

# Interim report January-March 2005

STOCKHOLM 3 MAY 2005

## Another strong quarter – SEK 2.7bn

- ◆ Operating profit amounted to SEK 2,689m, virtually unchanged compared with both the first quarter of 2004 and the previous quarter. More than 50 per cent was generated outside Sweden.
- ◆ Net profit amounted to SEK 2,004m, an increase of 2 per cent compared with the corresponding period of 2004 and 3 per cent better than the previous quarter.
- ◆ Total operating income improved by 4 per cent compared with the corresponding period of 2004 and was unchanged compared with the previous quarter. Loan and leasing volumes increased by 7 per cent during the quarter.
- ◆ Total operating expenses rose by 6 per cent compared with the first quarter of 2004 due to acquisitions and increased investments in future growth mainly outside Sweden, but showed a decrease of 1 per cent compared with the previous quarter.
- ◆ Net credit losses remained stable at a low level.
- ◆ Return on equity amounted to 15.5 per cent (15.5) and earnings per share were SEK 2.99 (2.83).
- ◆ All figures for 2004 have been restated in accordance with the new International Financing Reporting Standards, IFRS.

## President's comments

Once again SEB delivers a strong quarterly result. Our investments in growth and our 3 C-programme continue to bear fruit. 2005 has started out positively with revenues increasing by 4 per cent compared to last year. Even in this environment of persistently low interest rates and fierce competition, our cross-servicing efforts to deliver SEB's full product range, i.e. "One SEB", to our customers are yielding results. Volumes and market shares have increased in many areas. Costs are in focus but have increased as a result of increased investments in home-markets outside Sweden and add-on acquisitions.

Corporate & Institutions continues to yield a stable result with increasing volumes in the Nordic countries and Germany. Activity in Nordic Retail & Private Banking picked up towards the end of the quarter. The positive trend in volumes for mortgages, consumer loans and cards continues. Margin pressure is noticeable for both divisions.

In Germany costs are further down but low economic activity is holding back revenue growth.

SEB Asset Management increased its total assets under management to an all-time-high and strengthened its North-European position; home markets outside Sweden accounted for more than 50 percent of total net sales.

SEB Trygg Liv continues to deliver good results and is well positioned for further profit growth, since Codan Pension in Denmark is developing more favourably than anticipated.

Our early investments in Eastern Europe continue to develop favourably. Once again Eastern European Banking delivered a record result and increased its share of the Group's overall operating profit. This shows the strength of SEB's diversified platform. We will continue to build on our North-European base through the unique combination of local market knowledge and international first class competence.

# The Group

## Effects of the new accounting principles

All comparable figures in this interim report are restated and presented in accordance with the new accounting principles, International Financial Reporting Standards (IFRS).

The main profit and loss effect compared to previous accounting principles is that there is no goodwill amortisation and that calculated costs for long term incentive programmes are accounted for in staff costs. In addition, the new standards stipulate in which lines certain income and cost items shall be reported. These changes have no impact on operating profit. The life insurance business is now consolidated on several lines instead of on one.

The result from associated companies, non-life insurance business and write-down of financial fixed assets is included in Net other income. These items were reported on separate lines before. Gains and/or losses from tangible and intangible assets are now reported below Total operating expenses.

Effects on total equity amount to SEK -610m compared to stated figures according to the previous accounting principles in SEB's annual report for 2004.

A complete restatement of the Profit and Loss, Balance sheet and Equity is found in "The SEB Group's accounts according to new accounting standards IFRS" on [www.sebgroup.com](http://www.sebgroup.com).

## Stable result

SEB's operating profit for the first quarter of 2005 rose slightly, to SEK 2,689m (2,659). In comparison with the previous quarter, the result decreased somewhat.

Net profit was SEK 2,004m (1,960), an increase of 2 per cent compared with the corresponding quarter of 2004 and 3 per cent up compared with the previous quarter.

## Increased income

Total operating income rose by 4 per cent, to SEK 7,929m (7,648), due to increased net interest income and improved net life insurance income. Compared with the previous quarter operating income was virtually unchanged.

Net interest income amounted to SEK 3,536m (3,459), an increase of 2 per cent compared with the first quarter of 2004 and of 5 per cent compared with the previous quarter. Increased volumes, particularly of mortgage and corporate lending and deposits, more than compensated for squeezed margins and low interest rates.

Net fee and commission income remained unchanged, at SEK 2,944m (2,941), compared with the corresponding period of 2004. Equity brokerage income decreased by 11 per cent, whereas custody and fund management fees increased by 12 per cent. Fees from card operations rose by 15 per cent. In comparison with the previous quarter, net fee and commission income decreased by 4 per cent, mainly due to significantly lower performance fees in asset management.

Net financial income amounted to SEK 754m (830), which was 9 per cent lower than in the exceptionally strong corresponding quarter of 2004, in spite of a continued positive development for foreign exchange customer trading. In comparison with the previous quarter, net financial income improved by 42 per cent.

Net life insurance income increased by 80 per cent, to SEK 532m (295). This was a combined effect of improved sales and the acquisition of Codan Pension in Denmark, which was consolidated in SEB Trygg Liv from 1 October 2004. The operating result of the Swedish business continued its positive development and the Danish operations performed better than anticipated in previous communication, even though it did not reach the high result of the last quarter of 2004. A complete description of SEB Trygg Liv's operations, including changes in surplus values, is reported in "Additional information" on [www.sebgroup.com](http://www.sebgroup.com).

Net other income totalled SEK 163m (123), up 33 per cent compared with the first quarter of 2004, but 62 per cent lower than in the last quarter of 2004. The decrease is mainly explained by the change in non-life insurance, which reported a very good result in the previous quarter. This item is now included in Net other income.

## Costs affected by growth investments

Total operating expenses amounted to SEK 5,047m (4,781), an increase of 6 per cent compared with the corresponding period in 2004, but 1 per cent lower than in the previous quarter.

Staff costs totalled SEK 3,113m (2,885), an increase of 8 per cent compared with the first quarter of 2004. The increase is mainly explained by last year's acquisitions in Denmark and the Ukraine and Merchant Banking's growth strategy outside Sweden, mainly in Germany and the other Nordic countries.

Compared with the previous quarter, staff costs rose by 4 per cent including an average base salary increase of 3 per cent in Sweden.

The average number of full time equivalents in January-March 2005 increased to 18,655 (17,646), as a result of the above-mentioned acquisitions and growth ambitions. Approximately 900 full time equivalents are attributable to acquisitions, above 200 to growth within Merchant Banking and slightly below 100 to investments in Eastern Europe. Efficiency measures decreased the number of full time equivalents by slightly below 200.

Other expenses increased somewhat, to SEK 1,814m (1,779). In comparison with the previous quarter, other costs decreased by 9 per cent. External IT-costs amounted to SEK 427m (448). Total IT-costs (defined as a calculated cost for all IT-related activities including costs for own personnel) were SEK 1.0bn (0.9).

## Stable credit loss level

The Group's net credit losses including changes in the value of assets taken over remained low, at SEK 197m (212). The credit loss level was 0.10 per cent (0.12). Asset quality remained stable.

### **Record high assets under management**

As of 31 March 2005, assets under management amounted to a record high SEK 948bn, an increase of 7 per cent compared with year-end 2004 and 8 per cent compared with 31 March 2004. Net inflow during the first three months was SEK 14bn (12), while the change in value was SEK 48bn (41). The dominating part of the net inflow emanated from Sweden and the other Nordic countries.

### **Balance sheet increase**

The transfer to IFRS accounting and reporting reclassified certain assets and liabilities, and increased the overall balance sheet as per year-end by SEK 24bn. Aside from these effects, the previous year's growth in the balance sheet continued into 2005. The Group's total balance of SEK 1,685bn as per 31 March represents an increase of SEK 70bn since year-end 2004, mainly concerning lending and enlarged portfolio volumes.

### **Credit portfolio**

Total credit exposure, including contingent liabilities and derivatives contracts, amounted to SEK 1,198bn (1,134 at year-end 2004). Loans and leasing excluding repos increased by 7 per cent, to SEK 884bn (825).

Lending to the corporate sector showed strong growth, particularly in the Nordic countries outside Sweden as well as towards SEB's major clients. The Baltic banks' credit expansion continued in all sectors. Swedish property management and household mortgage lending also showed increased volumes.

On 31 March, impaired loans, gross, amounted to SEK 8,951m (8,831 at year-end 2004), of which SEK 8,250m (8,086) were non-performing loans (loans where interest and amortisation are not paid) and SEK 701m (745) performing loans. The reserve ratio was 79 per cent (79 pro forma).

The volume of assets taken over was SEK 154m (146).

### **Market risk**

The Group's risk-taking in trading operations is measured in a so-called Value at Risk model (VaR). During the first quarter of 2005, VaR averaged SEK 47m. This means that the Group, on average, with 99 per cent probability could not expect to lose more than this amount during a ten-day period. Average VaR decreased during the quarter since the low market volatility from the last quarter of 2004 continued - especially as concerns interest related instruments.

### **Capital base and capital adequacy**

IFRS related changes had a negative one-time effect of SEK 0.6bn on total equity. Following the capital adequacy regulation, and as detailed in appendix 3, certain of the changes are neutralised when computing the capital base.

Including the first three months' result, the capital base for the financial group of undertakings amounted to SEK 60.3bn as of 31 March 2005 (58.7 at year-end). Core capital was SEK 49.1bn (44.3), of which SEK 7.4bn (3.3) constituted

so-called core capital contribution. The increase derives from a subordinated debt issue of USD 600m that the bank transacted during the first quarter. The debt issue, which was placed at a favourable price in the U.S. market, contributes to reduce the effect from currency fluctuations on core capital ratio.

