

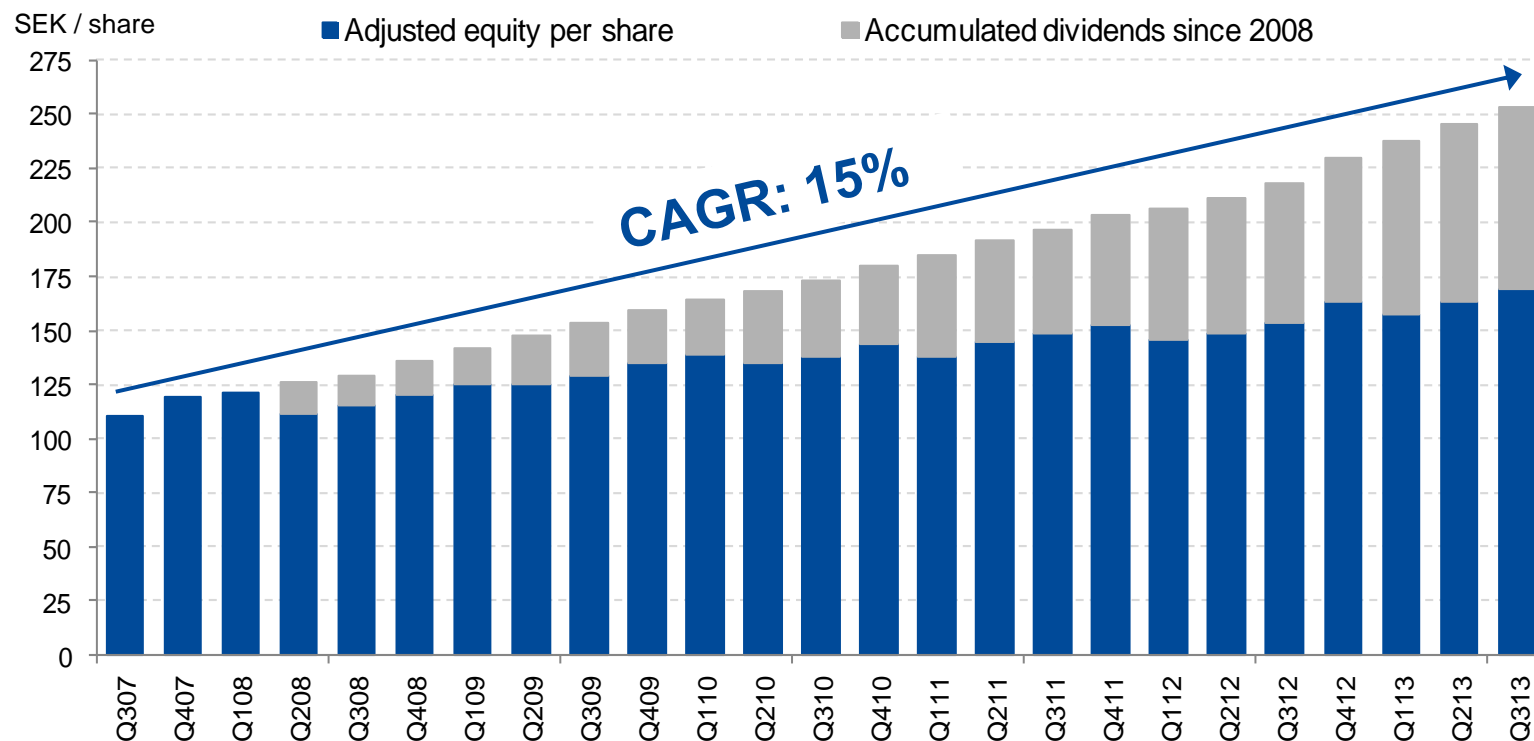
Handelsbanken

January - September 2013

23 October 2013

Average annual growth in equity

Including dividends

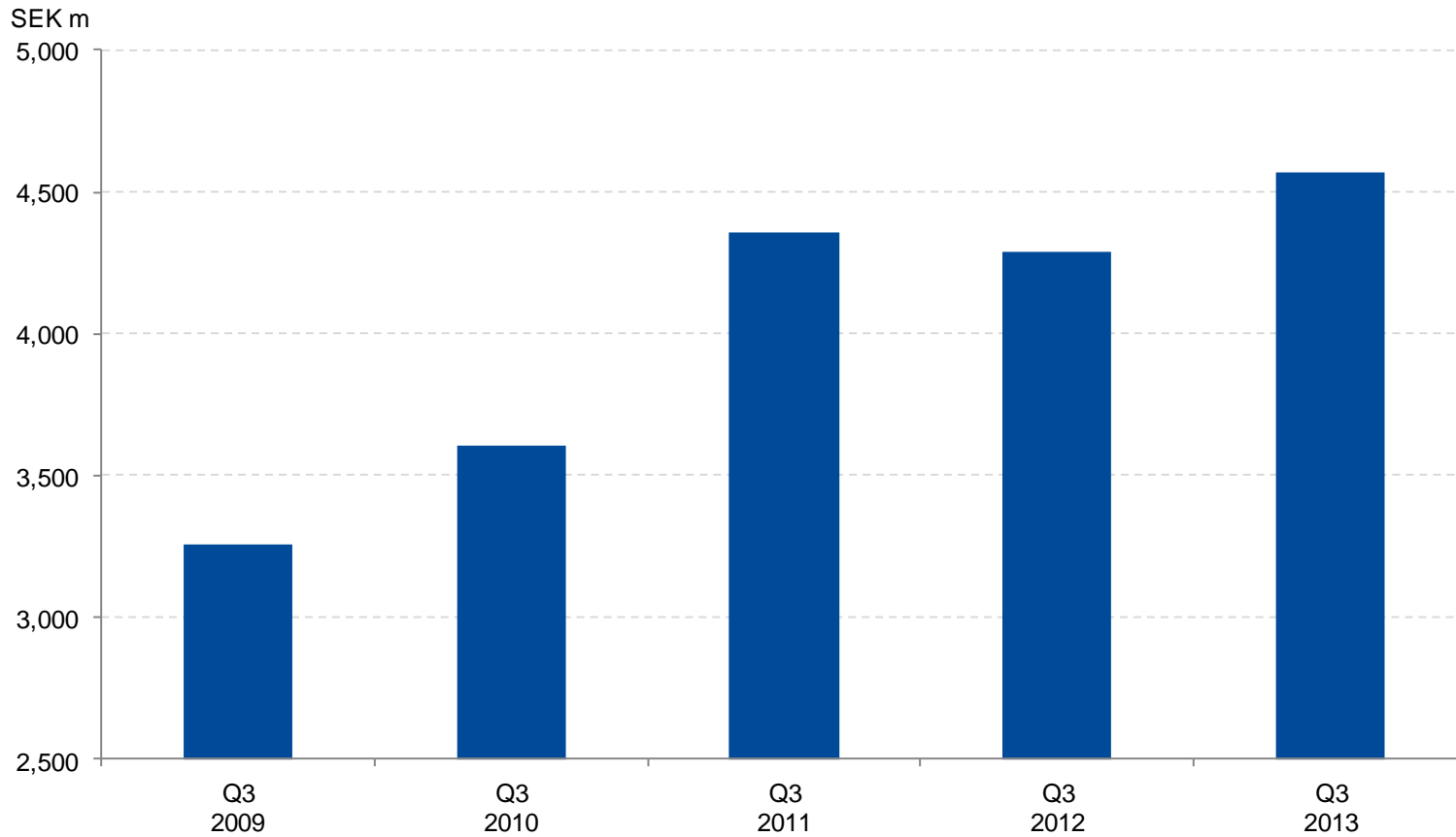


Dividends reinvested in RoE per quarter
 CAGR = Compounded Annual Growth Rate

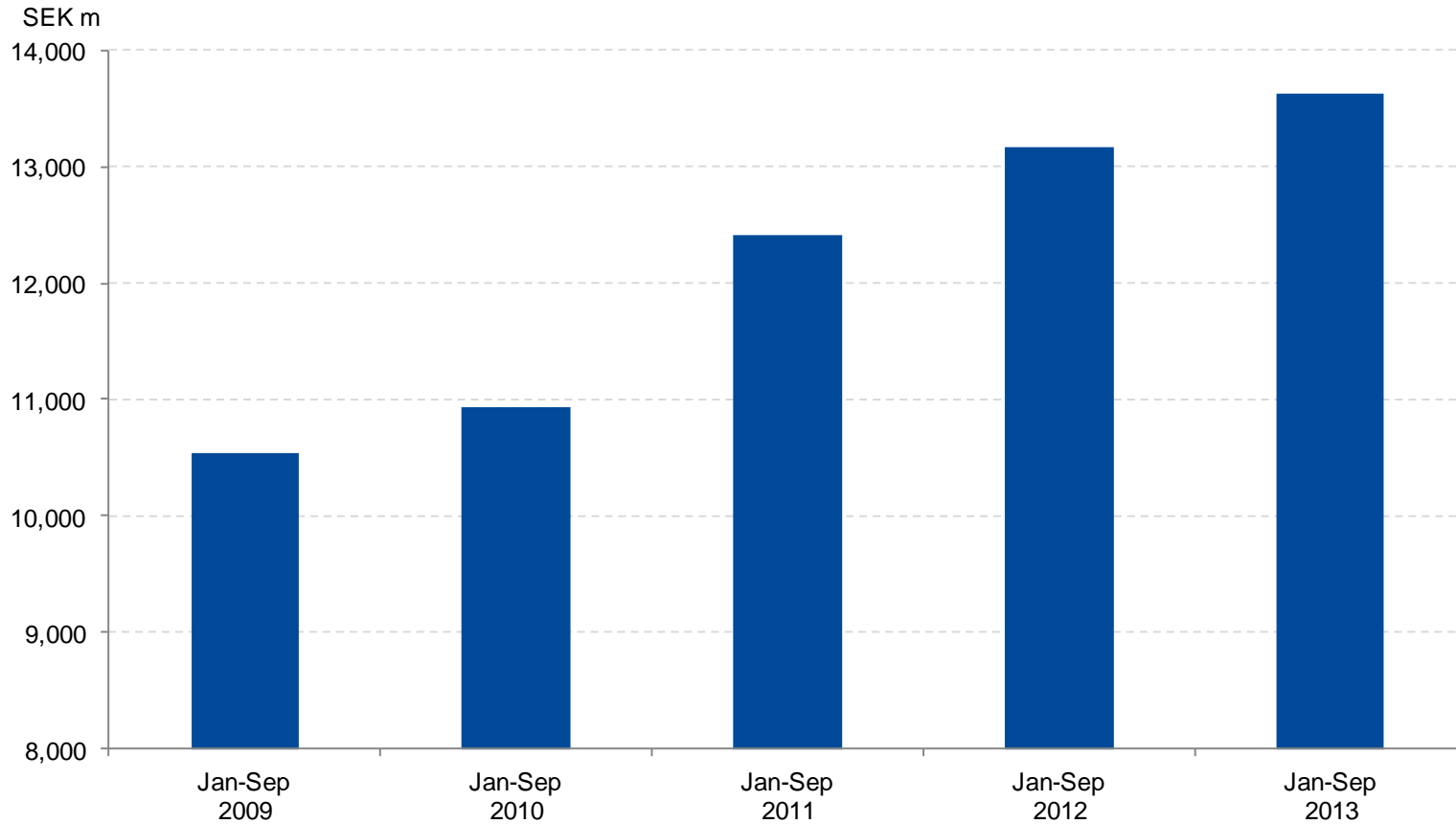
Summary

- Net profits January - September increased by 10%
- Core tier 1 ratio according to Basel III amounts to 18.8%
- Return on equity of 14.2% in both Q3 and January - September
- NII increased sequentially in all home markets outside Sweden, in total by 6%
- The loan loss ratio in Q3 was 0.06%
- The liquidity reserve exceeds SEK 800bn
- Continued uncertainty regarding implementation of CRD IV in Sweden

