

# Additional Information 2005

STOCKHOLM 8 FEBRUARY 2006

## Appendix 1 SEB Trygg Liv

SEB Trygg Liv is one of the Nordic region's leading life insurance groups. Operations comprise insurance solutions within the investment and social security area for individuals and corporations. SEB Trygg Liv provides both unit-linked and traditional insurance. The group operates in Sweden, Denmark, Finland, Ireland, the UK and Luxembourg and serves 1.5 million customers. SEB also conducts life insurance business in Estonia, Latvia and Lithuania.

The traditional life insurance operations in Sweden are conducted in the mutually operated insurance companies Nya and Gamla Livförsäkringsaktiebolaget, which are not consolidated with the SEB Trygg Liv Group's results.

### SEB Trygg Liv, Sweden

The Swedish operations are conducted partly according to a bancassurance concept, i.e. an integrated banking and insurance business, and partly through insurance brokers. The purpose of the bancassurance concept is to offer SEB's customers a complete range of products and services within the financial area. Savings in life insurance products, including pension savings, represent a growing share of the Swedish households' financial assets. Since 1995 the share has increased from 24 to approximately 40 per cent.

#### Stable market position

Sales focus is on unit-linked, which represents some 90 per cent of total sales. SEB Trygg Liv is the market leader in Sweden within unit-linked insurance with a share of new sales of 33.0 per cent (34.6 full year 2004) as of September 30, 2005\*.

Distribution channels are SEB's branch offices, own sales force and insurance brokers.

#### Significant occupational pension business

Corporate sales have gradually grown to an increasing share of total sales. SEB Trygg Liv has during the last year, along

with the market, seen some decline in occupational pension business. However we now see a recovery.

SEB Trygg Liv is the market leader within new business unit-linked occupational pension, with a share of 28.1 per cent (34.1, full year 2004) as of September 30, 2005\*. The decline is due to large yearly payments within certain collective pension areas, where SEB Trygg Liv has a small market share.

SEB Trygg Liv also offers administration and management of pension foundations. SEB Trygg Liv Pensionstjänst (Pension Service) is the leading Swedish company in this field.

As per 1 January 2005, Fondförsäkringsaktiebolaget SEB Trygg Liv took over the sickness and health insurances as well as occupational pensions for certain SEB personnel from Nya Livförsäkringsaktiebolaget (operates under mutual regulations). With that SEB has incentives to invest within the sickness and health insurance area, a growth market well connected to the core business occupational pension.

The sickness and health products have developed favourably during the year and reported an operating result of SEK 109 m including investment income.

#### Also strong in the private market

In the private market SEB Trygg Liv has a strong position within new business unit-linked endowment insurance with a market share of 45.5 per cent (36.2, full year 2004) as of September 30, 2005\*. SEB Trygg Liv was the first company in the market to launch the new product Kapitalpension and has succeeded in capturing a substantial part of this market and is now market leader. Early October a new unit link product with guarantee, GarantiFörsäkring, was introduced offering a guarantee of 90 per cent of premiums paid.

Sales of private pension savings are relatively stable and SEB's sales in this area consist mainly of the product IPS, Individual Pension Savings. SEB is one of the leading suppliers within non-insurance-related pension savings based on payments.

\* The market share statistics for the fourth quarter 2005 were not available at publishing date of this report.

## SEB Pension, Denmark

The acquisition of Codan Pension in Denmark was completed on 1 October, 2004, adding 400 employees and some 300,000 customers. As of 1 October 2005 Codan Pension re-branded to SEB Pension.

### SEB Pension's products

SEB Pension sells savings, life, sickness and disability insurance to private individuals and corporate clients through private and corporate sales personal, insurance brokers and Codan Forsikring (general insurance).

Savings insurance is available both as unit-linked and traditional insurance (in a profit-distributing company). In the private market, unit-linked insurance accounts for 90 per cent of sales, while 75 per cent of the corporate market consists of traditional insurance, since certain business areas still do not allow unit-linked insurance as a part of an occupational pension plan.

The market for non traditional life insurance, for example unit-linked, continues to increase. This increase mainly comes from the corporate segment and is delivered by insurance brokers.

### Growing occupational pension market

The Danish occupational pension market has achieved annual growth of 10 per cent since 2000, while the private market has shown virtually zero-growth. SEB Pension's growth rate within occupational pension has been in the range of 15-18 per cent in recent years, and the company has gained market shares, accordingly. SEB Pension's development in the private market has been in line with the general trend. Measured in premium income, SEB Pension is the fourth largest lifeinsurance company in Denmark, with a market share of 9 per cent.

## Distribution

Most insurance companies have developed specialised private pension sales units, among others SEB Pension, that primarily concentrate on high-salary groups and customers with qualified advisory requirements.

Brokers and the insurance companies' corporate sales personnel comprise the two dominant sales channels in the occupational pension market.

## SEB Life & Pension, International

International within SEB Trygg Liv consists of SEB Life (Ireland), SEB Trygg Life (UK) and the life and pension business in Estonia, Latvia and Lithuania. Sales and financial statements considering the business in Estonia, Latvia and Lithuania are reported by Eastern European Banking within SEB for 2005.

The operations of the Irish company SEB Life (Ireland) are focused primarily on sales of Portfolio Bond, the international endowment insurance, and the new product Personal Life Portfolio Bond (endowment pension). Sales are concentrated mainly to the Swedish market. The new product, Kapitalpension, has also contributed to good sales figures in SEB Life. During 2004, the company opened a branch office in Luxembourg by SEB Private Banking, with sales focused on Swedes living abroad.

SEB Trygg Life (UK), which is closed for new business but manages a portfolio of unit-linked insurance policies, most of which were developed during the 1990's when many Swedes invested their savings in foreign insurance products. The company also runs an English pension insurances business from the early 1990's.

## Sales volume insurance (weighted)

SEKm	Q4 2005	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004
<b>Total</b>	<b>14 125</b>	<b>9 511</b>	<b>9 854</b>	<b>10 934</b>	<b>9 386</b>	<b>5 820*</b>
<b>SEB Trygg Liv/Life</b>	<b>11 752</b>	<b>7 625</b>	<b>8 200</b>	<b>9 204</b>	<b>7 254</b>	<b>5 820</b>
Traditional life insurance	519	221	548	561	606	518
Unit-linked insurance	11 233	7 404	7 652	8 643	6 648	5 302
Private paid	6 375	2 107	3 710	3 598	2 596	1 089
Corporate paid	5 377	5 518	4 490	5 606	4 658	4 731
<b>SEB Pension</b>	<b>2 373</b>	<b>1 886</b>	<b>1 654</b>	<b>1 730</b>	<b>2 132</b>	<b>[1 519]</b>
Traditional life insurance	848	1 180	806	827	868	869
Unit-linked insurance	1 525	706	848	903	1 264	650
Private paid	1 022	393	462	546	931	402
Corporate paid	1 351	1 493	1 192	1 184	1 201	1 117

\*) Excluding SEB Pension, that was acquired 1 October 2004

## Premium income and Assets under management

SEKm	Q4 2005	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004
<b>Premium income</b>						
<b>Total</b>	<b>10 836</b>	<b>5 475</b>	<b>6 849</b>	<b>7 229</b>	<b>6 456</b>	<b>3 059*</b>
<b>SEB Trygg Liv/Life</b>	<b>8 836</b>	<b>4 210</b>	<b>5 663</b>	<b>6 020</b>	<b>4 623</b>	<b>3 059</b>
Traditional insurance	1 013	624	662	813	1 118	626
Unit-linked insurance	7 647	3 463	4 851	5 080	3 327	2 232
Health insurance	176	123	150	127	178	201
<b>SEB Pension</b>	<b>2 000</b>	<b>1 265</b>	<b>1 186</b>	<b>1 209</b>	<b>1 833</b>	<b>[1 089]</b>
Traditional insurance	1 465	950	904	903	1 486	902
Unit-linked insurance	426	242	239	204	249	117
Health insurance	109	73	43	102	98	70
<b>Assets under management, net assets</b>						
<b>Total</b>	<b>367 100</b>	<b>353 800</b>	<b>342 700</b>	<b>324 800</b>	<b>311 800</b>	<b>224 400*</b>
<b>SEB Trygg Liv/Life</b>	<b>276 200</b>	<b>263 500</b>	<b>253 400</b>	<b>237 800</b>	<b>232 900</b>	<b>224 400</b>
Traditional insurance	182 800	178 300	175 300	167 800	166 800	161 700
Unit-linked insurance	93 400	85 200	78 100	70 000	66 100	62 700
<b>SEB Pension</b>	<b>90 900</b>	<b>90 300</b>	<b>89 300</b>	<b>87 000</b>	<b>78 900</b>	<b>[77 300]</b>
Traditional insurance	88 700	88 400	87 700	85 700	77 900	76 500
Unit-linked insurance	2 200	1 900	1 600	1 300	1 000	800

