

Annual Accounts 2011

STOCKHOLM 7 FEBRUARY 2012

2011 – operating profit SEK 15.3bn (11.4)

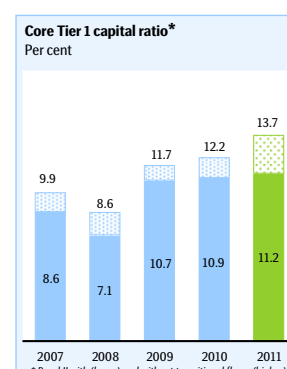
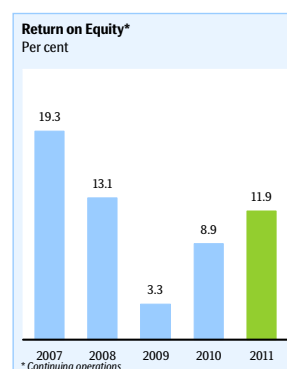
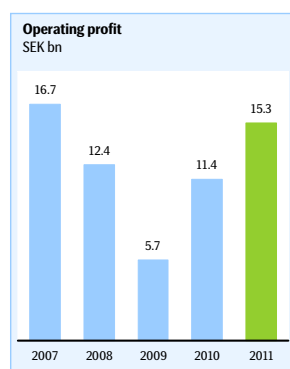
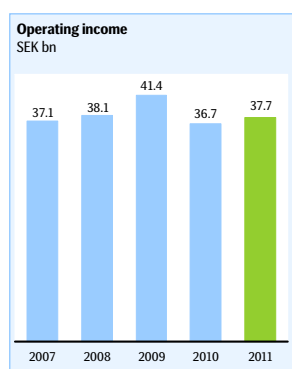
- Operating profit rose by 35 per cent to SEK 15.3bn (11.4). Net profit from continuing operations amounted to SEK 12.3bn (8.8). Including discontinued operations net profit amounted to SEK 11.1bn (6.8).
- Operating income rose by 3 per cent to SEK 37.7bn (36.7). Net interest income amounted to SEK 16.9bn, an increase of 6 per cent.
- Operating expenses decreased by 3 per cent to SEK 23.1bn.
- SEK 0.8bn of net credit provisions were released, corresponding to a credit loss level of -0.08 per cent (0.15).
- Return on equity in continuing operations was 11.9 per cent (8.9) and earnings per share SEK 5.59 (4.00). Return on equity including discontinued operations was 10.8 per cent (6.8) and earnings per share SEK 5.06 (3.07).
- Deposits from the public increased by SEK 150bn and lending to the public increased by SEK 111bn.
- The core Tier 1 capital ratio was 13.7 per cent (12.2) and the Tier 1 capital ratio was 15.9 per cent (14.2).
- The core liquidity reserve amounted to SEK 377bn and SEB's total liquid resources amounted to SEK 616bn.
- The Board of Directors proposes a dividend to the shareholders of SEK 1.75

The fourth quarter 2011– operating profit SEK 3.2bn (4.4)

- Operating profit decreased by 28 per cent compared with the corresponding quarter 2010 and by 15 per cent compared to the previous quarter. Including discontinued operations net profit amounted to SEK 2.3bn (3.5).
- Operating income amounted to SEK 9.3bn (10.0) and operating expenses to SEK 5.9bn (6.1).

“Our position as *the* Relationship Bank was further enhanced in 2011. Business volumes grew and we made good progress in our focused Nordic and German expansion. In an environment marked by uncertainty and volatility, the Bank's resilience has been further reinforced through balance sheet measures and even stronger asset quality.”

Annika Falkengren



President's comment

2011 was yet another year marked by global imbalances and volatile markets. The year started with more positive economic sentiment, but uncertainty returned when the devastating earthquake hit Japan. In Europe, risks for the real economy grew as political initiatives for a long-term solution to the sovereign debt crisis in Southern Europe were found lacking. Deteriorating sovereign credit quality and elevated economic and market uncertainty increased funding costs for banks in general while bond rates reached the lowest levels in decades. Equity markets suffered as indices plunged by double digits in late summer.