Risk-weighted assets rose to SEK 601bn (570) due to increased lending volumes, mainly in the Corporate & Institutions and Eastern European Banking divisions. As of 31 March 2005, the *core capital ratio* was 8.2 per cent (7.8) and the *total capital ratio* 10.0 per cent (10.3).

## **Events after the reporting period**

### **Decisions at the Annual General Meeting**

The Annual General Meeting on 13 April 2005 decided on a long-term incentive programme for 2005, based on performance shares for approximately 500 senior officers. The programme is focused on equities and requires strong performance during a period of three years for allotment.

Furthermore, the AGM resolved that 17.4 million repurchased shares shall be cancelled for effective capital management purposes and in order to allow for the decided new general repurchase programme of a maximum of 20 million shares or SEK 2.8bn. The cancellation will reduce the number of total registered shares to 687.2 million, whereof 663.0 million Class A-shares.

As of today, 3 May 2005, SEB has repurchased 19.7 million Class A-shares in order to hedge previous as well as this year's long-term incentive programmes. The total number of outstanding shares, after cancellation, excluding repurchased shares, remains 667.5 million, whereof 643.3 million Class A-shares.

The AGM also decided to allow for a repurchase of maximum 1.4 million Class A-shares for hedging of this year's long-term incentive programme, if required.

### **Acquisition of Norwegian Privatbanken**

On 24 April 2005, SEB acquired 6.3 million shares, representing 9.99 per cent of the issued share capital in Privatbanken ASA, an independent Norwegian bank focused on affluent private customers. In addition, SEB has received advance acceptances for shares, warrants and convertible debt representing 49.8 million shares. SEB has thus acquired and received advance acceptances for shares, warrants and convertible debt representing 75 per cent of the share capital in Privatbanken on a fully diluted basis.

The acquisition is in line with SEB's ambitions to strengthen its position further in Northern Europe.

On 25 April, SEB announced a voluntary offer for all shares, warrants and convertible debt in Privatbanken. The offer price is NOK 17 for each share in cash. The total investment would amount to NOK 1.3bn.

### **Stockholm, 3 May 2005**

#### **Lars H Thunell**

*President and Chief Executive Officer*

**This Interim Report is set up in accordance with IAS 34. The full report includes information on Skandinaviska Enskilda Banken (publ) AB and SEB Tygg Liv, presented in "Additional information", as well as "The SEB Group's accounts according to new accounting standards IFRS", presented in "Financial statistics". All information is found on [www.sebgroup.com](http://www.sebgroup.com).**

Details regarding the remuneration of the Chief Executive Officer can be found on page 6 in this report.

According to new regulations, changes in remuneration of the CEO must be noticed through press releases or interim reports and, not only in annual reports as before.

#### **Audit review**

We have made a review of this Interim Report in accordance with the recommendation of FAR (the institute for the accountancy profession in Sweden). A review is to an essential extent limited compared with an audit.

We have not found any indication that this Interim Report does not fulfil the requirements of the Exchange and Clearing Operations Act and the Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm, 3 May 2005

PricewaterhouseCoopers

Göran Jacobsson	Peter Clemetson	Ulf Davéus
Authorised Public Accountant	Authorised Public Accountant	Auditor appointed by the Financial Supervisory Authority

**More detailed information is presented on [www.sebgroup.com](http://www.sebgroup.com) "Additional information" including:**

Appendix 1	SEB Trygg Liv
Appendix 2	Credit exposure
Appendix 3	Capital base
Appendix 4	Market risk
Appendix 5	Accounts by quarter
Appendix 6	Skandinaviska Enskilda Banken

#### **Financial information in 2005:**

9 February	Annual Accounts for 2004
13 April	Annual General Meeting
3 May	Interim Report January-March
26 July	Interim Report January-June
28 October	Interim Report January-September

#### **Further information is available from:**

Nils-Fredrik Nyblaeus, CFO and Chief of Staff,  
+46 8 763 81 10, +46 70 637 06 08

Per Anders Fasth, Head of Communications & IR,  
+ 46 8 763 95 66, +46 70 573 45 50

Annika Halldin, Financial Information Officer,  
+46 8 763 85 60, +46 70 379 00 60

Viveka Hirdman-Ryrberg, Deputy Head of  
Communications & IR, + 46 763 85 77, + 46 70 550 35 00

Skandinaviska Enskilda Banken AB (publ)  
106 40 Stockholm, Sweden  
Telephone: +46 8 763 80 00  
Corporate organisation number: 502032-9081

# The SEB Group

## Profit and loss account - Group

Condensed SEKm	Q1		Q4	Jan - Mar			Full year
	2005	2004	%	2005	2004	%	2004
Net interest income	3 536	3 368	5	3 536	3 459	2	13 551
Net fee and commission income	2 944	3 059	-4	2 944	2 941	0	11 704
Net financial income	754	532	42	754	830	-9	2 176
Net life insurance income*	532	557	-4	532	295	80	1 401
Net other income	163	430	-62	163	123	33	1 209
<b>Total operating income</b>	<b>7 929</b>	<b>7 946</b>	<b>0</b>	<b>7 929</b>	<b>7 648</b>	<b>4</b>	<b>30 041</b>
Staff costs	-3 113	-2 985	4	-3 113	-2 885	8	-11 579
Other expenses	-1 814	-1 936	-6	-1 814	-1 779	2	-7 190
Net Deferred Acquisition Costs	112	77	45	112	97	15	316
Depreciation, amortisation and impairments of tangible and intangible assets	-232	-277	-16	-232	-214	8	-932
<b>Total operating expenses</b>	<b>-5 047</b>	<b>-5 121</b>	<b>-1</b>	<b>-5 047</b>	<b>-4 781</b>	<b>6</b>	<b>-19 385</b>
Gains less losses from tangible and intangible assets	4	86	-95	4	4		100
Net credit losses**	-197	-188	5	-197	-212	-7	-701
<b>Operating profit</b>	<b>2 689</b>	<b>2 723</b>	<b>-1</b>	<b>2 689</b>	<b>2 659</b>	<b>1</b>	<b>10 055</b>
Income tax expense	-685	-770	-11	-685	-699	-2	-2 673
<b>Net profit</b>	<b>2 004</b>	<b>1 953</b>	<b>3</b>	<b>2 004</b>	<b>1 960</b>	<b>2</b>	<b>7 382</b>
Attributable to minority interests	5			5	5		17
<b>Attributable to equity holders ***</b>	<b>1 999</b>	<b>1 953</b>	<b>2</b>	<b>1 999</b>	<b>1 955</b>	<b>2</b>	<b>7 365</b>
* SEB Trygg Liv's operating result	171	253	-32	171	98	74	684
Change in surplus values, net	268	520	-48	268	325	-18	1 470
SEB Trygg Liv's Business result	439	773	-43	439	423	4	2 154
** Including change in value of seized assets							
*** Earnings per share (weighted), SEK	2.99	2.91		2.99	2.83		10.83
Weighted number of shares, millions	668	671		668	691		680

## Restatement to IFRS - Group

Net profit SEKm	Jan - Mar 2004	Full year 2004
Net profit according to previous accounting principles	1 768	6 590
New accounting principles (IFRS 2), Employee stock options	-14	-55
New accounting principles (IFRS 3), New entities and goodwill	187	793
New accounting principles (IFRS 4), Insurance	14	37
<b>Attributable to equity holders</b>	<b>1 955</b>	<b>7 365</b>
Attributable to minority interests	5	17
<b>Net profit according to IFRS</b>	<b>1 960</b>	<b>7 382</b>

## Key figures - Group

	Q1	Q4	Jan - Mar		Full year
	2005	2004	2005	2004	2004
Return on equity, %	15.5	15.3	15.5	15.5	14.7
Return on total assets, %	0.49	0.51	0.49	0.57	0.51
Return on risk-weighted assets, %	1.37	1.38	1.37	1.43	1.32
Earnings per share (weighted average number), SEK*	2.99	2.91	2.99	2.83	10.83
Earnings per share (total issued shares), SEK	2.84	2.77	2.84	2.77	10.45
Cost/income ratio	0.64	0.64	0.64	0.63	0.65
Credit loss level, %	0.10	0.11	0.10	0.12	0.10
Reserve ratio for impaired loans, %	78.5	79.2**	78.5	72.3	79.2**
Level of impaired loans, %	0.24	0.31	0.24	0.37	0.31
Total capital ratio, %	10.04	10.29	10.04	10.76	10.29
Core capital ratio, %	8.17	7.76	8.17	8.50	7.76
Risk-weighted assets, SEK billion	601	570	601	558	570
Number of full time equivalents, average	18 655	17 982	18 655	17 646	17 772
Number of e-banking customers, thousands	2 050	1 953	2 050	1 709	1 953
Assets under management, SEK billion	948	886	948	875	886

\* Issued number of shares 704 557 680 of which SEB has repurchased 19.4 million Series A shares for the employee stock option programme. SEB has repurchased another 18.4 million shares for the improvement of the capital structure of the Bank as decided at the 2004 Annual General Meeting. Earnings per share after full dilution, calculated in accordance with the recommendations of the Swedish Financial Accounting Standards Council, was 2.90 (2.80).

\*\* Pro forma

### Remuneration of the Chief Executive Officer

Total compensation to the CEO has been principally unchanged since 2000 and remains so also after the Board's resolution on April 13, 2005. After the Board's resolution the remuneration is as follows: The different components of compensation to the CEO are as before base salary, variable salary and a long-term incentive programme. An agreement has been reached to lower the expected value of the long term incentive component since Lars H. Thunell will retire in 2006. Accordingly, the short term components - base and maximum variable salary - have been increased.