\*) Excluding SEB Pension, that was acquired 1 October 2004

## Profit and loss account

SEKm	Q4 2005	Q3 2005	Q2 2005	Q1 2005	Q4 2004	Q3 2004*
Administration agreements, traditional insurance	77	71	67	76	108	98
Unit-linked insurance	395	368	329	305	306	279
Other <sup>1)</sup>	291	293	313	281	278	38
<b>Total operating income</b>	<b>763</b>	<b>732</b>	<b>709</b>	<b>662</b>	<b>692</b>	<b>415</b>
Operating expenses	-680	-498	-542	-573	-489	-329
Capitalisation of acquisition costs, net	199	61	105	112	77	47
Other	-14	-43	-30	-30	-27	-13
<b>Total expenses</b>	<b>-495</b>	<b>-480</b>	<b>-467</b>	<b>-491</b>	<b>-439</b>	<b>-295</b>
<b>Operating profit</b>	<b>268</b>	<b>252</b>	<b>242</b>	<b>171</b>	<b>253</b>	<b>120</b>
Change in surplus values, gross	842	386	149	380	597	305
Deferred acquisition costs, net	-199	-61	-105	-112	-77	-47
<b>Business result</b>	<b>911</b>	<b>577</b>	<b>286</b>	<b>439</b>	<b>773</b>	<b>378</b>
Change in assumptions <sup>2)</sup>	39			-39	789	
Financial effects due to short term market fluctuations	310	415	703	223	108	-147
Total result net	1 260	992	989	623	1 670	231
Expense ratio, % <sup>3)</sup>	6.3	9.1	7.9	7.9	7.6	10.8
Return on business equity, % <sup>4)</sup>	37.2	24.9	11.8	18.0	30.6	23.7

<sup>1)</sup> Including SEB Pension from Q4 2004 and from Q1 2005 also income related to the transferred sick- and health insurance business from Nya Liv.

<sup>2)</sup> In Q4 2004 the discount rate was changed from 9 to 8 per cent and in Q1 2005 the lapse rate in the UK business was changed from 7.5 to 10 per cent. In Q4 2005 the surrender rate for Sweden was changed to 10,0 per cent and admin costs per product was adjusted downwards giving a net effect of SEK 39m.

<sup>3)</sup> Operating expenses as percentage of premiums paid.

<sup>4)</sup> Total business result (excluding separation cost in SEB Pension) in relation to allocated capital, annual basis after deduction of 28 per cent theoretical tax.

\* Excluding SEB Pension, that was acquired 1 October 2004.

## Surplus value accounting

<b>Balance (after deduction of capitalised acquisition costs), SEKm</b>	<b>Q4 2005 *</b>	<b>Q3 2005</b>	<b>Q2 2005</b>	<b>Q1 2005</b>	<b>Q4 2004</b>	<b>Q3 2004</b>
<b>Opening balance <sup>6)</sup></b>	<b>9 773</b>	<b>8 956</b>	<b>8 209</b>	<b>7 757</b>	<b>6 340</b>	<b>6 229</b>
Present value of new sales <sup>1)</sup>	942	376	459	501	366	310
Return on existing policies	210	198	201	207	169	171
Realised surplus value in existing policies	-239	-218	-213	-222	-177	-175
Actual outcome compared to assumptions <sup>2)</sup>	-71	30	-298	-106	239	-1
<b>Change in surplus values from ongoing business, gross</b>	<b>842</b>	<b>386</b>	<b>149</b>	<b>380</b>	<b>597</b>	<b>305</b>
Capitalisation of acquisition cost for the period	-316	-133	-164	-187	-141	-106
Amortisation of capitalised acquisition cost	117	72	59	75	64	59
<b>Change in surplus values from ongoing business, net <sup>3)</sup></b>	<b>643</b>	<b>325</b>	<b>44</b>	<b>268</b>	<b>520</b>	<b>258</b>
Change in assumptions <sup>4)</sup>	39			-39	789	
Financial effects due to short term market fluctuations <sup>5)</sup>	310	415	703	223	108	-147
<b>Total change in surplus values</b>	<b>992</b>	<b>740</b>	<b>747</b>	<b>452</b>	<b>1 417</b>	<b>111</b>
<b>Closing balance <sup>6)</sup></b>	<b>10 765</b>	<b>9 696</b>	<b>8 956</b>	<b>8 209</b>	<b>7 757</b>	<b>6 340</b>

<sup>1)</sup> Sales defined as new contracts and extra premiums in existing contracts.

<sup>2)</sup> The reported actual outcome of contracts signed can be placed in relation to the operative assumptions that were made. Thus, the value of the deviations can be estimated. The most important components consist of extensions of contracts as well as cancellations. However, the actual income and administrative expenses are included in full in the operating result. In 2005 the effect includes increased surrenders of endowment insurances due to abolished inheritance tax in Sweden.

<sup>3)</sup> Deferred acquisition costs are capitalised in the accounts and depreciated according to plan. The reported change in surplus values is therefore adjusted by the net result of the capitalisation and depreciation during the period.

<sup>4)</sup> In Q4 2004 the discount rate was changed from 9 to 8 per cent and in Q1 2005 the surrender rate in the UK business was changed from 7.5 to 10 per cent. In Q4 2005 surrender rate for the Swedish business was changed to 10,0 per cent and admin cost per product was adjusted downwards with a net effect of SEK 39m.

<sup>5)</sup> Assumed unit growth is 6 per cent, i.e. 1.5 per cent per quarter. Actual growth results in positive or negative financial effects.

<sup>6)</sup> Estimated surplus value according to the above is not included in the statutory balance sheet. Closing balance is shown after the deduction of capitalised acquisition costs (SEK 2,332m at December 31, 2005).

\*The surplus value related to the unit linked business in SEB Pension has been included in the analysis effective Q4, 2005 with an opening balance adjustment of SEK 77m and an ending balance net of deferred acquisition cost of SEK 183m.

### Surplus values

Surplus values are the present values of future profits from written insurance policies. They are calculated to better evaluate the profitability of a life insurance business since an insurance policy often has a long duration. Income accrues regularly throughout the duration of the policy. Costs, on the other hand, mainly arise at the point of sale. That leads to an imbalance between income and costs at the time when a policy is signed.

SEB Trygg Liv uses the method of surplus value calculations since 1997 for both internal management accounting and external reporting. The reporting is according to international practice and is reviewed by an external party. Surplus values are not consolidated in the SEB Group accounts.

Surplus values are calculated for the Danish unit linked business and included effective Q4, 2005. For traditional business in Denmark, profit distribution between shareholders and policy holder is defined by the "contribution principle". Considering the differences compared to unit-linked business, a surplus value

calculation is not considered a meaningful tool for reporting and analysis of periodic results.

Discount rate	8%
Surrender of endowment insurance contracts	10%
Lapse rate of regular premiums, unit-linked	10%
Growth in fund units	6%
Inflation CPI / Inflation expenses	2% / 3%
Right to transfer policy (unit-linked)	1%
Mortality	According to industry experience

### Assumptions in the calculation of surplus value

The surplus value calculation is based on different assumptions, to be adjusted when needed to correspond to long-term development.

### Sensitivity analysis

The calculation of surplus value is relatively sensitive to changes in assumptions. A change of the discount rate by +1/-1 percentage point gives an effect of SEK -1,143/+1,333m.

A higher or lower return/growth in fund units will result in positive or negative effects when the surplus value change of the period is calculated. A change in the growth

\*) Changed discount rate from 9 to 8 per cent at the end of 2004.

assumption by +1/-1 percentage point will give a change in surplus value of SEK +1,187/-1,041m. New business profit

One way to analyse the result of sales efforts is to determine the sales margin for new business. The sales result, i.e. present value of new sales less actual selling expenses, is related to the weighted sales volume.

### New business profit

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SEKm	Full year 2005	Full year 2004	Full year 2003	Full year 2002
<b>Sales volume weighted (regular+single/10)</b>	<b>3 678</b>	<b>2 962</b>	<b>2 765</b>	<b>2 391</b>
Present value of new sales*	1 924	1 525	1 409	1 181
Selling expenses	-1 116	-947	-909	-801
<b>Profit - new business</b>	<b>808</b>	<b>578</b>	<b>500</b>	<b>380</b>
Sales margin - new business	22.0%	19.5%	18.1%	15.9%

During 2005 substantial sales of the product, Kapitalpension, has contributed to the improved new business profit margin. The effect of surrenders related specifically to the sale of this product has been estimated and considered in the analysis.

### Embedded value

SEKm	31 Dec 2005	31 Dec 2004	31 Dec 2003*	31 Dec 2002*
Equity <sup>1)</sup>	7 696	6 482	2 952	2 960
Surplus value	10 765	7 757	5 211	3 270

<sup>1)</sup> Including SEB Pension from 2004

\*) 2002 and 2003 are not recalculated according to new IFRS standards

## Traditional life insurance, Sweden

### Gamla and Nya Livförsäkringsaktiebolaget

The traditional insurance business is operated in Gamla and Nya Livförsäkringsaktiebolaget SEB Trygg Liv. The entities are operated according to mutual principles and are not consolidated with the SEB Trygg Liv Holding Group. Gamla Livförsäkringsaktiebolaget is closed for new business.

