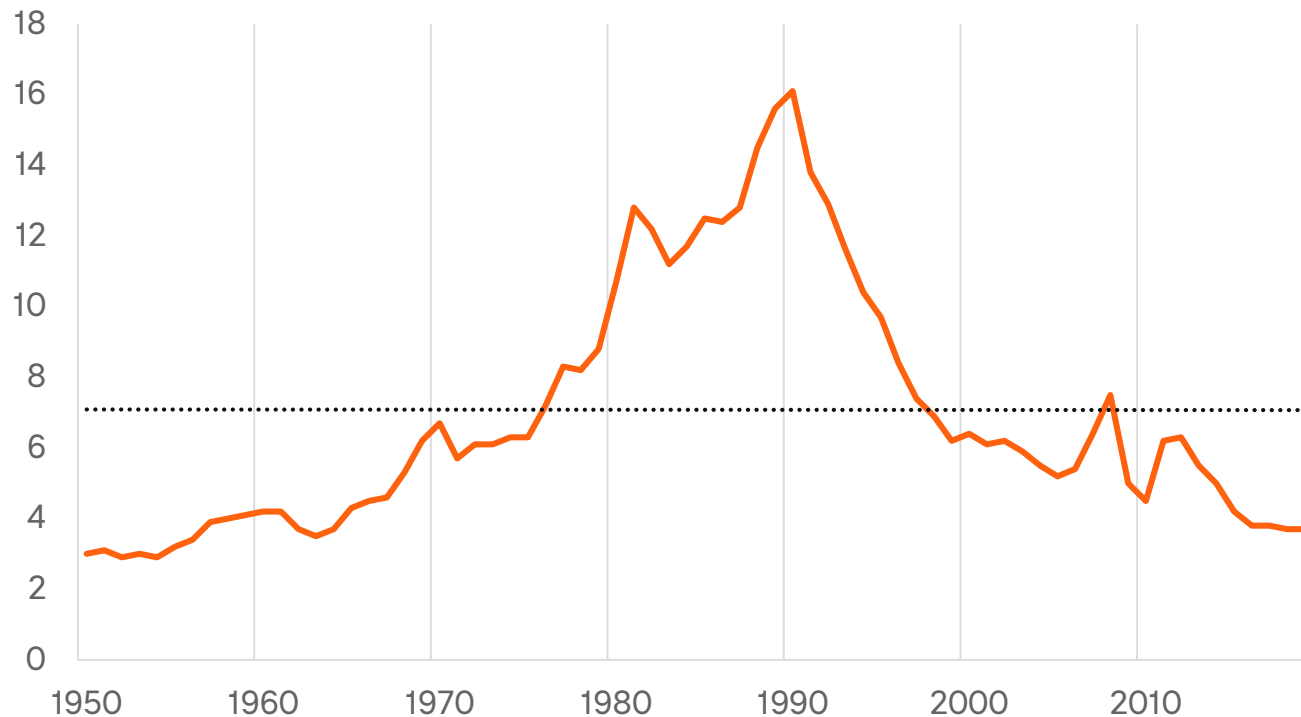
- SBAB's average residential mortgage customer has a mortgage of SEK 1.7 million and pays an average of SEK 2,100 per month in interest before tax (excluding amortisation)
- Households' interest expenses for mortgages have not been this low for more than half a century



Interest expenses at low levels (2/2)

– Households' interest expenses (in relation to income) at very low levels from a historical perspective

Interest expenditure (% of disposable income)



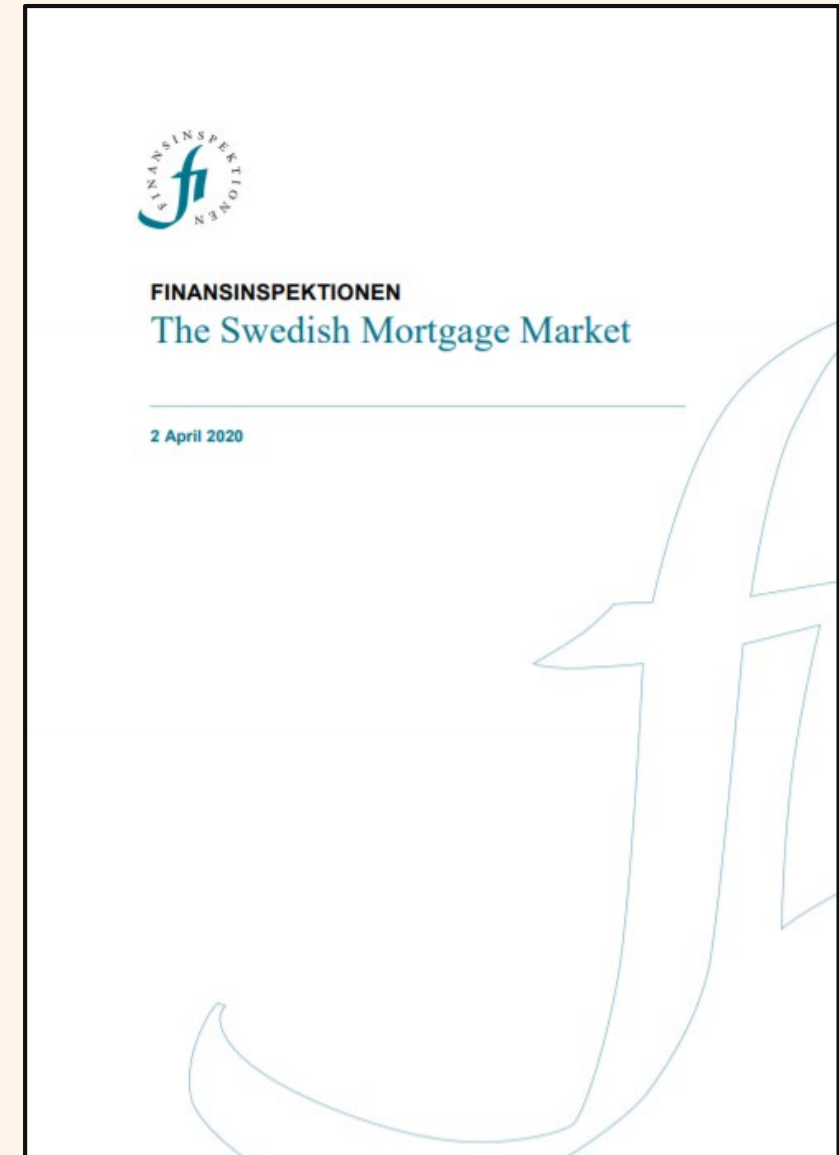
Comments

- High debt-to-income ratio but low interest costs
- Interest expenses in relation to disposable income (interest ratio) at a very low level from a historical perspective
- The interest ratio is expected to increase somewhat in coming years (the effect will be amplified in the short run by extensive use of floating rate mortgages)



S-FSA Mortgage Survey 2019

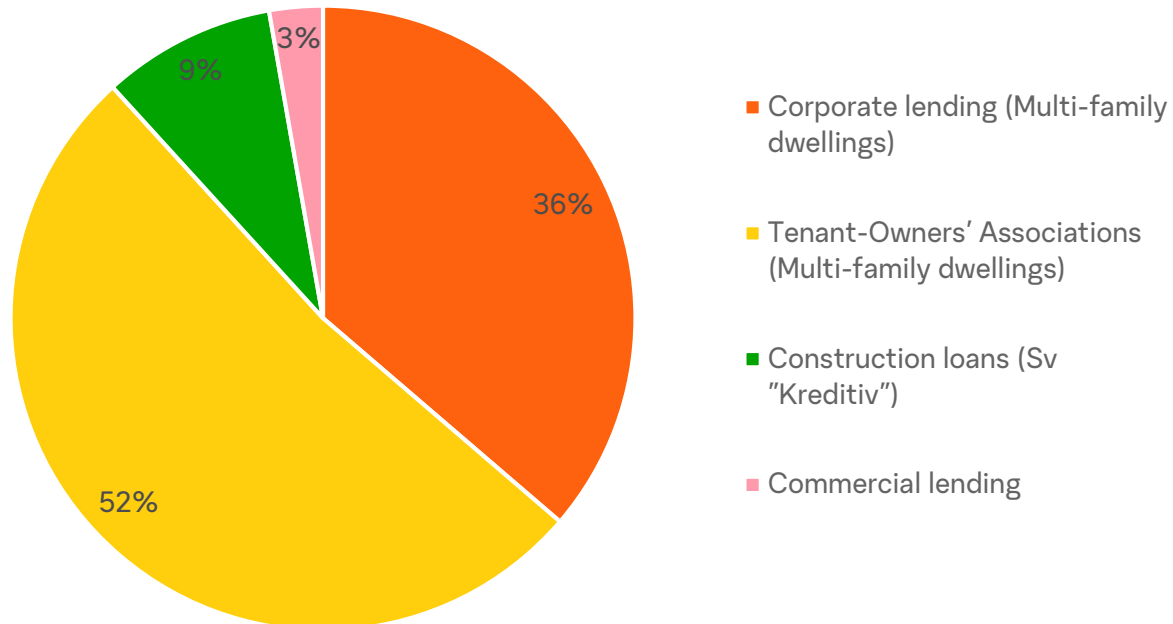
- The percentage of new mortgagors with a high level of debt in relation to either their income or the value of the home continues to be high. New mortgagors in 2019 increased their average loan-to-income ratio. The average loan-to-value ratio also increased in 2019 among new mortgagors, thus breaking the trend of falling loan-to-value ratios since 2013
- In general, new mortgagors still have good margins for servicing their loans under weaker economic conditions. More households than before could handle higher interest rates without experiencing a deficit in their cash flow. However, there was a slight increase in 2019 in households that experienced a monthly deficit following a loss of income compared to 2018. The increase refers primarily to single-person households
- Good resilience indicates that there is a **limited risk that mortgages would cause extensive credit losses for banks**. This should also mitigate the reduction in household consumption, for example, if the economy were to sharply decline as a result of the spread of the coronavirus and the measures being taken in response thereto



Overview of corporate lending

Lending split Corporate Clients & Tenant-Owners' Associations

Total lending: SEK 91.7 billion



Comments

- Focus on large and experienced property developers with strong balance sheet
- Construction loans (Sw "kreditiv") capped at 6% of total lending (see next page)
- SBAB's exposure to pure commercial properties is limited. Commercial lending capped at 3% of total lending (currently 0.7%). Our primary focus is on financing multi-family dwellings



Construction loans

– Focus on major residential developers and existing relationships with solid track records

Comments

- Focus on major residential developers and existing relationships with solid track records
- 80 outstanding construction loans (number of properties) totalling SEK 13.9 billion (of which 60% disbursed). Construction loans capped at 6% of total lending
- More prudent acceptance levels for smaller residential developers, e.g. higher levels of equity, number of sales agreements
- Most of the construction loans are to companies with diversified revenue streams (i.e. not only from real estate development, but from rental apartments, infrastructure projects and real estate management). Strong balance sheets and good levels of liquidity among SBAB:s customers with building credits

Key metrics

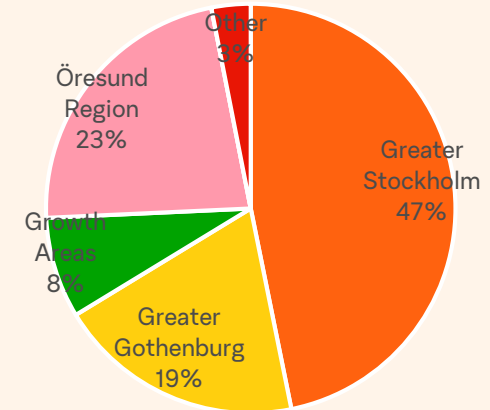
Granted credit amount

13.9_{bn}

Disbursed share

60%

Geographical distribution



Regarding the COVID-19 outbreak

Overview

– SBAB in a strong position & ready to support customers

- SBAB is a mortgage bank that provides loans and savings services to private individuals, corporate clients (property companies & property developers) and tenant-owner associations in Sweden. As such, we have no exposure to affected sectors and very limited exposure to unsecured corporate lending
- SBAB has a very strong balance sheet and high quality assets (>99% secured lending)
- Underlying financial development and lending growth continued to be healthy in Q1 2020. No visible Covid-19 effects except for SEK 19 million in IFRS9 provisions and some negative effects on trading result
- 100% retained earnings in 2019 has further strengthened capitalisation and ability to grow lending
- SBAB's intends to continue to take responsibility for a well-functioning housing credit market in Sweden and stands ready to support our customers



A truly sustainable strategy

At SBAB, we do not distinguish between business objectives and sustainability objectives. We have established three overall (commercial & sustainable) target areas for our operations: Responsibility & transparency, Attractive workplace & Sound finances. Together, they form the basis of a common approach to SBAB's contribution to sustainable societal development.

Effects of COVID-19

1	Operations	→	<ul style="list-style-type: none">• SBAB has strengthened technical preconditions for remote working• Employees who can work from home are doing so• Zone system at the office for staff/functions who are unable to work remotely• Additional office in the Karlstad area staffed and operational
2	Growth	→	<ul style="list-style-type: none">• SBAB's aim is still to gain market shares in the coming years. The prevailing situation, slowdown in credit growth & continued high level of competition constitutes challenges• Good prerequisites for continued growth in the corporate lending segment
3	Income & margins	→	<ul style="list-style-type: none">• Strong net interest income in Q1 2020. Retail margins expected to come down slightly during the remainder of the year. Stable margins expected for corporate lending• CVA/DVA effect of SEK -55 million in Q1 2020
4	Expenses	→	<ul style="list-style-type: none">• Continued investments according to plan. Some initiatives delayed and/or postponed
5	Credit losses	→	<ul style="list-style-type: none">• Revised forward-looking information applied in the impairment model resulting in an effect of SEK 19 million in increased loan loss provisions in Q1 2020. Additional provisions might arise during the coming quarters subject to economic development
6	Funding & liquidity	→	<ul style="list-style-type: none">• High funding activity in Q1 – launch of new SEK benchmark 5Y & 10Y• Some deposit outflow during the quarter• Strong liquidity position
7	Capital	→	<ul style="list-style-type: none">• Well above capital targets. Reduced CCB requirement from 2.5% to 0% has increased SBAB's margins to capital requirements• 100% retained earnings positive impact on CET1 ratio at year-end 2019 (+0.6%)



Provisions & impaired loans Q1 2020

Lending to the public by credit stage

SEK million	31 Mar 2020	31 Dec 2019
Credit stage 1		
Gross lending	368,870	362,317
Provision	-41	-29
Total	368,829	362,288
Credit stage 2		
Gross lending	20,294	21,341
Provision	-77	-74
Total	20,217	21,267
Credit stage 3		
Gross lending	303	281
Provision	-30	-29
Total	273	251
Total gross lending	389,467	383,939
Total provisions	-148	-132
Total	389,319	383,807

Net credit losses

SEK million	Q1 2020	Jan-Dec 2019
Lending to the public		
Confirmed credit losses	-2	-14
Recoveries of previously confirmed credit losses	0	3
Change in provision for the period – credit stage 1	-12	-3
Change in provision for the period – credit stage 2	-3	-1
Change in provision for the period – credit stage 3	-1	3
Guarantees	1	-8
Net credit losses for the period – lending to the public	-17	-20
Loan commitments		
Change in provision for the period – credit stage 1	-7	3
Change in provision for the period – credit stage 2	-3	-9
Change in provision for the period – credit stage 3	0	0
Net credit losses for the period – loan commitment	-10	-6
Total	-27	-26

Of which residential mortgages: SEK 1 million

Of which residential mortgages: SEK 5 million

Revision of the macroeconomic projections applied in the impairment model as a result of the COVID-19 outbreak (total increase in provisions of SEK 19 million)



No dividend for the financial year 2019

- In the Year-end Report 2019, published on February 14, 2020, SBAB communicated that the Board of Directors proposed a dividend for 2019 of 40% of net profit, corresponding to SEK 715 million
- At an Extraordinary Board Meeting held on March 17, 2020, the Board of Directors resolved to not propose a dividend for the financial year 2019
- The ongoing development regarding the Corona virus has so far had a negative impact on the economic development. SBAB's intends to continue to take responsibility for a well-functioning housing credit market in Sweden. To achieve this and to ensure continued growth in credits provided to its customers, SBAB intends to strengthen its capitalisation by retaining the entirety of the 2019 earnings
- Effect on return on equity (-0.4% in Q1 2020) and on CET1 capital ratio (+0.6% in Q4 2019)





Temporary amortisation relief

Easily accessible information on SBAB's platforms

Extensive Q&A relating to the COVID-19 outbreak available on SBAB's website. SBAB has also developed a service (available both on the web and in the app) that allow all customers to apply for amortisation relief.