Resilience from an even stronger balance sheet

In this environment, resilience based on a strong balance sheet, stable earnings and a long-term perspective is perhaps more important than ever for a bank. In 2011, SEB proved yet again that it has that resilience and prioritises long-term customer relationships.

Our capital ratios have increased further and now rank among Europe's highest. Throughout this protracted market volatility and uncertainty, we have never hesitated to take the costs of building liquidity buffers and extending our funding in order to maintain the capacity to support and grow our customer relationships. SEB's strong balance sheet was recognised by Standard & Poor's in their credit rating upgrade of SEB in December.

Growing business volumes supports income growth

SEB's operating profit of SEK 15.3bn, up 35 per cent compared to 2010, reflects strong customer demand. Customers in all segments – large corporations, financial institutions, SMEs and private individuals – have increased their business with us. Deposit volumes grew by SEK 150bn, corporate lending volumes by SEK 62bn, household lending increased by SEK 46bn; and customer-driven net interest income increased by 13 per cent. SEB also attracted SEK 43bn in net new assets under management. As a result, operating income increased by 3 per cent to SEK 37.7bn. Operating costs of SEK 23.1bn were in line with the target to keep costs below SEK 24bn in 2011. Our ambition is to keep costs at this lower level until 2014.

Corporate customers remain cautiously optimistic

Our corporate customers are well positioned in terms of markets and the investment cycle and well prepared for a prolongation of the uncertain economic climate. Risk management solutions have been in high demand throughout the year. This supported our foreign exchange and capital market businesses which once again proved the stability of SEB's customer flow-driven trading business. Corporate customers increasingly utilised bank credits for funding as the proportion of corporate bond issuance to total corporate refinancing fell to one third from one half in 2010. We continued to make good progress in our expansion in the Nordic countries and Germany: A net of 114 new large corporate clients have been added in 2011.



Also, Swedish SMEs have increasingly chosen SEB as their financial partner. The market share strengthened from 11 to over 12 per cent and this is in line with the long-term target to reach 15 per cent. We now support some 120,000 SMEs in Sweden.

Private customers remained active

Customer demand and activity levels remained robust in 2011. Market uncertainty increased private customers' demand for financial advice.

Overall, customers were inclined to reallocate from equities to less risky forms of investments. Our term-deposit account attracted more than SEK 26bn while our Private Banking offering attracted 1,300 new customers and SEK 24bn in new assets under management. Mortgage lending increased by 18 per cent or SEK 49bn. We continue to safeguard customers' repayment capacity by requiring amortizations and restrictions on the household debt ratio.

Asset quality improved from very high levels

Asset quality in general remained very high. Non-performing loans fell each quarter throughout the year and at year-end were 25 per cent lower than a year ago. Net credit losses in the Nordic countries and Germany were stable at 6 basis points, in line with last year's level. The net release of provisions for credit losses in the Baltic countries was SEK 1.5bn. Further releases are not expected. Nevertheless, Baltic asset quality continued to recover towards the end of the year.

Strategic priorities are unchanged

Our commitment to enhance long-term values for customers and shareholders remains strong. Through persistent customer focus and cost efficiency, we will continue to pursue our long-term goal to be *the* Relationship bank in our part of the world.

The highly uncertain economic landscape and challenging new banking regulation will further increase the future cost in the banking industry. In this perspective, it is a challenge to, on top of European regulation, adapt to an even stricter Swedish regulatory framework with earlier implementation than for our European peers.

SEB's direction is firm. We prioritise long-term customer relations and disciplined growth in targeted markets while maintaining a high degree of resilience.

The Group

Fourth quarter isolated

Operating profit amounted to SEK 3,165m (4,392). *Net profit from continuing operations* decreased to SEK 2,634m (3,640).

Net profit (after tax), including the negative effect from the discontinued operations at SEK 300m (-131), was SEK 2,334m (3,509).

Operating income

Total operating income amounted to SEK 9,334m (10,000) and increased 1 per cent from the previous quarter.