The transfer of insurances policies from Nya Liv to Fondförsäkringsaktiebolaget as of 1 January 2005, improved Nya Liv's solvency quota from 1.86 to 2.47, based on year-end figures. During the fourth quarter the solvency quota has decreased to 2.0. The reason is that declining market interest rates resulted in a reduction of the maximum discount rate, the so called "högsta räntan",

from 3.5 till 3.25 per cent for contracts signed up to and including 31 December 2002. The reduction was made as of 30 September 2005, meaning that the provision increased by SEK 160m and that the capital base decreased by the same amount.

The policyholder organisation, Trygg Stiftelsen (the Trygg Foundation), has the purpose to secure policy holders' influence in Gamla Livförsäkringsaktiebolaget. The Trygg Foundation is entitled to;

- Appoint two Members of the Board of Gamla Livförsäkringsaktiebolaget and, jointly with SEB, to appoint the Chairman of the Board, which has five members.
- Appoint the majority of Members and the Chairman of the Finance Delegation, which is responsible for asset management within Gamla Livförsäkringsaktiebolaget.

As per 31 December 2005	Gamla Liv	Nya Liv
Assets under management, net assets, SEKm	171 340	8087
Result for the period, SEKm	20 649	-94
Premium income, SEKm	2 385	716
Collective consolidation ratio <sup>1)</sup> retrospective reserve, %	117	102
Bonus rate, %	5	3
Solvency ratio <sup>2)</sup> , %	182	110
Capital base, SEKm	77 256	738
Required solvency margin, SEKm	3 984	362
Solvency quota <sup>3)</sup>	19.4	2.0
Total return, %	14.8	3.9
Share of equities/equity exposure, %	40	11
Share of fixed income, %	50	89
Share of real estate, %	10	0

<sup>1)</sup> The collective consolidation ratio shows the company's assets in relation to its commitments to policyholders. The commitments include both guaranteed and not-guaranteed values.

<sup>2)</sup> The company's net assets (incl. share capital and subordinated debts) in relation to the guaranteed commitments in the form of technical provisions.

<sup>3)</sup> Quota capital base/required solvency margin.

## Appendix 2 Credit Exposure

### Credit Exposure by Industry, SEKbn

(before provisions for possible credit losses)

	TOTAL			
	31 december 2005	%	31 december 2004	%
<b>Banks<sup>1)</sup></b>	<b>197.8</b>	<b>14.9</b>	<b>205.9</b>	<b>18.2</b>
<b>Corporate</b>	<b>458.4</b>	<b>34.4</b>	<b>346.0</b>	<b>30.4</b>
Finance and insurance	58.8	4.4	42.3	3.7
Wholesale and retail	58.5	4.4	42.1	3.7
Transportation	42.9	3.2	30.7	2.7
Other service sectors	66.1	5.0	52.9	4.7
Construction	12.1	0.9	10.7	0.9
Manufacturing	112.1	8.4	78.4	6.9
Other	107.9	8.1	88.9	7.8
<b>Property Management</b>	<b>172.1</b>	<b>13.0</b>	<b>146.2</b>	<b>12.9</b>
<b>Public Sector<sup>2)</sup></b>	<b>180.2</b>	<b>13.6</b>	<b>164.2</b>	<b>14.5</b>
<b>Households</b>	<b>319.5</b>	<b>24.1</b>	<b>272.0</b>	<b>24.0</b>
Housing loans	239.9	18.1	206.6	18.2
Other	79.6	6.0	65.4	5.8
<b>Total credit portfolio</b>	<b>1 328.0</b>	<b>100.0</b>	<b>1 134.3</b>	<b>100.0</b>
<b>Repos</b>	<b>157.0</b>		<b>172.6</b>	
Credit institutions	71.7		93.8	
General public	85.3		78.8	
<b>Bonds and other interest bearing securities</b>	<b>422.5</b>		<b>274.5</b>	

1) Including National Debt Office

2) Including state- and municipality-owned companies

### Credit Exposure\*, Emerging Markets, SEKbn

	31 december -05	31 december -04
<b>Asia</b>	<b>9.4</b>	<b>6.9</b>
Hong Kong	2.7	2.0
Korea	1.3	1.4
China	3.0	1.3
<b>Latin America</b>	<b>1.7</b>	<b>1.6</b>
Brazil	0.9	0.9
<b>Eastern and Central Europe</b>	<b>4.7</b>	<b>2.2</b>
Russia	2.9	0.7
<b>Africa and Middle East</b>	<b>4.2</b>	<b>3.5</b>
Iran	1.4	1.4
Turkey	0.7	0.4
Saudi Arabia	0.5	0.4
<b>Total - gross</b>	<b>20.0</b>	<b>14.2</b>
Reserve	0.4	0.7
<b>Total - net</b>	<b>19.6</b>	<b>13.5</b>

\*Exposure on the domestic market for the Baltic subsidiary banks has been excluded from the table

## Appendix 3 Capital base for the SEB Financial Group of Undertakings

SEKm	31 December 2005	31 December 2004
Total equity in the balance sheet (1)	56 796	51 008
./. Proposed dividend for 2005 (excl repurchased shares)	-3 177	-2 908
./. Deduction from the financial group of undertakings (2)	-1 730	-1 162
<b>=Total equity in the capital adequacy</b>	<b>51 889</b>	<b>46 938</b>
Core capital contribution	7 962	3 314
Minority interest (3)	780	869
./. Goodwill (4)	-6 265	-5 106
./. Other intangible assets	-697	-495
./. Deferred tax assets	-1 208	-1 254
./. Neutrality adjustment for hedge contracts (5)	966	
./. Other neutrality adjustments (6)	-352	
<b>= Core capital (tier 1)</b>	<b>53 075</b>	<b>44 266</b>
Dated subordinated debt	23 802	21 845
./. Deduction for remaining maturity	-973	-950
Perpetual subordinated debt	12 655	5 378
<b>= Supplementary capital (tier 2)</b>	<b>35 484</b>	<b>26 273</b>
./. Deductions for investments in insurance companies (7)	-11 682	-11 459
./. Deductions for other investments outside the financial group of undertakings	-537	-401
<b>= Capital base</b>	<b>76 340</b>	<b>58 679</b>

### To note:

Total equity in the balance sheet (1) is calculated according to IFRS for 31 December 2005; the year-end 2004 number stands as reported under the previous accounting standards. The 31 December number includes the Group's 2005 profit, which has been verified by the auditors.

The deduction (2) from total equity in the consolidated balance sheet consists mainly of non-restricted equity in subsidiaries (insurance companies) that are not consolidated in the financial group of undertakings.

The minority interest and goodwill (3,4) included in the capital base differ from the amounts stated in the balance sheet due to the inclusion of companies in the capital adequacy calculation that are not consolidated in the Group's balance sheet.

Goodwill in (4) includes only goodwill from acquisitions of companies in the financial group of undertakings. Goodwill related to insurance acquisitions (SEK 5,721m) is reflected in the deduction of investments in insurance companies from the capital base (7).

The neutrality adjustment (5) refers to differences in how hedging contracts are acknowledged in the capital adequacy regulation, as compared to in the balance sheet according to IFRS.

The adjustment (6) mainly relates to surplus values in Available For Sale portfolios, which should not be included when computing the capital base.

On 31 December 2005 the parent company's core capital (tier 1) was SEK 40,797m (36,670), and the corresponding core capital ratio was 15.7 per cent (17.2).



## Appendix 4 Risk and capital management

To best use the capital of the Group, and to assess the overall capital need, SEB uses an economic capital framework based on a "Capital at Risk" model. CAR gives a coherent quantification of the risk that the operations of the Group imply at each given point in time. It is based on statistical probability calculations of the Group's credit, market, insurance, operational and business risks. The economic capital framework is aligned with the forthcoming changes of the capital adequacy rules which are being finalised by EU and national authorities.

The methodology is continuously refined, and during 2005 conclusions from the Basel II project were integrated into the framework. The Group's total economic capital was SEK 53.2bn (44.3) at the end of the year. Credit risk

constituted the larger portion of this with 60 per cent. Market, insurance, operational and business risk contribute with 6, 21, 6 and 7 per cent respectively. The Group's capital policy prescribes the allowed economic capital level, relative to available capital resources.

The Group's risk taking in trading operations is measured by so-called value at risk, VaR. The Group has chosen a level of 99 per cent probability and a ten-day period. The table below shows the risk by risk type. The VaR level increased slightly from the third quarter. Average levels in 2005 were the same as in 2004, as a net effect of increased positions in the trading book and lower interest rate volatility.

