

# Q3 2025

## Results Presentation

# SBAB!

# Summary Q3 2025

- Continued lending growth, primarily driven by residential mortgages

- Overall growth in the mortgage market has picked up, but from low levels. Some positive signs in the housing market

- Positive development for deposit volumes, but more challenging to grow in new (lower) rate environment

- Continued pressure on mortgage margins still a big challenge, but overall solid Q3 numbers supported by stronger deposits margins

- Increased focus on cost management following slower than expected revenue growth

- Excellent asset quality with continued net reversals in Q3

- Low risk business model confirmed by stress test results from the EBA and lowered capital requirements from the Swedish FSA

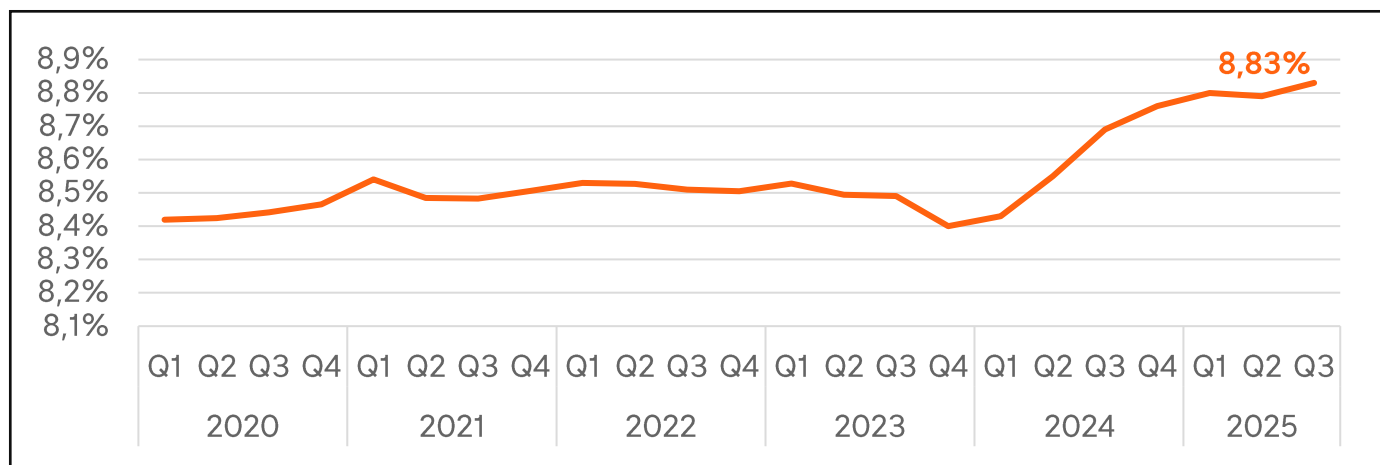
- Majority of yearly funding carried out in H1, seasonal slowdown in Q3



# Q3 summary: Strong growth in residential mortgages

- SBAB continues to do well despite challenging market conditions, i.e. limited (although growing) market growth and continued margin pressure, in line with long-term ambition to grow the business

Mortgage market share (%)



Share of net growth in residential mortgage market

QoQ  
(May 2025 – Aug 2025)

13.9%

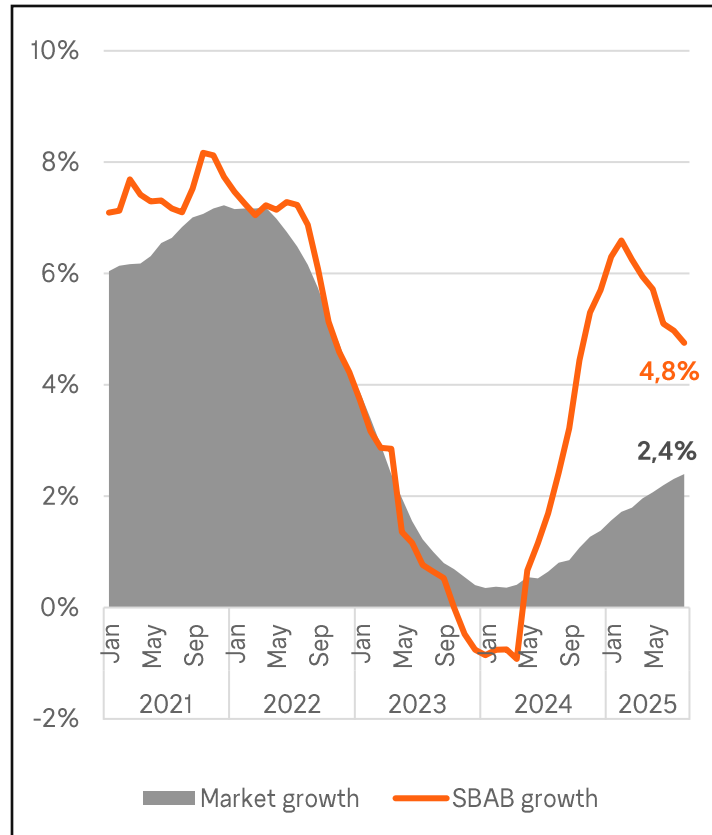
YoY  
(Aug 2024 – Aug 2025)

17.1%

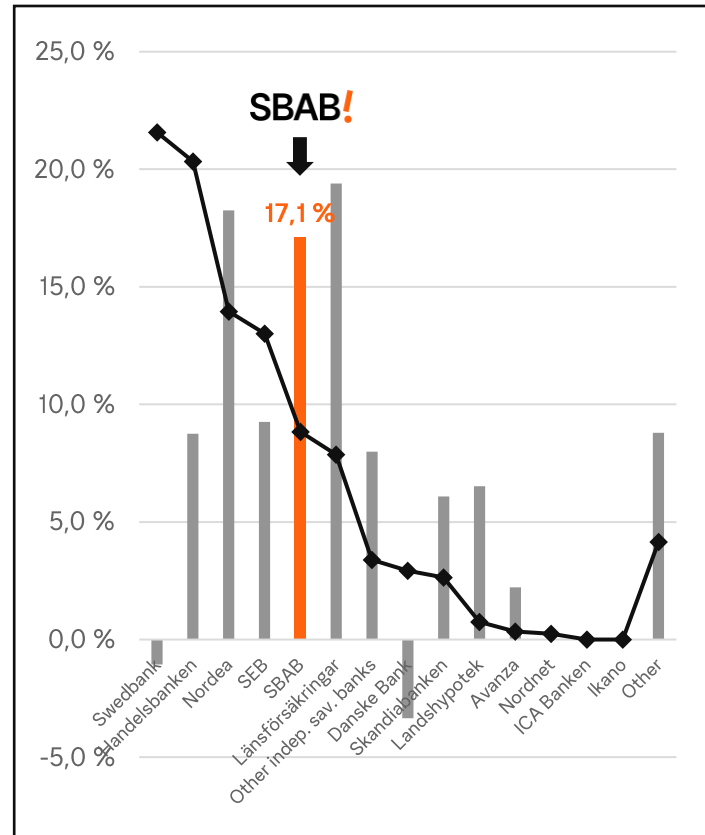


# The mortgage market

Total market growth



Share of net market growth (R12)