	2004 SEK m	2005 SEK m
Base salary	6.0	6.6
Maximum variable salary * (max 50 % of base salary)	3.0	3.3
Long term incentive, calculated value	<u>3.0</u>	<u>1.8</u>
Maximum total compensation	12.0	11.7

\* 100 per cent of maximum variable salary has never been paid out. For 2004, 87 per cent of maximum (SEK 2.6m) was paid out.

Profit and loss account, quarterly basis - Group

SEK m	2005:1	2004:4	2004:3	2004:2	2004:1
Net interest income	3 536	3 368	3 356	3 368	3 459
Net fee and commission income	2 944	3 059	2 731	2 973	2 941
Net financial income	754	532	384	430	830
Net life insurance income*	532	557	278	271	295
Net other income	163	430	287	369	123
<b>Total operating income</b>	<b>7 929</b>	<b>7 946</b>	<b>7 036</b>	<b>7 411</b>	<b>7 648</b>
Staff costs	-3 113	-2 985	-2 822	-2 887	-2 885
Other expenses	-1 814	-1 936	-1 640	-1 835	-1 779
Net Deferred Acquisition Costs	112	77	47	95	97
Depreciation, amortisation and impairments of tangible and intangible assets	- 232	- 277	- 182	- 259	- 214
<b>Total operating expenses</b>	<b>-5 047</b>	<b>-5 121</b>	<b>-4 597</b>	<b>-4 886</b>	<b>-4 781</b>
Gains less losses from tangible and intangible assets	4	86	10		4
Net credit losses**	- 197	- 188	- 166	- 135	- 212
<b>Operating profit</b>	<b>2 689</b>	<b>2 723</b>	<b>2 283</b>	<b>2 390</b>	<b>2 659</b>
Income tax expense	- 685	- 770	- 529	- 675	- 699
<b>Net profit</b>	<b>2 004</b>	<b>1 953</b>	<b>1 754</b>	<b>1 715</b>	<b>1 960</b>
Attributable to minority interests	5		6	6	5
<b>Attributable to equity holders***</b>	<b>1 999</b>	<b>1 953</b>	<b>1 748</b>	<b>1 709</b>	<b>1 955</b>
* SEB Trygg Liv's operating result	171	253	120	99	98
Change in surplus values, net	268	520	258	324	325
SEB Trygg Liv's Business result	439	773	378	423	423
** Including change in value of seized assets					
*** Earnings per share (weighted), SEK	2.99	2.91	2.59	2.50	2.83
Weighted number of shares, millions	668	671	674	683	691

## Profit and loss account by division - Group

Jan-Mar 2005, SEK m	Corporate & Institutions	Nordic Retail & Private Banking	German Retail & Mortgage Banking	Eastern European Banking	SEB Asset Management	SEB Trygg Liv	Other incl eliminations	SEB Group
Net interest income	1 093	1 083	834	415	18	4	89	3 536
Net fee and commission income	941	1 003	355	193	364		88	2 944
Net financial income	618	43	- 82	63	3		109	754
Net life insurance income*				10		658	- 136	532
Net other income	39	16	78	21	2		7	163
<b>Total operating income</b>	<b>2 691</b>	<b>2 145</b>	<b>1 185</b>	<b>702</b>	<b>387</b>	<b>662</b>	<b>157</b>	<b>7 929</b>
Staff costs	- 986	- 705	- 509	- 184	- 120	- 229	- 380	- 3 113
Other expenses	- 552	- 643	- 326	- 128	- 87	- 367	289	- 1 814
Net Deferred Acquisition Costs						112	0	112
Depreciation, amortisation and impairments of tangible and intangible assets	- 18	- 16	- 70	- 49	- 3	- 7	- 69	- 232
<b>Total operating expense</b>	<b>- 1 556</b>	<b>- 1 364</b>	<b>- 905</b>	<b>- 361</b>	<b>- 210</b>	<b>- 491</b>	<b>- 160</b>	<b>- 5 047</b>
Gains less losses from tangible and intangible assets				2			2	4
Net credit losses**	- 15	- 52	- 124	- 7			1	- 197
<b>Operating profit</b>	<b>1 120</b>	<b>729</b>	<b>156</b>	<b>336</b>	<b>177</b>	<b>171</b>	<b>0</b>	<b>2 689</b>

\* Business result in SEB Trygg Liv amounted to SEK 439m (423), of which change in surplus values was net 268m (325).

\*\* Including change in value of seized assets



## Corporate & Institutions

*This division is responsible for large and medium-sized corporations, financial institutions and commercial real estate clients. It comprises Merchant Banking (cash management, trading in currencies and fixed income, capital markets, lending, structured finance, import and export finance, custody etc) and Enskilda Securities (equity trading, corporate finance etc), and operates in 13 countries.*

### Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004	Change, per cent	Full year 2004
Net interest income	1 093	1 154	-5	1 200	-9	4 617
Net fee and commission income	941	940	0	978	-4	3 831
Net financial income	618	421	47	685	-10	1 779
Net other income	39	80	-51	51	-24	286
<b>Total operating income</b>	<b>2 691</b>	<b>2 595</b>	<b>4</b>	<b>2 914</b>	<b>-8</b>	<b>10 513</b>
Staff costs	-986	-926	6	-906	9	-3 568
Other expenses	-552	-621	-11	-543	2	-2 309
Depreciation, amortisation and impairments of tangible and intangible assets	-18	-29	-38	-20	-10	-91
<b>Total operating expenses</b>	<b>-1 556</b>	<b>-1 576</b>	<b>-1</b>	<b>-1 469</b>	<b>6</b>	<b>-5 968</b>
Gains less losses from tangible and intangible assets				1	-100	1
Net credit losses	-15	42	-136	-39	-62	-16
<b>Operating profit</b>	<b>1 120</b>	<b>1 061</b>	<b>6</b>	<b>1 407</b>	<b>-20</b>	<b>4 530</b>
Cost/Income ratio	0,58	0,61		0,50		0,57
Business equity, SEK bn	17,0	16,0		15,1		15,7
Return on equity, %	19,0	19,1		26,9		20,8
Number of full time equivalents, average	3 383	3 286		3 139		3 214

### Satisfactory first quarter for Corporate & Institutions

Corporate & Institutions' first quarter 2005 was satisfactory and showed an operating profit of SEK 1,120m (1,407). The result is supported by low credit losses. Client revenues were stable but margin pressure continued to put downward pressure on income. Total expenses rose by 6 per cent compared to the first quarter last year, following planned investments in the home markets.

The political pressure on the Swedish central bank to cut the repo rate has contributed to some weakness of the Swedish krona during the period.

### Merchant Banking's result once again over SEK 1bn

Merchant Banking showed an operating profit of SEK 1,035m (1,319) for the first quarter of 2005, and was almost unchanged from the previous quarter. Costs increased by 6 per cent compared to the first quarter of 2004, in line with the investments made during 2004, but were unchanged compared to the preceding quarter. Business volumes continued to develop positively coupled with continued downward pressure on margins. Credit losses were low and credit quality remained good and stable.

### Increasing volumes in home markets

Merchant Banking maintained its position as the leading bank for large companies and financial institutions in the Nordic region. Among the major transactions concluded in the first quarter was the refinancing of a syndicated loan of

USD 600m for Atlas Copco and a club loan of SEK 2.1bn for OMX, where SEB functioned as sole arranger.

In the mid corporate segment SEB continued to win deals, as for example a bridge financing for Swedish pharmaceutical company Meda, which acquired rights to several drugs during the quarter. The deal also included an equity issue of SEK 562m which was led and successfully carried out by Enskilda Securities.

Merchant Banking's operations in Germany performed well in the first quarter with a continued solid inflow of new clients such as the chemical company Bayer. SEB also won the euro cash pool for EganaGoldpfeil Group - a timepiece, jewellery, leather and lifestyle products distributor and a mandate to function as selling agent for Solar Fabrik's recent capital increase. Solar Fabrik is a listed company in the alternative energy industry.

In Norway, SEB continued to develop its business and won new clients, especially in the mid corporate segment, as witnessed by SEB gaining house bank status with Norwegian computer e-retailer Komplet.

SEB in Finland enjoyed a strong first quarter with many new clients and transactions. SEB served as mandated lead arranger of syndicated loans for clients such as Neste Oil for EUR 1.5bn, Rautaruukki for EUR 300m, KCI Konecranes for EUR 200m and Uponor for EUR 120m.

The custody business in Finland continued to develop well and noteworthy was one client acquisition which added a further EUR 850m in assets under custody.

SEB Helsinki also celebrated its 10-year anniversary during the quarter.

In Denmark Merchant Banking's fixed income and foreign exchange related activities performed well and an increased interest for derivatives was noted. The effort to broaden the product offering continued and now also comprises equity swaps.

### **Award winning products attract business**

Structured products continued to perform well in the home markets outside Sweden. Three issues aimed at the German retail market and two in Estonia were examples from the first quarter. Electronic trading continued to be successful with well above 60 per cent of futures and foreign exchange deal being executed electronically. In March Euromoney Internet Technology awards ranked SEB as number three in electronic foreign exchange trading and number six globally for foreign exchange totally. SEB was the only Nordic bank mentioned in the survey. SEB's cash management solutions continue to win favour with clients and several pan-Nordic/Baltic mandates were won. In Euromoney's March issue SEB was ranked as No 1 globally for its cash management e-banking solutions in the Internet Technology Poll. Close to 1,800 end users globally participated in the survey.