SEKm	Min	Max	31 Dec 2005	Average 2005	Average 2004
Interest risk	24	84	83	47	60
Currency risk	9	89	44	34	16
Equity risk	4	68	13	24	16
Diversification			-52	-41	-28
<b>Total</b>	<b>31</b>	<b>130</b>	<b>88</b>	<b>64</b>	<b>64</b>

## Appendix 5 Profit and loss accounts by quarter

The SEB Group

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	3 459	3 368	3 356	3 368	3 536	3 435	3 508	3 803	13 551	14 282
Net fee and commission income	2 941	2 973	2 731	3 059	2 944	3 304	3 416	3 895	11 704	13 559
Net financial income	830	430	384	532	754	1 160	588	890	2 176	3 392
Net life insurance income	295	271	278	557	532	582	594	644	1 401	2 352
Net other income	112	358	274	419	163	-21	195	305	1 163	642
<b>Total operating income</b>	<b>7 637</b>	<b>7 400</b>	<b>7 023</b>	<b>7 935</b>	<b>7 929</b>	<b>8 460</b>	<b>8 301</b>	<b>9 537</b>	<b>29 995</b>	<b>34 227</b>
Staff costs	-2 885	-2 887	-2 822	-2 985	-3 113	-3 243	-3 220	-3 766	-11 579	-13 342
Other expenses	-1 704	-1 786	-1 601	-1 936	-1 814	-1 953	-1 712	-2 014	-7 027	-7 493
Net deferred acquisition costs	97	95	47	77	112	106	60	199	316	477
Depreciation of assets	-214	-259	-182	-277	-232	-194	-217	-258	-932	-901
Restructuring costs	-75	-49	-39					-890	-163	-890
<b>Total operating expenses</b>	<b>-4 781</b>	<b>-4 886</b>	<b>-4 597</b>	<b>-5 121</b>	<b>-5 047</b>	<b>-5 284</b>	<b>-5 089</b>	<b>-6 729</b>	<b>-19 385</b>	<b>-22 149</b>
<b>Profit before credit losses etc</b>	<b>2 856</b>	<b>2 514</b>	<b>2 426</b>	<b>2 814</b>	<b>2 882</b>	<b>3 176</b>	<b>3 212</b>	<b>2 808</b>	<b>10 610</b>	<b>12 078</b>
Gains less losses from assets	4		10	86	4	4	-2	53	100	59
Net credit losses etc *	-212	-135	-166	-188	-197	-196	-190	-331	-701	-914
<b>Operating profit</b>	<b>2 648</b>	<b>2 379</b>	<b>2 270</b>	<b>2 712</b>	<b>2 689</b>	<b>2 984</b>	<b>3 020</b>	<b>2 530</b>	<b>10 009</b>	<b>11 223</b>
Income tax expense	-699	-671	-526	-766	-685	-734	-791	-560	-2 662	-2 770
<b>Net profit continued operations</b>	<b>1 949</b>	<b>1 708</b>	<b>1 744</b>	<b>1 946</b>	<b>2 004</b>	<b>2 250</b>	<b>2 229</b>	<b>1 970</b>	<b>7 347</b>	<b>8 453</b>
Discontinued operations	11	7	10	7		19	-1	-50	35	-32
<b>Net profit</b>	<b>1 960</b>	<b>1 715</b>	<b>1 754</b>	<b>1 953</b>	<b>2 004</b>	<b>2 269</b>	<b>2 228</b>	<b>1 920</b>	<b>7 382</b>	<b>8 421</b>
Attributable to minority interests	5	6	6		5	5	5	5	17	20
<b>Attributable to equity holders</b>	<b>1 955</b>	<b>1 709</b>	<b>1 748</b>	<b>1 953</b>	<b>1 999</b>	<b>2 264</b>	<b>2 223</b>	<b>1 915</b>	<b>7 365</b>	<b>8 401</b>

\* including change in value of seized assets

## SEB Merchant Banking

## Total

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	1 200	1 143	1 120	1 154	1 093	1 179	1 235	1 320	4 617	4 827
Net fee and commission income	978	1 011	902	940	941	1 184	1 169	1 355	3 831	4 649
Net financial income	685	406	267	421	618	694	461	725	1 779	2 498
Net other income	51	46	109	80	39	2	43	97	286	181
<b>Total operating income</b>	<b>2 914</b>	<b>2 606</b>	<b>2 398</b>	<b>2 595</b>	<b>2 691</b>	<b>3 059</b>	<b>2 908</b>	<b>3 497</b>	<b>10 513</b>	<b>12 155</b>
Staff costs	-906	-881	-855	-926	-986	-1 091	-1 037	-1 195	-3 568	-4 309
Other expenses	-543	-603	-542	-621	-552	-600	-544	-601	-2 309	-2 297
Depreciation of assets	-20	-22	-20	-29	-18	-18	-18	-38	-91	-92
Restructuring costs								-101		-101
<b>Total operating expenses</b>	<b>-1 469</b>	<b>-1 506</b>	<b>-1 417</b>	<b>-1 576</b>	<b>-1 556</b>	<b>-1 709</b>	<b>-1 599</b>	<b>-1 935</b>	<b>-5 968</b>	<b>-6 799</b>
<b>Profit before credit losses etc</b>	<b>1 445</b>	<b>1 100</b>	<b>981</b>	<b>1 019</b>	<b>1 135</b>	<b>1 350</b>	<b>1 309</b>	<b>1 562</b>	<b>4 545</b>	<b>5 356</b>
Gains less losses from assets	1			42	-15	-3	20	1	1	1
Net credit losses etc	-39	-6	-13					-26	-16	-24
<b>Operating profit</b>	<b>1 407</b>	<b>1 094</b>	<b>968</b>	<b>1 061</b>	<b>1 120</b>	<b>1 347</b>	<b>1 329</b>	<b>1 537</b>	<b>4 530</b>	<b>5 333</b>

## SEB Merchant Banking

## Merchant Banking

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	1 167	1 131	1 110	1 149	1 091	1 188	1 231	1 304	4 557	4 814
Net fee and commission income	610	712	663	622	547	619	692	625	2 607	2 483
Net financial income	664	385	254	380	576	598	398	636	1 683	2 208
Net other income	51	33	107	68	38	3	40	94	259	175
<b>Total operating income</b>	<b>2 492</b>	<b>2 261</b>	<b>2 134</b>	<b>2 219</b>	<b>2 252</b>	<b>2 408</b>	<b>2 361</b>	<b>2 659</b>	<b>9 106</b>	<b>9 680</b>
Staff costs	-677	-695	-703	-674	-742	-734	-738	-732	-2 749	-2 946
Other expenses	-446	-505	-452	-516	-449	-500	-448	-506	-1 919	-1 903
Depreciation of assets	-11	-13	-12	-22	-11	-10	-10	-28	-58	-59
Restructuring costs								-101		-101
<b>Total operating expenses</b>	<b>-1 134</b>	<b>-1 213</b>	<b>-1 167</b>	<b>-1 212</b>	<b>-1 202</b>	<b>-1 244</b>	<b>-1 196</b>	<b>-1 367</b>	<b>-4 726</b>	<b>-5 009</b>
<b>Profit before credit losses etc</b>	<b>1 358</b>	<b>1 048</b>	<b>967</b>	<b>1 007</b>	<b>1 050</b>	<b>1 164</b>	<b>1 165</b>	<b>1 292</b>	<b>4 380</b>	<b>4 671</b>
Gains less losses from assets				41	-15	-3	20	1		1
Net credit losses etc	-39	-6	-12					-26	-16	-24
<b>Operating profit</b>	<b>1 319</b>	<b>1 042</b>	<b>955</b>	<b>1 048</b>	<b>1 035</b>	<b>1 161</b>	<b>1 185</b>	<b>1 267</b>	<b>4 364</b>	<b>4 648</b>

SEB Merchant Banking  
Enskilda Securities

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	33	12	10	5	2	-9	4	3	60	
Net fee and commission income	368	299	239	318	394	565	477	745	1 224	2 181
Net financial income	21	21	13	41	42	96	63	89	96	290
Net other income		13	2	12	1	-1	3	4	27	7
<b>Total operating income</b>	<b>422</b>	<b>345</b>	<b>264</b>	<b>376</b>	<b>439</b>	<b>651</b>	<b>547</b>	<b>841</b>	<b>1 407</b>	<b>2 478</b>
Staff costs	-229	-186	-152	-252	-244	-357	-299	-464	-819	-1 364
Other expenses	-97	-98	-90	-105	-103	-100	-96	-97	-390	-396
Depreciation of assets	-9	-9	-8	-7	-7	-8	-8	-10	-33	-33
<b>Total operating expenses</b>	<b>-335</b>	<b>-293</b>	<b>-250</b>	<b>-364</b>	<b>-354</b>	<b>-465</b>	<b>-403</b>	<b>-571</b>	<b>-1 242</b>	<b>-1 793</b>
<b>Profit before credit losses etc</b>	<b>87</b>	<b>52</b>	<b>14</b>	<b>12</b>	<b>85</b>	<b>186</b>	<b>144</b>	<b>270</b>	<b>165</b>	<b>685</b>
Gains less losses from assets	1			1					1	
Net credit losses etc			-1	1						
<b>Operating profit</b>	<b>88</b>	<b>52</b>	<b>13</b>	<b>13</b>	<b>85</b>	<b>186</b>	<b>144</b>	<b>270</b>	<b>166</b>	<b>685</b>