Residential mortgage customers

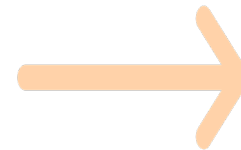


Amortisation relief

12,000 objects

SEK 29.4 billion

Data as of 27 April 2020



Tenant-owners' associations



Amortisation relief

4 customers

SEK 182 million

Data as of 24 April 2020



Measures by government agencies

Government

- Qualifying day for sick pay to be discontinued & central government to assume sick pay responsibility for two months
- Liquidity reinforcement via tax accounts proposed. Under this proposal, companies can defer payment of employers' social security contributions, preliminary tax on salaries and value added tax that are reported monthly or quarterly
- A new system for short-term layoffs to be introduced. Central government will cover three quarters of the costs when staff working hours are reduced
- Municipalities and regions to receive compensation for extraordinary measures and extra costs in health and medical care. Additional funding for relevant government agencies
- Airline companies are given state credit guarantees
- The credit guarantee framework for the Export Credit Board is extended

S-FSA

- Bank's cyclical buffers have been lowered to 0% from 2.5%. The measure is being taken pre-emptively to avoid a credit crunch due to recent developments surrounding the coronavirus disease and the spread of COVID-19 and their impact on the economy. The new buffer rate will be applied as of 16 March 2020. FI does not expect to change the new buffer rate for at least the next twelve months. This means that any subsequent increases will not be expected to go into effect earlier than March 2022
- Amortisation rules have been eased. Loss of income associated with COVID-19 to qualify as special grounds that allow the bank and borrower to reach an agreement to reduce or suspend amortisation payments for a limited period of time

Riksbank

- The Riksbank has increased its bond purchases by SEK 300 billion in 2020, including government, corporate, covered and municipal bonds
- The Riksbank lends up to SEK 500 billion to corporates through banks
- Liquidity support: Reduce the lending rate for overnight loans to banks from 0.75 to 0.20 percentage points above the repo rate. A weekly, unlimited 3m repo transactions at 0,2% rate is introduced, and rules for collaterals are relaxed
- The Riksbank enables loans in US dollars against collateral. The framework amount is USD 60 billion for the period 19 March 2020 up to and including 18 September 2020
- The repo rate remains at 0%



Summary of Q1 2020

Financial highlights Q1 2020

	Q1 2020	Q4 2019	QoQ ▲		Comment	
1	Net interest income	885	877	+0.9%	→	Primary source of income. Development driven by larger lending volumes. Some margin pressure expected ahead
2	Net interest income	-55	-6	-49 mn	→	Increased counterparty risks in SBAB's derivative exposures (CVA/DVA)
3	Costs	-311	-327	-4.6%	→	Continued investments for future competitiveness according to plan (mainly IT, digitalisation & customer offering/experience/service)
4	Credit losses	-27	-10	+17 mn	→	Very low credit losses over time as expected with SBAB's concentration on mortgages. Increased provisions in Q1 2020 (SEK 19 mn) as a result of the covid-19 outbreak
5	Operating profit	485	540	-10.2%	→	Decreased op. profit in Q1 due to increased provisions, lower net result from financial transactions & lower net commission. Underlying profit generation healthy
6	ROE	9.2%	10.5%	-1.3 pp	→	Risk/return trade off – competitive profitability and returns given SBAB's low risk business. Well above target (>10%) last 5 years. Some pressure in Q1 2020 due to lower operating profit
7	C/l ratio	37.7%	37.2%	+0.5 pp	→	Competitive cost efficiency. Continued investments according to plan
8	CET1 capital ratio	12.7%	13.1%	-0.4 pp	→	Comfortable margin to external and internal requirements. Retained earnings in 2019 has strengthened capitalisation & buy-back of AT1 in Q1 2020

Overview of Q1 results

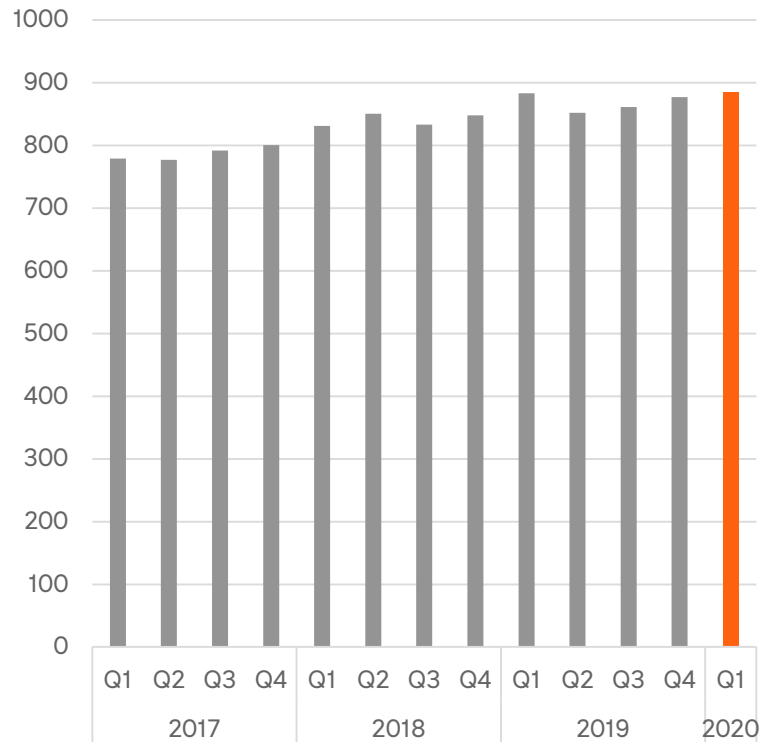
SEK million	Q1 2020	Q4 2019	▲	Q1 2020	Q1 2019	▲
Lending (SEK bn)	389,3	383,8	+1.4%	389,3	366,3	+6,3%
Deposits (SEK bn)	128,7	130,5	-1.4%	128,7	126,1	+2.0%
Net interest income	885	877	+0.9%	885	883	+0.2%
Net commission	-18	-2	-16 mn	-18	-12	-6 mn
Net result financial transact.	-55	-6	-49 mn	-55	13	-68 mn
Costs	-311	-327	-4.6%	-311	-292	+6.5%
Loan losses	-27	-10	+17 mn	-27	-9	+18 mn
Operating profit	485	540	-10.2%	485	590	-17.8%
C/I ratio, %	37.7%	37.2%	+0.5 pp	37.7%	32.8	+4.9 pp
C/L ratio, %	0.32%	0.34%	-0.02 pp	0.32%	0.32%	0.0 pp
RoE, %	9.2%	10.5%	-1.3 pp	9.2%	12.5	--3.3 pp
Loan loss ratio, %	0.03%	0.01%	+0.02 pp	0.03%	0.01%	+0.02 pp
CET1 capital ratio, %	12.7%	13.1%	-0.4 pp	12.7%	12.4%	+0.3 pp



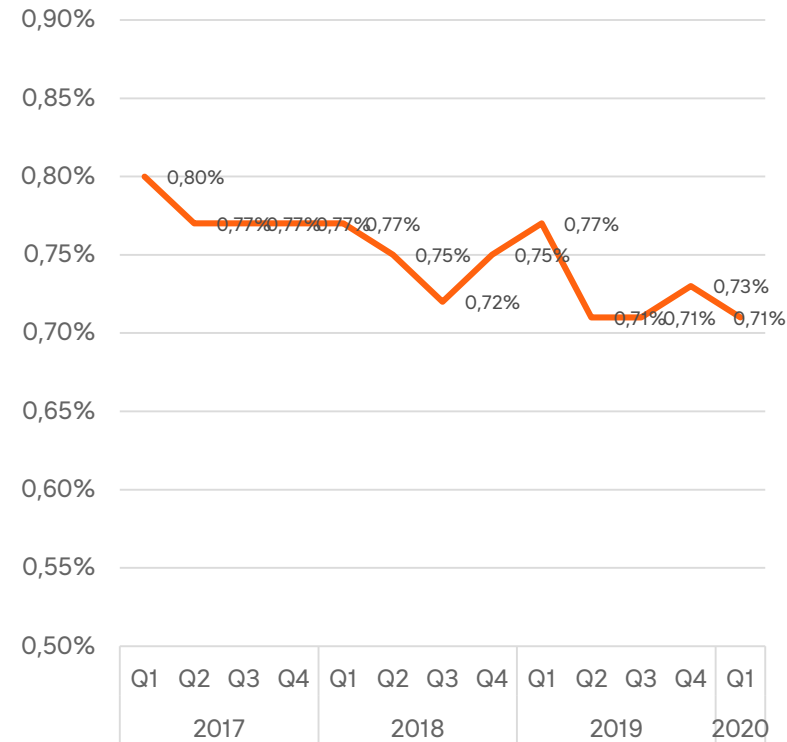
NII development

– Continued growth and stability. Recurring income dominates SBAB’s revenue stream

Net interest income QoQ (%)



Net interest margin QoQ (%)



Comments

- Highest NII to date. NII increased 0.9% to SEK 885 million (877) over the quarter, mainly due to higher lending volumes, lower interest expense linked to retail deposits and lower guarantee fees
- Increased competition in the retail mortgage market. Lending margins are expected to come down further during the next 12 months
- Stable lending margins expected for corporate lending and lending to tenant-owners’ associations

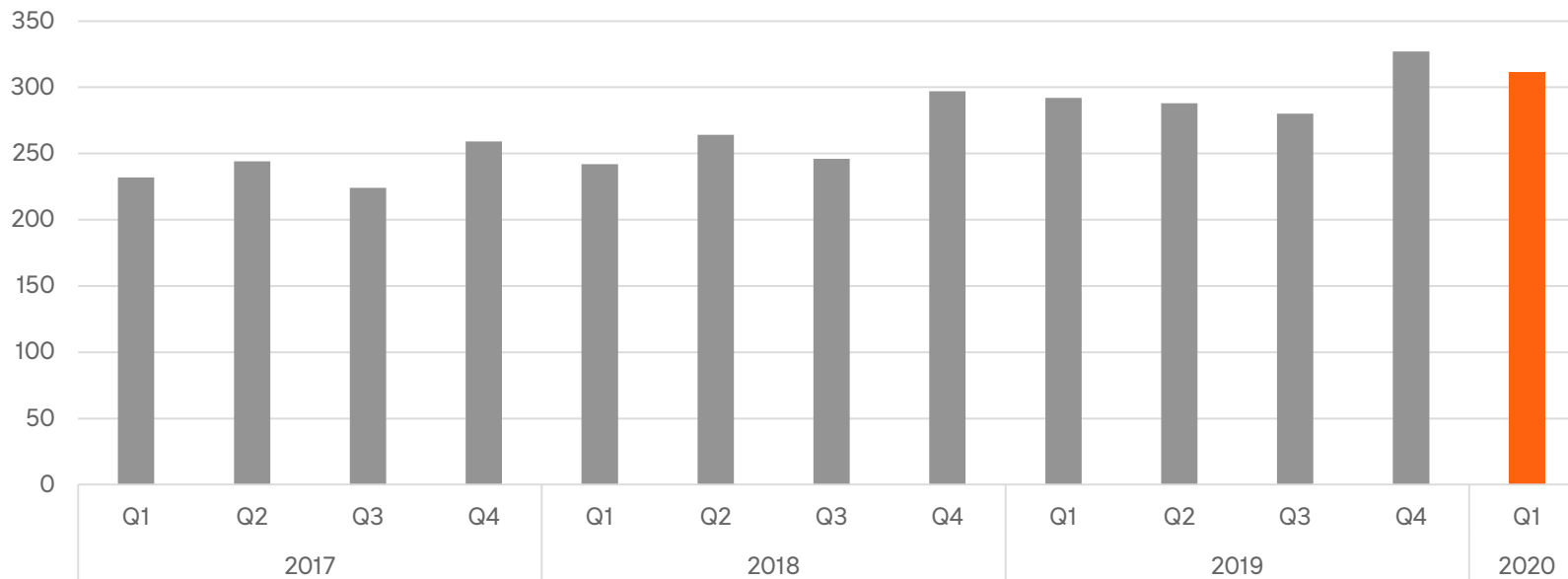
NIM calculated as net interest income in relation to total assets



Cost management

– Increased investments for future competitiveness

Cost development QoQ (SEK mn)