Operating profit, Q3



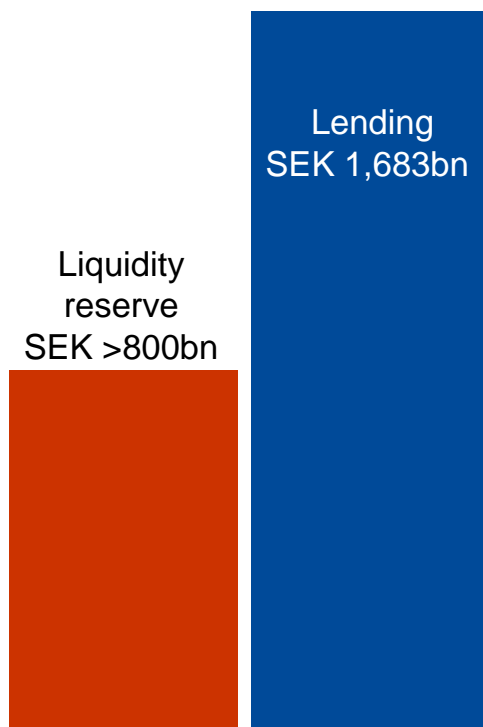
Operating profit, January - September



Income statement, January - September

SEK m	Jan-Sep 2013	Jan-Sep 2012	Change
Net interest income	19,897	19,597	2%
Net fee and commission income	5,697	5,459	4%
Net gains/losses on financial transactions	1,053	754	40%
Risk result - insurance	107	108	-1%
Other income	295	253	17%
Total income	27,049	26,171	3%
Staff costs	-8,424	-8,244	2%
Other expenses	-4,130	-3,910	6%
Total expenses	-12,554	-12,154	3%
Profit before loan losses	14,495	14,017	3%
Net loan losses	-873	-856	2%
Gains/losses on disposal of property, equipment and intangible assets	8	-1	
Operating profit	13,630	13,160	4%
Taxes	-2,949	-3,492	-16%
Net profit from discontinued operations	87	86	1%
Profit for the period	10,768	9,754	10%

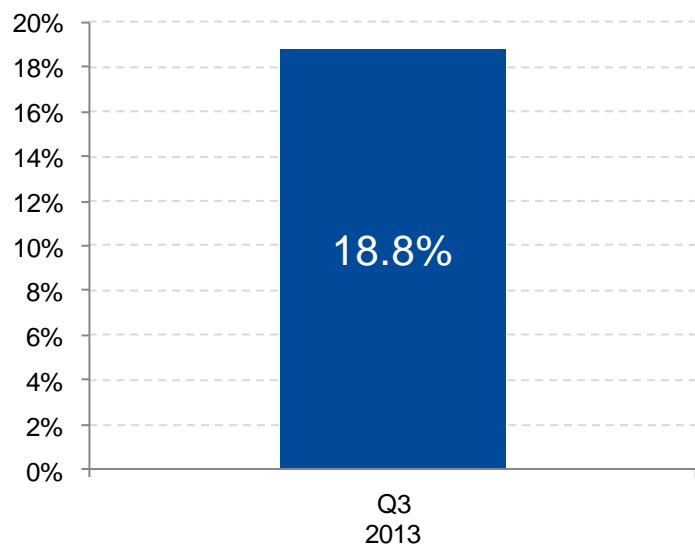
Financial stability



Key capital ratios, %	30 Sep 2013	30 Sep 2012	Change
Capital ratio, Basel II	21.7	20.7	+1
Tier 1 ratio, Basel II	21.5	19.8	+1.7
Core tier 1 ratio, Basel II	19.3	17.3	+2
Core tier 1 ratio, Basel III	18.8	-	-
Total capital base, SEK bn	101.4	100.5	+0.9
Tier 1 capital, SEK bn	100.7	96.2	+4.4
Core tier 1 capital, SEK bn	90.1	83.8	+6.3
Equity, SEK bn	106.5	97.1	+9.4

Uncertainty regarding new regulations

Core tier 1 ratio, Basel III



Uncertainty regarding regulations

- Swedish definition of Contingent Capital (CoCo's) not determined
- Capital requirement and type of capital in Pillar 2
- No formal decision on removal of transition rules in Sweden
- Calculation method for Swedish systemic buffers not yet determined

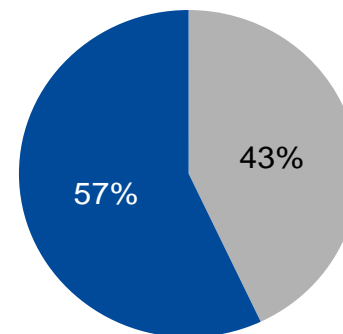
Long-term funding, January - September 2013

Long term issuance, SEK bn	Jan-Sep 2013	Jan-Sep 2012
Senior bonds	61	76
Extendible notes	40	-
Covered bonds	134	127
Total	235	203

Issues in Q3 include:

- EUR 1.25bn 7-year senior
- USD 2.5bn 5.4-year and 3-year senior
- CHF 400m 6-year senior
- GBP 250m 4-year senior

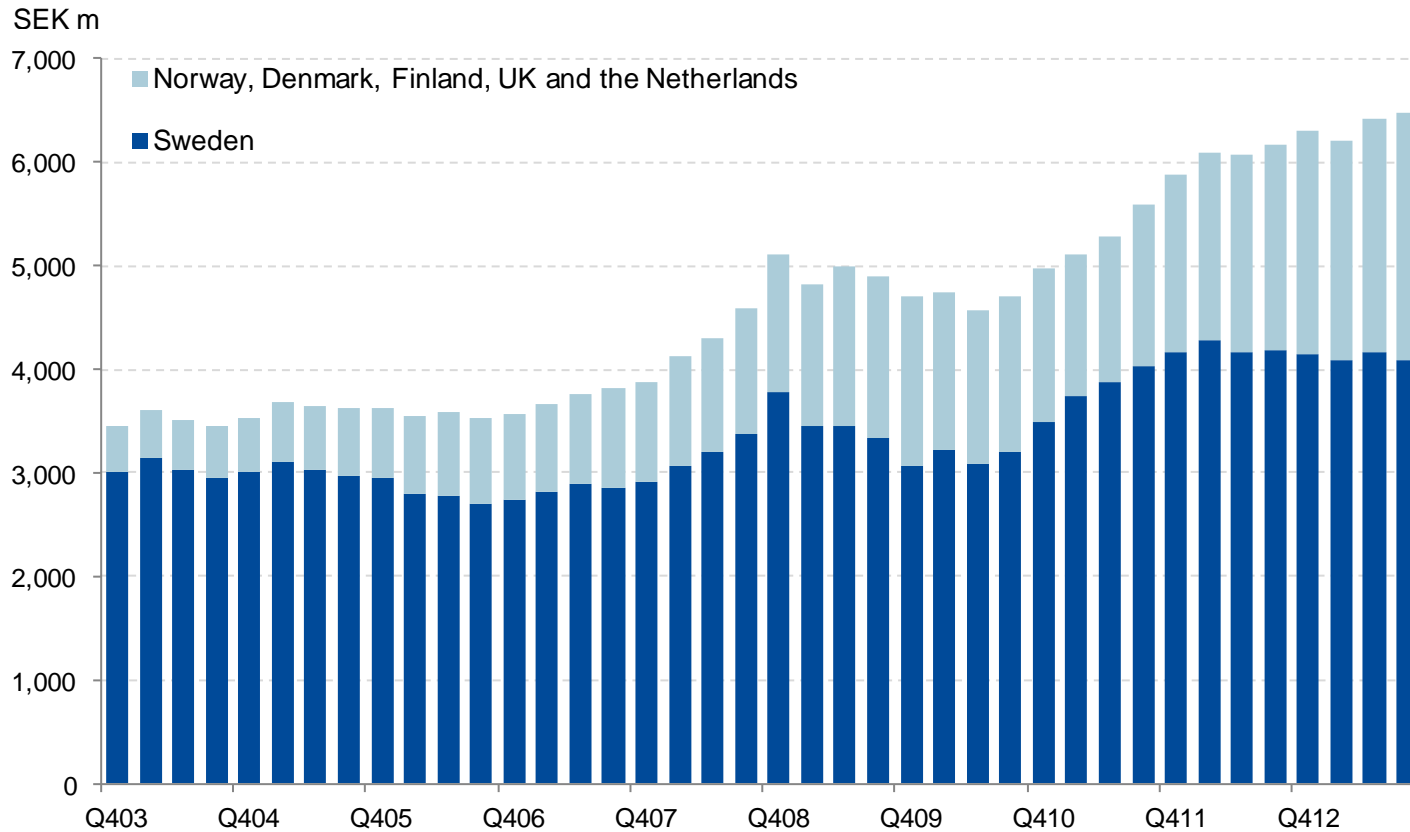
Long-term funding issued in January - September 2013