Nordic Retail & Private Banking  
Total

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	1 094	1 050	1 115	1 114	1 083	1 108	1 162	1 205	4 373	4 558
Net fee and commission income	944	925	877	1 034	1 003	1 054	1 077	1 303	3 780	4 437
Net financial income	46	42	33	44	43	34	51	72	165	200
Net other income	29	29	22	3	16	25		30	83	71
<b>Total operating income</b>	<b>2 113</b>	<b>2 046</b>	<b>2 047</b>	<b>2 195</b>	<b>2 145</b>	<b>2 221</b>	<b>2 290</b>	<b>2 610</b>	<b>8 401</b>	<b>9 266</b>
Staff costs	-682	-709	-741	-723	-705	-723	-753	-851	-2 855	-3 032
Other expenses	-613	-610	-558	-640	-643	-662	-638	-748	-2 421	-2 691
Depreciation of assets	-10	-9	-9	-19	-16	-10	-12	-15	-47	-53
<b>Total operating expenses</b>	<b>-1 305</b>	<b>-1 328</b>	<b>-1 308</b>	<b>-1 382</b>	<b>-1 364</b>	<b>-1 395</b>	<b>-1 403</b>	<b>-1 614</b>	<b>-5 323</b>	<b>-5 776</b>
<b>Profit before credit losses etc</b>	<b>808</b>	<b>718</b>	<b>739</b>	<b>813</b>	<b>781</b>	<b>826</b>	<b>887</b>	<b>996</b>	<b>3 078</b>	<b>3 490</b>
Gains less losses from assets				82				1	82	1
Net credit losses etc	-44	-41	-43	-66	-52	-44	-53	-43	-194	-192
<b>Operating profit</b>	<b>764</b>	<b>677</b>	<b>696</b>	<b>829</b>	<b>729</b>	<b>782</b>	<b>834</b>	<b>954</b>	<b>2 966</b>	<b>3 299</b>

Nordic Retail & Private Banking

Retail Banking

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	932	884	942	943	910	931	977	1 012	3 701	3 830
Net fee and commission income	361	327	287	367	381	373	370	521	1 342	1 645
Net financial income	39	36	28	35	39	28	46	60	138	173
Net other income	25	21	15	2	9	20	-6	23	63	46
<b>Total operating income</b>	<b>1 357</b>	<b>1 268</b>	<b>1 272</b>	<b>1 347</b>	<b>1 339</b>	<b>1 352</b>	<b>1 387</b>	<b>1 616</b>	<b>5 244</b>	<b>5 694</b>
Staff costs	-433	-454	-478	-451	-445	-459	-463	-526	-1 816	-1 893
Other expenses	-454	-422	-385	-431	-446	-456	-437	-506	-1 692	-1 845
Depreciation of assets	-4	-4	2	-7	-7	-	-3	-6	-13	-16
<b>Total operating expenses</b>	<b>-891</b>	<b>-880</b>	<b>-861</b>	<b>-889</b>	<b>-898</b>	<b>-915</b>	<b>-903</b>	<b>-1 038</b>	<b>-3 521</b>	<b>-3 754</b>
<b>Profit before credit losses etc</b>	<b>466</b>	<b>388</b>	<b>411</b>	<b>458</b>	<b>441</b>	<b>437</b>	<b>484</b>	<b>578</b>	<b>1 723</b>	<b>1 940</b>
Gains less losses from assets										
Net credit losses etc	-19	-15	-19	-29	-36	-16	4	-39	-82	-87
<b>Operating profit</b>	<b>447</b>	<b>373</b>	<b>392</b>	<b>429</b>	<b>405</b>	<b>421</b>	<b>488</b>	<b>539</b>	<b>1 641</b>	<b>1 853</b>

Nordic Retail & Private Banking

Private Banking

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	71	69	70	69	70	74	73	85	279	302
Net fee and commission income	223	213	196	228	221	246	266	300	860	1 033
Net financial income	7	6	5	9	4	6	5	12	27	27
Net other income	-1	2	-1					-1		-1
<b>Total operating income</b>	<b>300</b>	<b>290</b>	<b>270</b>	<b>306</b>	<b>295</b>	<b>326</b>	<b>344</b>	<b>396</b>	<b>1 166</b>	<b>1 361</b>
Staff costs	-117	-117	-117	-119	-113	-121	-134	-152	-470	-520
Other expenses	-32	-44	-40	-42	-50	-49	-40	-57	-158	-196
Depreciation of assets	-2	-2	-2	-5	-2	-2	-2	-1	-11	-7
<b>Total operating expenses</b>	<b>-151</b>	<b>-163</b>	<b>-159</b>	<b>-166</b>	<b>-165</b>	<b>-172</b>	<b>-176</b>	<b>-210</b>	<b>-639</b>	<b>-723</b>
<b>Profit before credit losses etc</b>	<b>149</b>	<b>127</b>	<b>111</b>	<b>140</b>	<b>130</b>	<b>154</b>	<b>168</b>	<b>186</b>	<b>527</b>	<b>638</b>
Gains less losses from assets										
Net credit losses etc	2			-2		1				1
<b>Operating profit</b>	<b>151</b>	<b>127</b>	<b>111</b>	<b>138</b>	<b>130</b>	<b>155</b>	<b>168</b>	<b>186</b>	<b>527</b>	<b>639</b>

Nordic Retail & Private Banking

SEB Kort

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	91	97	103	102	103	103	112	107	393	425
Net fee and commission income	351	381	395	435	396	437	432	474	1 562	1 739
Net financial income										
Net other income	14	10	7	5	12	6	16	16	36	50
<b>Total operating income</b>	<b>456</b>	<b>488</b>	<b>505</b>	<b>542</b>	<b>511</b>	<b>546</b>	<b>560</b>	<b>597</b>	<b>1 991</b>	<b>2 214</b>
Staff costs	-132	-138	-146	-153	-147	-143	-156	-173	-569	-619
Other expenses	-127	-144	-133	-167	-147	-160	-162	-184	-571	-653
Depreciation of assets	-4	-3	-9	-7	-7	-8	-7	-8	-23	-30
<b>Total operating expenses</b>	<b>-263</b>	<b>-285</b>	<b>-288</b>	<b>-327</b>	<b>-301</b>	<b>-311</b>	<b>-325</b>	<b>-365</b>	<b>-1 163</b>	<b>-1 302</b>
<b>Profit before credit losses etc</b>	<b>193</b>	<b>203</b>	<b>217</b>	<b>215</b>	<b>210</b>	<b>235</b>	<b>235</b>	<b>232</b>	<b>828</b>	<b>912</b>
Gains less losses from assets				82				1	82	1
Net credit losses etc	-27	-26	-24	-35	-16	-29	-57	-4	-112	-106
<b>Operating profit</b>	<b>166</b>	<b>177</b>	<b>193</b>	<b>262</b>	<b>194</b>	<b>206</b>	<b>178</b>	<b>229</b>	<b>798</b>	<b>807</b>

SEB AG Group

Adapted to Swedish Accounting Principles and based on business equity

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	946	951	955	946	1 057	985	981	1 071	3 798	4 094
Net fee and commission income	487	491	459	560	529	534	540	564	1 997	2 167
Net financial income	95	-22	16	-52	-124	246	-68	-86	37	-32
Net other income	31	25	48	204	81	-118	159	118	308	240
<b>Total operating income</b>	<b>1 559</b>	<b>1 445</b>	<b>1 478</b>	<b>1 658</b>	<b>1 543</b>	<b>1 647</b>	<b>1 612</b>	<b>1 667</b>	<b>6 140</b>	<b>6 469</b>
Staff costs	-619	-613	-609	-623	-611	-612	-631	-648	-2 464	-2 502
Other expenses	-439	-413	-405	-442	-431	-478	-488	-496	-1 699	-1 893
Depreciation of assets	-59	-60	-57	-126	-72	-72	-64	-93	-302	-301
Restructuring costs	-75	-49	-39						-163	
<b>Total operating expenses</b>	<b>-1 192</b>	<b>-1 135</b>	<b>-1 110</b>	<b>-1 191</b>	<b>-1 114</b>	<b>-1 162</b>	<b>-1 183</b>	<b>-1 237</b>	<b>-4 628</b>	<b>-4 696</b>
<b>Profit before credit losses etc</b>	<b>367</b>	<b>310</b>	<b>368</b>	<b>467</b>	<b>429</b>	<b>485</b>	<b>429</b>	<b>430</b>	<b>1 512</b>	<b>1 773</b>
Gains less losses from assets				4			-1	-4	4	-5
Net credit losses etc	-110	-78	-112	-146	-132	-157	-125	-179	-446	-593
<b>Operating profit</b>	<b>257</b>	<b>232</b>	<b>256</b>	<b>325</b>	<b>297</b>	<b>328</b>	<b>303</b>	<b>247</b>	<b>1 070</b>	<b>1 175</b>