YoY: **8%**

YoY: **9%**

YoY: **13%**

Comments

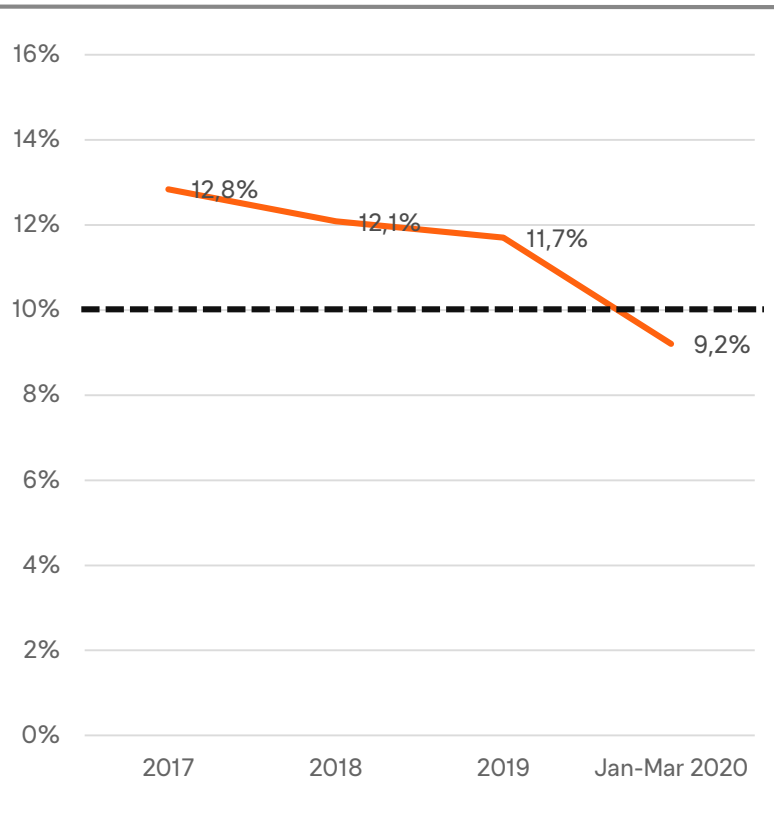
- Increased investments for future competitiveness:
 - Customer offering (incl. customer service & customer experience)
 - Digitalisation
 - Replacement of IT-infrastructure (core banking platform)
 - Increased compliance & regulatory requirements



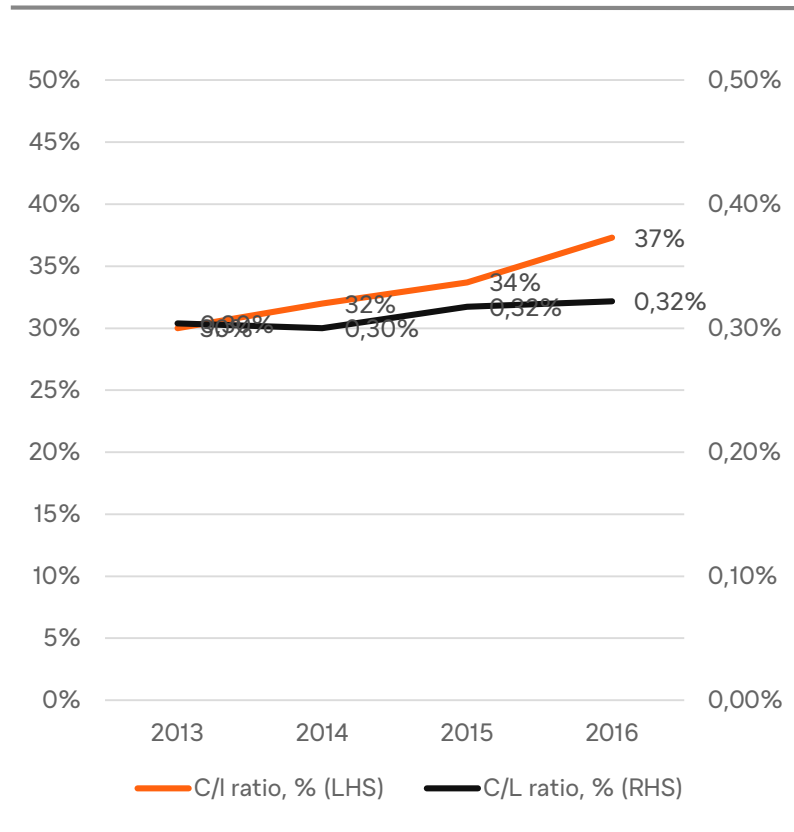
Financial KPIs

- Continued high cost efficiency & competitive returns given SBAB's low risk business

Return on equity, %



C/I-ratio, %



Comments

- Strong underlying profitability (above profitability target of RoE>10% last 5 years). Some pressure on ROE in Q1 2020 as a result of declining operating profit (due to lower trading result, increased credit loss provisions & lower net commission). Increased own funds due to retained earnings 2019 has also impacted RoE (-0.4% in Q1 2020)
- Highly competitive cost efficiency, although increased investments (according to plan) has impacted C/I ratio



Customer experience & ecosystem

- Residential mortgages & housing financing main focus and primary source of income
- Strategy to strengthen customer relationship/loyalty by adding valuable services throughout the housing journey
- New brand profile launched in Q1 2020 in order to achieve a more unified and improved customer experience



Ecosystem of services relating to housing and household finances

Housing phase	Service	Brand
Dream & search	<ul style="list-style-type: none"> • Housing adds • Housing market information • Savings account 	booli! <small>En tjänst från SBAB</small> SBAB!
Buy	<ul style="list-style-type: none"> • Residential mortgages & housing financing • Home insurance (through partner) • Life insurance (through partner) • Legal advice (through partner) 	SBAB!
Live	<ul style="list-style-type: none"> • Refinancing • Consumer loans 	SBAB!
Sell	<ul style="list-style-type: none"> • Real estate broker recommendations • Housing valuation • Housing adds • Tax declaration advice (through partner) 	hittamäklare! <small>En tjänst från SBAB</small> booli! <small>En tjänst från SBAB</small>



SBAB's commitment to sustainability

SBAB's commitment to sustainability

- Comprehensive business transformation since autumn 2014 in connection with the strategy change from full-service bank to focus on housing and household finances (Sw. "Boende och boendekonomi")
- At SBAB, we do not distinguish between business objectives and sustainability objectives. Sustainability fully integrated in SBAB's business plan/governance structure since 2017
- Three overall (commercial & sustainable) target areas for our operations. Together, they form the basis of a common approach to SBAB's contribution to sustainable societal development:
 - **Responsibility & transparency**
 - **Attractive workplace**
 - **Sound finances**



SBAB assigns priority to four SDGs

The business sector, including SBAB, has an important role to play in achieving the SDGs within the 2030 Agenda. We have identified and chosen four of the 17 SDGs that we consider particularly important and relevant to our operations. The prioritised SDGs have been chosen based on extensive analysis in the form of internal workshops and ranking exercises within operations, the Executive Management and the Board, and today comprise an important and integrated part of our sustainable governance model.

A truly sustainable strategy

Materiality assessment

Gap analysis

Analyses basis for strategic direction & prioritisation

Based on demands from our operating environment, materiality assessment and continuously ongoing stakeholder dialogues, SBAB as established three (commercial & sustainable) target areas that form the basis of a common approach to SBAB's contribution to sustainable societal development. In 2018, an extensive sustainability analysis ("gap analysis") was conducted with the aim of identifying challenges and/or possibilities within our three target areas. The analysis constitutes an important tool for governance, follow-up & prioritisation in daily operations

Responsibility and transparency

- Responsible & transparent offering
- Our business is based on trust

- Together for the climate
- Inclusive housing market

Attractive workplace

- Corporate culture
- Leadership
- Respect & equality
- Attract & recruit

- Learning & development
- Health
- Remuneration

Sound finances

- Sustainable growth & funding
- Cost efficiency
- Capitalisation

- Dividend
- Profitability



SBAB's business/sustainability goals

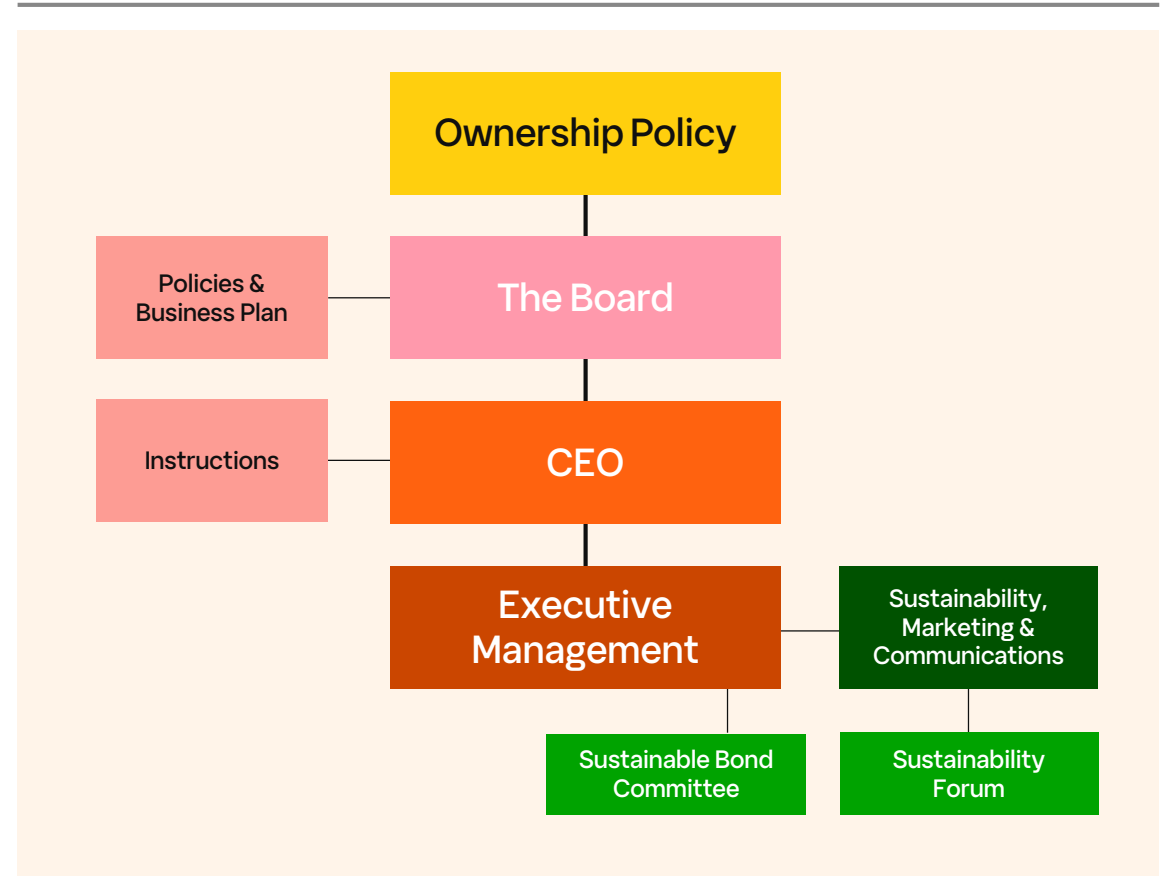
		Goal 2019	Results 2019	
Responsibility & transparency 	Responsibility: SBAB's ranking in Sustainable Brand Index	Top 4	8 th	
	Transparency: Number of customers who find SBAB's offering straightforward and easy to understand	85%	83%	
	Customer satisfaction: Sweden's most satisfied customers according to Swedish Quality Index (Svenskt Kvalitetsindex, SKI)	Residential mortgages	1 st	1 st
		Property loans	1 st	1 st
Attractive workplace 	Equality & diversity: Equality between women/men in management positions (within the range)	45-55%	43/57%	
	Employee experience: Percentage of employees who consider SBAB a great place to work	85%	91%	
	Committed employees: Total Trust Index (GPTW)	81%	86%	
Sound finances 	Profitability: Return on equity over time	≥10%	11.7%	
	Dividend: Ordinary dividend based on profit for the year after tax, taking the Group's capital structure into account	≥40%	0%	
	Capitalisation: CET1 capital ratio & total capital ratio above regulatory requirement communicated by the Swedish FSA	CET1 capital ratio	≥0.6%	2.4%
		Total capital ratio	≥0.6%	5.2%

Governance structure

SBAB's sustainable governance model



Governance structure

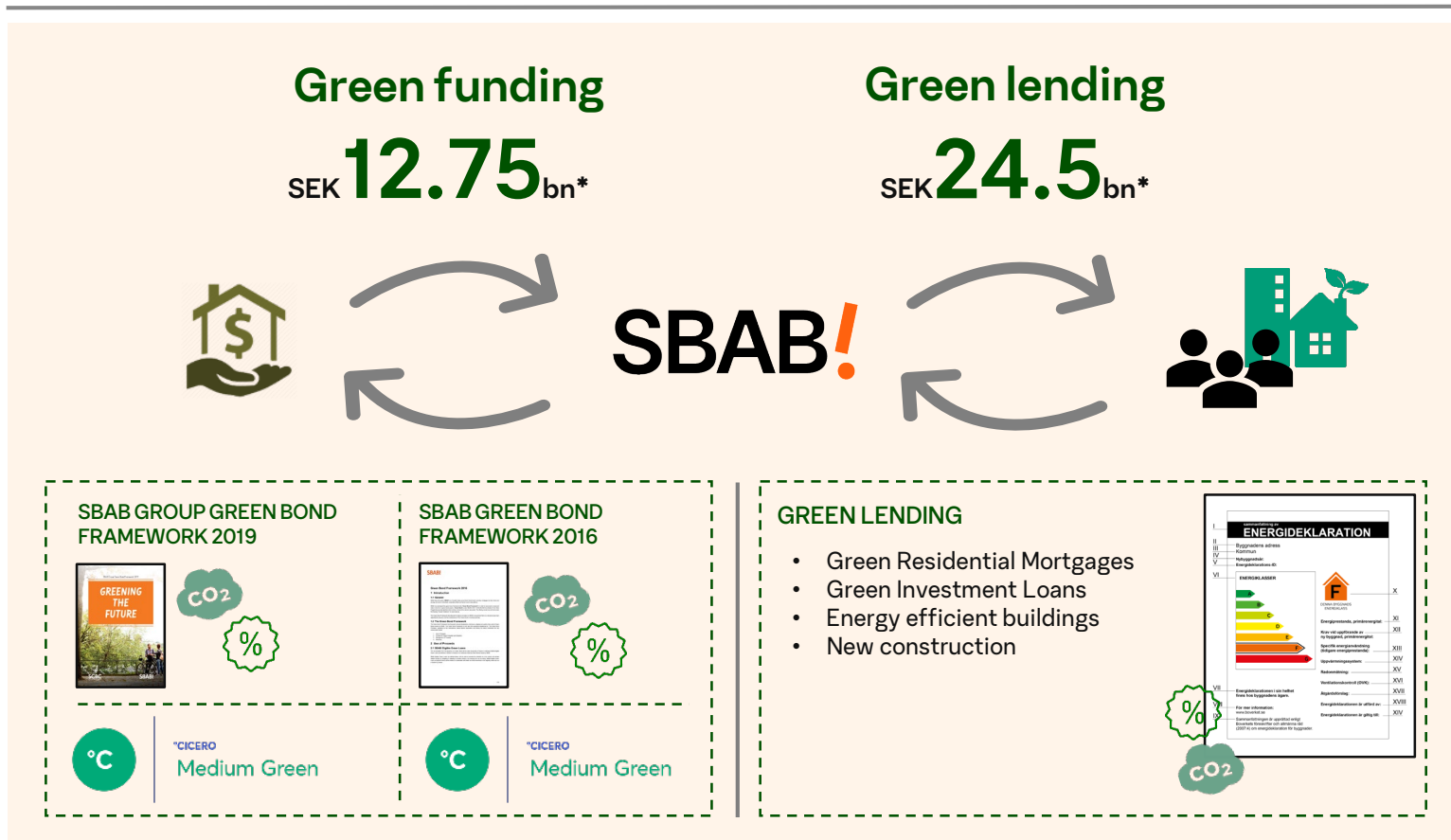


INSIGHT: Green lending & funding



Linking green lending to green funding

Rationale behind green efforts



- **Green lending:** Stimulate demand for energy efficient housing as well as creating opportunities and incentives (e.g. by offering discounted loans) for customers to invest and implement energy improving measures in their homes and properties
- **Green funding:** Offer investors the opportunity to actively participate in the sustainable transition of the Swedish housing and real estate market