The custody and clearing business enjoyed healthy volumes in the Nordic region. The regional custody business is continuing its high growth pace, and the number of clients using SEB in two or more Nordic/Baltic markets is steadily growing. SEB was ranked as "Best in the Nordic Area for Sub-custody" in the Global Custodian Awards of March 2005.

The acquisition finance market continued to be very active during the first quarter of 2005. Fourteen new transactions were closed, including three lead transactions, seven participations and four bridge transactions. The number of lead transactions set a new record for a single quarter.

The leasing business performed well and especially aviation industry products had a strong start to the year. An example of this is a USD 45m restructuring and extension of four existing agreements for Spanair.

Overall the Nordic real estate markets showed a stable to positive trend due to low interest rates in combination with higher yields from real estate investments.

Commercial real estate unit business was brisk in the Nordic area and a number of transactions were concluded in the first quarter. As one example SEB arranged and structured a financing amounting to some NOK 3bn in connection with the creation of Oslo Areal together with Enskilda Securities who advised on the planned listing on the Oslo Stock Exchange.

### **Enskilda Securities – market pick-up**

The operating profit for Enskilda Securities first quarter of 2005 was SEK 85m (88). The equity markets improved, in parallel with the first quarter of 2004, and resulted in improved revenues compared with the last quarter of 2004.

Total income for the first quarter was SEK 439m, which was also better than for the previous quarter.

Costs were higher than in the first quarter of last year, partly due to investments in Enskilda Securities' Norwegian activities. Cost control and efficiency remain in focus and costs decreased from previous quarter.

Turnover increased on all target markets. Enskilda Securities retained its strong position in the Nordic region in the first quarter of 2005, and the research team regained its No 1 position for the Nordic countries in Institutional Investor's annual survey.

Improved market activity resulted in increasing revenues for the equity business area, particularly commission income. Total commission income was up by 24 per cent compared to the previous quarter.

The corporate finance market kept its momentum from the fourth quarter of 2004 and good activity in the equity capital markets supported the result. Enskilda Securities arranged 15 transactions involving aggregate proceeds of over SEK 11bn, including transactions involving shares in Alfa Laval, Awilco, Metso and Sanoma. Regarding mergers & acquisitions Enskilda climbed from eighteenth to second place in the Nordic league table. Examples of the most significant advisory assignments during the first quarter were EQT's offer for ISS, Orkla's offers for Elkem and Sapa and Karl Fazer's offer for Cloetta Fazer.

## Nordic Retail & Private Banking

This division serves 1.6 million private customers and 132,000 small and medium-sized companies - of which 773,000 private customers and 66,000 companies use the bank's Internet services. The majority of the customers live or are based in Sweden. In the Nordic area, SEB has 2.7 million credit, charge and banking cards outstanding. The business areas are Retail Banking, Private Banking and SEB Kort (cards). In Sweden, SEB has around 200 branch offices and a 24h-service via Internet and telephone.

### Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004	Change, per cent	Full year 2004
Net interest income	1 083	1 114	-3	1 094	-1	4 373
Net fee and commission income	1 003	1 034	-3	944	6	3 780
Net financial income	43	44	-2	46	-7	165
Net other income	16	3		29	-45	83
<b>Total operating income</b>	<b>2 145</b>	<b>2 195</b>	<b>-2</b>	<b>2 113</b>	<b>2</b>	<b>8 401</b>
Staff costs	-705	-723	-2	-682	3	-2 855
Other expenses	-643	-640	0	-613	5	-2 421
Depreciation, amortisation and impairments of tangible and intangible assets	-16	-19	-16	-10	60	-47
<b>Total operating expenses</b>	<b>-1 364</b>	<b>-1 382</b>	<b>-1</b>	<b>-1 305</b>	<b>5</b>	<b>-5 323</b>
Gains less losses from tangible and intangible assets		82	-100			82
Net credit losses	-52	-66	-21	-44	18	-194
<b>Operating profit</b>	<b>729</b>	<b>829</b>	<b>-12</b>	<b>764</b>	<b>-5</b>	<b>2 966</b>
Cost/Income ratio	0,64	0,63		0,62		0,63
Business equity, SEK bn	11,6	11,7		10,3		11,0
Return on equity, %	18,1	20,4		21,4		19,4
Number of full time equivalents, average	4 580	4 627		4 687		4 696

#### Positive sales trend

After a weak start to the year, with low stock market and customer activity, sales picked up gradually during the quarter. The previous quarters' positive development continued within mortgage loans, life insurance, consumer credits, equity index bonds and cards.

Business travel is an important market for SEB Kort that normally is slow during the first months of the year. However, compared with the corresponding period of last year, card turnover was up by 9 per cent.

#### Result still subject to margin pressure

The operating profit of the division amounted to SEK 729m (764), a reduction of 5 per cent compared with the corresponding period of last year. However, compared with the preceding quarter the result was largely unchanged, excluding a capital gain from the sale of Euroline in Norway in 2004.

Total income increased by 2 per cent, to SEK 2,145m (2,113), compared with the corresponding period of last year.

In spite of lower stock market activities, net commission income improved as a result of successful sales of for example the new insurance product "Kapitalpension" and higher card turnover.

Net interest income remained largely unchanged. Continued volume growth was offset by increased margin

pressure due to stiffening competition and the low interest rate level.

Total lending volumes grew by 15 per cent, to SEK 212bn (185), of which SEK 153bn (135) consisted of mortgage loans. The division's market share of private mortgage loans increased to 14.9 per cent (14.4), while its share of new sales was 15.9 per cent.

By the end of March, total deposits were SEK 124bn (124). According to the survey *Sparbarometern (Savings Barometer)*, SEB is number two on the Swedish savings market. On 31 December 2004, SEB's share of Sweden's total household savings was 14.6 per cent.

Total expenses were in line with the preceding quarter. Costs include Eurocard Denmark, which was acquired in 2004 and now contributes positively to the result of the division. Integration costs are expected to be somewhat higher during the coming quarters.

Compared with the corresponding period last year, costs were up by 5 per cent. This change was mainly due to the effects of the performance-based compensation system introduced for all employees in the late spring of 2004 and the new salary agreement.

The credit losses of the division remained stable at a low level.

### **Retail Banking – positive effects of focus on corporate market**

The operating profit of Retail Banking for the first quarter was SEK 405m, a decrease by 6 per cent compared with the immediately preceding quarter and by 9 per cent compared with the corresponding period of last year. Despite higher sales activities, the generally low interest rate situation depressed income.

SEB's increased focus on small and medium-sized companies during 2004 continued to yield results. During the first quarter, 1,000 new small and medium-sized corporate customers were added and corporate lending was up by 2 per cent since year-end 2004.

By the end of March, the number of customers using the Internet totalled 839,000 (822,000). In February 2005, the magazine *Internet World* appointed SEB Sweden's third-best Internet bank, ahead of the three largest banks in the Swedish market, among others.

In late 2004, SEB increased focus on the consumer credit market, an area in which SEB's market share is clearly below its share of the private market as a whole. As a result, the number of customers and volume from consumer credits in the first quarter of 2005 increased substantially compared with the corresponding period of last year.

### **Private Banking leading in Sweden**

Private Banking's operating profit for the first quarter amounted to SEK 130m, a decrease of 6 per cent compared with the previous quarter and of 14 per cent compared with the corresponding period of last year.

This reduction is explained by the low stock market and customer activities at the beginning of the year compared with 2004. However, the underlying growth from last year continued in the form of an inflow of both new capital, SEK 3bn, and new customers. Customer activity level increased towards the end of the quarter.

At the end of March, assets under management totalled SEK 205bn (189), an increase of 8 per cent, now also including SEB's private banking activities in Denmark.

In early April, SEB Private Banking inaugurated its new Singapore branch.

The business magazine *Euromoney* has once again in 2005 ranked SEB Enskilda Banken as the best private bank in Sweden.

### **SEB Kort's growth strategy yields results**

SEB Kort's operating profit for the first quarter was SEK 194m, slightly higher than in the preceding quarter and up 17 per cent compared with the corresponding period of last year.

This growth is a result of SEB Kort's long-standing strategy based upon customer adaptation, economies of scale, strong brands and low credit losses. After the purchases of Eurocard Norway in late 2002 and Eurocard Denmark in 2004, SEB Kort has approximately 40 per cent of the Nordic travel and entertainment card market at present.

In spite of rapid growth, credit losses, particularly frauds, have steadily dropped since 2003, as opposed to the card industry as a whole. This successful handling of fraudulent attempts is based upon a high level of security consciousness and advanced IT security systems.

In January 2005, SEB Kort in Denmark entered into a co-operation agreement on the issuance of MasterCard cards with Jyske Bank, which is Denmark's third-largest bank with 3,700 employees and 120 branch offices across the country.

During the period, SEB Kort has attracted attention through various ranking lists and competitions. For example, the magazine *Affärsresenären*, ranked Eurocard as the "Best Credit Card for Business Travellers" and the *Cards International* organisation ranked SEB Kort as the "Best Credit Card Issuer in the Nordic Region".

# SEB AG Group

The SEB AG Group comprises SEB's operations in Germany, i.e. the German Retail & Mortgage Banking division, Merchant Banking Germany and Asset Management Germany.

## Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004	Change, per cent	Full year 2004
Net interest income	1 057	946	12	946	12	3 798
Net fee and commission income	529	560	-6	487	9	1 997
Net financial income	-124	-52	138	95		37
Net other income	81	204	-60	31	161	308
<b>Total operating income</b>	<b>1 543</b>	<b>1 658</b>	<b>-7</b>	<b>1 559</b>	<b>-1</b>	<b>6 140</b>
Staff costs	-611	-623	-2	-619	-1	-2 464
Other expenses *	-431	-442	-2	-514	-16	-1 862
Depreciation, amortisation and impairments of tangible and intangible assets	-72	-126	-43	-59	22	-302
<b>Total operating expenses</b>	<b>-1 114</b>	<b>-1 191</b>	<b>-6</b>	<b>-1 192</b>	<b>-7</b>	<b>-4 628</b>
Gains less losses from tangible and intangible assets		4	-100			4
Net credit losses	-132	-146	-10	-110	20	-446
<b>Operating profit</b>	<b>297</b>	<b>325</b>	<b>-9</b>	<b>257</b>	<b>16</b>	<b>1 070</b>
Cost/Income ratio	0,72	0,72		0,76		0,75
excluding restructuring costs	0,72	0,72		0,72		0,73
Business equity, SEK bn	11,9	11,6		11,8		11,7
Return on equity, %	7,2	8,1		6,3		6,6
excluding restructuring costs, %	7,2	8,1		8,1		7,6
Number of full time equivalents, average	3 395	3 386		3 513		3 434
* Whereof restructuring costs				-75		-163

### Expected economic upswing not yet in place

GDP growth forecasts for Germany have generally been revised down to around 1 per cent (from previously 1.5 per cent). The continued rise in unemployment and high oil prices has dampened domestic demand. The strongest impetus to growth continued to come from exports. Ultimately, the weakening of the U.S. dollar against the Euro did not persist. In spite of a higher rate of inflation, interest rates are likely to remain low. Germany's stock market was only able to benefit from favourable company results in a few cases and also felt the negative impact from the rise in oil prices.

### Slightly improved underlying result

The operating profit of SEB's entire operations in Germany (SEB AG Group) amounted to SEK 297m, a decrease of 9 per cent compared to the fourth quarter of 2004. Excluding positive one-off effects in 2004 (SEK 22m relating to the sale of property and SEK 41m from a gain in the liquidity portfolio) the result was stable or slightly better than the previous quarter as well as the first quarter of 2004.

Net interest income increased by 12 per cent compared to the previous quarter, partly as an effect of new accounting rules. The increase is met by a decrease in net financial income. Merchant Banking's improved cash management as well as money market and derivatives

products have been the major drivers. The Real Estate Investor business increased slightly, too.

Net commission income amounted to SEK 529m which is 9 per cent higher than in the comparable period of 2004. This was mainly an effect of increased cross-selling with retail customers as a result of the profitability improvement programme. Due to lower sales of Retail insurance products as well as lower income from structured project finance, net commission income decreased by 6 per cent compared to the previous quarter.

Assets under management, including SEB Pension trust, amounted to SEK 143bn, 5 per cent higher than at year-end 2004, mainly due to ongoing positive sales of Real Estate funds and value increases.

The sharp decrease in income from financial transactions is connected to the mentioned increase in interest income due to IAS 39. The underlying result from Customer Trading improved by 43 per cent compared to the previous quarter.

Overall total income decreased slightly between the quarters but increased compared to the first quarter of 2004 taking one-offs into account.

Total expenses decreased by 7 per cent compared with the corresponding period in 2004, mainly due to cost saving measures within Retail, off-setting investments in new product/customer segments within Merchant Banking.

## German Retail & Mortgage Banking

The division serves one million private individuals, of which 246,000 use the bank's Internet services, and real estate companies. Customers are able to access its services through 175 branches, more than 2,000 ATMs via Cash-pooling with allied banks, an Internet platform and telephone banking.

### Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004	Change, per cent	Full year 2004
Net interest income	834	727	15	786	6	3 113
Net fee and commission income	355	390	-9	330	8	1 337
Net financial income	-82	22		78		83
Net other income	78	203	-62	30	160	317
<b>Total operating income</b>	<b>1 185</b>	<b>1 342</b>	<b>-12</b>	<b>1 224</b>	<b>-3</b>	<b>4 850</b>
Staff costs	-509	-500	2	-521	-2	-2 033
Other expenses *	-326	-341	-4	-432	-25	-1 478
Depreciation, amortisation and impairments of tangible and intangible assets	-70	-126	-44	-55	27	-290
<b>Total operating expenses</b>	<b>-905</b>	<b>-967</b>	<b>-6</b>	<b>-1 008</b>	<b>-10</b>	<b>-3 801</b>
Gains less losses from tangible and intangible assets		4	-100			4
Net credit losses	-124	-146	-15	-110	13	-445
<b>Operating profit</b>	<b>156</b>	<b>233</b>	<b>-33</b>	<b>106</b>	<b>47</b>	<b>608</b>
Cost/Income ratio	0,76	0,72		0,82		0,78
excluding restructuring costs	0,76	0,72		0,76		0,75
Business equity, SEK bn	9,6	9,4		9,5		9,5
Return on equity, %	4,7	7,2		3,2		4,6
excluding restructuring costs, %	4,7	7,2		5,5		5,8
Number of full time equivalents, average	2 947	2 940		3 113		3 012
* Whereof restructuring costs				-75		-163

### Continuous cost control but no pick up in revenues

The division's operating profit was SEK 156m.

On a comparable basis total income was in line with the first quarter of 2004 but down from the previous quarter, particularly due to lower sales of life insurance products. The high level of sales could not be kept in the first quarter since the tax advantages for customers were abolished.

SEB ImmoInvest continued to develop strongly and increased its market share to 5.9 per cent. Gross sales totalled SEK 2.9bn which is 6 per cent below 2004, but 35 per cent above the previous quarter.

The division's gross sales of SEB Invest's mutual funds amounted to SEK 2.4bn, 9 per cent lower than in the corresponding period of 2004, but 42 per cent higher than the previous quarter. Net sales remained low, mainly due to high inflows and outflows between different funds.

Net commission income increased by 8 per cent to SEK 355m compared with the corresponding quarter last year.

Net interest income was SEK 834m. The quarterly increase of 15 per cent was mainly due to the changed accounting principles.

Underlying interest income decreased compared to the first quarter of 2004 but recovered slightly compared to the previous quarter. Even slightly lower short-term interest rates and lower volumes continue to affect retail deposit revenues negatively. Total retail liabilities (including

deposits) amounted to SEK 37bn, which was 2 per cent above the last quarter. New sales of retail mortgage loans remained stable on a quarterly basis. Slightly improved renewal rates helped to stop the decrease in total lending amounting to SEK 85bn (stable compared to last quarter).

Profit improvement measures continue. New products and customer acquisition programmes start to yield results, i.e. special savings products combined with cross-selling activities, new concepts for professionals and small and medium sized companies.

Total expenses dropped to SEK 905m. Staff costs remained stable, in spite of salary increases. Staff numbers increased slightly, mainly due to the take-over of apprentices. Other costs developed favourably, too. Although major restructuring activities have been completed, further efficiency measures are ongoing.

Overall lower costs could only partly off-set lower revenues. Therefore, the cost/income ratio decreased slightly between 2004 and 2005, on a comparable basis.

Net credit losses amounted to SEK 124m and remained stable.

## Eastern European Banking

This division comprises the three wholly owned Baltic banks SEB Eesti Ühispank (Estonia), SEB Unibanka (Latvia) and SEB Vilniaus Bankas (Lithuania) with its subsidiary Bank Agio in the Ukraine. The three banks serve 2.2 million customers, of which 965,000 use the Internet services, via some 200 branch offices and Internet banks. SEB's mutual fund company in Poland, SEB TFI, and the listed medium-sized Polish bank Bank Ochrony Środowiska, BOS, of which SEB owns 47 per cent, also form part of the division.

### Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004	Change, per cent	Full year 2004
Net interest income	415	400	4	372	12	1 560
Net fee and commission income	193	206	-6	170	14	760
Net financial income	63	65	-3	51	24	209
Net life insurance income	10	19	-47	16	-38	57
Net other income	21	13	62	24	-13	91
<b>Total operating income</b>	<b>702</b>	<b>703</b>	<b>0</b>	<b>633</b>	<b>11</b>	<b>2 677</b>
Staff costs	-184	-178	3	-180	2	-709
Other expenses	-128	-152	-16	-116	10	-534
Depreciation, amortisation and impairments of tangible and intangible assets	-49	-47	4	-49		-196
<b>Total operating expenses</b>	<b>-361</b>	<b>-377</b>	<b>-4</b>	<b>-345</b>	<b>5</b>	<b>-1 439</b>
Gains less losses from tangible and intangible assets	2	-1		3	-33	
Net credit losses	-7	-24	-71	-19	-63	-85
<b>Operating profit</b>	<b>336</b>	<b>301</b>	<b>12</b>	<b>272</b>	<b>24</b>	<b>1 153</b>
Cost/Income ratio	0,51	0,54		0,55		0,54
Business equity, SEK bn	4,3	4,4		3,7		4,0
Return on equity, %	22,6	19,7		21,5		20,6
Number of full time equivalents, average	4 595	4 049		4 029		4 043

### Continued profit growth...

The operating profit for the first quarter was 24 per cent higher than for the corresponding period last year and 12 per cent higher than the previous quarter.

Total income increased by 11 per cent, mainly due to growth in net interest income and net commissions. Net interest margins continued to show a downward trend in the Baltic countries. In particular, a sharp drop was experienced in Estonia due to fierce competition in household lending.

The main drivers of commission income growth were commissions from lending (44 per cent), cards (23 per cent) and fund management (28 per cent).

Total expenses increased by 5 per cent compared to the corresponding period last year. So far, costs have been slightly negatively affected by the ongoing re-branding process, which will be finished during the second quarter. The cost/income ratio improved to 0.51 from 0.55 last year. The quality of the credit portfolio remains high, thus leading to lower net credit losses than last year SEK 7m (19).

BOS bank is not included in the first quarter results.