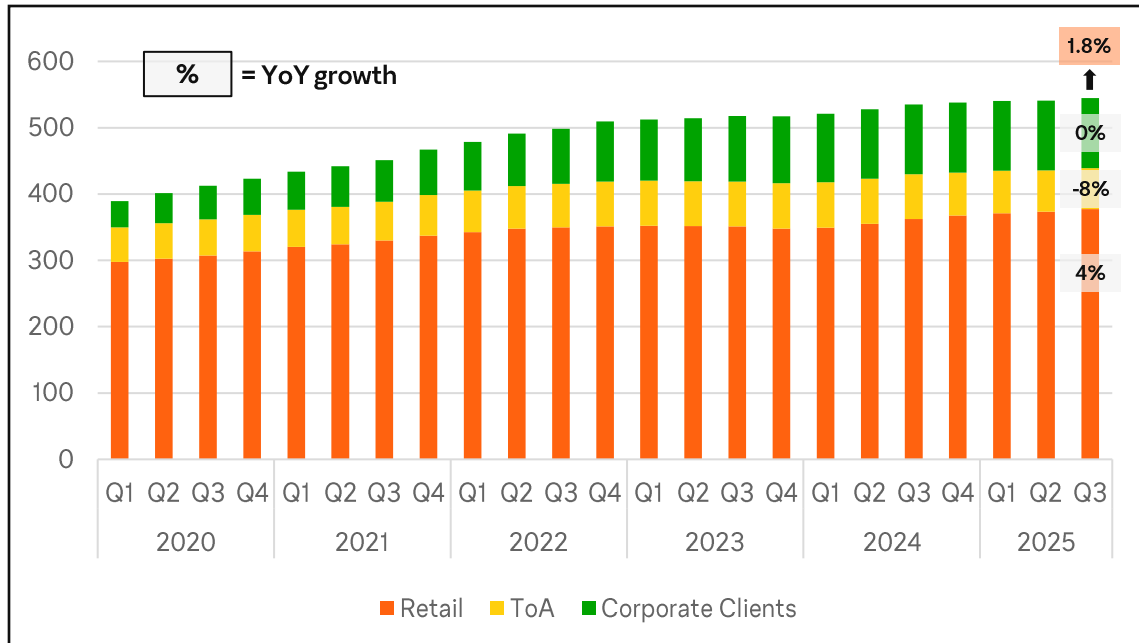


Average mortgage rates (Sep 2025)

	3M	3Y	5Y
Swedbank	2.72%	2.99%	3.24%
Handelsbanken	2.77%	3.02%	3.23%
Nordea	2.81%	3.02%	3.21%
SEB	2.68%	3.00%	3.19%
SBAB	2.84%	3.01%	3.23%
Länsförsäkringar	2.84%	3.14%	3.43%
Danske Bank	2.58%	3.08%	3.03%
Skandia	2.67%	2.80%	2.98%
Landshypotek Bank	2.75%	2.91%	3.13%
ICA Banken	2.84%	-	-
Hypoteket	2.88%	-	3.24%
Stabelo	2.90%	-	3.20%

# Overview of total lending

Lending (SEK bn)



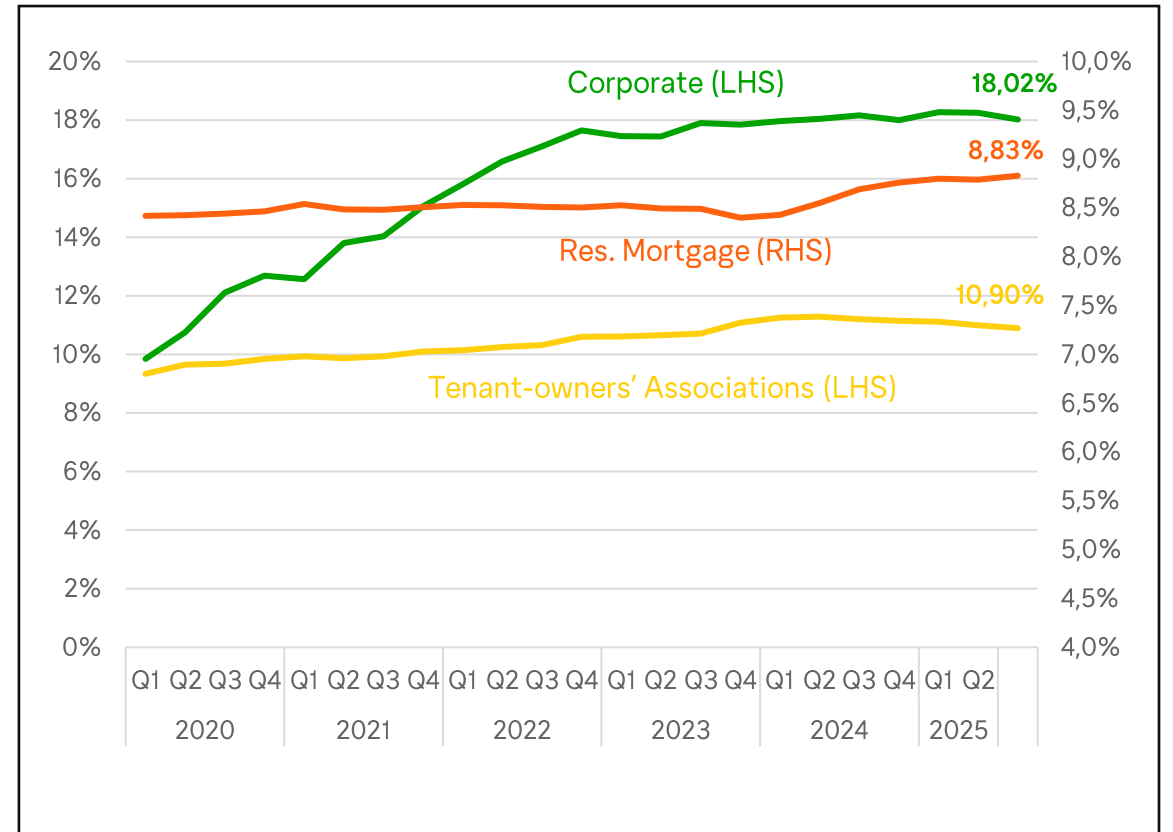
Growth in lending  
(QoQ / YoY)