*Data as of 31 Dec 2019



INSIGHT: Impact reporting

Green Bonds Impact Report 2019

GREENING THE FUTURE

Issuer	Issue date	Amount issued	Format	Maturity	Coupon	ISIN	Framework
SBAB	16 June, 2016	SEK 1.0bn	Senior unsecured	23 June, 2021	1.048%	XS1436518606	SBAB Green Bond Framework 2016
		SEK 1.0bn		23 June, 2021	3M Stibor +95 bps	XS1436728916	
SBAB	4 October, 2017	SEK 1.0bn	Senior unsecured	11 October, 2022	0.98%	XS1697577556	SBAB Green Bond Framework 2016
		SEK 750mn		11 October, 2022	3M Stibor +75 bps	XS1697766951	
SCBC	23 January, 2019	SEK 6.0bn	Covered bond	28 March, 2024	0.75%	XS1943443769	SBAB Group Green Bond Framework 2019
SBAB	13 June, 2019	SEK 2.25bn	Senior Non-Preferred	06 June, 2024	3M Stibor +90 bps	XS2015229516	SBAB Group Green Bond Framework 2019
		SEK 750mn		06 June, 2024	1.0%	XS2015229862	
TOTAL		SEK 12.75bn					

13 CLIMATE ACTION



11 SUSTAINABLE CITIES AND COMMUNITIES



SBAB Green Bond Framework 2016

SBAB Group Green Bond Framework 2019

SEK 4.7bn → 589 tCO_{2e}

Eligible Green Loans
& Estimated annual avoidance of GHG emissions

SEK 19.8bn → 6,970 tCO_{2e}

Eligible Green Loans
& Estimated annual avoidance of GHG emissions

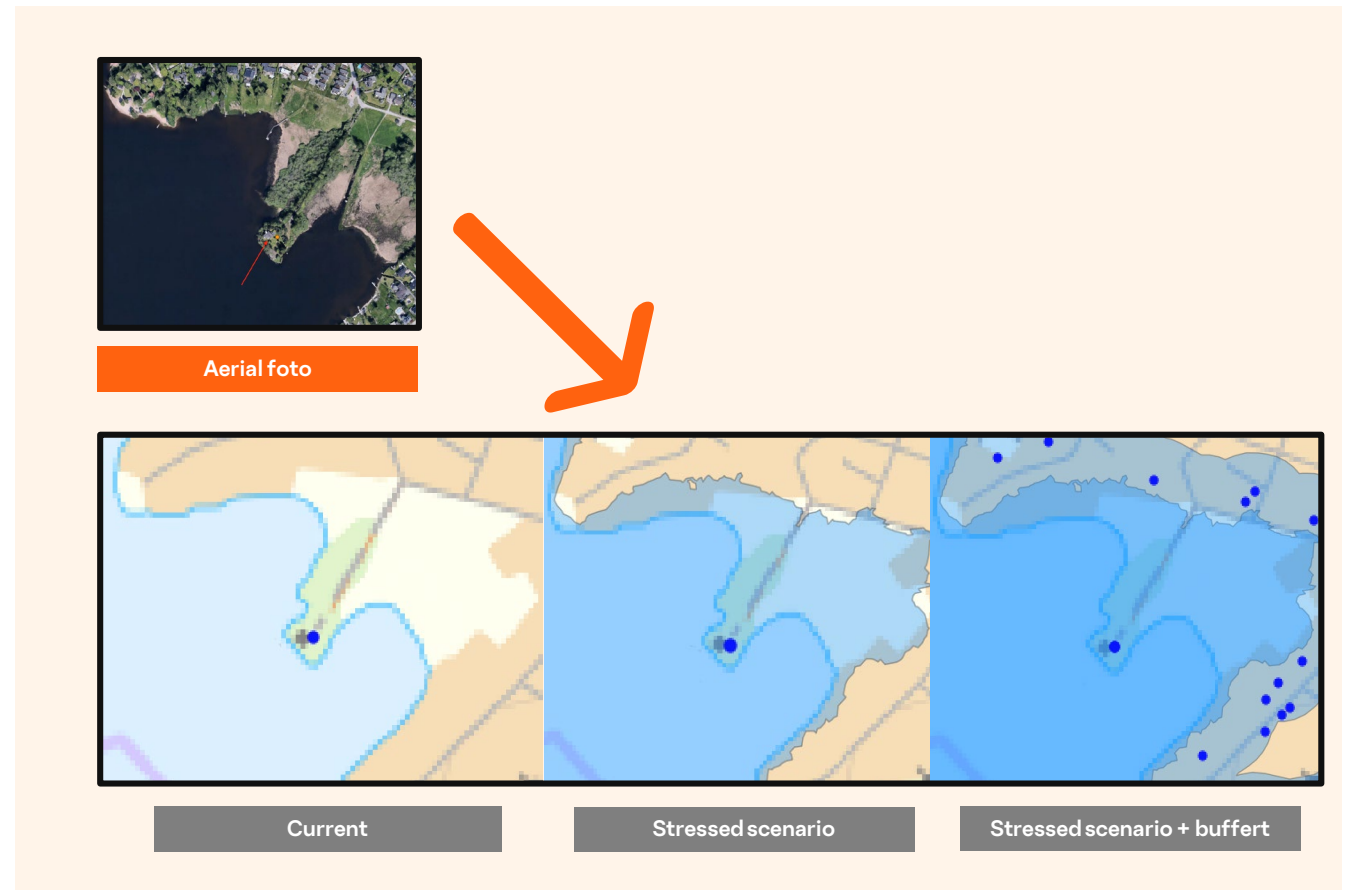
INSIGHT: Climate risk analysis



– Initial climate risk analysis of SBAB’s mortgage portfolio based on RCP8.5 (SMHI) & “100-årsflöden” (MSB)

Comments

- **Scenario 1:** Stressed scenario of collateral affected by increased seawater level (RCP8.5) and / or “100-year flows” (Sw. 100-årsflöden”) in Swedish watercourses
- **Scenario 2:** Stressed scenario described above +100 meters buffer
- **Result:** Small proportion of SBAB’s portfolio in risk zones





Kraftsamling för en
sund kreditgivning till
en sund byggbransch

“Tax avoidance, money
laundering and unhealthy
competition in the
construction industry”

SBAB!

INSIGHT: Responsible credit granting

- Several investigations have shown that building practices often involve unreported employment and salary dumping, as well as a lack of respect for human rights along the supply chain
- During 2018, SBAB initiated a project together with representatives from property developers, workers' and employers' organisations and professional bodies to produce changes with the aim of tackling the issues
- The result of the project is a declaration of intent signed by the above, requesting banks to take increased responsibility in their credit granting (e.g. by more stringent requirements)
- SBAB has initiated a dialogue with other banks in Sweden involved in financing new construction with the aim of them supporting the declaration of intent



INSIGHT: Attractive workplace



- 4th place in Great Place to Work's list of Sweden's best workplaces both 2019 & 2020 (larger companies)
- 20th place in Great Place to Work's list of Europe's best workplaces 2019 (larger companies)

One of Sweden's best workplaces

Percentage of employees who consider SBAB, all in all, a very good workplace:

93%

SBAB rewarded for its work with respect and equality



Sustainability ratings

ISS-Oekom

Prime C

ISS-Oekom Research AG has issued a sustainability rating of C (on a scale of A+ to D-) to SBAB. With this rating, SBAB classifies as 'Prime'.

(Latest update in April 2018)



Imug

Positive BB

Imug Beratungsgesellschaft has issued a sustainability rating of positive BB (on a scale of AAA to DDD) to SBAB. SBAB ranks number 5 of 41 in its peer group (banks) and 22 of 121 in the region.

(Latest update in March 2020)

Sustainalytics

Medium Risk

According to the ESG report from Sustainalytics, SBAB is at medium risk (22.7/100) of experiencing material financial impacts from ESG factors.

(Latest update in 2019)

Funding, liquidity & capital

Rating overview

Senior Unsecured Rating

Moody's **A1** Stable Outlook

STANDARD & POOR'S RATINGS SERVICES **A** Stable Outlook
McGraw Hill Financial

Short-term rating: P-1 / A-1

MOODY'S

STANDARD & POOR'S
RATINGS SERVICES
McGraw Hill Financial

Investment Grade

Aaa *Sov. rating*

AAA *Sov. rating*

Aa1

AA+

Aa2

AA

Aa3

AA-

A1 *Senior Preferred*

A+

A2

A *Senior Preferred*

A3

A- *SACP*

Baa1 *BCA*

BBB+ *SNP*

Baa2 *T2/SNP*

BBB *T2*

Baa3

BBB-

Non Investment Grade

Ba1 *AT1*

BB+

Ba2

BB *AT1**

[...]

[...]

* Revised 2019/22/05 from BB+



SBAB's rating composition for senior debt

MOODY'S

STANDARD & POOR'S
RATINGS SERVICES
McGRAW HILL FINANCIAL

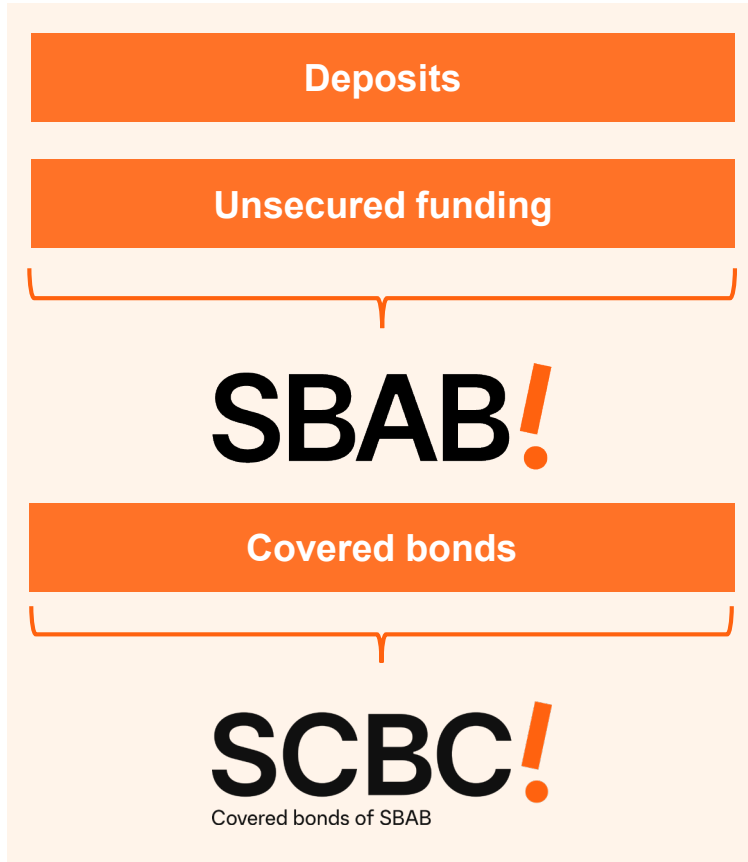
Stand-alone rating	Macro profile	Strong+
	Financial profile	a3
	Qualitative	-1
	- <i>Opacity and complexity / Corporate Beh.</i>	0
	- <i>Diversification</i>	-1
	Baseline Credit Assessment (BCA)	baa1
Notching	Loss Given Failure (LGF)	+2
	Government Support	+1
	Total notching	+3
Rating	Rating	A1
	Outlook	STABLE

Stand-alone rating	Anchor	a-
	Business Position	-1
	Capital and Earnings	+1
	Risk Position	0
	Funding & liquidity	0
	Stand-Alone Credit Profile (SACP)	a-
Notching	ALAC Support	+1
	GRE Support	0
	Group Support	0
	Sovereign Support	0
	Total notching	+1
Rating	Rating	A
	Outlook	STABLE

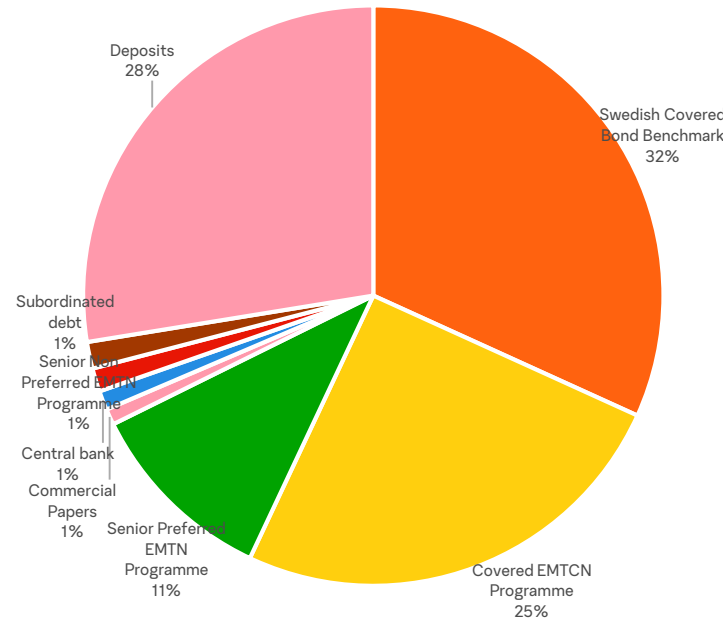


Overview of funding

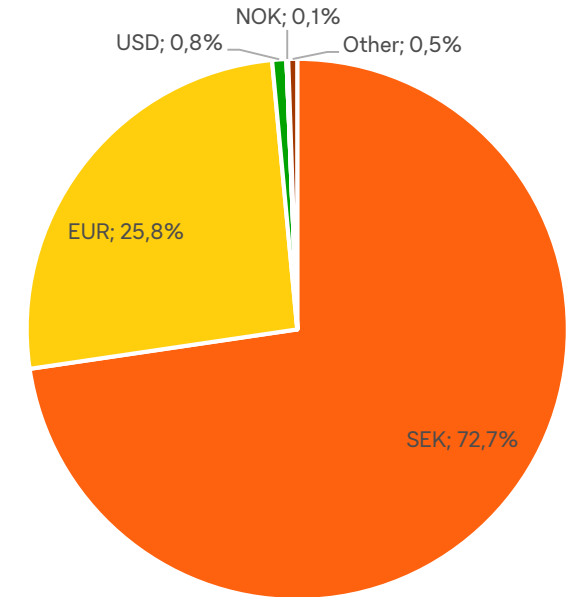
– Total funding portfolio SEK 466 billion (as of 31 March 2020)