## German Retail & Mortgage Banking

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	786	804	796	727	834	793	742	814	3 113	3 183
Net fee and commission income	330	319	298	390	355	331	363	370	1 337	1 419
Net financial income	78	-58	41	22	-82	203	-23	-24	83	74
Net other income	30	32	52	203	78	-123	159	113	317	227
<b>Total operating income</b>	<b>1 224</b>	<b>1 097</b>	<b>1 187</b>	<b>1 342</b>	<b>1 185</b>	<b>1 204</b>	<b>1 241</b>	<b>1 273</b>	<b>4 850</b>	<b>4 903</b>
Staff costs	-521	-508	-504	-500	-509	-512	-527	-520	-2 033	-2 068
Other expenses	-357	-312	-305	-341	-326	-351	-370	-335	-1 315	-1 382
Depreciation of assets	-55	-57	-52	-126	-70	-68	-62	-89	-290	-289
Restructuring costs	-75	-49	-39						-163	
<b>Total operating expenses</b>	<b>-1 008</b>	<b>-926</b>	<b>-900</b>	<b>-967</b>	<b>-905</b>	<b>-931</b>	<b>-959</b>	<b>-944</b>	<b>-3 801</b>	<b>-3 739</b>
<b>Profit before credit losses etc</b>	<b>216</b>	<b>171</b>	<b>287</b>	<b>375</b>	<b>280</b>	<b>273</b>	<b>282</b>	<b>329</b>	<b>1 049</b>	<b>1 164</b>
Gains less losses from assets				4			-1	-4	4	-5
Net credit losses etc	-110	-76	-113	-146	-124	-137	-128	-172	-445	-561
<b>Operating profit</b>	<b>106</b>	<b>95</b>	<b>174</b>	<b>233</b>	<b>156</b>	<b>136</b>	<b>153</b>	<b>153</b>	<b>608</b>	<b>598</b>

## Eastern European Banking

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	372	390	398	400	415	430	450	472	1 560	1 767
Net fee and commission income	170	191	193	206	193	218	254	270	760	935
Net financial income	51	40	53	65	63	78	83	90	209	314
Net life insurance income	16	10	12	19	10	9	18	12	57	49
Net other income	13	15	15	2	21	29	18	17	45	85
<b>Total operating income</b>	<b>622</b>	<b>646</b>	<b>671</b>	<b>692</b>	<b>702</b>	<b>764</b>	<b>823</b>	<b>861</b>	<b>2 631</b>	<b>3 150</b>
Staff costs	-180	-175	-176	-178	-184	-206	-212	-256	-709	-858
Other expenses	-116	-130	-136	-152	-128	-164	-149	-167	-534	-608
Depreciation of assets	-49	-50	-50	-47	-49	-52	-61	-45	-196	-207
<b>Total operating expenses</b>	<b>-345</b>	<b>-355</b>	<b>-362</b>	<b>-377</b>	<b>-361</b>	<b>-422</b>	<b>-422</b>	<b>-468</b>	<b>-1 439</b>	<b>-1 673</b>
<b>Profit before credit losses etc</b>	<b>277</b>	<b>291</b>	<b>309</b>	<b>315</b>	<b>341</b>	<b>342</b>	<b>401</b>	<b>393</b>	<b>1 192</b>	<b>1 477</b>
Gains less losses from assets	3	-2		-1	2	4		57		63
Net credit losses etc	-19	-12	-30	-24	-7	-13	-28	-91	-85	-139
<b>Operating profit</b>	<b>261</b>	<b>277</b>	<b>279</b>	<b>290</b>	<b>336</b>	<b>333</b>	<b>373</b>	<b>359</b>	<b>1 107</b>	<b>1 401</b>

## SEB Asset Management

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	19	17	20	21	18	21	21	22	77	82
Net fee and commission income	373	383	326	434	364	413	470	571	1 516	1 818
Net financial income	1	3	2	3	3	8	4	2	9	17
Net other income	7	1	10	4	2	9	3	4	22	18
<b>Total operating income</b>	<b>400</b>	<b>404</b>	<b>358</b>	<b>462</b>	<b>387</b>	<b>451</b>	<b>498</b>	<b>599</b>	<b>1 624</b>	<b>1 935</b>
Staff costs	-123	-126	-126	-100	-120	-127	-156	-163	-475	-566
Other expenses	-89	-87	-82	-100	-87	-101	-89	-127	-358	-404
Depreciation of assets	-5	-5	-5	-4	-3	-3	-3	-5	-19	-14
<b>Total operating expenses</b>	<b>-217</b>	<b>-218</b>	<b>-213</b>	<b>-204</b>	<b>-210</b>	<b>-231</b>	<b>-248</b>	<b>-295</b>	<b>-852</b>	<b>-984</b>
<b>Profit before credit losses etc</b>	<b>183</b>	<b>186</b>	<b>145</b>	<b>258</b>	<b>177</b>	<b>220</b>	<b>250</b>	<b>304</b>	<b>772</b>	<b>951</b>
Gains less losses from assets										
Net credit losses etc										
<b>Operating profit</b>	<b>183</b>	<b>186</b>	<b>145</b>	<b>258</b>	<b>177</b>	<b>220</b>	<b>250</b>	<b>304</b>	<b>772</b>	<b>951</b>

## SEB Trygg Liv

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Net interest income	9	8	9	7	4	3	1	1	33	9
Net life insurance income	412	402	408	685	658	706	731	762	1 907	2 857
Net other income	-3	-3	-2						-8	
<b>Total operating income</b>	<b>418</b>	<b>407</b>	<b>415</b>	<b>692</b>	<b>662</b>	<b>709</b>	<b>732</b>	<b>763</b>	<b>1 932</b>	<b>2 866</b>
Staff costs	-137	-141	-131	-225	-229	-240	-223	-260	-634	-952
Other expenses	-274	-256	-206	-285	-367	-318	-307	-413	-1 021	-1 405
Net deferred acquisition costs	97	95	47	77	112	105	61	199	316	477
Depreciation of assets	-6	-6	-5	-6	-7	-14	-11	-21	-23	-53
<b>Total operating expenses</b>	<b>-320</b>	<b>-308</b>	<b>-295</b>	<b>-439</b>	<b>-491</b>	<b>-467</b>	<b>-480</b>	<b>-495</b>	<b>-1 362</b>	<b>-1 933</b>
<b>Operating profit *</b>	<b>98</b>	<b>99</b>	<b>120</b>	<b>253</b>	<b>171</b>	<b>242</b>	<b>252</b>	<b>268</b>	<b>570</b>	<b>933</b>
Change in surplus values	325	324	258	520	268	44	325	643	1 427	1 280
<b>Business result</b>	<b>423</b>	<b>423</b>	<b>378</b>	<b>773</b>	<b>439</b>	<b>286</b>	<b>577</b>	<b>911</b>	<b>1 997</b>	<b>2 213</b>
Change in assumptions				789	-39			39	789	
Financial effects of short-term market fluctuations	226	-86	-147	108	223	703	415	310	101	1 651
<b>Total result</b>	<b>649</b>	<b>337</b>	<b>231</b>	<b>1 670</b>	<b>623</b>	<b>989</b>	<b>992</b>	<b>1 260</b>	<b>2 887</b>	<b>3 864</b>

\* Consolidated in the Group accounts



Other and eliminations

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Full year	Full year
SEKm	2004	2004	2004	2004	2005	2005	2005	2005	2004	2005
Net interest income	-21	-44	-102	-55	89	-99	-103	-31	-222	-144
Net fee and commission income	146	144	135	55	88	104	83	26	480	301
Net financial income	-31	-3	-12	-23	109	143	12	25	-69	289
Net life insurance income	-133	-141	-142	-147	-136	-133	-155	-130	-563	-554
Net other income	-15	238	68	127	7	37	-28	44	418	60
<b>Total operating income</b>	<b>-54</b>	<b>194</b>	<b>-53</b>	<b>-43</b>	<b>157</b>	<b>52</b>	<b>-191</b>	<b>-66</b>	<b>44</b>	<b>-48</b>
Staff costs	-336	-347	-289	-333	-380	-344	-312	-521	-1 305	-1 557
Other expenses	288	212	228	203	289	243	385	377	931	1 294
Net Deferred Acquisition Costs						1	-1			
Depreciation of assets	-69	-110	-41	-46	-69	-29	-50	-45	-266	-193
Restructuring costs							-789			-789
<b>Total operating expenses</b>	<b>-117</b>	<b>-245</b>	<b>-102</b>	<b>-176</b>	<b>-160</b>	<b>-129</b>	<b>22</b>	<b>-978</b>	<b>-640</b>	<b>-1 245</b>
<b>Profit before credit losses etc</b>	<b>-171</b>	<b>-51</b>	<b>-155</b>	<b>-219</b>	<b>-3</b>	<b>-77</b>	<b>-169</b>	<b>-1 044</b>	<b>-596</b>	<b>-1 293</b>
Gains less losses from assets		2	10	1	2		-1	-2	13	-1
Net credit losses etc			33	6	1	1	-1	1	39	2
<b>Operating profit</b>	<b>-171</b>	<b>-49</b>	<b>-112</b>	<b>-212</b>		<b>-76</b>	<b>-171</b>	<b>-1 045</b>	<b>-544</b>	<b>-1 292</b>