**+0.7%**

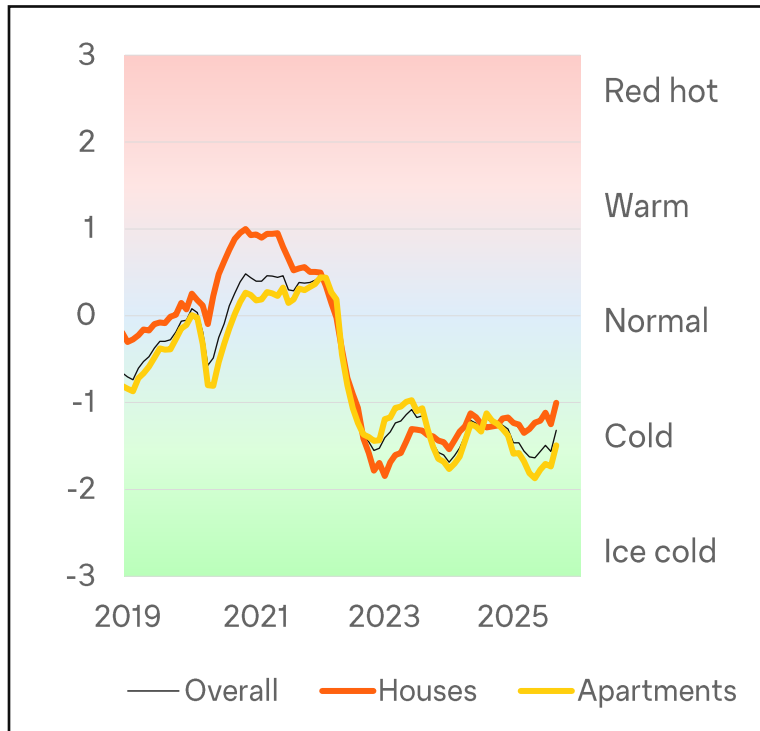
**+1.8%**

Market shares (%)\*

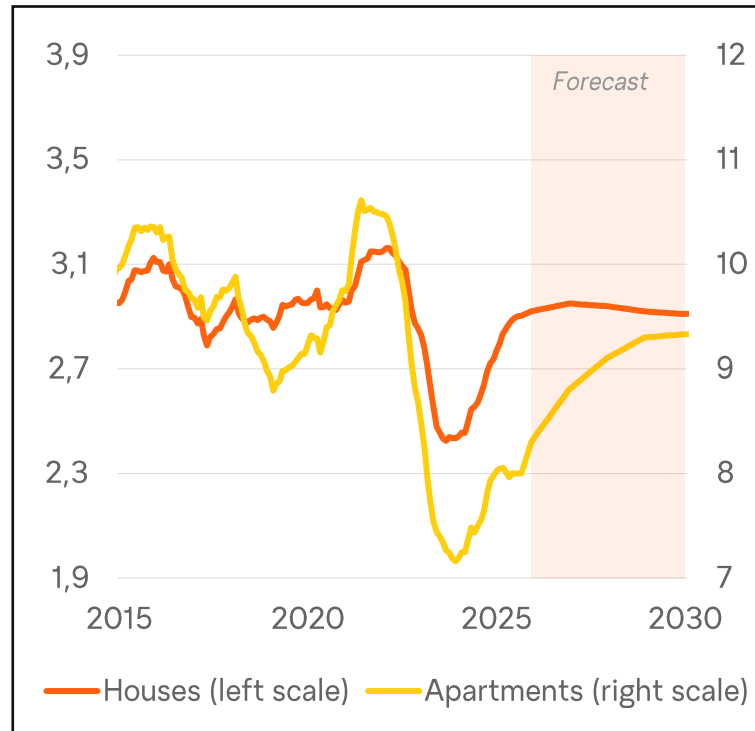


# Q3 summary: Some positive signs in the housing market

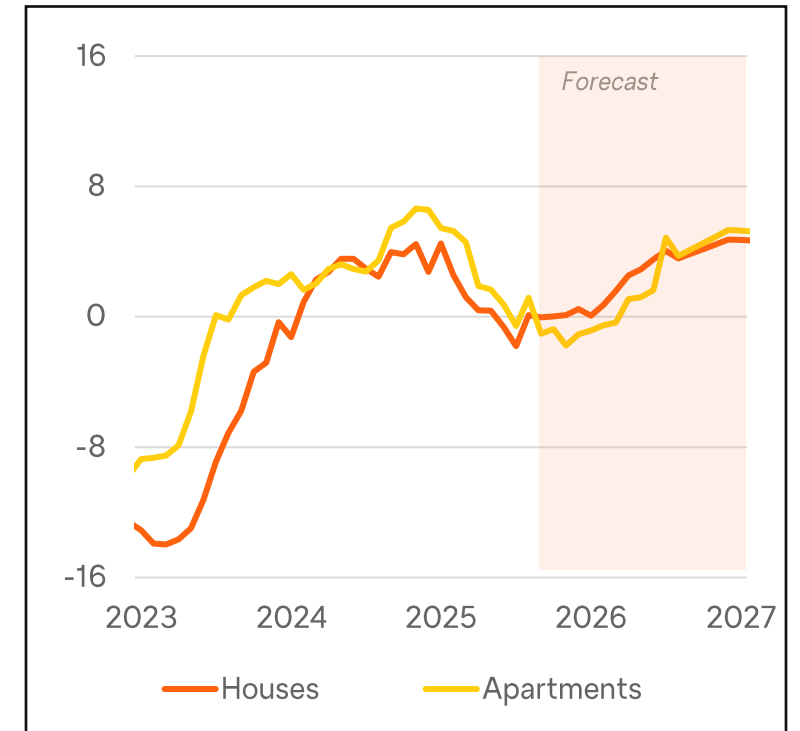
Different although warmer housing market



Normal turnover for houses, lower for apartments



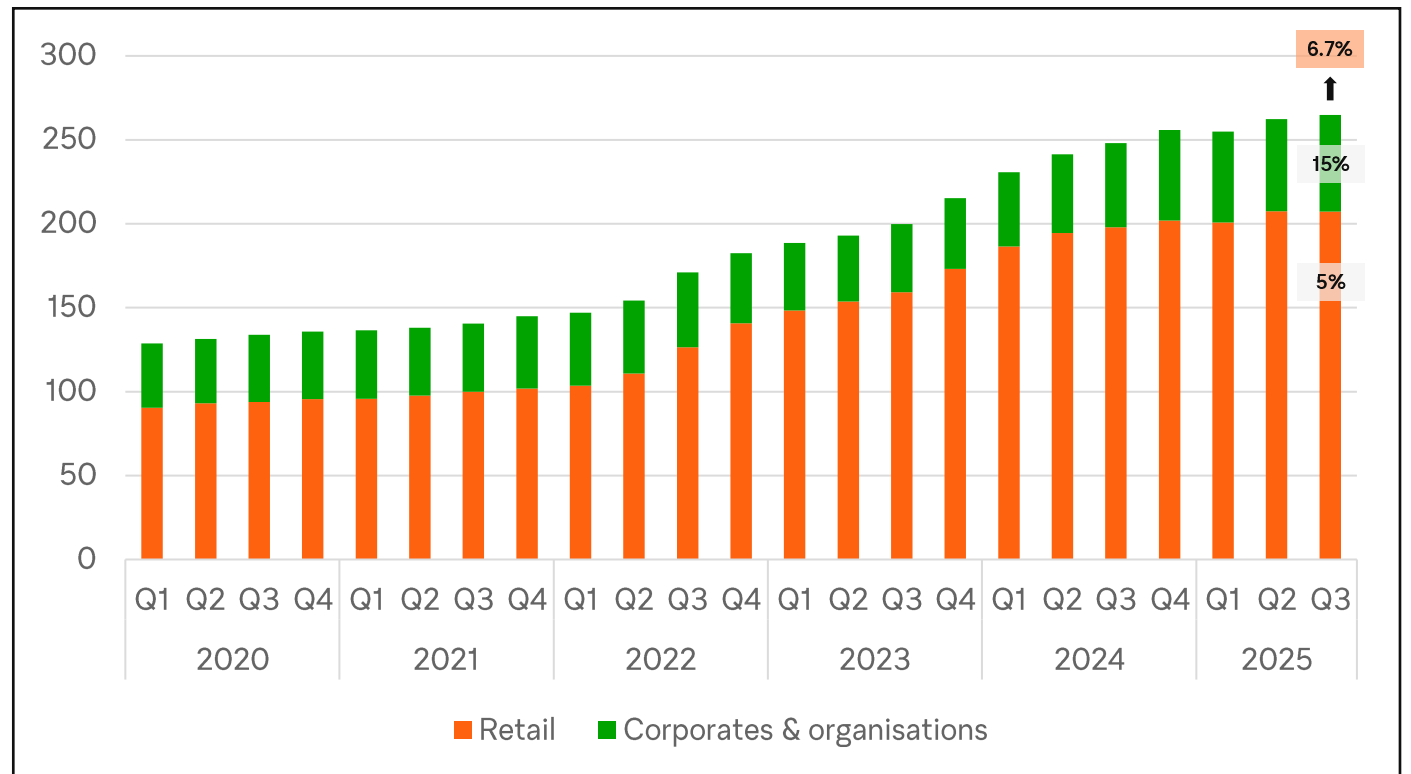
Slowly rising housing prices



# Q3 summary: Continued growth in deposits, although at a slower pace

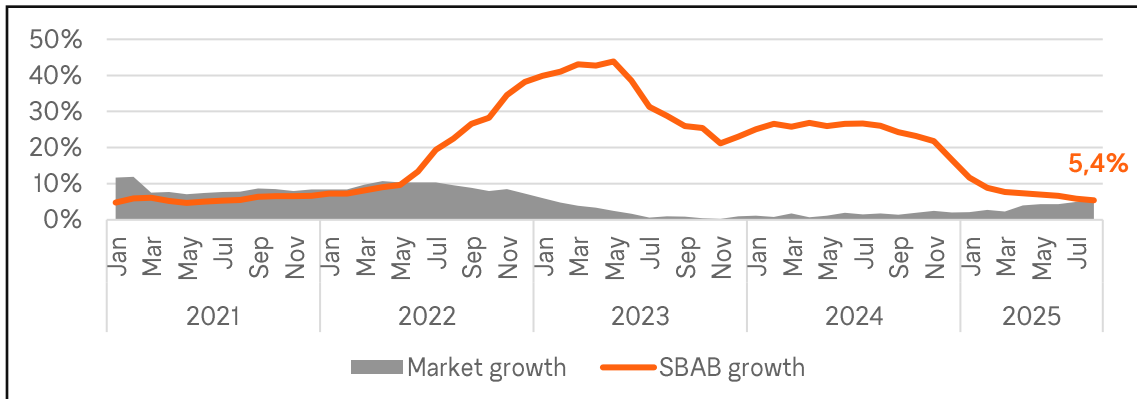
- Strong growth recent years following regained strategic focus on growing share of deposits in funding mix
- The pace of growth has slowed down following decreased interest rates
- Growth in Q3 stand-alone primarily driven by the corporate segment