Funding sources



Funding sources

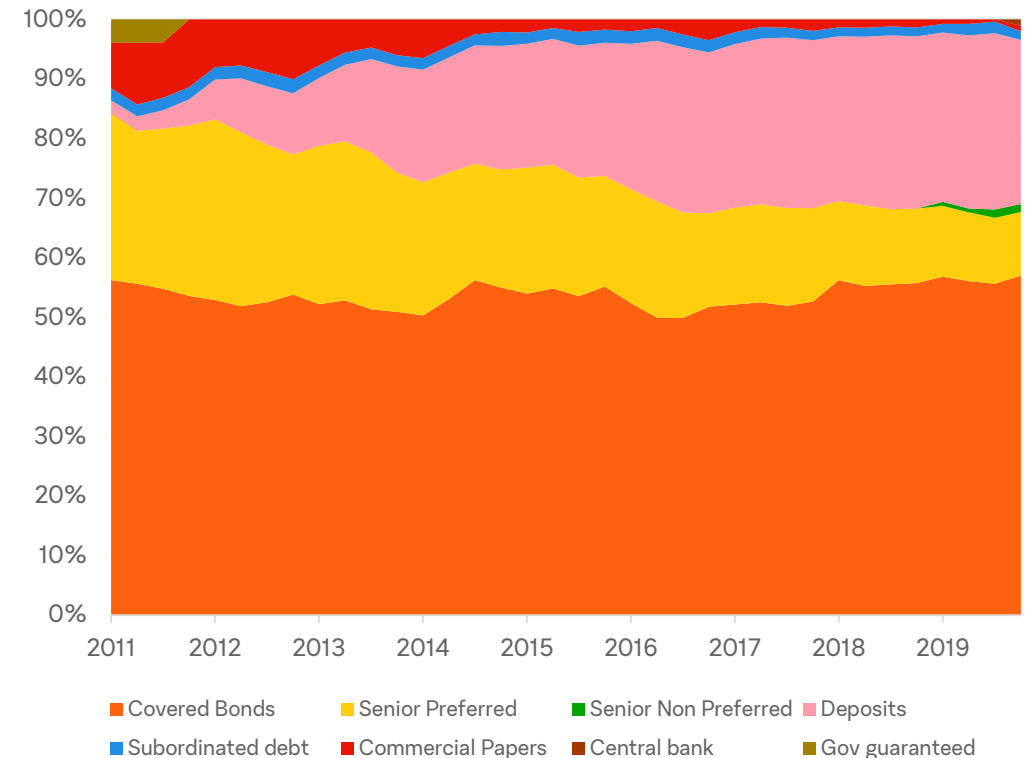


Funding strategy & development

Funding strategy

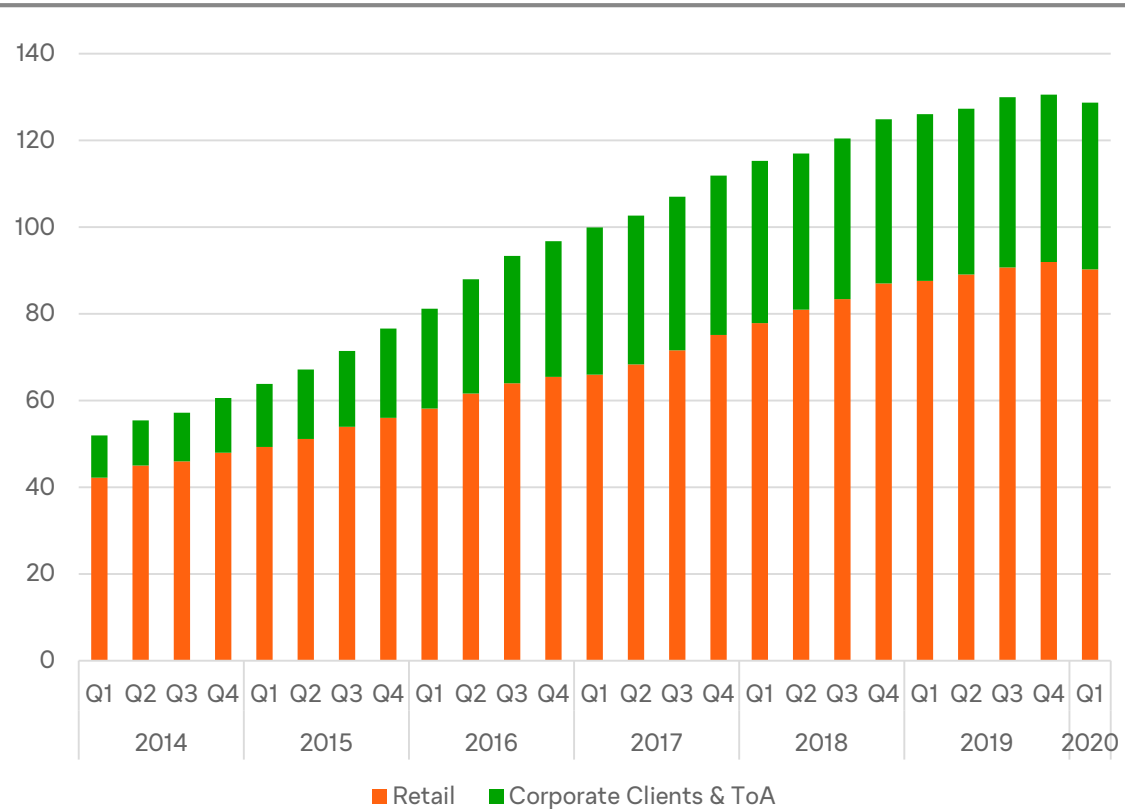
- Continuous and committed investor work in core markets and towards core investors to further increase name recognition and transparency
- Maintain access to core funding markets - SEK- and EUR-market
 - Regular benchmark issuance in Covered Bond format as and in Senior Unsecured format
 - Private placements as a complement
- Reduced wholesale funding reliance due to growing deposit volumes. Maintain a low reliance on foreign currency funding
- Efficient use of Covered Bond Funding ~ 50% of total funding. Utilising the depth and stability of the Swedish Covered Bond Market
- Limited use of short dated funding through CP-programs, interbank funding and central bank facilities
- Committed to green bond issuances subject to green lending volumes

Development of funding sources over time



Deposit development

Deposits (SEK bn)



Comments

Retail

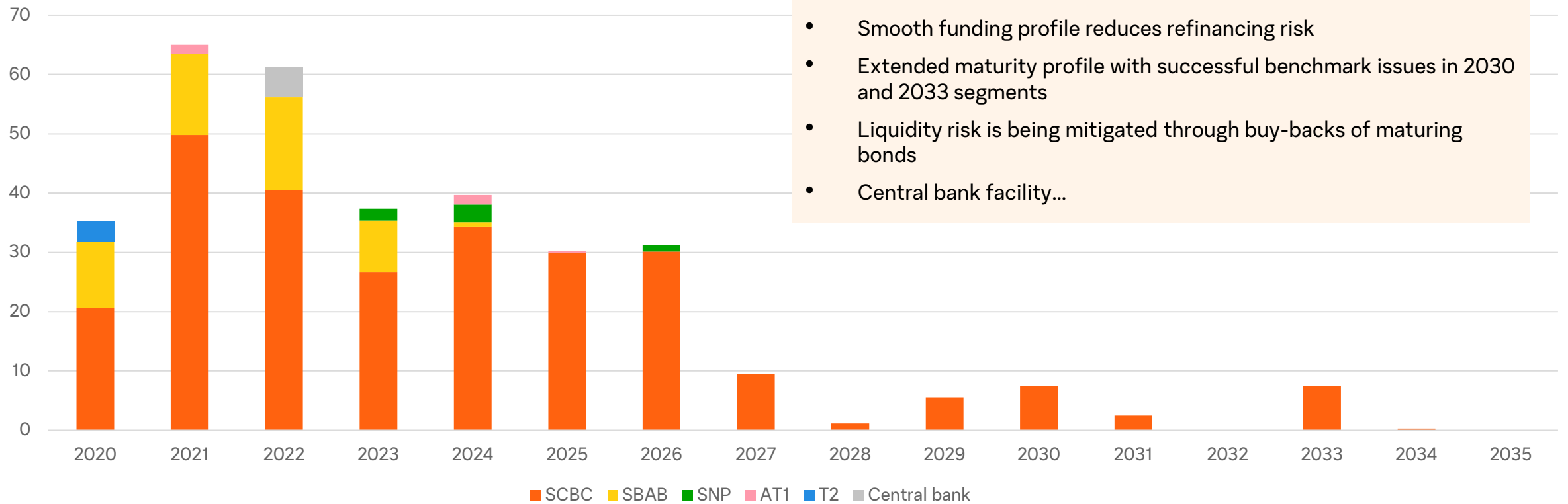
- Retail deposits decreased during the quarter to SEK 90.3 billion (92.0)
- Increased need for liquid funds for tax payments in February
- Competition for savings customers has increased somewhat, especially from smaller niche players
- Lowered the deposit rate by 0.10 percentage points in the end of 2019. Current savings rate of 0.50%

Corporate Clients & Tenant-Owners' Associations

- Deposits from corporates and tenant-owner associations decreased marginally during the quarter to a total of SEK 38.4 billion (38.6)
- Increased outflow at the end of the quarter from corporate clients in need of liquidity due to the corona crisis



Maturity profile



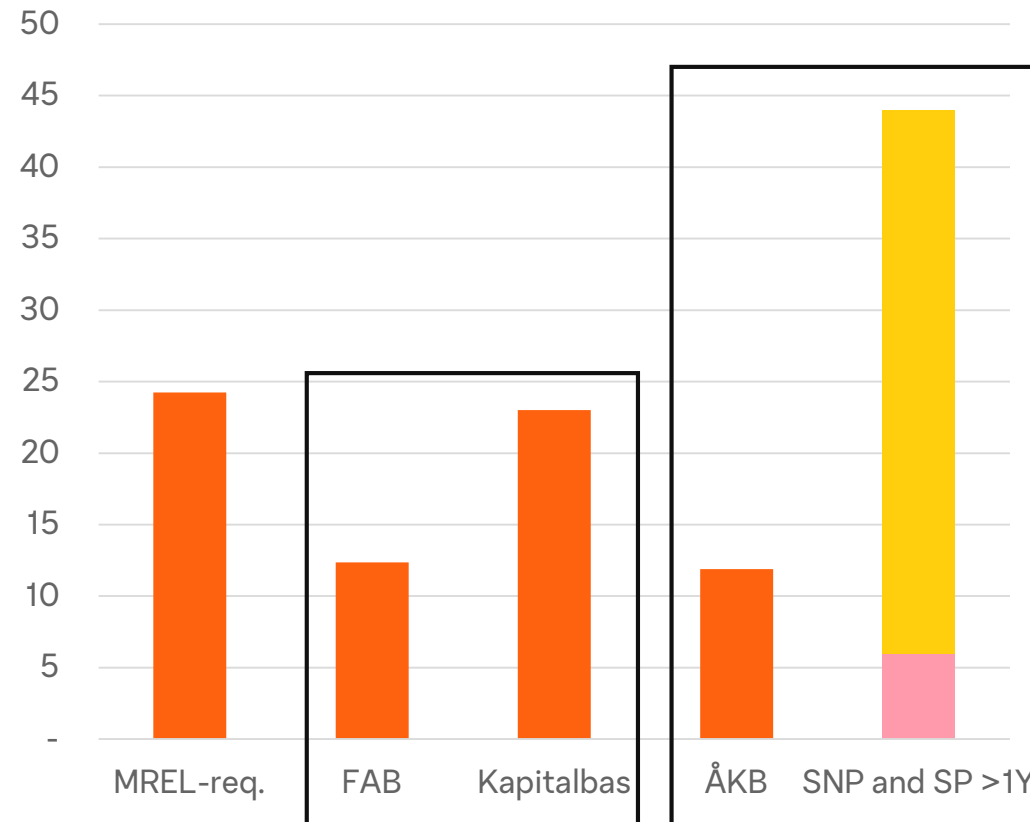
MREL-requirement

- MREL-requirement

Background

- In June 2018, SNDO (Riksgälden) made public that the principle of subordinated liabilities shall also apply to the six mid-sized institutions that are critical for the financial system
 - **To support the banking system in current corona pandemic environment, phase in period has been extended until end 2023**
- SBAB's total MREL-requirement is currently set at 5,35% of Total Liabilities and Own Funds (TLOF)
 - Total need for MREL debt around SEK 25 bn, where approximately SEK 12 bn is the recapitalisation amount (to be covered with senior non preferred debt)
 - Compliant with requirement with current outstanding senior unsecured debt
 - SBAB's estimated balance sheet growth and buffer will add to MREL requirement
- Senior non preferred need (requirement and buffer) of approximately SEK 20 bn by end of 2023
- Gradual build up of eligible liabilities (senior non preferred) over coming years (subject to regulatory developments)

MREL requirement Q4 2019, SEK (bn)