■ Senior unsecured bonds ■ Covered bonds

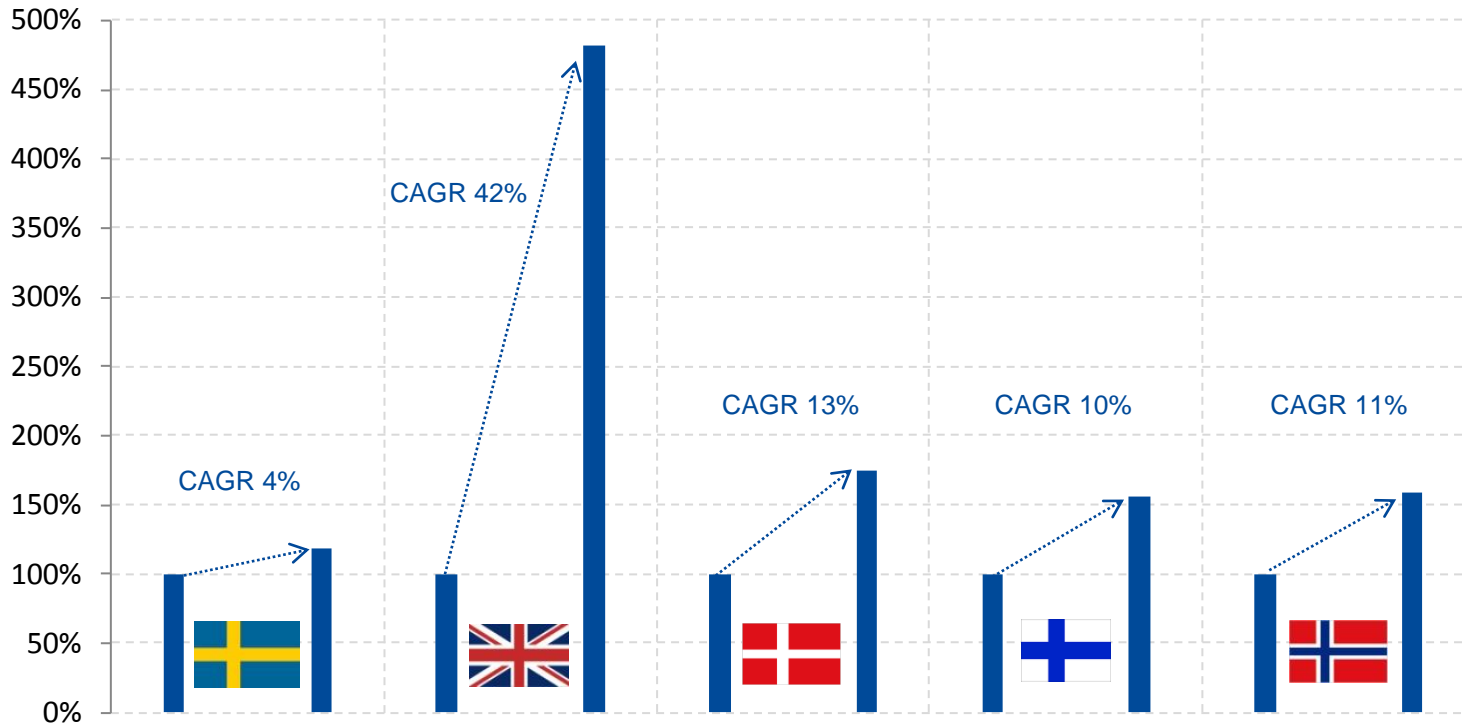
Net interest income Q4 2003 - Q3 2013

Branch office operations in home markets



Net interest income growth in home markets

Net interest income growth Q1 2009 - Q3 2013*

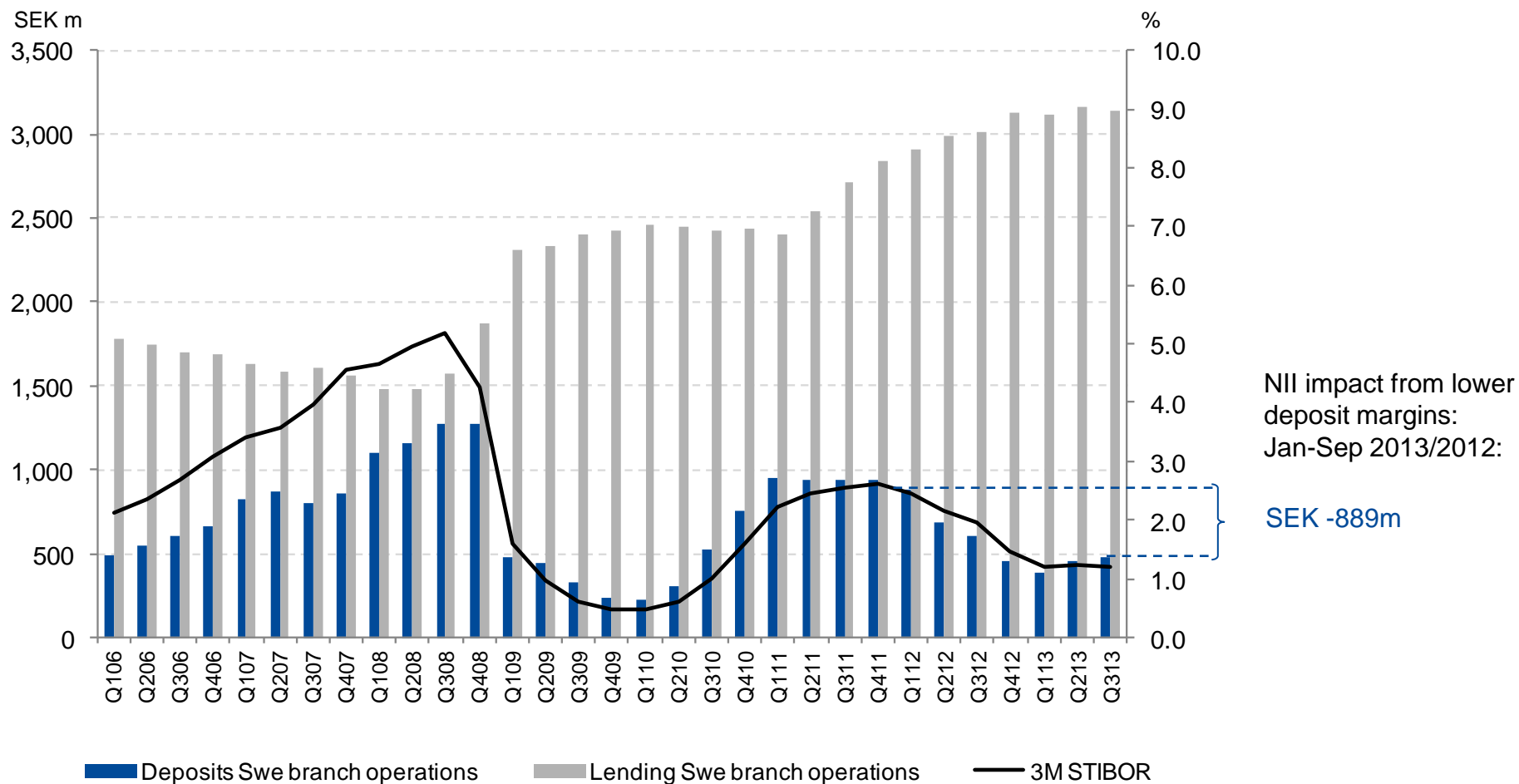


* In local currency. Netherlands excluded since it became a home market in 2013

CAGR = Compounded Annual Growth Rate

Net interest income from lending and deposits

Swedish branch operations



* Source: Bloomberg

Reference rate until 30 June 2008, 1M STIBOR and subsequently 3M STIBOR for variable deposits and lending

Handelsbanken has six home markets

Number of branches, 30 September 2013:

Sweden	461
UK*	165
Denmark	55
Norway	49
Finland	45
Netherlands	16
Total **	791

* including 14 appointed branch managers

** in home markets

Lillestrøm



Tampere



Roskilde



Leamington Spa



Amersfoort

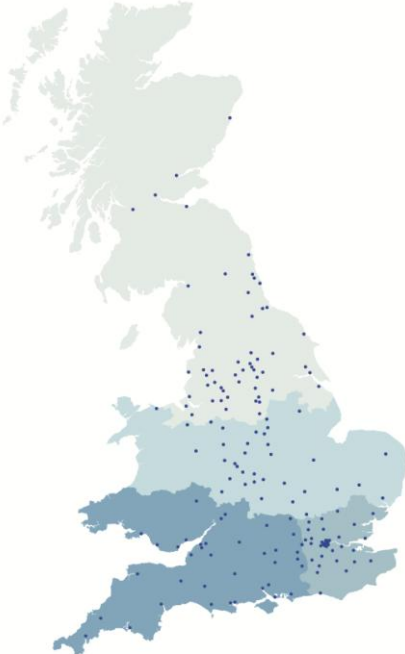


Järna

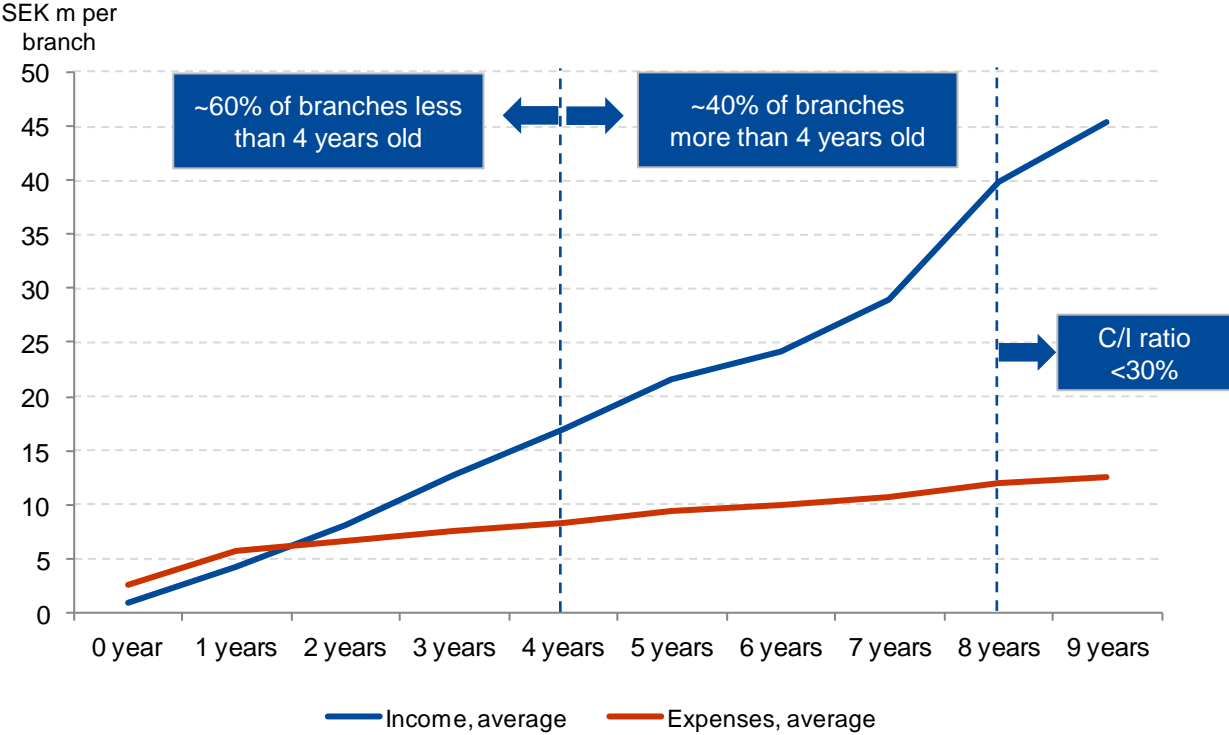


Income/expense trend for UK branches

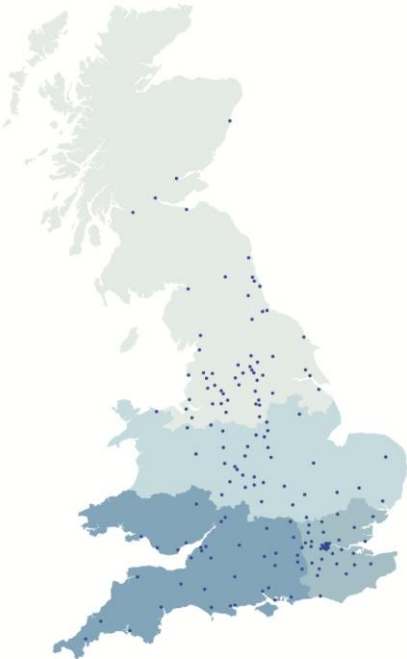
- Continued expansion and increased availability
- 165 branches including appointed branch managers
- Around 1,500 employees in the UK
- Income in Q3 in local currency increased by 37% compared to a year ago



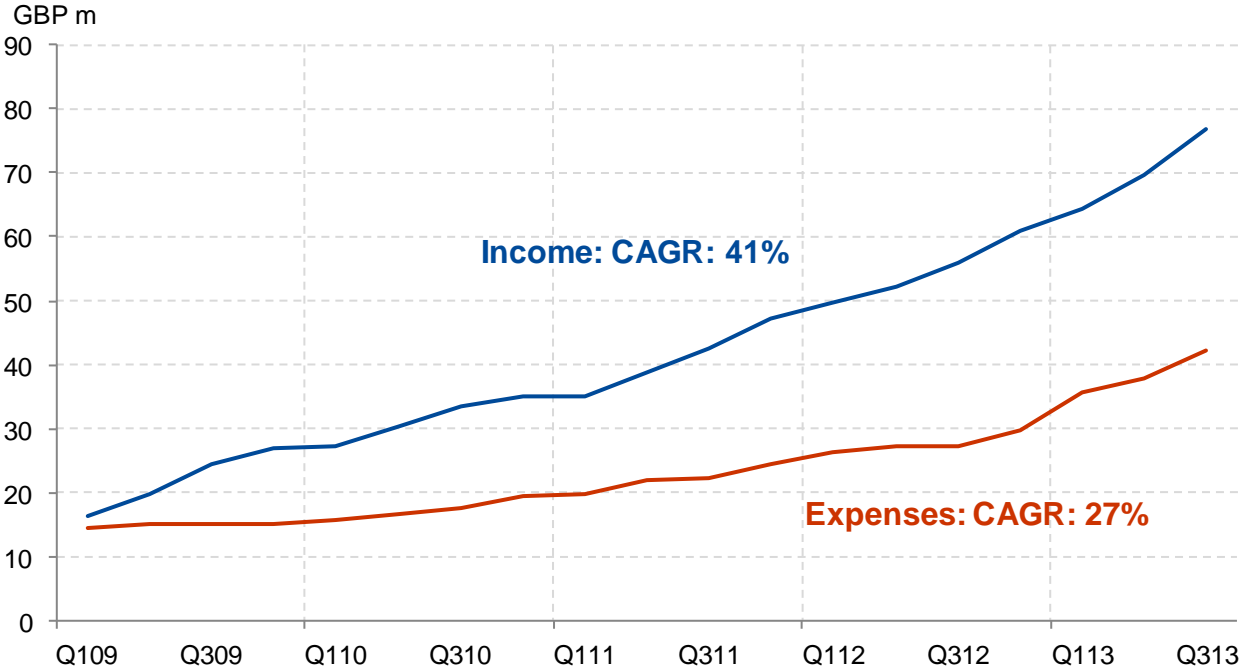
Income and expense trend in branches in the UK



Branch operations in the UK



Income and expense trend in the UK



CAGR = Compounded Annual Growth Rate

Appendix

Non-encumbered assets, NEA

30 September 2013

SEK bn	IPT (NEA)	Accumulated coverage ratio in % of unsecured funding*
Cash with central banks and securities in the liquidity portfolio	480	61%
Mortgage loans	323	102%
Other household lending	127	118%
Property company lending lowest risk class (1-3)	201	143%
Other corporate lending lowest risk class (1-3)	180	166%
Loans to credit institutions lowest risk class (1-3)	65	174%
Other corporate lending	223	203%
Other assets	129	219%
Total non-encumbered assets (NEA)	1,728	219%
Encumbered assets without underlying liabilities**	57	