Deposit development (SEK bn)

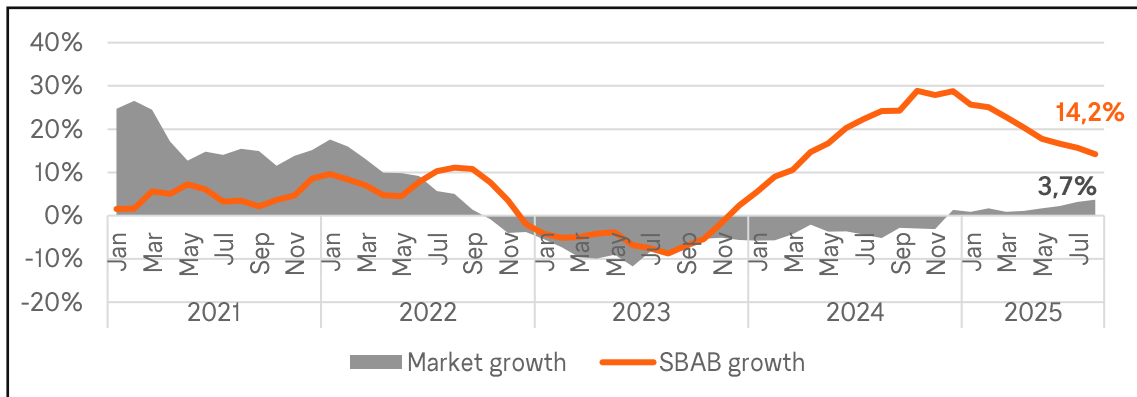


# The deposit market

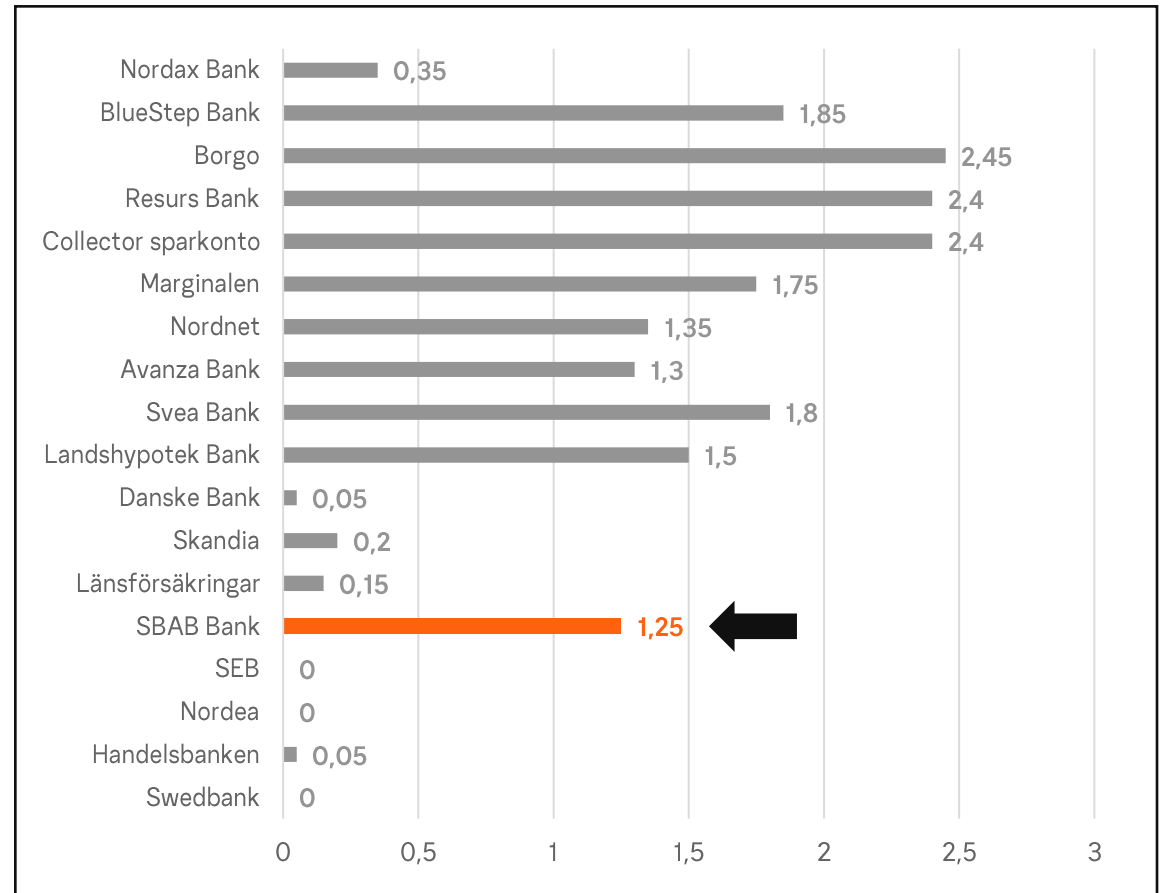
SBAB growth vs. market (Retail YoY growth)



SBAB growth vs. market (Corporate YoY growth)



Retail pricing (Oct 2025) (%)





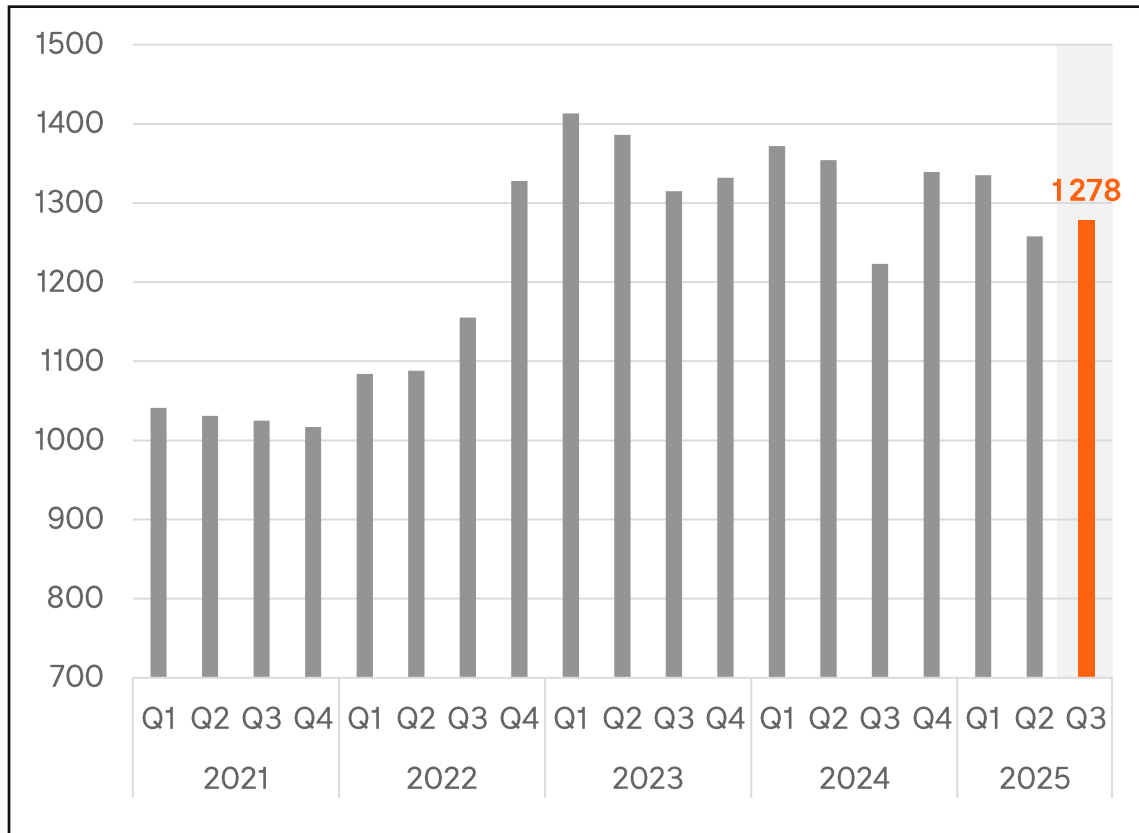
# Q3 summary: Stable QoQ development, but low mortgage margins still a challenge