### ...based on continued volume growth

The loan portfolio of SEB's Baltic banks increased by 30 per cent, year-on-year, reaching SEK 52bn by the end of March.

Deposits rose by 28 per cent, to SEK 37bn. A particularly strong growth both in lending and deposits was experienced in Latvia. The major growth segment in all three Baltic countries continued to be mortgage lending to the household sector. Despite strong volume growth there was a slight reduction in market shares within some segments. The combined markets share for lending and deposits in the Baltic countries is close to 30 per cent.

Assets under management increased by 15 per cent, year-on-year, totalling SEK 9bn at the end of March.

### High activity level

The three Baltic banks are in the process of being re-branded. Starting from April they are named SEB Eesti Ühispank, SEB Unibanka and SEB Vilniaus Bankas. The re-branding process will be finished during the second quarter, whereas marketing activities will continue throughout the year.

SEB Vilniaus Bankas has completed its acquisition of the Ukrainian Bank Agio. The integration of the bank with the SEB Group is under way.

Investment banking operations have been established in the three Baltic countries via SEB Vilniaus Bankas subsidiary company SEB Vilfima. Enskilda Securities will be a key partner in developing this business.

# SEB Asset Management

*This division offers a full spectrum of investment management expertise and services to institutions, life insurance companies and private individuals. The offerings include equity and fixed income management, private equity and hedge funds. SEB Asset Management has offices in Copenhagen, Helsinki, Frankfurt, Luxembourg and Stockholm. The division employs about 100 portfolio managers and analysts.*

## Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004	Change, per cent	Full year 2004
Net interest income	18	21	-14	19	-5	77
Net fee and commission income	364	434	-16	373	-2	1 516
Net financial income	3	3		1	200	9
Net other income	2	4	-50	7	-71	22
<b>Total operating income</b>	<b>387</b>	<b>462</b>	<b>-16</b>	<b>400</b>	<b>-3</b>	<b>1 624</b>
Staff costs	-120	-100	20	-123	-2	-475
Other expenses	-87	-100	-13	-89	-2	-358
Depreciation, amortisation and impairments of tangible and intangible assets	-3	-4	-25	-5	-40	-19
<b>Total operating expenses</b>	<b>-210</b>	<b>-204</b>	<b>3</b>	<b>-217</b>	<b>-3</b>	<b>-852</b>
<b>Operating profit</b>	<b>177</b>	<b>258</b>	<b>-31</b>	<b>183</b>	<b>-3</b>	<b>772</b>
Cost/Income ratio	0,54	0,44		0,54		0,52
Business equity, SEK bn	1,8	1,8		1,8		1,8
Return on equity, %	28,3	41,3		29,3		30,9
Number of full time equivalents, average	443	446		442		443

### Stable result

The division's operating profit for the first quarter was in line with the corresponding period of 2004, but decreased compared with the previous quarter. The deterioration is fully explained by high performance fees last year, particularly in the fourth quarter. Excluding performance fees the underlying income level improved compared to both the corresponding and the previous quarter.

Total expenses were 3 per cent lower than in the first quarter of 2004. The cost/income ratio remained stable, at 0.54. Staff costs were at a stable level. However, due to extraordinarily low variable compensation costs in the fourth quarter of 2004 staff costs were 20 per cent higher in the current period. These factors explain why the result in comparison to last quarter was down by 31 per cent, albeit at a stable level in a longer perspective.

### Satisfactory net sales

Net sales were almost at the same strong level as the corresponding period last year, SEK 8.7bn (9.2). Institutional sales were strong in Sweden and Germany, whereas Finland dropped somewhat due to loss of a few large institutional mandates. Retail sales increased by 13 per cent at a divisional level. However, the market in Sweden has been weak and the increase came mainly from Finland and Denmark.

In Sweden, the mutual funds market has been negatively affected by the removal of the inheritance and gift tax at the turn of the year, which has caused a general shift from a tax-exempt insurance to new pension

insurance products, and a 14 per cent decline in the market. SEB's net sales of its own mutual funds increased to SEK 2.0bn (1.6), compared to a total market of SEK 26bn (30). This represented a market share of 7.8 per cent (5.4). Excluding the Government pension-plan (PPM), the market share was 11 per cent. The increase was mainly due to net sales of mutual funds to institutional clients whereas the retail segment dropped following the general market decline.

### Assets under management at all-time-high

The division's total assets under management including external mutual funds increased by 7 per cent, to SEK 676bn, which is all-time-high for comparable business units. The equity portion was 38 per cent (35) and fixed income 55 per cent (57). Total mutual funds including external funds represented 39 per cent (36) of the division's assets under management, totalling SEK 264bn (230), of which SEK 178bn (156) in Sweden.

### Investment performance

Investment performance is a key focus area in the pursuit of high client satisfaction. The first quarter showed good performance in Finland and Germany and weaker in Sweden. Average Morningstar ratings for Swedish mutual funds increased to 3.0, or a number two position compared to peers. 51 per cent of Swedish mutual funds performed better than index. Overall performance was, however, slightly lower than index. The long term trend of ratings is good for SEB, despite a somewhat slow start to the year.



# SEB Trygg Liv

SEB Trygg Liv is one of the Nordic region's leading life insurance groups. Operations comprise insurance products 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.

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.

## Profit and loss account

SEK m	Q1 2005	Q4 2004	Change, per cent	Q1 2004 1)	Change, per cent	Full year 2004
Net interest income	4	7	-43	9	-56	33
Net life insurance income	658	685	-4	412	60	1 907
Net other income				-3	-100	-8
<b>Total operating income</b>	<b>662</b>	<b>692</b>	<b>-4</b>	<b>418</b>	<b>58</b>	<b>1 932</b>
Staff costs	-229	-225	2	-137	67	-634
Other expenses	-367	-285	29	-274	34	-1 021
Net Deferred Acquisition Costs	112	77	45	97	15	316
Depreciation, amortisation and impairments of tangible and intangible assets	-7	-6	17	-6	17	-23
<b>Total operating expenses</b>	<b>-491</b>	<b>-439</b>	<b>12</b>	<b>-320</b>	<b>53</b>	<b>-1 362</b>
<b>Operating profit</b>	<b>171</b>	<b>253</b>	<b>-32</b>	<b>98</b>	<b>74</b>	<b>570</b>
Change in surplus values, net	268	520	-48	325	-18	1 427
<b>Business result</b>	<b>439</b>	<b>773</b>	<b>-43</b>	<b>423</b>	<b>4</b>	<b>1 997</b>
Change in assumptions	-39	789	-105			789
Financial effects of short-term market fluctuations	223	108	106	226	-1	101
<b>Total result</b>	<b>623</b>	<b>1 670</b>	<b>-63</b>	<b>649</b>	<b>-4</b>	<b>2 887</b>
Cost/Income ratio	0,74	0,63		0,77		0,70
Business equity, SEK bn	7,4	7,4		4,4		5,2
Return on equity, %						
based on operating profit	6,7	9,8		6,4		7,9
based on business result	17,1	30,1		27,7		27,5
Number of full time equivalents, average	1 113	1 113		717		816

1) Excluding Codan Pension that was acquired 1 Oct 2004

### A good result despite negative one-off effects

SEB Trygg Liv started the year by delivering an operating profit of SEK 171m, including negative one-off effects of SEK 54m. The underlying operating result excluding Codan Pension amounted to SEK 130m (98). However, the result was negatively affected by a one-off provision of SEK 30M, required by the Financial Supervisory Authority (Finansinspektionen) to adjust the highest level of permitted discount rate for valuation of the sickness insurance liabilities.

Codan Pension's operating profit was SEK 95m before deduction of split costs, a one-off effect of SEK 24m. The result is higher than earlier communicated profit level of SEK 75m per quarter (or SEK 300m annually) after funding costs, but not as strong as the particularly good result of 121m in the fourth quarter of 2004. Compared to last year premium income increased by 22 per cent and the cost level in the ongoing business was unchanged.

The division's income has been reduced by the extra provision mentioned above, which explains the decrease compared to last quarter. The cost increase is due to the

Codan Pension split costs, and increased sales costs due to higher sales volumes on the Swedish market.

New business margin rose to 24.3 per cent (19.5), excluding Codan Pension. The increase is due to changed discount rate assumptions and higher sales volumes in relation to sales costs.

The business result (including changes in surplus values) amounted to SEK 439m (423). At present, surplus values are not calculated in the Danish operations. The surplus values are not included in the SEB Group's result and balance sheet. For details, see Additional Information at [www.sebgroup.com](http://www.sebgroup.com).

### Continued strong sales

The SEB Trygg Liv total sales amounted to SEK 10.9bn, measured as weighted volume.

The sales from SEB Trygg Liv's Swedish business, which accounted for the biggest part of total sales, increased by 6 per cent, to SEK 8.8bn. Unit-linked sales in Sweden increased by 14 per cent. The increase is due to increased sales to private

individuals, mainly of the new endowment pension product, "kapitalpension", that was launched at the beginning of 2005. Sales to private individuals are to less extent sold via insurance brokers. Thereby, the share of sales through internal distribution channels increased from 30 to more than 50 per cent of total sales. Around 95 per cent of the sales consisted of unit-linked insurance, the division's main focus. SEB Trygg Liv is the market leader within unit-linked insurance in Sweden, with a share of new business amounting to 34.8 per cent (29.5) as per 31 December 2004. Payments into the product Individual Pension Savings (IPS) were SEK 135m (143) and into PPM SEK 548m (491).

The sales from SEB Life (Ireland) and its branch office in Luxembourg rose to SEK 431m (54), measured as weighted volume, mainly attributable to the endowment pension product. The Irish endowment pension product was launched during the fourth quarter 2004.