<i>Encumbered assets with underlying liabilities</i>	<i>731</i>	
Total assets, Group	2,516	

*Issued short and long unsecured funding and due to credit institutions

**Over-collateralisation in cover pool (OC)

Income statement - five quarters

SEK m	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012
Net interest income	6,683	6,673	6,541	6,484	6,462
Net fee and commission income	1,896	1,924	1,877	1,910	1,742
Net gains/losses on financial transactions	354	440	259	366	191
Risk result - insurance	30	26	51	88	33
Other income	46	177	72	43	38
Total income	9,009	9,240	8,800	8,891	8,466
Staff costs	-2,845	-2,796	-2,783	-2,923	-2,678
Other expenses	-1,312	-1,419	-1,399	-1,623	-1,221
Total expenses	-4,157	-4,215	-4,182	-4,546	-3,899
Profit before loan losses	4,852	5,025	4,618	4,345	4,567
Net loan losses	-284	-306	-283	-395	-277
Gains/losses on disposal of property, equipment and intangible assets	3	4	1	-2	-1
Operating profit	4,571	4,723	4,336	3,948	4,289

Change in net interest income

NII Q2 2013, SEK m	6,673	Change
Deposits, branch operations in Sweden - margins	25	
- volumes	6	
Lending, branch operations in Sweden - margins	-21	
- volumes	12	
Deposits and lending non-Swedish branches	160	
Mandatory government fees (deposit insur. stabilisation fund etc)	-32	
Benchmark effect	-15	
Other	-147	-12
NII Q3 2013, underlying	6,661	0%
Day count effect	29	
Exchange rate movements	-7	
NII Q3 2013	6,683	0%