SEK mn	Q3 2025	Q2 2025	▲	Jan-Sep 2025	Jan-Sep 2024	▲	FY 2024
Lending (SEK bn)	544.5	540.9	+0.7%	544.5	535.0	+1.8%	537.8
Deposits (SEK bn)	264.8	262.3	+1.0%	264.8	248.1	+6.8%	255.9
Net interest income	1,278	1,258	+1.6%	3,871	3,949	-2.0%	5,288
Net commission	-5	-12	+7 mn	-33	-41	+8 mn	-54
Net result financial transactions	-6	6	-12 mn	-3	13	-16 mn	86
Costs	-453	-482	-6.0%	-1,407	-1,362	+3.3%	-1,907
Loan losses	20	26	-6 mn	40	-5	+45 mn	0
Imposed fees (risk tax and resolution fee)	-144	-141	+3 mn	-431	-427	-4 mn	-570
Operating profit	707	671	+5.4%	2,088	2,169	-3.7%	2,900
Return on equity (%)	9.6%	9.3%	+0.3 pe	9.6%	10.5%	-0.9 pe	10.4%
C/l ratio (%)	35.3%	38.0%	-2.7 pe	36.2%	34.4%	+2.2 pe	35.5%

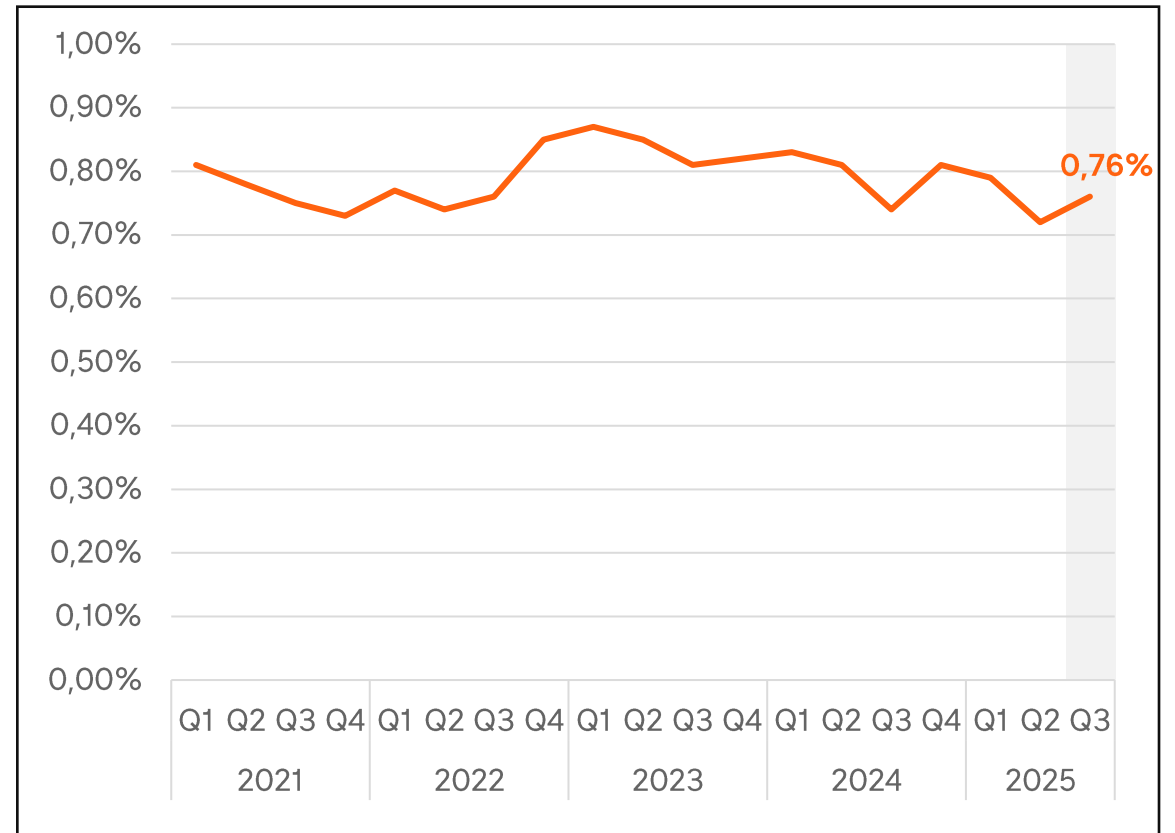
# NII & NIM development

– Overall NIM supported by improved deposits margins

Net Interest Income (NII) YoY (SEK mn)



Net Interest Margin\* (NIM) YoY (%)

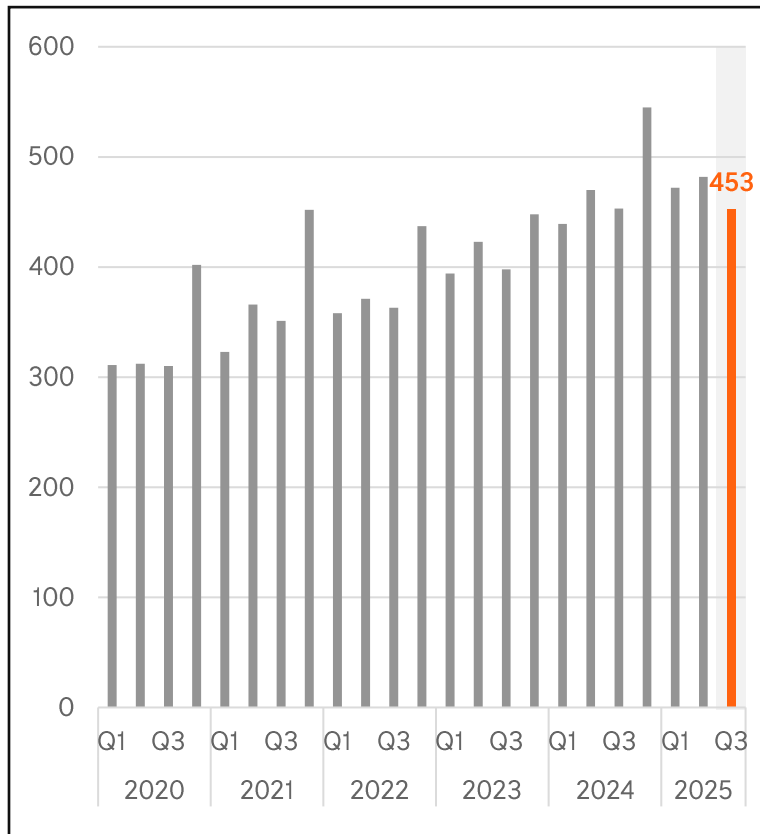


\* Calculated as NII in relation to total assets in balance sheet

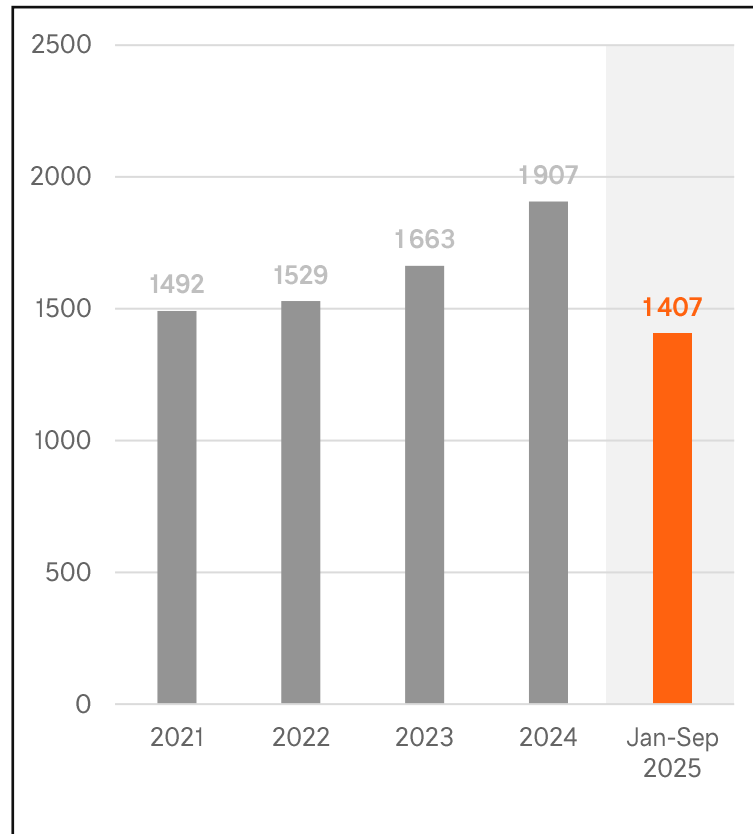


# Q3 summary: Focus on cost management

Cost development QoQ (SEK mn)