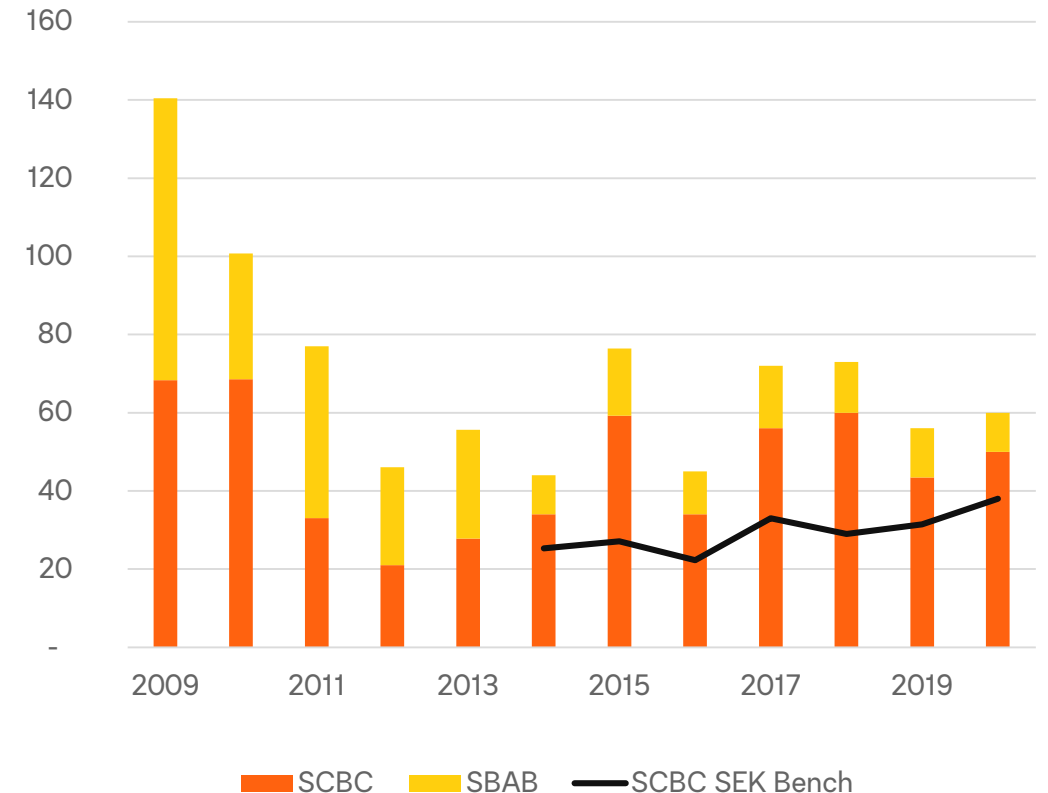


Future issuance

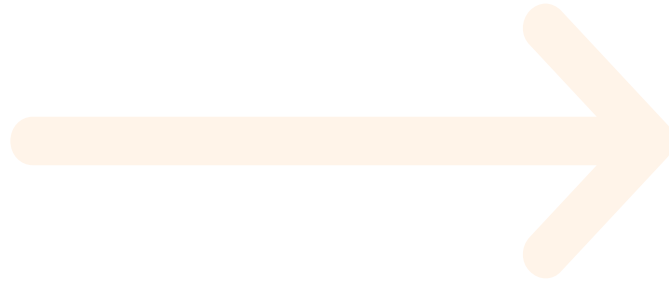
Future issuance

- Total long term funding for 2020 expected to approximately SEK 60 bn
- Overall strategy is to long term maintain presence and regularity in core funding markets (predominantly EUR and SEK)
 - New SEK covered bond benchmark/benchmarks per year
 - One EUR covered transaction in international funding markets per year & one EUR public senior preferred in international funding markets per year
 - Private placements in SEK and international funding markets
 - Senior non preferred issuances – SEK issuance, EUR and other currencies as a complement
- Capital issuances (AT1 & T2) predominately in SEK
- SBAB's focus is to use intermediate (5y+) tenors to support duration
- Regular future issuance: Dedicated to SEK and expected to return to EUR senior and covered bond market once a year going forward

Annual issuance, SEK (bn)



Regular presence in EUR market



SBAB!

Senior Unsecured
€500mn

0.50%
5y due May '21

April 2016

SBAB!

Senior Unsecured
€500mn

0.25%
5y due Sept '22

August 2017

SBAB!

Senior Unsecured
€500mn

0.75%
5y due June '23

June 2018



SCBC!
Covered bonds of SBAB

Covered Bond
€750 mn

0.25%
5y due April '23

April 2018

SCBC!
Covered bonds of SBAB

Covered Bond
€675 mn

1.25%
15y April '33

Apr 2018
(tap Oct 2018)

SCBC!
Covered bonds of SBAB

Covered Bond
€650 mn

0.625%
7y due Oct '25

October 2018

SCBC!
Covered bonds of SBAB

Covered Bond
€500 mn

0.375%
10y due Jun '29

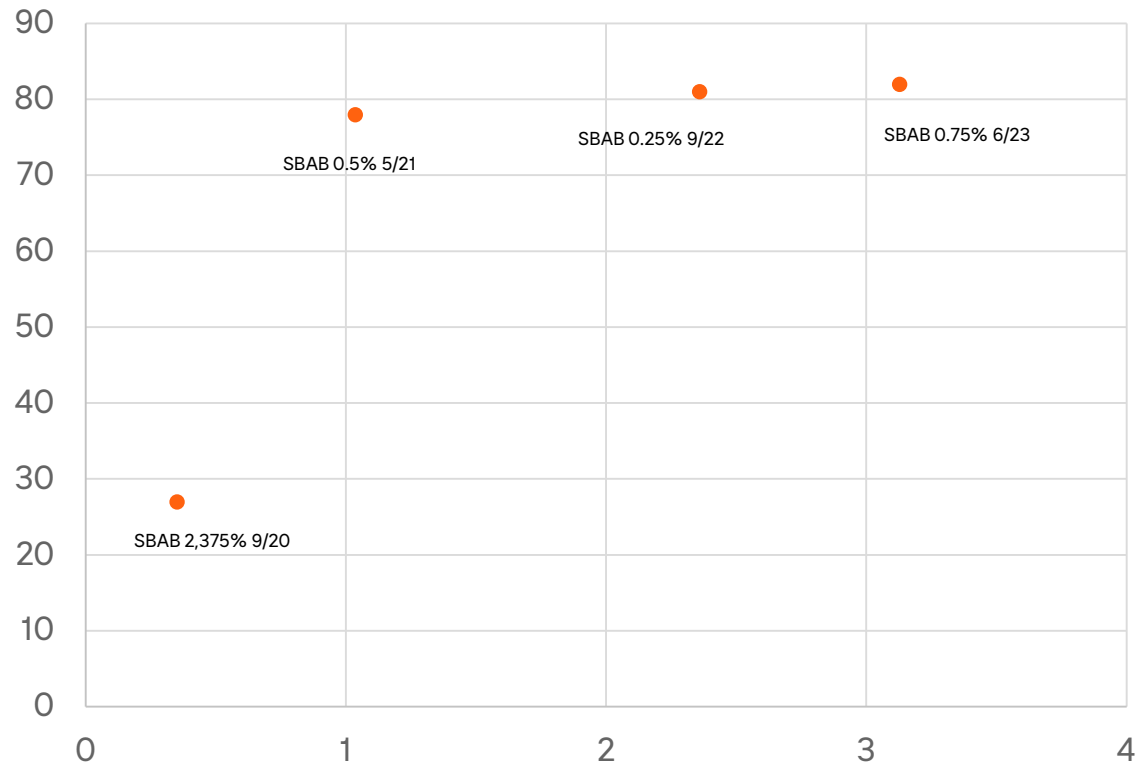
June 2019



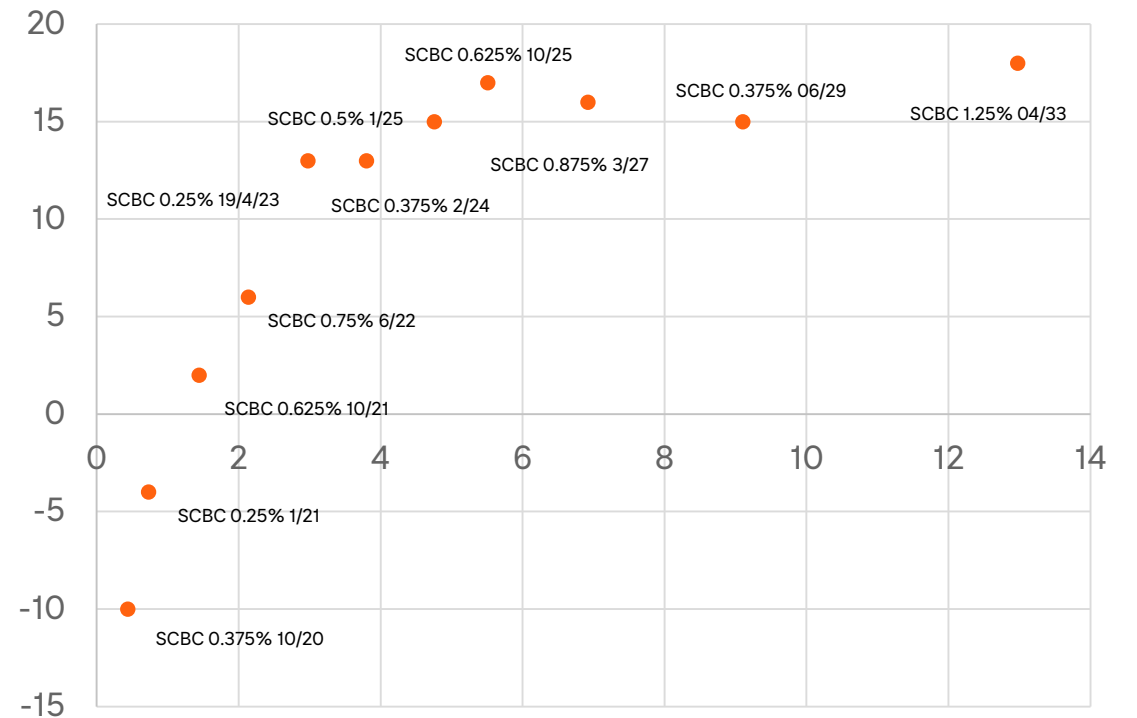
Outstanding SP and CB (EUR)

- Spread vs MS

Senior Unsecured (SP)



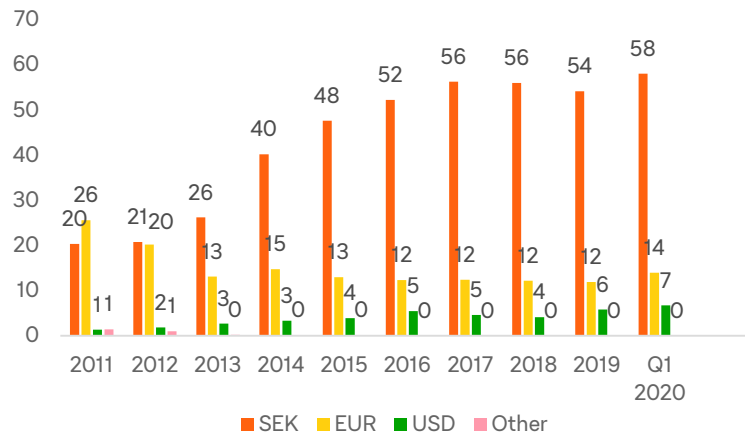
Covered Bonds (CB)



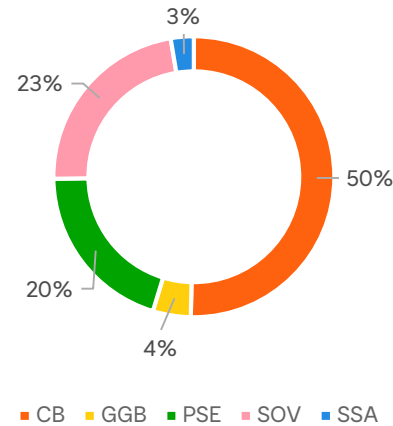
Liquidity position

- Strong liquidity position with LCR and NSFR well above regulatory requirements
- Survival horizon implies liquidity need coverage for 350 days under stressed scenario (unchanged lending portfolio, severe deposit outflow and no new funding added)
- High quality and diversified liquidity reserve within relevant currencies with 96% AAA rated
- Liquidity reserve eligible at the Riksbank and/or ECB

Liquidity portfolio (Currency distribution)



Liquidity portfolio (Securities type)



Key metrics

Liquidity portfolio

79_{bn}

LCR

300%

NSFR

130%

Survival horizon

350_{days}



Capital position

– Retained earnings 2019 has strengthened capital position & SBAB's ability to grow lending

Components of SBAB's capital target

SEK million	Total capital	%	CET1 capital	%
Estimated capital requirements from the S-FSA	14,622	11.7	9,752	7.8
– Of which, Pillar 1 minimum requirement	3,872	3.1	2,178	1.7
– Of which, Pillar 1 risk-weight floor, Swedish mortgages	6,134	4.9	3,450	2.8
– Of which, Pillar 2 core requirement	1,481	1.2	988	0.8
– Of which, Capital conservation buffer	3,127	2.5	3,127	2.5
– Of which, Countercyclical buffer	9	0.0	9	0.0
SBAB's capital target	15,373	12.3	10,502	8.4
SBAB's actual capital	21,877	17.5	15,926	12.7

Comments

- Capital target: CET1 and total capital ratio at least 0.6% above the requirement communicated by the S-FSA – SBAB well above external and internal requirements in Q1 2020
- CCB lowered from 2.5% to 0% in March 2020 after decision from S-FSA following the COVID-19 outbreak
- Retained earnings in 2019 has strengthened capitalisation
- Leverage ratio of 3.69% at 31 March 2020
- Buy-back of AT1 (SEK 1.5 bn) during March 2020
- Planned T2-issuance during 2020



Swedish economy & housing market

The Swedish economy & housing market



booli!
En tjänst från SBAB

Large quantities of data relating to the housing market

Large quantities of data and knowledge are accumulated in our operations, such as how the housing and residential mortgage markets work. We use this data transparently and responsibly to improve the customer experience by refining existing services and products as well as developing new ones. Booli.se is a popular platform for finding information about supply, demand and price trends for housing.