The SEB Group  
Net fee and commission income

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Issue of securities	22	21	7	8	21	30	21	121	58	193
Secondary market shares	638	516	413	480	568	679	692	660	2 047	2 599
Secondary market other	54	127	69	85	57	104	67	112	335	340
Custody and mutual funds	980	1 112	981	1 134	1 096	1 153	1 288	1 473	4 207	5 010
<b>Securities commissions</b>	<b>1 694</b>	<b>1 776</b>	<b>1 470</b>	<b>1 707</b>	<b>1 742</b>	<b>1 966</b>	<b>2 068</b>	<b>2 366</b>	<b>6 647</b>	<b>8 142</b>
Payments	387	387	393	417	397	427	405	450	1 584	1 679
Card fees	646	726	766	812	746	863	853	909	2 950	3 371
<b>Payment commissions</b>	<b>1 033</b>	<b>1 113</b>	<b>1 159</b>	<b>1 229</b>	<b>1 143</b>	<b>1 290</b>	<b>1 258</b>	<b>1 359</b>	<b>4 534</b>	<b>5 050</b>
Lending	191	272	275	227	174	230	316	220	965	940
Deposits	33	32	35	53	24	26	24	22	153	96
Advisory	176	180	141	239	212	370	230	472	736	1 284
Guarantees	53	54	55	54	51	53	57	64	216	225
Derivatives	109	104	81	54	74	88	58	86	348	306
Other	232	117	170	118	160	139	214	185	637	698
<b>Other commissions</b>	<b>794</b>	<b>759</b>	<b>757</b>	<b>745</b>	<b>695</b>	<b>906</b>	<b>899</b>	<b>1 049</b>	<b>3 055</b>	<b>3 549</b>
<b>Total commission income</b>	<b>3 521</b>	<b>3 648</b>	<b>3 386</b>	<b>3 681</b>	<b>3 580</b>	<b>4 162</b>	<b>4 225</b>	<b>4 774</b>	<b>14 236</b>	<b>16 741</b>
Securities commissions	-73	-132	-95	-68	-76	-185	-193	-129	-368	-583
Payment commissions	-335	-364	-392	-434	-384	-447	-485	-491	-1 525	-1 807
Other commissions	-172	-179	-168	-120	-176	-226	-131	-259	-639	-792
<b>Commission expense</b>	<b>-580</b>	<b>-675</b>	<b>-655</b>	<b>-622</b>	<b>-636</b>	<b>-858</b>	<b>-809</b>	<b>-879</b>	<b>-2 532</b>	<b>-3 182</b>
Securities commissions	1 621	1 644	1 375	1 639	1 666	1 781	1 875	2 237	6 279	7 559
Payment commissions	698	749	767	795	759	843	773	868	3 009	3 243
Other commissions	622	580	589	625	519	680	768	790	2 416	2 757
<b>Net fee and commission income</b>	<b>2 941</b>	<b>2 973</b>	<b>2 731</b>	<b>3 059</b>	<b>2 944</b>	<b>3 304</b>	<b>3 416</b>	<b>3 895</b>	<b>11 704</b>	<b>13 559</b>

The SEB Group  
Net financial income

SEKm	Q 1 2004	Q 2 2004	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Q 4 2005	Full year 2004	Full year 2005
Equity instruments and related derivatives	148	383	263	170	124	275	291	930	964	1 620
Interest bearing instruments and related derivatives	689	-321	382	366	22	291	-185	-747	1 116	-619
Currency related	492	433	379	671	608	594	482	707	1 975	2 391
Other financial instruments *	-499	-65	-640	-675					-1 879	
<b>Net financial income</b>	<b>830</b>	<b>430</b>	<b>384</b>	<b>532</b>	<b>754</b>	<b>1 160</b>	<b>588</b>	<b>890</b>	<b>2 176</b>	<b>3 392</b>

\* From 2005 classification is in accordance with IAS 39. A major part is interest related.

## Appendix 6 Skandinaviska Enskilda Banken (parent company)

### Profit and loss account - Skandinaviska Enskilda Banken

According to Finansinspektion's standards SEKm	Q4			Q3			Q4			Jan - Dec		
	2005	2005	%	2004	%	2005	2004	%	2005	2004	%	
Interest income	6 622	5 907	12	4 283	55	23 438	17 935	31				
Leasing income	197	196	1	182	8	780	732	7				
Interest expense	-5 559	-4 920	13	-3 298	69	-19 333	-13 620	42				
Net interest income <sup>1)</sup>												
Dividends received	1 528	1		1 163	31	1 919	1 301	48				
Commission income <sup>2)</sup>	1 715	1 559	10	1 407	22	6 055	5 619	8				
Commission costs <sup>2)</sup>	-294	-246	20	-178	65	-974	-806	21				
Net commission income <sup>2)</sup>	1 421	1 313		1 229	16	5 081	4 813	6				
Net financial income <sup>3)</sup>	717	396	81	465	54	2 558	1 778	44				
Other operating income	561	125		186		965	934	3				
<b>Total income</b>	<b>5 487</b>	<b>3 018</b>	<b>82</b>	<b>4 210</b>	<b>30</b>	<b>15 408</b>	<b>13 873</b>	<b>11</b>				
Staff costs	-1 657	-1 527	9	-1 363	22	-6 186	-5 663	9				
Other administrative and operating costs	-1 720	-954	80	-1 175	46	-4 668	-4 128	13				
Depreciation and write-downs of tangible and intangible fixed assets	-97	-81	20	-78	24	-336	-310	8				
<b>Total costs</b>	<b>-3 474</b>	<b>-2 562</b>	<b>36</b>	<b>-2 616</b>	<b>33</b>	<b>-11 190</b>	<b>-10 101</b>	<b>11</b>				
<b>Profit/loss from banking operations before credit losses</b>	<b>2 013</b>	<b>456</b>		<b>1 594</b>	<b>26</b>	<b>4 218</b>	<b>3 772</b>	<b>12</b>				
Net credit losses <sup>4)</sup>	-38	-17	124	27		-79	-89	-11				
Change in value of seized assets	-1	-7	-86	-3	-67	-9	47	-119				
Impairment financial assets	-178			-22		-220	-392	-44				
<b>Operating profit</b>	<b>1 796</b>	<b>432</b>		<b>1 596</b>	<b>13</b>	<b>3 910</b>	<b>3 338</b>	<b>17</b>				
Pension compensation	73	74	-1	65	12	284	283	0				
<b>Profit before appropriation and tax</b>	<b>1 869</b>	<b>506</b>		<b>1 661</b>	<b>13</b>	<b>4 194</b>	<b>3 621</b>	<b>16</b>				
Other appropriations	-517	-276	87	4 743	-111	-1 342	3 371	-140				
Current tax	-13	-299	-96	-1 607	-99	-660	-2 109	-69				
Deferred tax	62	229	-73	72	-14	367	131	180				
<b>Net profit</b>	<b>1 401</b>	<b>160</b>		<b>4 869</b>	<b>-71</b>	<b>2 559</b>	<b>5 014</b>	<b>-49</b>				

### 1) Net interest income - Skandinaviska Enskilda Banken

SEKm	Q3			Q4			Jan - Dec		
	2005	2005	%	2004	%	2005	2004	%	
Interest income	6 622	5 907	12	4 283	55	23 438	17 935	31	
Leasing income	197	196	1	182	8	780	732	7	
Interest costs	-5 559	-4 920	13	-3 298	69	-19 333	-13 620	42	
Leasing depreciation	-73	-72	1	-68	7	-284	-268	6	
<b>Net interest income</b>	<b>1 187</b>	<b>1 111</b>	<b>7</b>	<b>1 099</b>	<b>8</b>	<b>4 601</b>	<b>4 779</b>	<b>-4</b>	

## 2) Net fee and commission income - Skandinaviska Enskilda Banken

SEKm	Q4			Q3			Q4			Jan - Dec		
	2005	2005	%	2004	%	2005	2004	%	2005	2004	%	
Securities commissions	881	693	27	665	32	2 853	2 581	11				
Payment commissions	310	311	0	287	8	1 218	1 117	9				
Other commissions	524	555	-6	455	15	1 984	1 921	3				
<b>Commission income</b>	<b>1 715</b>	<b>1 559</b>	<b>10</b>	<b>1 407</b>	<b>22</b>	<b>6 055</b>	<b>5 619</b>	<b>8</b>				
Securities commissions	-46	-30	53	-18	156	-118	-85	39				
Payment commissions	-125	-125	0	-113	11	-468	-442	6				
Other commissions	-123	-91	35	-47	162	-388	-279	39				
<b>Commission expense</b>	<b>-294</b>	<b>-246</b>	<b>20</b>	<b>-178</b>	<b>65</b>	<b>-974</b>	<b>-806</b>	<b>21</b>				
Securities commissions, net	835	663	26	647	29	2 735	2 496	10				
Payment commissions, net	185	186	-1	174	6	750	675	11				
Other commissions, net	401	464	-14	408	-2	1 596	1 642	-3				
<b>Net fee and commission income</b>	<b>1 421</b>	<b>1 313</b>	<b>8</b>	<b>1 229</b>	<b>16</b>	<b>5 081</b>	<b>4 813</b>	<b>6</b>				

## 3) Net financial income - Skandinaviska Enskilda Banken

SEKm	Q4			Q3			Q4			Jan - Dec		
	2005	2005	%	2004	%	2005	2004	%	2005	2004	%	
Equity instruments and related derivatives	962	64		6		1 068	73					
Interest-bearing instruments and related derivatives	- 733	- 58		363		- 425	1 098	-139				
Currency-related	488	390	25	497	-2	1 915	1 609	19				
Other financial instruments*				- 401			-1 002					
<b>Net financial income</b>	<b>717</b>	<b>396</b>	<b>81</b>	<b>465</b>	<b>54</b>	<b>2 558</b>	<b>1 778</b>	<b>44</b>				

\* From 2005 classification is in accordance with IAS 39. A major part is interest-related.