Cost development YoY (SEK mn)



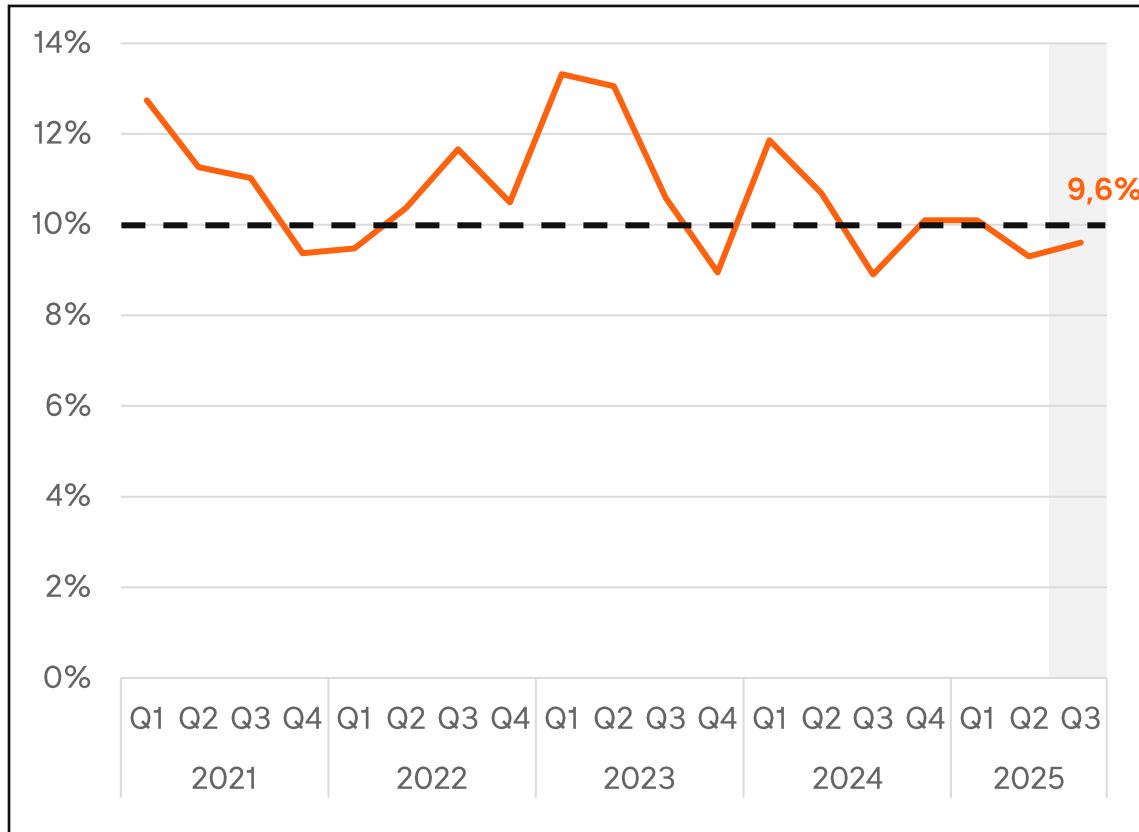
## Comments

- For Q3 2025 vs. Q2 2025, expenses decreased 6.0% to SEK 453 mn. For Jan-Sep 2025 vs. Jan-Sep 2024, expenses grew 3.3% to SEK 1,407 mn
- Overall trend of increased costs mainly attributable to investments for future competitiveness:
  - Increased number of employees
  - Replacement of IT-infrastructure
  - Regulatory compliance
  - Digitalisation & customer offering
- Increased internal focus on cost management following slower than expected revenue growth (i.e. prolonged compression of mortgage margins)