- We expect Sweden's GDP to develop negatively this year and that unemployment will rise in the coming quarters. Some parts of the economy will be subject to great pressure during 2020, and the recovery is not expected to be rapid
- Simultaneously, we believe there are many factors supporting the economy:
 - Households have for a long time had a high saving rate, and currently large financial assets in addition to housing assets
 - Export-dependent companies are supported by a weak currency in times of weak international demand
 - The central government has a low debt and sound finances
 - Swedish authorities have for a long time worked to secure financial stability
- The fall in housing prices in 2017 and the fall in housing construction in 2018 and 2019 have reduced the risk of declines in house prices in 2020



The Swedish economy

Forecast key figures Sweden

	2019	2020	2021	2022
Real GDP, actual	1.2	-5.0	3.0	1.6
Household consumption	1.2	-0.8	2.0	1.7
Public consumption	0.4	1.2	1.4	1.0
Investments	-2.1	-14.0	6.0	2.0
Net export, GDP-contribution (pp)	1.1	-1.3	0.3	0.0
Employment	0.7	-2.3	-0.8	2.1
Unemployment rate (%)	6.8	9.0	10.0	9.0
Inflation, CPIF growth	1.7	0.5	1.0	1.3
Policy rate, yearly average (%)	-0.25	0.00	0.00	0.00
KIX-index (-)	122.1	123.3	121.0	118.5

Note: Annual percentage growth unless indicated otherwise, light orange background indicates SBAB's April forecast

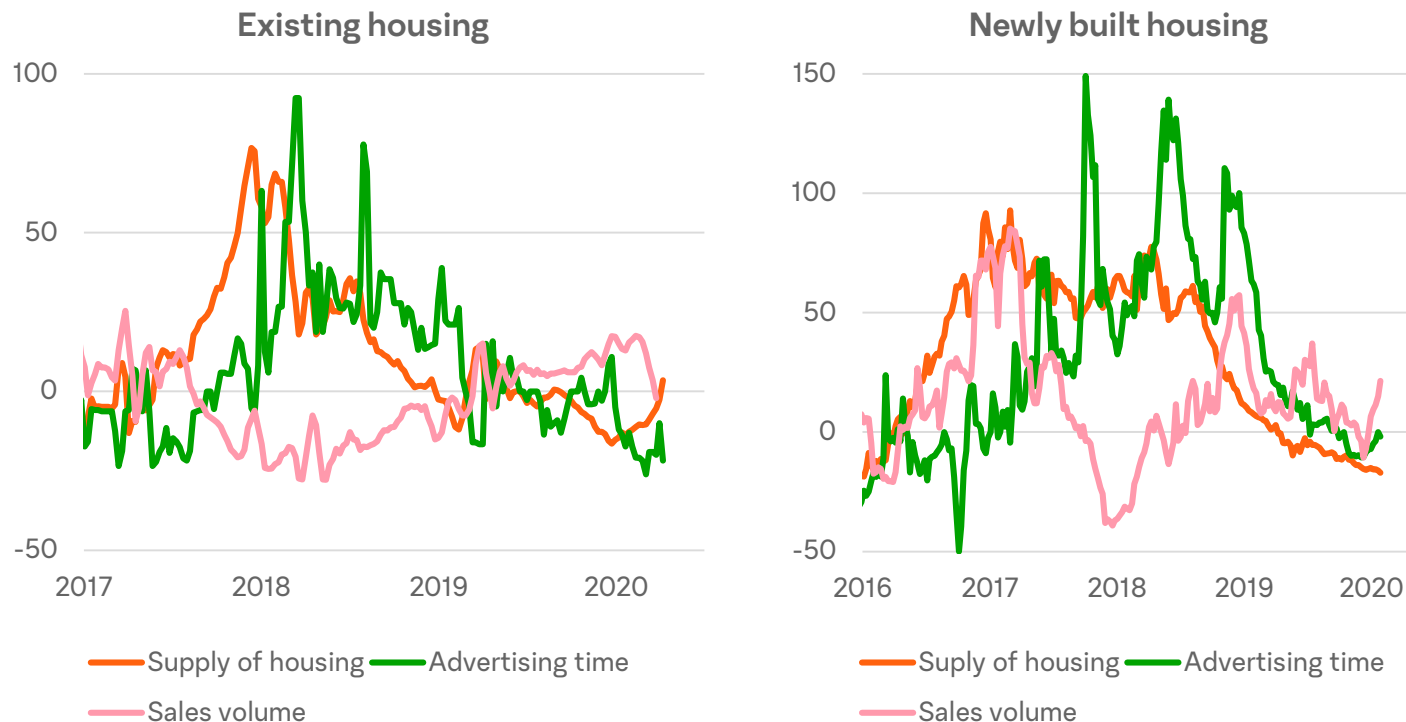
Comments

- A deep recession in 2020 followed by an upturn in 2021
 - Over the past years the economy has been characterised by strong population growth, increasing employment, low inflation, low interest rates and rising house prices
- Swedish economy is well-equipped to face the corona pandemic, but is strongly influenced by the outside world
- Good government finances make it possible to support vulnerable companies, maintain household disposable income and ensure financial stability



Signs of a slowdown for existing housing

Housing market developments, YoY (%)



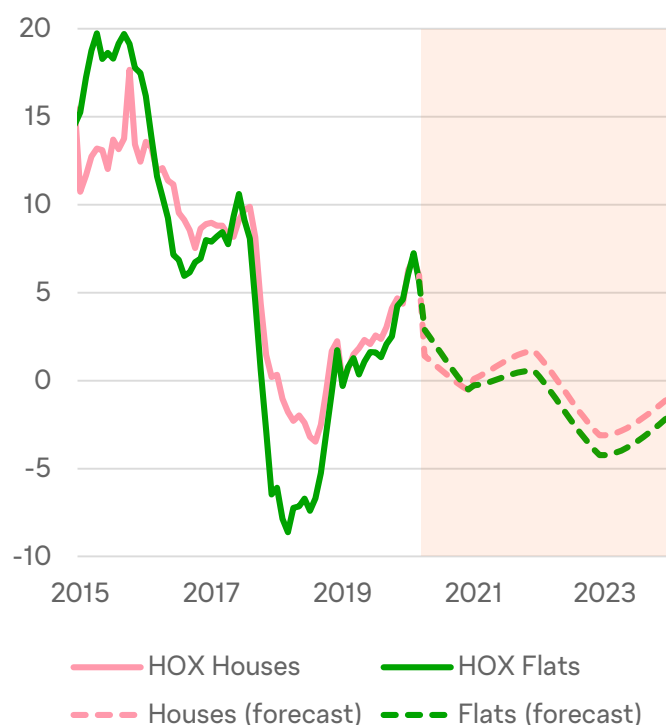
Yet no clear change

- The housing markets in Sweden have been stable over the past year with a clear growing optimism since the summer of 2019
- In recent weeks, there have been signs of slightly lower sales volumes and somewhat lower bid premiums for existing housing, which could be partly explained by a higher supply but is also likely an effect of the corona pandemic
- The supply of newly built housing has decreased in line with rising sales volumes



Stagnant housing prices - downside risk

Housing price index (January 2005=100)



	Index Mar-20	Change since		
		1m	3m	12m
Sweden (HOX)	244	-0.5%	+3.7%	+5.8%
Flats	301	-1.0%	+2.2%	+5.6%
Stockholm	287	-1.7%	+1.9%	+6.5%
Gothenburg	341	-0.8%	+1.6%	+4.1%
Malmö	264	-1.5%	+2.1%	+5.6%
Houses	228	-0.1%	+4.7%	+6.0%
Stockholm	229	+0.1%	+4.6%	+6.5%
Gothenburg	230	-1.4%	+2.0%	+3.6%
Malmö	212	+0.3%	+4.2%	+7.4%

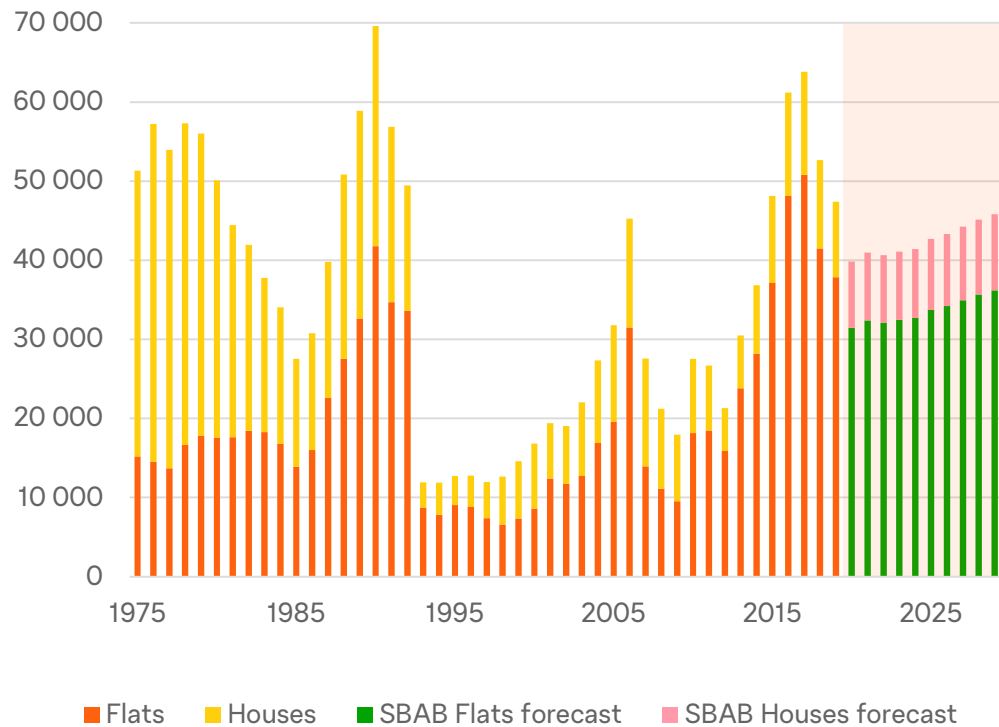
Stable prices in the coming years

- Housing prices have increased by an average of 4.7 percent over the past ten years, turning point in 2017
 - Construction of new housing is clearly influenced by housing prices
- SBAB's forecast is that housing prices for the country as a whole will decrease slightly during the remainder of 2020, basically stand still during 2021, and then fall a few percent as interest rates begin to rise
 - The forecast is based on a structural model, but if housing sales slow down sharply, prices are expected to fall by up to 10 percent



Reduced housing constructing

Housing construction (number of homes)



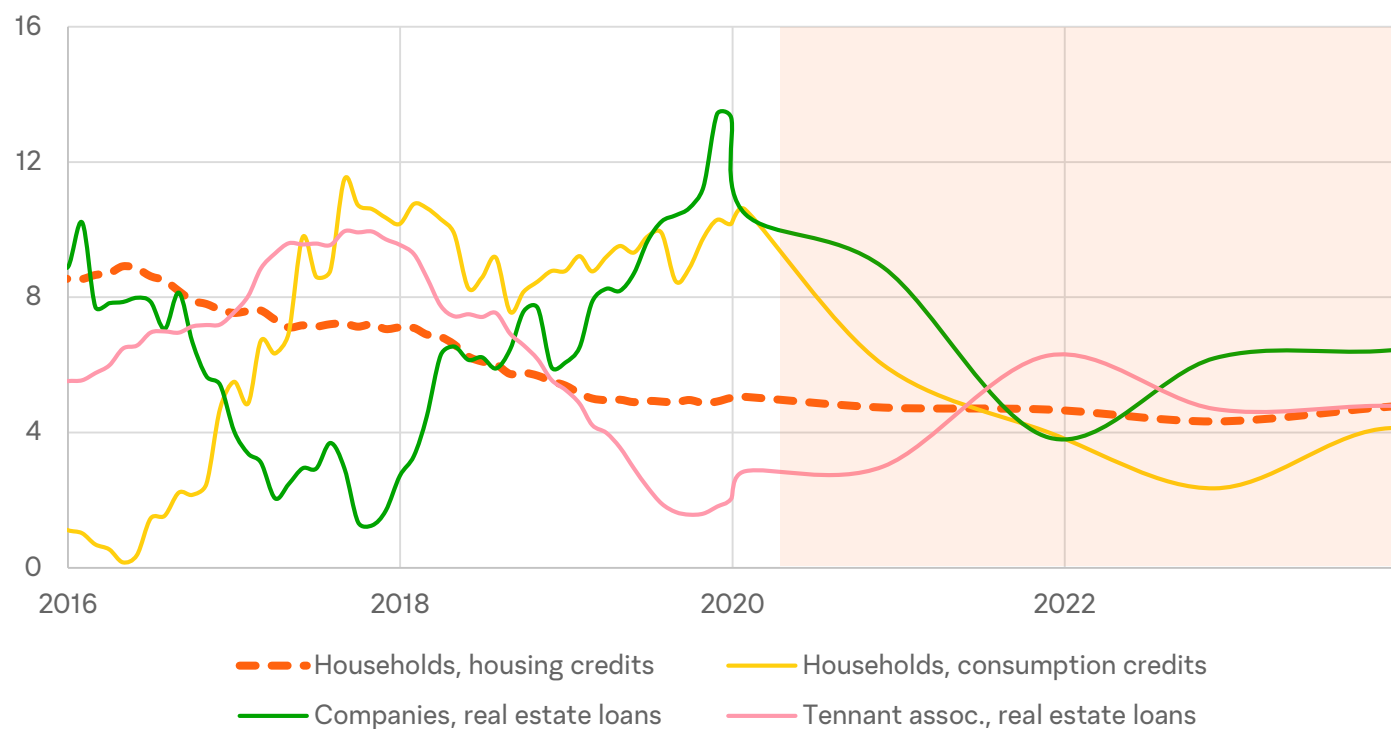
Remaining need for new housing

- Housing construction slows down to about 40 000 homes per year
 - Relatively low level of housing constructing since the crisis of the 1990s
 - Rapidly increasing construction from 2013, and almost as fast decreasing from 2018, but not to the same low level. Housing construction is expected to decrease by 38 percent by 2020 compared to 2017
- Strong demographic growth, good access to financing and low interest rates support the high rate of new construction
 - The housing shortage in Sweden is currently estimated to about 160 000 homes, despite the high rate of construction in recent years
 - Approximately 40 000 new homes are needed per year in order for the housing stock to grow at the same pace as the number of households
 - Some concern about the affordability of new housing and the ability to pay / willingness to buy



Slowdown in credit growth

Credit growth, annual growth rates (%)



Comments

- Credit growth in the mortgage market (red line) has slowed down since 2016
- The annual (YoY) percentage credit growth in the mortgage market in February 2020 was 5.1 percent
- According to SBAB's forecast, the growth rate is expected to fall to 4.7 percent for the full year 2020 and remain at the same rate in 2021
 - The forecast takes into account stagnant housing prices, low mortgage rates, a weak development of household income and a high savings ratio



Appendix

Chapter 7 (7)

SBAB!

SCBC!