Change in net interest income

NII Jan-Sep 2012, SEK m	19,597	Change
Deposits, branch operations in Sweden - margins	-889	
- volumes	29	
Lending, branch operations in Sweden - margins	237	
- volumes	315	
Deposits and lending non-Swedish branches	1,123	
Mandatory government fees (deposit insur. stabilisation fund etc)	-9	
Benchmark effect	-15	
Other	-249	542
NII Jan-Sep 2013, underlying	20,139	3%
Day count effect	-13	
Exchange rate movements	-229	
NII Jan-Sep 2013	19,897	2%

Change in core tier 1 ratio

Basel II

Core tier 1 ratio Q2 2013, %	18.2
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<i>Change, %-points:</i>	
Core tier 1 capital	0.4
- of which earnings	0.4
- of which conversions of staff convertibles	0.0
- of which removed transitional rules for investments in insurance holdings	0.0
- of which currency effects	-0.1
- of which IAS 19	0.1
Lending volume	0.2
- of which lending growth	0.0
- of which currency effects	0.2
Net effect different quality of inflows and outflows in loan portfolio	0.3
Credit risk migration in the lending portfolio	-0.1
Advanced IRB for large corporates and validation of IRB model	0.0
Model changes and other effects, net	0.3
Change in core tier 1 ratio	1.1
Core tier 1 ratio Q3 2013, %	19.3
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Change in core tier 1 ratio

Basel II

Core tier 1 ratio Q3 2012, %	17.3
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<i>Change, %-points:</i>	
Core tier 1 capital	1.3
- of which earnings	1.5
- of which conversions of staff convertibles	0.1
- of which removed transitional rules and investments in insurance holdings	-0.5
- of which currency effects	-0.1
- of which IAS 19	0.4
Lending volume	-0.2
- of which lending growth	-0.3
- of which currency effects	0.1
Net effect different quality of inflows and outflows in loan portfolio	0.9
Credit risk migration in the lending portfolio	-0.4
Advanced IRB for large corporates and validation of IRB model	0.0
Model changes and other effects, net	0.4
Change in core tier 1 ratio	2.0
Core tier 1 ratio Q3 2013, %	19.3
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Mandatory government fees

Mandatory government fees, SEK m	Jan-Sep 2013
Stabilisation fund fee	-604
- in Sweden	-308
- in UK	-30
- in Denmark	-19
- in Finland	-26
- in Norway	-56
- in Netherlands	-3
- in International	-11
- other	-151
Swedish deposit guarantee	-204
Other fees	-12
Mandatory government fees	-820

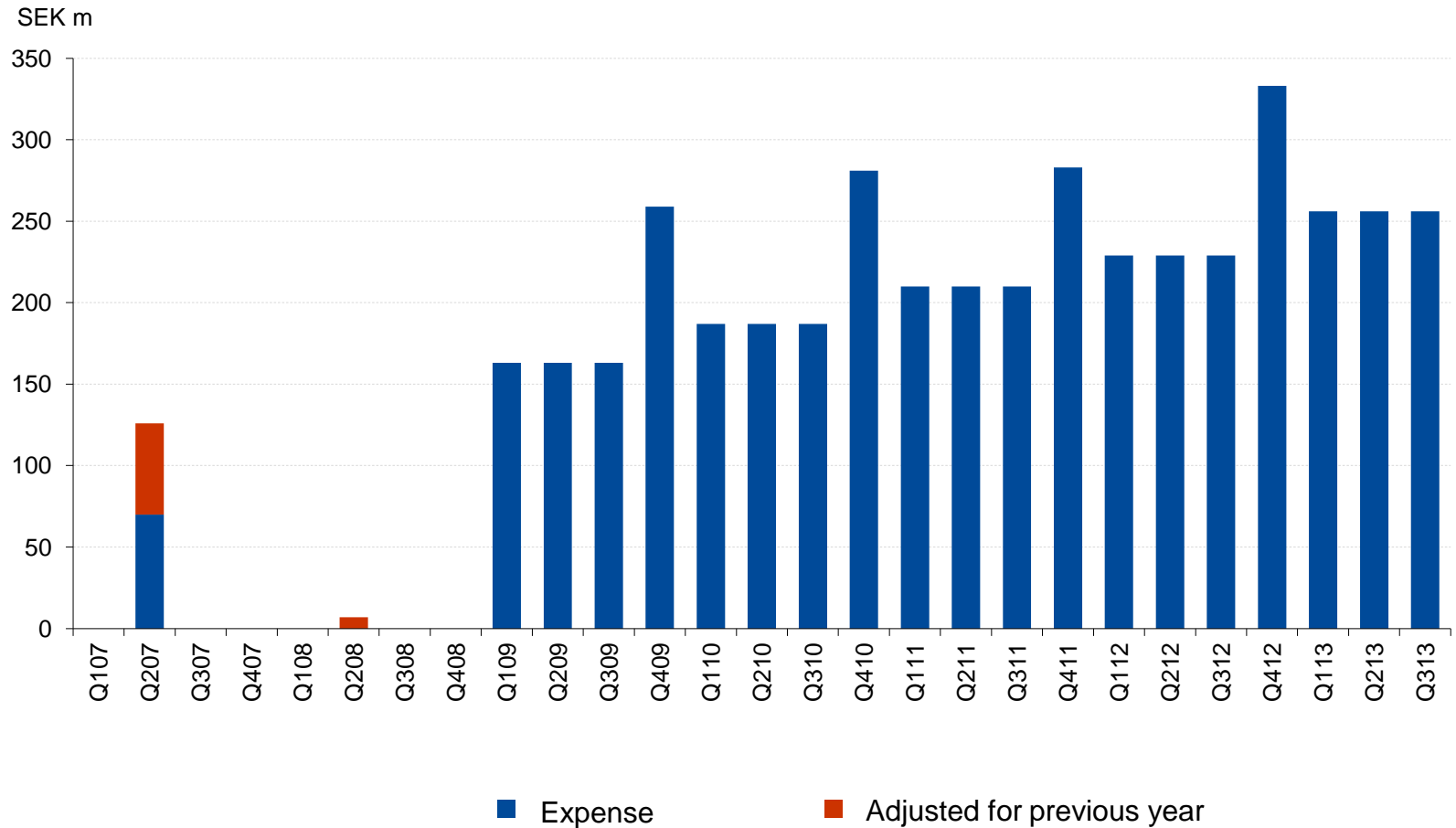
Fees and commissions

SEK m	Jan-Sep 2013	Jan-Sep 2012	Change
Brokerage and other securities commissions	877	864	2%
Mutual funds	1,471	1,242	18%
Custody and other asset management fees	303	256	18%
Advisory services	210	144	46%
Insurance	423	446	-5%
Payments	2,037	1,967	4%
Loans and deposits	840	890	-6%
Guarantees	330	351	-6%
Other	319	313	2%
Commission income	6,810	6,473	5%
Securities commissions	-181	-162	12%
Payment commissions	-865	-779	11%
Other commission expenses	-67	-73	-8%
Commission expense	-1,113	-1,014	10%
Net fee and commission income	5,697	5,459	4%