Codan Pension's sales amounted to SEK 1.7bn, measured as weighted volume, of which 36 per cent was unit-linked insurance. The share sold via insurance brokers was almost 40 per cent.

Codan Pension was acquired 1 October 2004. The acquisition was part of SEB's ambition to strengthen its position in northern Europe and within the life insurance area. Codan Pension is the fourth largest life insurance

company in Denmark, with a market share of 9 per cent in premium income. This autumn Codan Pension will be re-branded to SEB Pension.

The SEB Trygg Liv Group's (including Codan Pension) assets under management increased to SEK 327bn, compared to SEK 312bn at year-end. Premium income (paid in premiums) increased by 10 per cent to SEK 7.1bn.

#### **Traditional life insurance**

The traditional life insurance operations in Codan Pension are carried out in a profit-sharing company and are therefore part of the SEB Trygg Liv Group result above. In Sweden these operations, however, are conducted in two mutually driven companies whose results are not consolidated with SEB Trygg Liv's result.

Total return in Gamla Livförsäkringsaktiebolaget was 2.2 per cent and the collective consolidation ratio 107 per cent as per 31 March 2005. For Nya Livförsäkringsaktiebolaget total return was 0.4 per cent and the collective consolidation ratio 101 per cent. For more facts concerning these companies, see Additional Information at [www.sebgroup.com](http://www.sebgroup.com).

# The SEB Group

## Net fee and commission income – Group

SEKm	Q1			Q4			Jan - Mar			Full year
	2005	2004	%	2005	2004	%	2005	2004	%	2004
Issue of securities	21	8	163	21	22	-5	21	22	-5	58
Secondary market shares	568	480	18	568	638	-11	568	638	-11	2 047
Secondary market other	57	85	-33	57	54	6	57	54	6	335
Custody and mutual funds	1 096	1 134	-3	1 096	980	12	1 096	980	12	4 207
<b>Securities commissions</b>	<b>1 742</b>	<b>1 707</b>	<b>2</b>	<b>1 742</b>	<b>1 694</b>	<b>3</b>	<b>1 742</b>	<b>1 694</b>	<b>3</b>	<b>6 647</b>
Payments	397	417	-5	397	387	3	397	387	3	1 584
Card fees	746	812	-8	746	646	15	746	646	15	2 950
<b>Payment commissions</b>	<b>1 143</b>	<b>1 229</b>	<b>-7</b>	<b>1 143</b>	<b>1 033</b>	<b>11</b>	<b>1 143</b>	<b>1 033</b>	<b>11</b>	<b>4 534</b>
Lending	174	227	-23	174	191	-9	174	191	-9	965
Deposits	24	53	-55	24	33	-27	24	33	-27	153
Advisory	212	239	-11	212	176	20	212	176	20	736
Guarantees	51	54	-6	51	53	-4	51	53	-4	216
Derivatives	74	54	37	74	109	-32	74	109	-32	348
Other	160	118	36	160	232	-31	160	232	-31	637
<b>Other commissions</b>	<b>695</b>	<b>745</b>	<b>-7</b>	<b>695</b>	<b>794</b>	<b>-12</b>	<b>695</b>	<b>794</b>	<b>-12</b>	<b>3 055</b>
<b>Commission income</b>	<b>3 580</b>	<b>3 681</b>	<b>-3</b>	<b>3 580</b>	<b>3 521</b>	<b>2</b>	<b>3 580</b>	<b>3 521</b>	<b>2</b>	<b>14 236</b>
Securities commissions	-76	-68	12	-76	-73	4	-76	-73	4	-368
Payment commissions	-384	-434	-12	-384	-335	15	-384	-335	15	-1 525
Other commissions	-176	-120	47	-176	-172	2	-176	-172	2	-639
<b>Commission expense</b>	<b>-636</b>	<b>-622</b>	<b>2</b>	<b>-636</b>	<b>-580</b>	<b>10</b>	<b>-636</b>	<b>-580</b>	<b>10</b>	<b>-2 532</b>
Securities commissions, net	1 666	1 639	2	1 666	1 621	3	1 666	1 621	3	6 279
Payment commissions, net	759	795	-5	759	698	9	759	698	9	3 009
Other commissions, net	519	625	-17	519	622	-17	519	622	-17	2 416
<b>Net fee and commission income</b>	<b>2 944</b>	<b>3 059</b>	<b>-4</b>	<b>2 944</b>	<b>2 941</b>	<b>0</b>	<b>2 944</b>	<b>2 941</b>	<b>0</b>	<b>11 704</b>

## Net financial income – Group

SEKm	Q1			Q4			Jan - Mar			Full year
	2005	2004	%	2005	2004	%	2005	2004	%	2004
Equity instruments and related derivatives	152	170	-11	152	148	3	152	148	3	964
Interest bearing instruments and related derivatives	21	366	-94	21	689	-97	21	689	-97	1 116
Currency related	607	671	-10	607	492	23	607	492	23	1 975
Other financial instruments*		-675			-499			-499		-1 879
<b>Net trading income</b>	<b>780</b>	<b>532</b>	<b>47</b>	<b>780</b>	<b>830</b>	<b>-6</b>	<b>780</b>	<b>830</b>	<b>-6</b>	<b>2 176</b>
<b>Net income from other items at fair value</b>	<b>-26</b>			<b>-26</b>			<b>-26</b>			
<b>Net financial income</b>	<b>754</b>	<b>532</b>	<b>42</b>	<b>754</b>	<b>830</b>	<b>-9</b>	<b>754</b>	<b>830</b>	<b>-9</b>	<b>2 176</b>

\* From 2005 classification is in accordance with IAS 39.

## Net credit losses – Group

SEKm	Q1			Q4			Jan - Mar			Full year
	2005	2004	%	2005	2004	%	2005	2004	%	2004
<i>Provisions:</i>										
Net collective provisions	40	273	-85	40	-204	-120	40	-204	-120	201
Specific provisions	-235	-452	-48	-235	-100	135	-235	-100	135	-1 010
Reversal of specific provisions no longer required	83	210	-60	83	89	-7	83	89	-7	467
Net provisions for contingent liabilities	-11	1		-11			-11			80
<b>Net provisions</b>	<b>-123</b>	<b>32</b>		<b>-123</b>	<b>-215</b>	<b>-43</b>	<b>-123</b>	<b>-215</b>	<b>-43</b>	<b>-262</b>
<i>Write-offs:</i>										
Total write-offs	-354	-432	-18	-354	-255	39	-354	-255	39	-1 828
Reversal of specific provisions utilized for write-offs	203	167	22	203	169	20	203	169	20	1 043
Recovered from previous write-offs	79	48	65	79	77	3	79	77	3	304
<b>Net write-offs</b>	<b>-72</b>	<b>-217</b>	<b>-67</b>	<b>-72</b>	<b>-9</b>		<b>-72</b>	<b>-9</b>		<b>-481</b>
<b>Net credit losses</b>	<b>-195</b>	<b>-185</b>	<b>5</b>	<b>-195</b>	<b>-224</b>	<b>-13</b>	<b>-195</b>	<b>-224</b>	<b>-13</b>	<b>-743</b>
<b>Change in value of seized assets</b>	<b>-2</b>	<b>-3</b>	<b>-33</b>	<b>-2</b>	<b>12</b>	<b>-117</b>	<b>-2</b>	<b>12</b>	<b>-117</b>	<b>42</b>
<b>Net credit losses incl. change in value</b>	<b>-197</b>	<b>-188</b>	<b>5</b>	<b>-197</b>	<b>-212</b>	<b>-7</b>	<b>-197</b>	<b>-212</b>	<b>-7</b>	<b>-701</b>

## Balance sheet - Group

<b>Condensed SEK m</b>	<b>31 March 2005</b>	<b>1 January 2005 *</b>	<b>31 December 2004</b>	<b>31 March 2004</b>
Cash and cash balances with central banks	16 401	12 979	12 979	14 044
Loans and advances to credit institutions	239 382	208 554	208 226	218 854
Loans and advances to the public	786 144	786 551	783 355	743 101
Financial assets at fair value **	410 286	387 801	336 814	370 066
Available-for-sale financial assets **	151 195	135 290	175 400	56 536
Held-to-maturity investments **	14 265	13 781	15 536	16 962
Investments in associates	1 320	1 315	1 266	1 455
Tangible and intangible assets	22 185	21 432	17 574	16 966
Other assets	43 984	47 821	55 401	42 693
<b>Total assets</b>	<b>1 685 162</b>	<b>1 615 524</b>	<b>1 606 551</b>	<b>1 480 677</b>
Deposits by credit institutions	390 306	361 755	370 483	339 291
Deposits and borrowing from the public	531 540	516 836	516 513	536 589
Liabilities to policyholders	153 490	145 730	145 730	64 937
Debt securities	300 015	268 124	268 368	241 487
Financial liabilities at fair value	152 599	177 137	101 366	162 144
Other liabilities	70 331	63 918	120 896	55 269
Provisions	1 645	758	628	600
Subordinated liabilities	32 544	30 868	30 804	28 795
Total equity	52 692	50 398	51 763	51 565
<b>Total liabilities and equity</b>	<b>1 685 162</b>	<b>1 615 524</b>	<b>1 606 551</b>	<b>1 480 677</b>
* Including effects of IAS 32 and IAS 39.				
** Of which interest bearing	323 966	439 090	430 085	486 032