#### 4) Net credit losses - Skandinaviska Enskilda Banken

According to SFSA standards SEKm	Q4			Q3			Q4			Jan - Dec		
	2005	2005	%	2004	%	2005	2004	%	2005	2004	%	
<i>Specific provision for individually appraised receivables:</i>												
Reported write-down, incurred losses	- 59	- 28	111	- 113	- 48	- 217	- 646	- 66				
Reversal of previous provisions for probable losses, reported as incurred losses in current year's accounts	16	10	60	48	- 67	93	365	- 75				
Reported provision for probable losses	- 123	- 30		- 126	- 2	- 191	- 191					
Recovered from losses incurred in previous years	10	40	- 75	11	- 9	64	59	8				
Reversal of previous provisions for probable losses	10	40	- 75	7	43	53	43	23				
<b>Net cost</b>	<b>- 146</b>	<b>32</b>		<b>- 173</b>	<b>- 16</b>	<b>- 198</b>	<b>- 370</b>	<b>- 46</b>				
<i>Collective provision for individually appraised receivables:</i>												
Allocation to/withdrawal from reserve	66	- 53		154	- 57	26	235	- 89				
<i>Provisions for receivables appraised by category:</i>												
Reported write-down, incurred losses												
Reported provision for possible losses												
Recovered from losses incurred in previous years												
Reported net cost for receivables appraised by category												
<i>Transfer risk reserve:</i>												
Allocation to/withdrawal from reserve	37	4		46	- 20	88	46	91				
<i>Contingent liabilities:</i>												
Allocation to/withdrawal from reserve	5					5						
<b>Credit losses</b>	<b>- 38</b>	<b>- 17</b>	<b>124</b>	<b>27</b>		<b>- 79</b>	<b>- 89</b>	<b>- 11</b>				
<b>Change in value of seized assets</b>	<b>- 1</b>	<b>- 7</b>	<b>- 86</b>	<b>- 2</b>	<b>- 50</b>	<b>- 9</b>	<b>47</b>	<b>- 119</b>				
<b>Net credit losses incl. Change of value of seized assets</b>	<b>- 39</b>	<b>- 24</b>	<b>63</b>	<b>25</b>		<b>- 88</b>	<b>- 42</b>	<b>110</b>				

## Balance sheet - Skandinaviska Enskilda Banken

<b>Condensed SEKm</b>	<b>31 December 2005</b>	<b>1 January 2005 *</b>	<b>31 December 2004</b>
Cash and cash balances with central banks	6 037	2 310	2 310
Loans to credit institutions	331 451	290 448	290 448
Loans to the public	291 861	252 320	251 857
Financial assets at fair value	362 236	290 523	288 981
Available-for-sale financial assets	19 074	578	572
Held-to-maturity investments	3 483	226	226
Discontinued operations	661	785	785
Investments in associates	1 160	1 080	1 080
Shares in subsidiaries	57 381	59 575	59 575
Tangible and intangible assets	15 103	13 520	13 520
Other assets	43 376	36 851	36 851
<b>Total assets</b>	<b>1 131 823</b>	<b>948 216</b>	<b>946 205</b>
Deposits by credit institutions	345 510	290 247	290 247
Deposits and borrowing from the public	324 719	310 194	310 145
Debt securities	138 038	81 127	81 264
Financial liabilities at fair value	187 524	147 682	144 326
Other liabilities	50 090	51 131	51 704
Provisions	654	70	70
Subordinated liabilities	43 049	29 365	29 296
Untaxed reserves	11 402	10 059	10 059
Total equity	30 837	28 341	29 094
<b>Total liabilities and shareholders' equity</b>	<b>1 131 823</b>	<b>948 216</b>	<b>946 205</b>

\* Including effects of IAS 32 and IAS 39.

## Memorandum items - Skandinaviska Enskilda Banken

<b>SEK m</b>	<b>31 December 2005</b>	<b>31 December 2004</b>
Collateral and comparable security pledged for own liabilities	168 014	139 873
Other pledged assets and comparable collateral	48 846	43 980
Contingent liabilities	51 188	39 344
Commitments	197 283	157 052

## Total equity - Skandinaviska Enskilda Banken

SEKm	31 December 2005	1 January 2005 *	31 December 2004
Opening balance	671		
New accounting principles (IAS 39), Cash flow hedges and Afs valuation		671	
Net change in reserves	338		
<b>Revaluation reserves</b>	<b>1 009</b>	<b>671</b>	
Opening balance	27 670	29 094	27 321
New accounting principle (IFRS 2), Employee stock options			55
New accounting principle (IAS 32), Swap agreements	30	-1 424	
Dividend to shareholders	-3 065		-2 818
Dividend, own holdings of shares	216		152
Group contributions, net	1 794		1 891
Result, holding of own shares			
Neutralisation of PL impact of employee stock option programme	88		
Utilization of employee stock options	732		- 37
Eliminations of repurchased shares for stock option programme**			- 674
Eliminations of repurchased shares for improvement of the capital structure***	- 218		-1 804
Translation difference ****	22		- 6
Net profit <sup>1)</sup>	2 559		5 014
<b>Core equity</b>	<b>29 828</b>	<b>27 670</b>	<b>29 094</b>
<b>Total equity</b>	<b>30 837</b>	<b>28 341</b>	<b>29 094</b>
1) Net profit			
Reported 2004			5 069
New accounting principles (IFRS excl IAS 39)			-55
Total			5 014

\* Including effects of IAS 32 and 39.

\*\* As of 30 September 2005, SEB has repurchased 7.0, 6.2 and 6.2 million Series A shares for the employee stock option programme as decided at the Annual General Meetings in 2002, 2003 and 2004 respectively. The acquisition cost for these shares is deducted from shareholders' equity. In 2005 1.3 million employee stock options have been utilised. The market value corresponding to the 18.1 million shares net was SEK 2,570m as of 30 September 2005.

\*\*\* Repurchased 18.4 million shares in order to create possibilities for the improvement of the capital structure of the Bank as decided at the 2004 Annual General Meeting. The acquisition cost for these shares is deducted from shareholders' equity, the market value as of 30 September 2005 was SEK 2,605m.

\*\*\*\* In accordance with IFRS 1 SEB has chosen to zero out the translation difference accumulated before 2004-01-01.

## Cash flow analysis - Skandinaviska Enskilda Banken

SEKm	Jan - Dec		
	2005	2004	%
Cash flow from the profit and loss statement	1 018	741	37
Increase (-)/decrease (+) in portfolios	-65 773	-35 261	87
Increase (+)/decrease (-) in issued short term securities	32 354	-2 104	
Increase (-)/decrease (+) in lending to credit institutions	-41 003	-62 371	-34
Increase (-)/decrease (+) in lending to the public	-40 249	-32 312	25
Increase (+)/decrease (-) in liabilities to credit institutions	27 374	92 626	-70
Increase (+)/decrease (-) in deposits and borrowings from the public	42 464	7 323	
Change in other balance sheet items	11 907	177	
Cash flow, current operations	-31 908	-31 181	2
Cash flow, investment activities	275	-8 996	-103
Cash flow, financing activities	35 322	40 385	-13
<b>Cash flow</b>	<b>3 689</b>	<b>208</b>	
Liquid funds at beginning of year	2 310	2 099	10
Exchange difference in liquid funds	38	3	
Cash flow	3 689	208	
<b>Liquid funds at end of period</b>	<b>6 037</b>	<b>2 310</b>	161

Only liquid funds have been adjusted for exchange rate differences. Comparative amounts have been restated.

## Derivative contracts - Skandinaviska Enskilda Banken

30 December 2005		
Book value, SEK m	Derivatives with positive amounts	Derivatives with negative amounts
Interest-related	77 834	77 853
Currency-related	34 240	33 697
Equity-related	2 732	4 485
<b>Total</b>	<b>114 806</b>	<b>116 035</b>