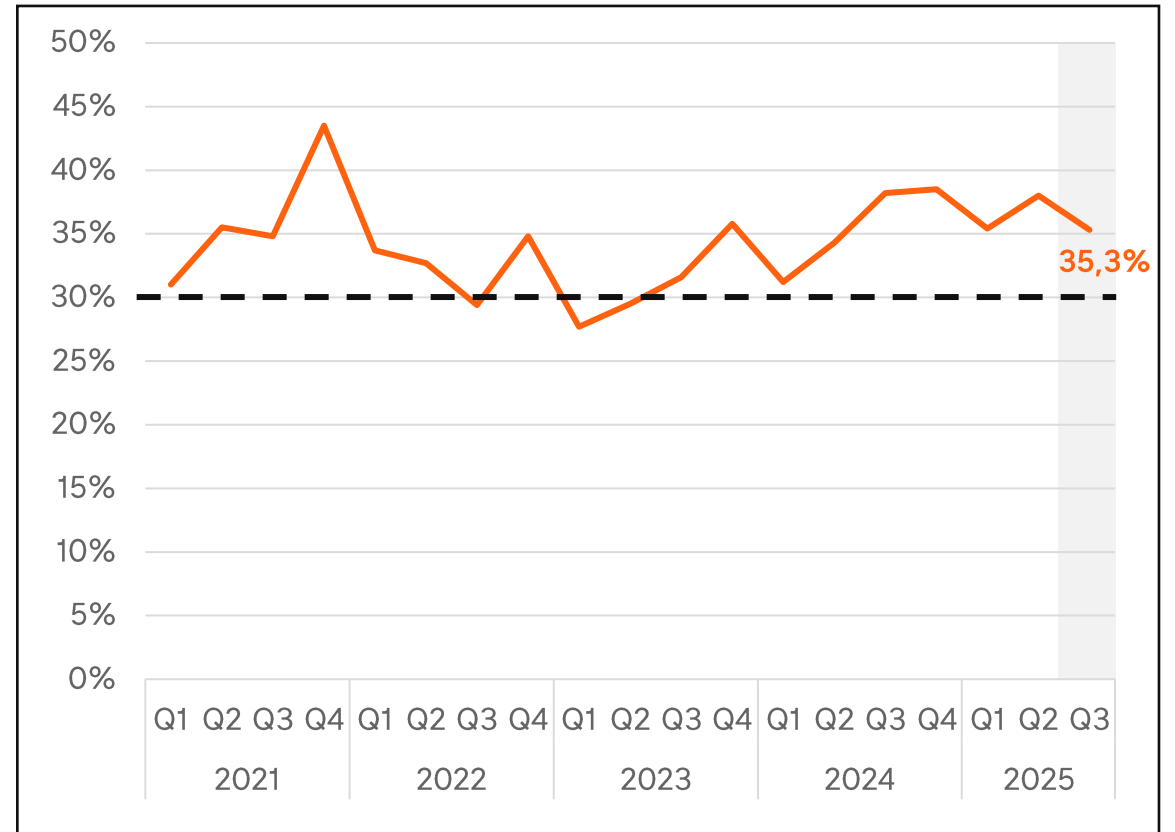


# Financial KPIs

Return on equity, %

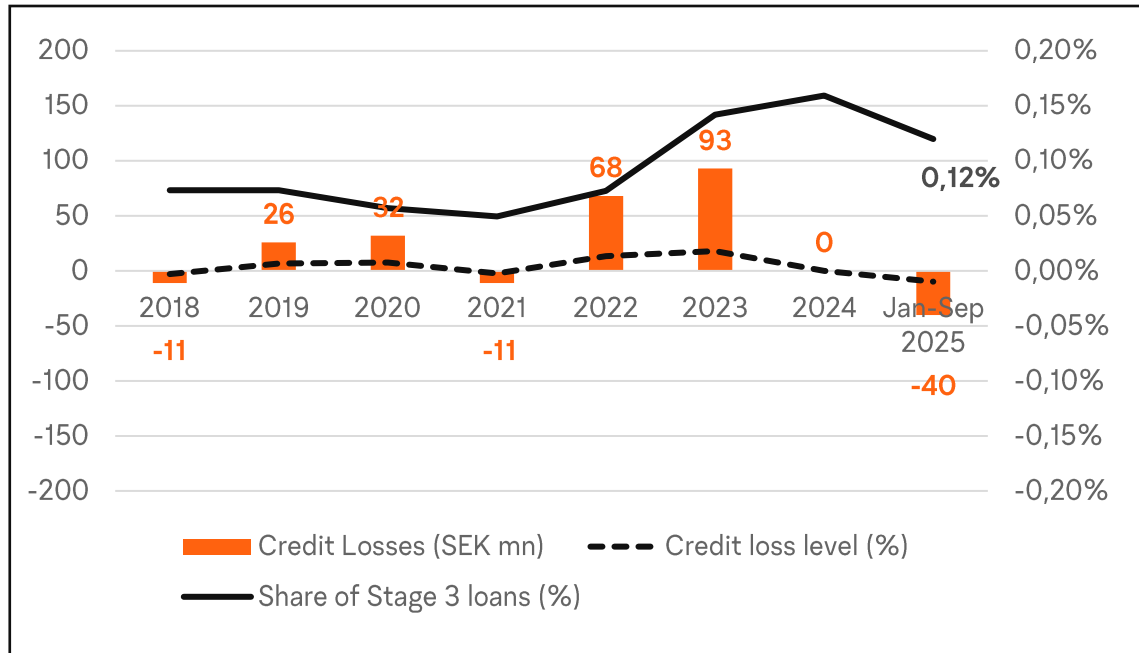


C/I-ratio, %



# Q3 summary: Excellent asset quality

## Credit quality metrics\*



- Low-risk loan portfolio focused on collateralised residential lending in Sweden
- Prudent underwriting criteria (incl. affordability assessment with stressed interest rate)
- Proven track record over time & strong resilience towards economic downturns

**+40** MSEK

Credit losses  
Jan-Sep 2025

**-22** MSEK

Confirmed credit losses  
Jan-Sep 2025

**+0.01**%

Credit loss ratio  
Jan-Sep 2025

**0.12**%

Share of stage 3 loans  
30 Sep 2025

LTV

Res. mortgages

59%

Property companies

60%

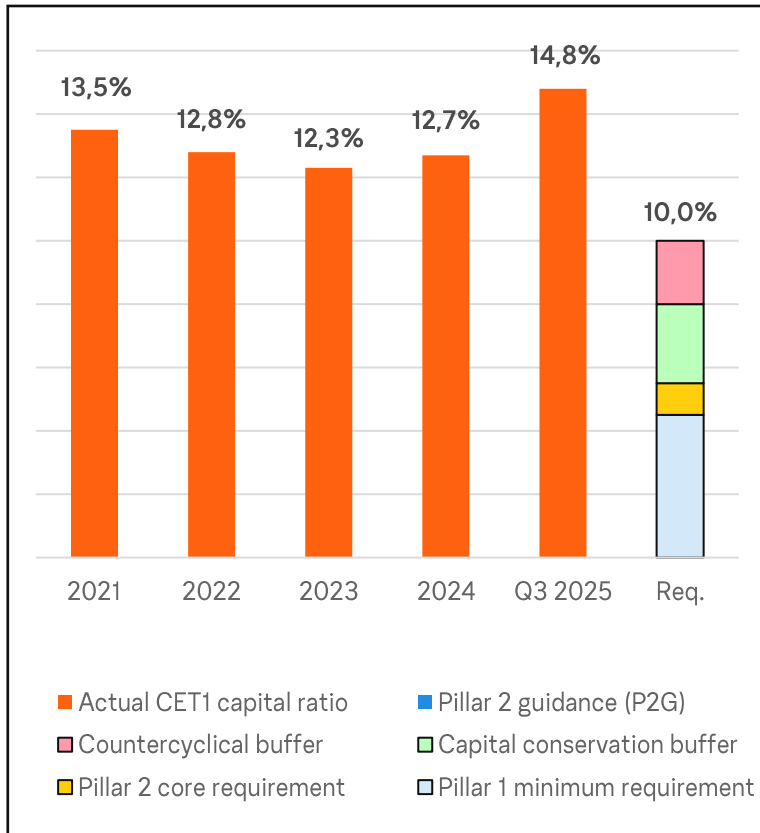
Tenant-own. assoc.

32%

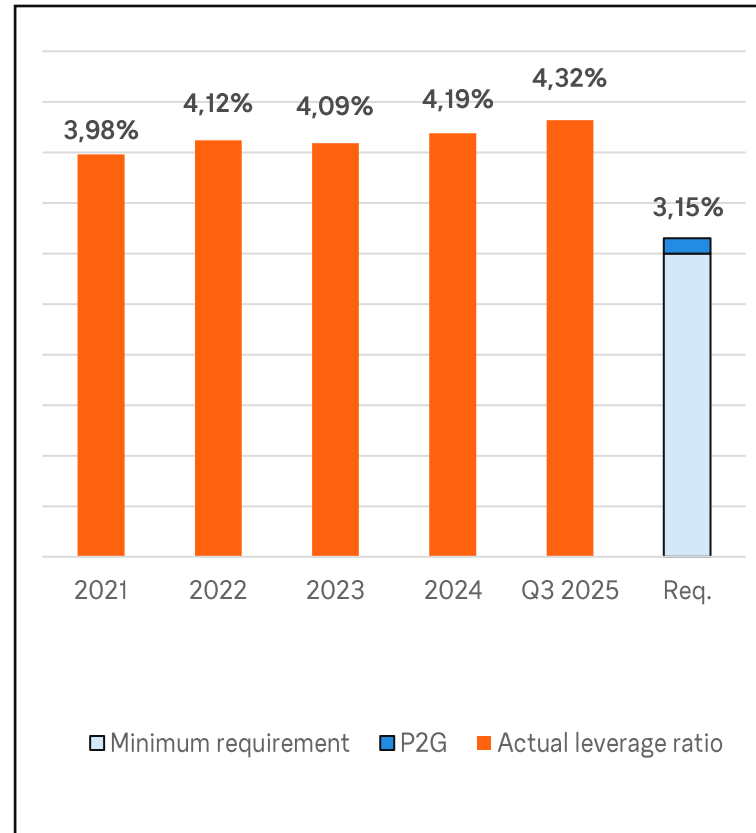


# Q3 summary: Lowered requirements from FSA

## CET1 capital ratio vs. requirement



## Leverage ratio vs. requirement



## Comments

- Increased CET1 capital ratio vs. YE 2024 mainly attributable to the implementation of the new Banking Package (the CRR 3 regulations) (i.e. decreased risk weights for exposures to corporate and tenant-owners' associations)
- SBAB's low risk business model confirmed in latest SREP and subsequent lowering of capital requirements from the Swedish FSA:
  - Risk-weighted P2R lowered from 1.1% to 1.0% and risk-weighted P2G confirmed at 0%
  - P2G for leverage ratio lowered from 0.50% to 0.15%
- Leverage ratio in Q3 supported by new AT1 issue of SEK 1.3 bn in September