Covered bonds of SBAB

Abut SCBC



About SCBC

SCBC overview

- 100% owned subsidiary of SBAB Bank AB (publ)
- Long-term loans to Swedish households, property companies and tenant-owners' associations
- Licensed by the S-FSA to issue covered bonds (Säkerställda Obligationer) according to the Swedish Covered Bond Act
- Covered bonds rated Aaa by Moody's
- Details about the covered pool ("National Template") published monthly on sbab.se

Eligible cover pool assets

- SCBC does not conduct any new lending itself. Lending is originated by SBAB and assets are transferred to SCBC via a true sale on a continuous basis
- Large buffer in Cover Pool to a significant fall in house prices. Eligible assets in SCBC can be moved to cover pool to increase OC

Simulation of decline in house prices

Houseprice change	Eligible assets in cover pool (SEK bn)	WALTV (%)	OC* (%)
0%	333.6	55.6	27.7
-5%	330.0	57.5	26.3
-10%	325.1	59.2	24.5
-15%	318.7	60.9	22.0
-20%	310.7	62.4	19.0
-25%	300.6	63.8	15.1
-30%	287.6	65.1	10.1

* OC calculated in accordance with requirements from the Swedish FSA

Key metrics

Cover Pool (SEK)

333.6_{bn}

No. of loans

436,820

OC

27.7%

WALTV

55.6%



Overview SCBC

The Swedish covered bond market

- One of the best functioning bond markets in the world
- The bond market has been open and well functioning throughout the crisis, providing reliability and liquidity
- Key distinction of the market is the tap issuance format via contracted market makers. Tap issuances can be made on a daily basis in small to medium sizes
- Market is supported by market makers with separate market making agreements and repo functionality providing issuers with enhanced liability management options
- Typically issuers start reducing their outstanding debt about 6-9 months before maturity via successive buy-backs and switches

Source: ASCB, Association of Swedish Covered Bond Issuers

SCBC Cover pool characteristics (from "National Template")

Collateral	100% Swedish residential mortgages *
Over Collateralization	27.7%
Weighted average LTV	55.4%
Weighted average seasoning	5 years
Loans in arrears	0.01%. Arrears below 0.01% (loans in arrears > 30 days are excluded from the Cover Pool)
Number of loans	436,820
Average loan size	SEK 764,954
Geographical location	Spread throughout Sweden; concentrated to economic hubs
Pool type	Dynamic
Originator	SBAB Bank Group
Interest rate type	67% floating, 33% fixed / 52% amortising, 48% interest only

* Occasionally, minor volumes of substitute collateral consisting of AAA rated securities, can be included in the cover pool



The SCBC product

The limited activities of SCBC provide additional benefits to investors

Robust structure

- Strength of a regulated entity combined with a restricted activity vehicle reduces number of other potential creditors
- As a result, in addition to the eligible assets, investors also benefit from over-collateralisation provided by:
 - Non-eligible assets
 - Regulatory capital held by SCBC

Subordination of SBAB interests

- Fees for services provided by SBAB are subordinated to SCBC's senior creditors
- Where a mortgage certificate serves as collateral for 2 different mortgage loans, SBAB has subordinated its interest to SCBC

Loans in arrears

- Loans 30 days in arrears are normally removed from the cover pool in SCBC

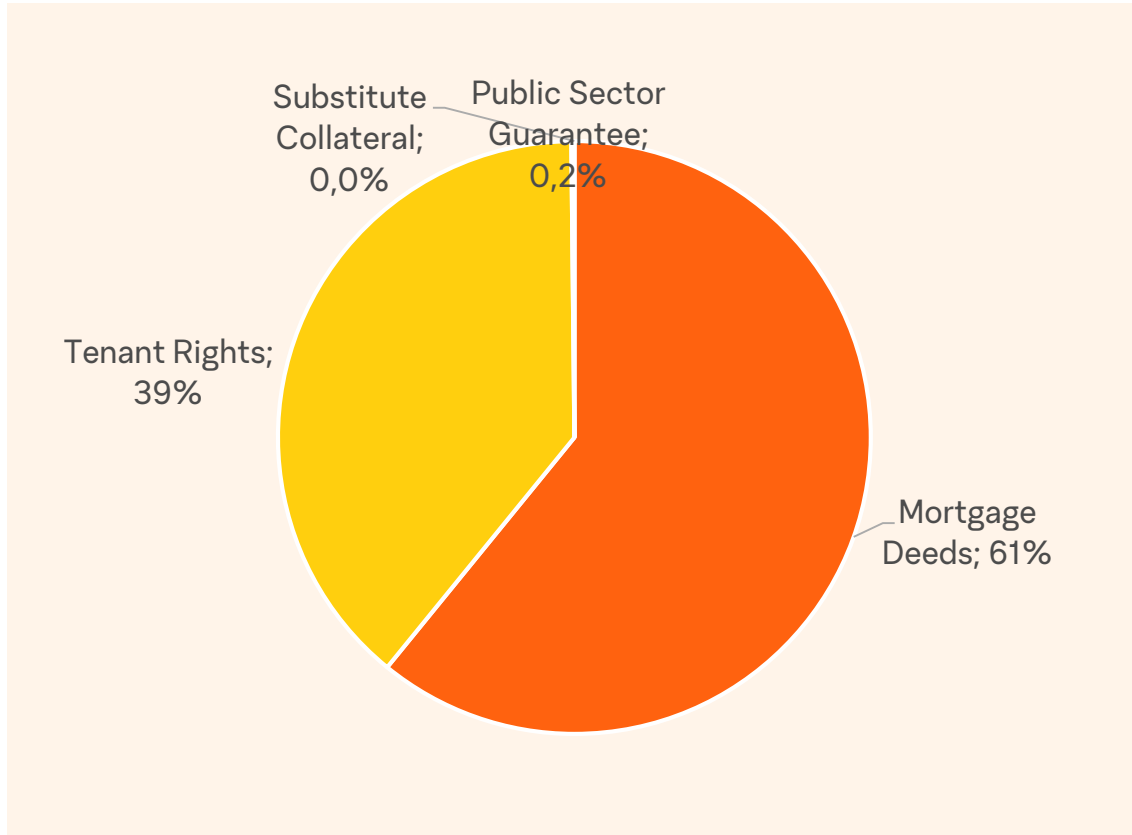
Other features

- Dynamic OC in compliance with Aaa requirements
- UCITS Compliant
- Swedish covered bonds are eligible for repo at Riksbank
- ECBC Harmonised Transparency Template, HTT
- National Template, NTT

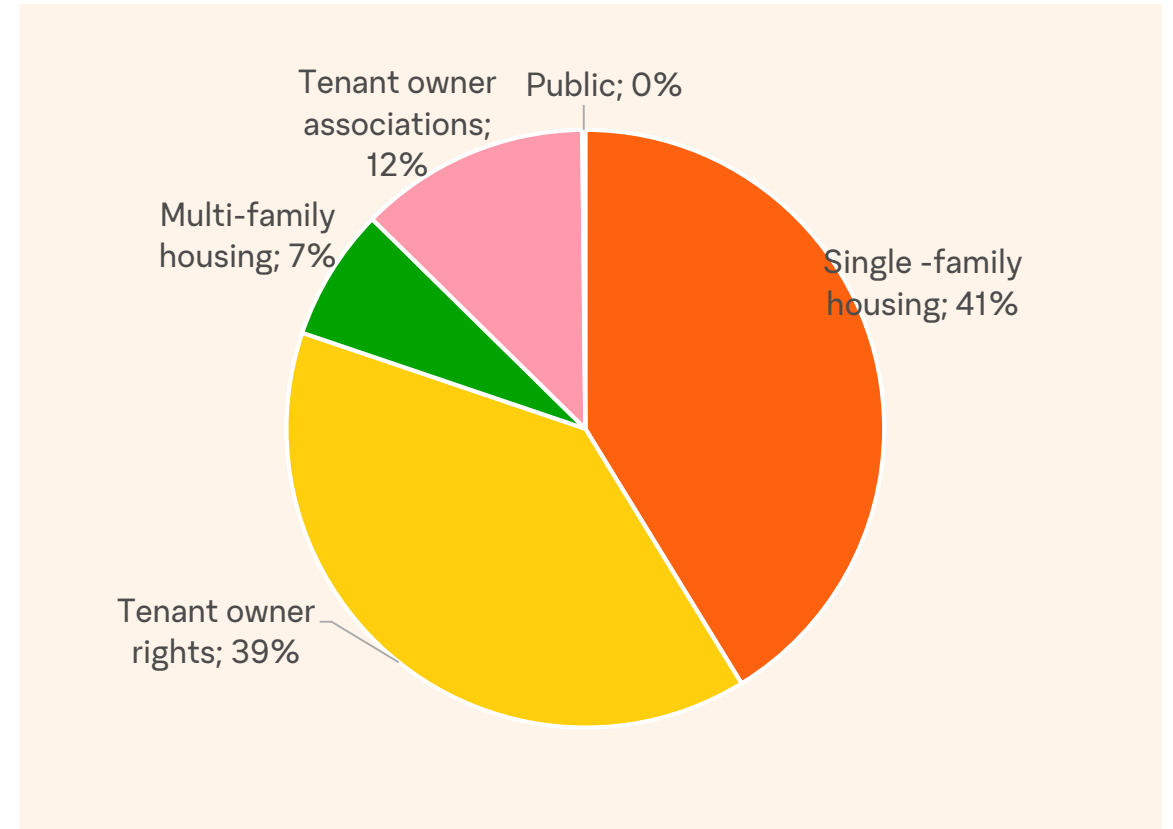


Cover pool characteristics (1/2)

Breakdown by collateral

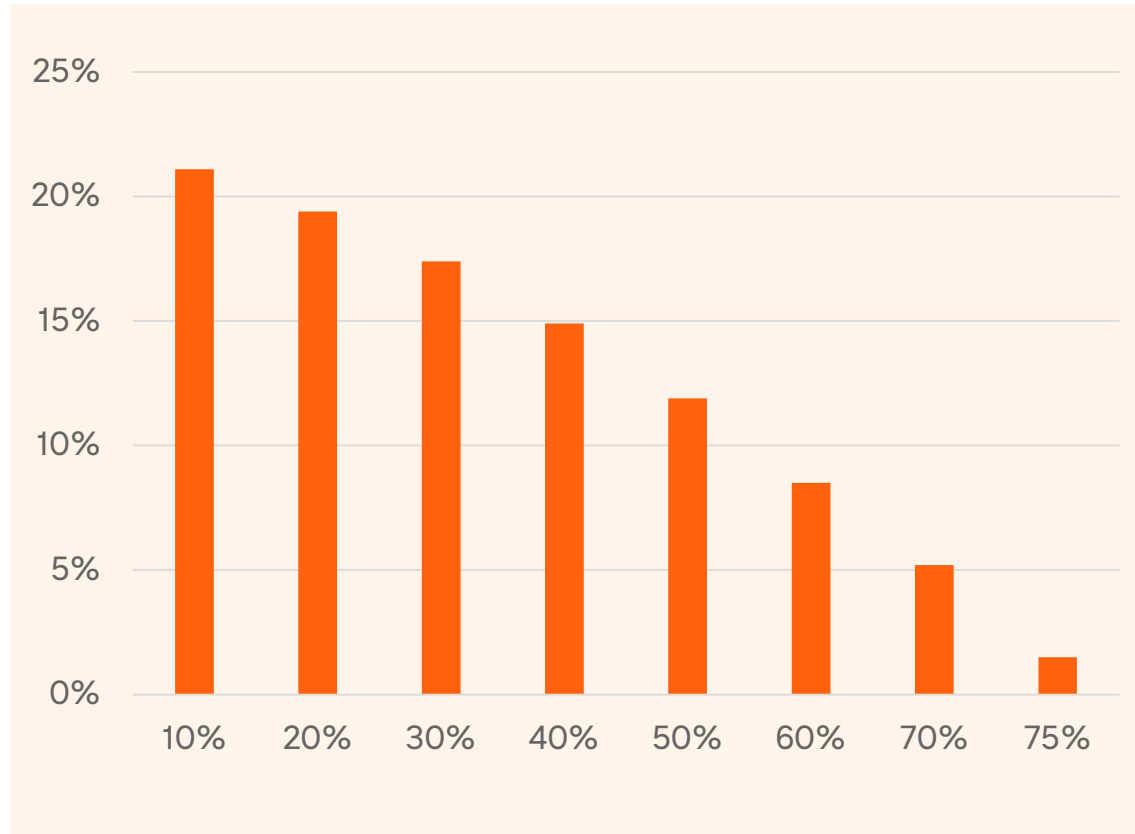


Breakdown by owner

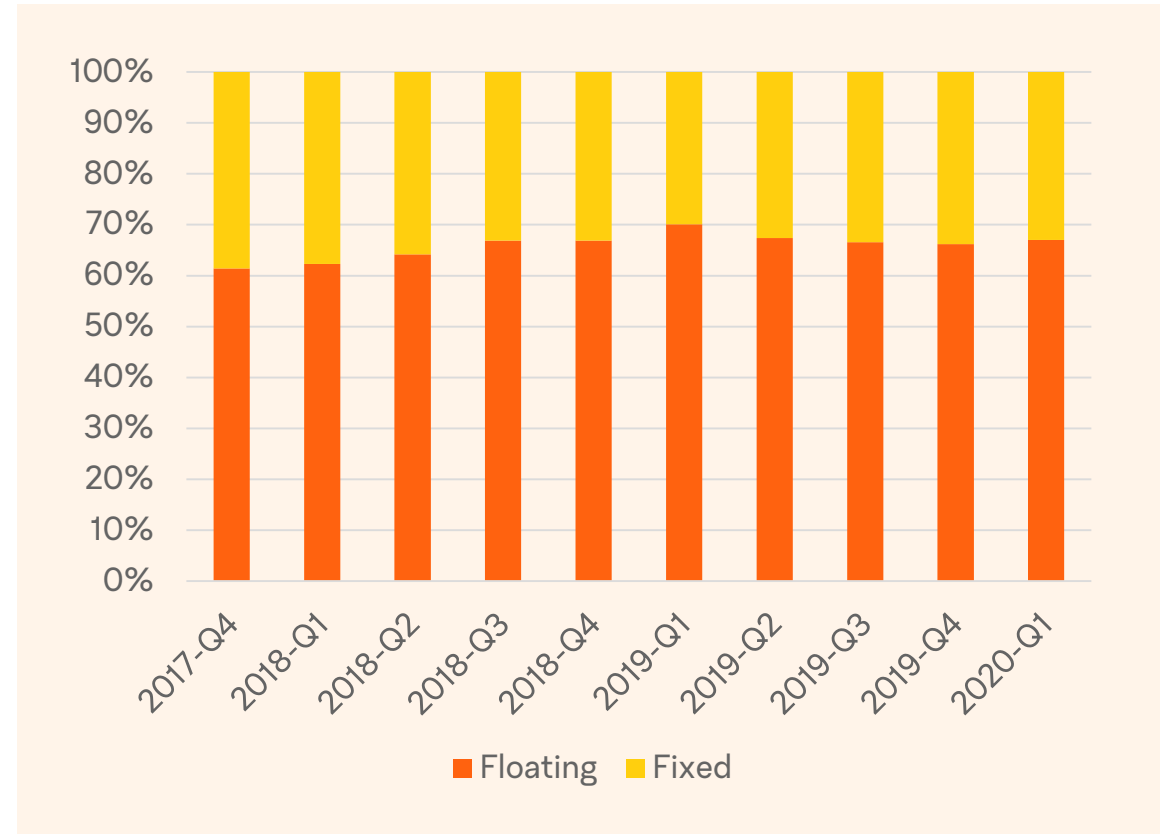


Cover pool characteristics (2/2)

Loan to value (LTV) distribution



Rate type



Thank you!



SBAB!

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