Expenses

SEK m	Jan-Sep 2013	Jan-Sep 2012	Change
Staff costs	-8,424	-8,244	2%
Other administrative expenses	-3,770	-3,558	6%
Depreciation and amortisation	-360	-352	2%
Total expenses	-12,554	-12,154	3%

Oktagonen quarterly, Q1 2007 - Q3 2013



Effective tax rate

Effective tax rate	Q112	Q212	Q312	Q412	Q113	Q213	Q313
Per quarter	27.9%	25.2%	26.5%	-10,1%*	20.4%	22.6%	21.8%
Accumulated year to date	27.9%	26.5%	26.5%	18.1%	20.4%	21.5%	21.6%

* Negative tax rate in Q4 2012 due to change of corporate tax rate in Sweden

Balance sheet

SEK bn	Jan-Sep 2013	Jan-Sep 2012	Change
Cash and central banks	380	377	1%
Loans to the public	1,683	1,621	4%
Loans to other credit institutions	73	84	-14%
Interest-bearing securities	127	120	6%
Other assets	253	306	-17%
Total assets	2,516	2,508	0%
Deposits and borrowing from the public	808	729	11%
Due to credit institutions	170	227	-25%
Issued securities	1,180	1,151	3%
Other liabilities	251	304	-17%
Total equity	107	97	10%
Total liabilities and equity	2,516	2,508	0%

Loans to the public

Average volumes, SEK bn	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012
Household	617	610	602	595	588
Corporate	493	496	482	480	480
Branch office operations in Sweden	1,110	1,106	1,084	1,075	1,068
Household	188	183	179	178	170
Corporate	353	353	348	351	340
Branch office operations outside Sweden	541	536	527	529	510
Other operations	30	34	38	37	33
Household	805	793	781	773	758
Corporate	876	883	868	868	853
Total lending to the public	1,681	1,676	1,649	1,641	1,611

Deposits from the public

Average volumes, SEK bn	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012
Household	222	217	213	212	210
Corporate	162	163	168	165	160
Branch office operations in Sweden	384	380	381	377	370
Household	47	45	44	45	45
Corporate	127	118	126	134	131
Branch office operations outside Sweden	174	163	170	179	176
Other operations	179	158	145	135	152
Household	270	263	258	257	255
Corporate	466	438	438	434	443
Total deposits from the public	737	701	696	691	698

Lending in home markets outside Sweden

Average volumes

	Q3 2013	Q2 2013	Change
Private, local currency			
Denmark, DKK bn	29.4	28.7	2.4%
Finland, EUR m	3,736	3,667	1.9%
Norway, NOK bn	72.4	71.2	1.7%
UK, GBP m	3,344	3,122	7.1%
Netherlands, EUR m	515	442	16.5%

Corporate, local currency

Denmark, DKK bn	29.8	31.5	-5.4%
Finland, EUR m	7,990	7,955	0.4%
Norway, NOK bn	111.5	109.7	1.6%
UK, GBP m	8,509	8,317	2.3%
Netherlands, EUR m	1,256	1,255	0.1%

Lending in home markets outside Sweden

Average volumes

	Jan-Sep 2013	Jan-Sep 2012	Change
Private, local currency			
Denmark, DKK bn	28.7	25.1	14.3%
Finland, EUR m	3,667	3,462	5.9%
Norway, NOK bn	71.3	67.4	5.8%
UK, GBP m	3,143	2,456	28.0%
Netherlands, EUR m	448	217	106.5%

Corporate, local currency

Denmark, DKK bn	30.7	27.3	12.5%
Finland, EUR m	7,917	7,029	12.6%
Norway, NOK bn	110.4	106.0	4.2%
UK, GBP m	8,282	6,924	19.6%
Netherlands, EUR m	1,246	1,447	-13.9%

Deposits in home markets outside Sweden

Average volumes

	Q3 2013	Q2 2013	Change
Private, local currency			
Denmark, DKK bn	9.2	9.2	0.0%
Finland, EUR m	1,248	1,256	-0.6%
Norway, NOK bn	14.3	13.7	4.4%
UK, GBP m	779	605	28.8%
Netherlands, EUR m	26	26	0.0%

Corporate, local currency

Denmark, DKK bn	12.3	12.6	-2.4%
Finland, EUR m	1,597	1,457	9.6%
Norway, NOK bn	31.7	32.4	-2.2%
UK, GBP m	3,093	2,438	26.9%
Netherlands, EUR m	836	935	-10.6%

Deposits in home markets outside Sweden

Average volumes

Private, local currency	Jan-Sep 2013	Jan-Sep 2012	Change
Denmark, DKK bn	9.1	8.6	5.8%
Finland, EUR m	1,258	1,291	-2.6%
Norway, NOK bn	13.8	13.3	3.8%
UK, GBP m	644	448	43.8%
Netherlands, EUR m	25	15	66.7%

Corporate, local currency

Denmark, DKK bn	13.2	13.1	0.8%
Finland, EUR m	1,533	2,197	-30.2%
Norway, NOK bn	34.3	35.3	-2.8%
UK, GBP m	2,606	2,239	16.4%
Netherlands, EUR m	803	678	18.4%

Branch operations in home markets

Q3 2013	Sweden	Norway	UK	Denmark	Finland	Netherlands
Operating profit, SEK m	3,216	704	288	242	176	23
Return on allocated capital, %	18.2	18.6	13.1	14.6	9.6	8.9
C/I ratio, %	34.8	29.8	54.5	45.8	39.3	65.7
Loan loss ratio	0.02	0.05	0.22	0.18	0.34	0.01
Branches	461	49	151	55	45	16
Employees, average	4,632	654	1,332	625	502	103
Household lending, SEK bn*	620	79	36	35	33	5
Corporate lending, SEK bn*	489	117	89	35	70	10
Household deposits, SEK bn*	228	15	8	11	11	0
Corporate deposits, SEK bn*	163	37	36	15	17	11

* end of period