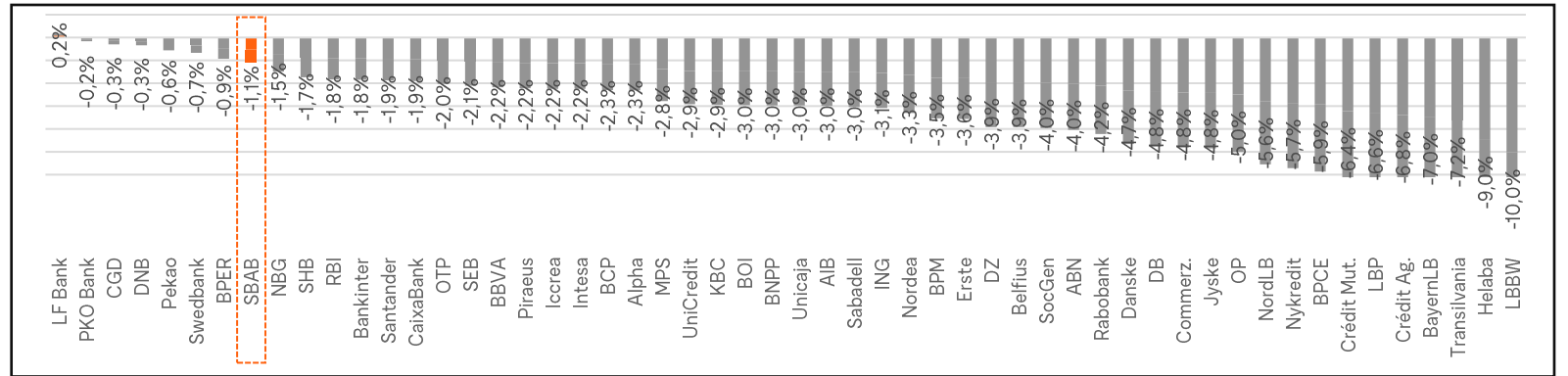


# Q3 summary: Stress test from the EBA

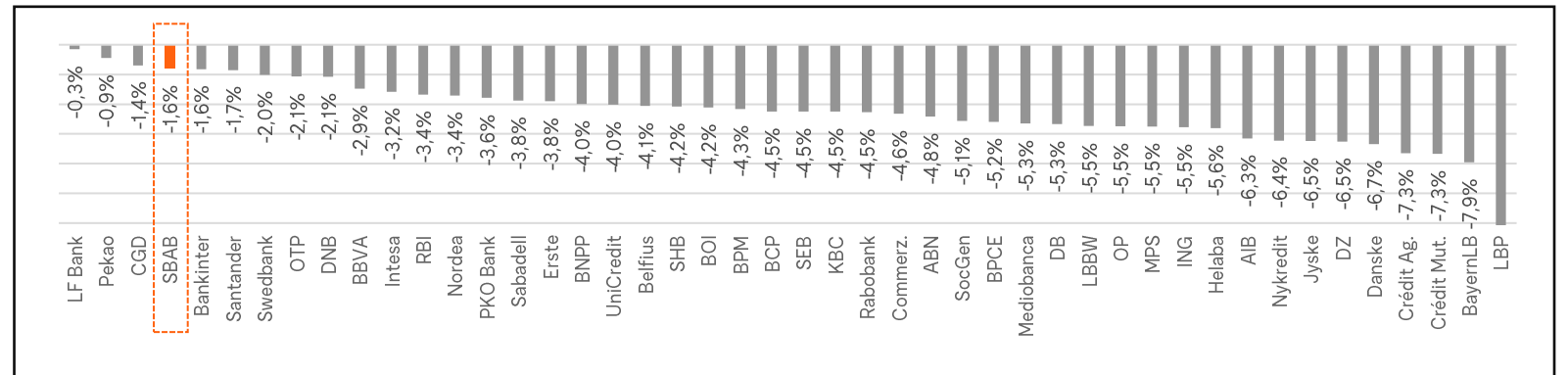
– SBAB’s robust business and resilient capital position confirmed in EBA stress test

- On 1 August 2025, the EBA published the results of its EU-wide stress test involving 64 banks from 17 EU and EEA countries and covering 75% of EU banking sector assets
- As in 2021 and 2023, the 2025 EBA stress test confirms that SBAB is robust and resilient even under a severely stressed scenario
- SBAB’s business model (low-risk lending portfolio with focus on residential mortgages) as well as 25% risk-weight floor for mortgage lending in Sweden important factors for the strong results

Maximum negative CET1 ratio impact in adverse scenario (%) (2025 Transitional)



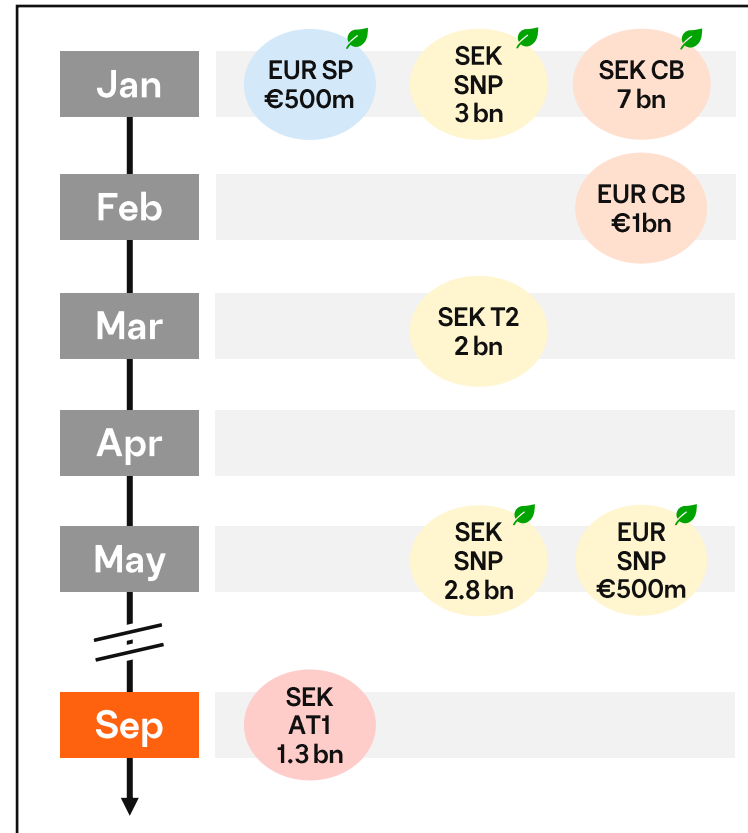
Maximum negative CET1 ratio impact in adverse scenario (%) (2023)



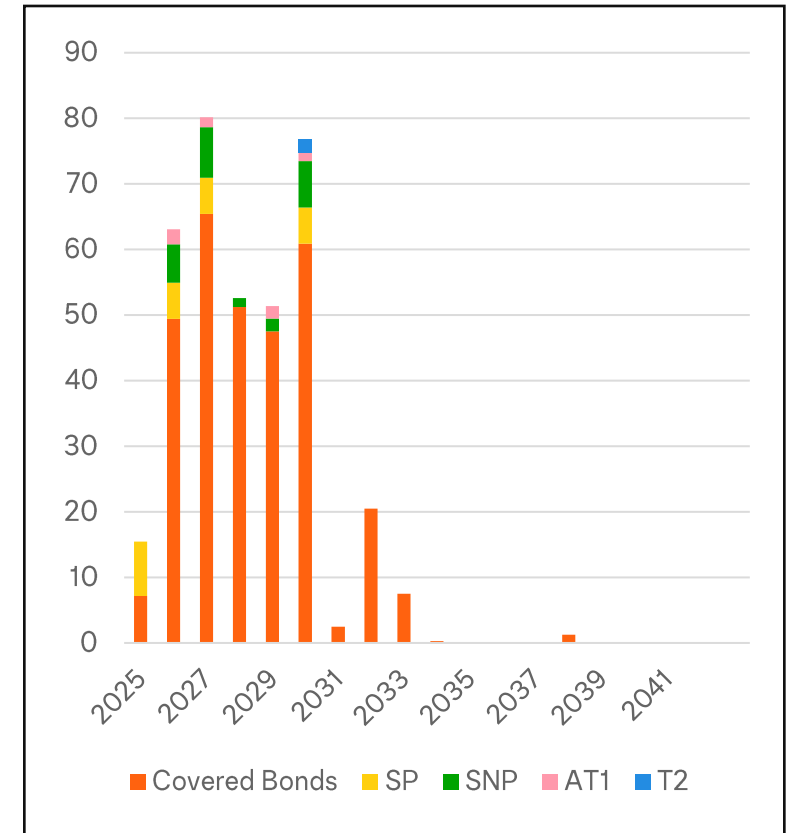
# Q3 summary: Majority of funding completed

- Guidance for funding 2025 at approximately SEK 90 bn
- SBAB has been active in both the SEK and EUR capital market with several public deals successfully completed
- By the end of Q3, SBAB has secured close to all its estimated full-year funding needs, leaving it well positioned for the remainder of the year

Public deals YTD 2025



Maturity profile (SEK bn)





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