## Restatement to IFRS - Group

<b>Total equity SEK m</b>	<b>31 December 2004</b>	<b>31 March 2004</b>
Equity according to previous accounting principles	51 008	51 450
New accounting principles (IFRS excl IAS 32 and 39)	- 160	- 160
New accounting principles (IFRS 2), Employee stock options	55	14
New accounting principles in profit and loss	775	187
<b>Equity according to IFRS</b>	<b>51 678</b>	<b>51 491</b>
Minority interests	85	74
<b>Total equity according to IFRS</b>	<b>51 763</b>	<b>51 565</b>

## Memorandum items - Group

<b>SEK m</b>	<b>31 March 2005</b>	<b>31 December 2004</b>	<b>31 March 2004</b>
Collateral and comparable security pledged for own liabilities	269 909	272 326	108 345
Other pledged assets and comparable collateral	116 866	111 773	112 833
Contingent liabilities	45 202	43 082	41 521
Commitments	226 576	221 815	219 345

## Total equity – Group

SEK m	31 March 2005	1 January 2005 *	31 December 2004	31 March 2004
Opening balance	85	85	73	73
New accounting principles (IFRS excl IAS 39)			- 5	- 4
Net change	9		17	5
<b>Minority interests</b>	<b>94</b>	<b>85</b>	<b>85</b>	<b>74</b>
Opening balance	1 015			
New accounting principles (IAS 39), Cash flow hedges and Afs valuation		1 015		
Net change in reserves	176			
<b>Revaluation reserves</b>	<b>1 191</b>	<b>1 015</b>	<b>0</b>	<b>0</b>
Opening balance	49 298	51 678	48 464	48 464
New accounting principle (IAS 19), Pensions			1 383	1 383
New accounting principles (IFRS excl IAS 32 and 39)			- 160	- 160
New accounting principles (IFRS 2), Employee stock options			55	14
New accounting principles (IAS 32), Swap agreements		-1 424		
New accounting principles (IAS 39), Non IAS 39 compliant hedges		- 956		
Dividend to shareholders			-2 818	
Dividend, own holdings of shares			152	
Result, holding of own shares	- 107		- 3	- 145
Swap hedging of employee stock option programme	210		- 37	30
Neutralisation of PL impact of employee stock option programme	16			
Utilisation of employee stock options	49			
Eliminations of repurchased shares for stock option programme**			- 674	
Eliminations of repurchased shares for improvement of the capital structure***	- 218		-1 804	
Net group contribution to non-consolidated subsidiaries			- 129	
Translation difference****	160		- 116	- 50
Net profit attributable to equity holders <sup>1)</sup>	1 999		7 365	1 955
<b>Core equity</b>	<b>51 407</b>	<b>49 298</b>	<b>51 678</b>	<b>51 491</b>
<b>Total equity</b>	<b>52 692</b>	<b>50 398</b>	<b>51 763</b>	<b>51 565</b>
1) Net profit attributable to equity holders				
Reported	1 999		6 590	1 768
New accounting principles (IFRS excl IAS 39)			775	187
Total	1 999		7 365	1 955

\* Including effects of IAS 32 and IAS 39.

\*\* As of 31 March 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 are deducted from shareholders equity. In 2005 0.5 million employee stock options have been utilised. The market value corresponding to the 18.9 million shares net was SEK 2,533m as of 31 March 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 are deducted from shareholders equity, the market value as of 31 March 2005 was SEK 2,459m.

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

## Cash flow analysis - Group

SEKm	Jan - Mar			Full year
	2005	2004	%	2004
Cash flow from the profit and loss statement	3 160	3 377	-6	7 808
Increase (-)/decrease (+) in portfolios	-47 111	-88 245	-47	-78 920
Increase (+)/decrease (-) in issued short term securities	12 191	6 324	93	23 411
Increase (-)/decrease (+) in lending to credit institutions	-30 824	-39 091	-21	-28 321
Increase (-)/decrease (+) in lending to the public	140	-34 685	-100	-76 846
Increase (+)/decrease (-) in liabilities to credit institutions	28 552	77 643	-63	110 336
Increase (+)/decrease (-) in deposits and borrowings from the public	14 703	42 873	-66	23 484
Increase (-)/decrease (+) in insurance portfolios*	-4 550			
Change in other balance sheet items	6 598	16 950	-61	-5 856
Cash flow, current operations	-17 141	-14 854	15	-24 904
Cash flow, investment activities	-986	-8		-383
Cash flow, financing activities	21 376	19 018	12	28 652
<b>Cash flow</b>	<b>3 249</b>	<b>4 156</b>	<b>-22</b>	<b>3 365</b>
Liquid funds at beginning of year	12 979	9 707	34	9 707
Exchange difference in liquid funds	173	181	-4	-93
Cash flow	3 249	4 156	-22	3 365
<b>Liquid funds at end of period</b>	<b>16 401</b>	<b>14 044</b>	<b>17</b>	<b>12 979</b>

\* From 2005 classification is in accordance with IAS 39.

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

## Impaired loans and seized assets - Group

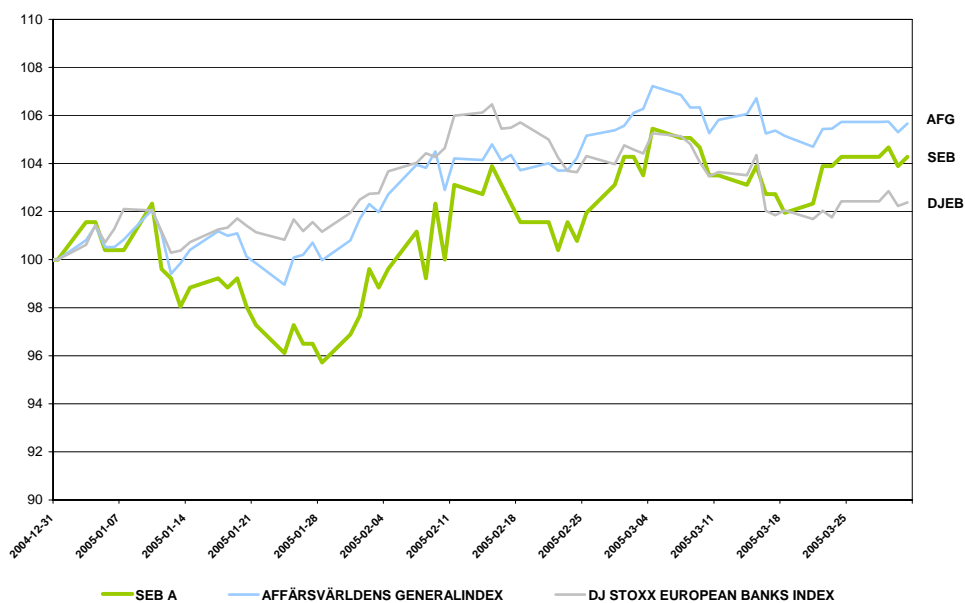
SEK m	31 March 2005	1 January proforma**	31 December 2004	31 March 2004
Non-performing impaired loans	8 250	8 086	8 086	8 693
Performing impaired loans	701	745	745	1 194
<b>Impaired loans gross*</b>	<b>8 951</b>	<b>8 831</b>	<b>8 831</b>	<b>9 887</b>
Specific reserves for lending losses	-4 550	-4 547	-4 893	-5 174
of which reserves for non-performing loans	-4 103	-4 180	-4 526	-4 556
of which reserves for performing loans	-447	-367	-367	-618
Collective reserves	-2 481	-2 448	-1487	-1979
<b>Impaired loans net</b>	<b>1 920</b>	<b>1 836</b>	<b>2 451</b>	<b>2 734</b>
<b>Reserves not included in the above:</b>				
Reserves for country risk			-615	-658
Reserves for off-balance sheet items	-269	-255	-255	-304
<b>Total reserves</b>	<b>-7 300</b>	<b>-7 250</b>	<b>-7 250</b>	<b>-8 115</b>
<b>Level of impaired loans</b>	<b>0.24%</b>	<b>0.23%</b>	<b>0.31%</b>	<b>0.37%</b>
(Impaired loans, net in relation to lending, net at end of period)				
<b>Reserve ratio for impaired loans</b>	<b>78.5%</b>	<b>79.2%</b>	<b>72.2%</b>	<b>72.3%</b>
(Specific + collective reserves in relation to impaired loans gross, per cent)				
<i>Specific reserve ratio for impaired loans</i>	50.8%	51.5%	55.4%	52.3%
Pledges taken over				
Buildings and land	113	106	106	112
Shares and participations	41	40	40	72
<b>Total volume of pledges taken over</b>	<b>154</b>	<b>146</b>	<b>146</b>	<b>184</b>

\* Individually impaired loans.

\*\* As a consequence of IFRS, reserves for country risk and homogeneous groups have been reclassified to collective reserve. Reserves for homogeneous groups were previously classified as specific reserves.



## The SEB share



## Rating

Moody's Outlook Stable		Standard & Poor's Outlook Stable		Fitch Outlook Stable	
Short	Long	Short	Long	Short	Long
<b>P-1</b>	Aaa	A-1+	AAA	F1+	AAA
P-2	Aa1	<b>A-1</b>	AA+	<b>F1</b>	AA+
P-3	Aa2	A-2	AA	F2	AA
	<b>Aa3</b>	A-3	AA-	F3	AA-
	A1		A+		<b>A+</b>
	A2		<b>A</b>		A
	A3		A-		A-
	Baa1		BBB+		BBB+
	Baa2		BBB		BBB
	Baa3		BBB-		BBB-

## SEB's major shareholders

March 2005	Share of capital, per cent
Investor AB	19,6
Trygg Foundation	9,3
Robur Funds	2,3
AFA Försäkring	2,2
SHB/SPP Funds	2,1
SEB Funds	1,6
Nordea Funds	1,5

Non-Swedish shareholders 19,9

Source: VPC/SIS Ågarservice