Net interest income at SEK 4,318m (4,505) was 4 per cent lower than the fourth quarter 2010 and 5 per cent higher than the previous quarter. Customer loans and deposits combined contributed SEK 614m more to net interest income compared with the corresponding quarter 2010 as the average lending volume was 8 per cent higher and deposit volumes 13 per cent up. Compared to the third quarter, average customer loans and deposits volumes increased by 1 and 4 per cent, respectively, and customer driven net interest income by SEK 193m.

Net interest income from other activities was down SEK 801m compared with the corresponding quarter 2010 and was stable compared with the previous quarter. The decrease compared with a year ago relates primarily to negative post-closing effects from the sale of the German retail operations. In addition, asset quality of the liquidity portfolio was gradually upgraded with higher quality bonds. Compared to the third quarter, these negative effects were more than fully offset by higher contribution from the customer flow-driven Trading & Capital Markets business.

Net fee and commission income at SEK 3,637m (3,895) decreased by 7 per cent compared with the corresponding quarter 2010 and rose by 4 per cent from the previous quarter. Performance and transaction fees were seasonally higher in the fourth quarter and were in line with the corresponding quarter last year.

Net financial income at SEK 589m (506) increased by 16 per cent compared with the corresponding quarter 2010 and decreased 35 per cent compared with the third quarter. Within the customer trading operations, the FX trading result was strong, benefiting from high activity and market volatility. Net financial income was negatively affected by realised and unrealised losses of SEK 214m on securities directly impacted by the European sovereign debt crisis in the quarter.

Net life insurance income at SEK 992m increased by 51 and 27 per cent, compared with the previous quarter and the corresponding quarter last year, respectively. There has been a recovery in the non-unit linked income compared with the sharp drop in the third quarter. Unit linked income continued to increase.

Net other income at SEK -202m (314) reflected effects from hedge accounting and was negatively affected by realised losses of SEK 226m on so called GIIPS-related securities classified as Available-for-Sale.

Operating expenses

Total operating expenses, at SEK 5,928m, decreased by 3 per cent compared with the corresponding quarter last year. Staff costs also decreased by 3 per cent compared with the same period. The 7 per cent higher operating expenses compared with the previous quarter primarily reflected seasonally higher IT-costs.

Credit losses and provisions

Provisions for credit losses amounted to SEK 240m for the quarter (501 were reversed in the corresponding quarter 2010). The asset quality in the Baltic countries continued to improve and the relatively small write-back of provisions reflected SEB's conservative stance with regard to the increasing European macroeconomic woes. Net credit losses outside the Baltic countries were low and stable.

Individually assessed impaired loans decreased by SEK 1,448m to SEK 11,090m during the quarter. Individually assessed impaired loans in the Baltic region decreased by SEK 1bn, or 12 per cent. Successful restructuring and positive risk migration were the main reasons for the change.

The Group's *portfolio assessed loans past due >60 days* decreased by SEK 321m during the quarter to SEK 6,483m, of which SEK 4,366m relates to the Baltic countries' operations. The outstanding amount of restructured Baltic household loans was down by SEK 29m to SEK 501m.

The *total reserve ratio for individually assessed impaired loans* and the *total non-performing loans coverage ratio* increased during the quarter to 71 and 64 per cent, respectively.

Discontinued operations

Discontinued operations, at SEK -300m, included the combined effects during the quarter from the divestment of the Ukrainian and German retail businesses. In line with the announcement in November of the agreement to sell retail banking operations in Ukraine, these operations have been classified as discontinued operations. A loss of SEK 265m which will be realised at the completion of the transaction is recognised in the fourth quarter result. The completion of the sale is conditional upon regulatory approvals and is expected to be finalised by mid-2012.

For comparative purposes, the Group's income statement has been restated reflecting the divestment of SEB's Ukrainian retail business. Both the Ukrainian and the German retail businesses that have been sold are reported as discontinued operations.

The full year 2011

Operating profit for 2011 amounted to SEK 15,345m (11,389), an increase of 35 per cent. The effect of the stronger Swedish krona lowered operating profit by SEK 485m compared with last year. *Net profit from continuing operations* rose to SEK 12,299m (8,820).

Net profit (after tax) including the negative effect of SEK 1,155m (2,022) from the discontinued German and Ukrainian retail operations was SEK 11,144m (6,798) an increase of 64 per cent year on year.

Operating income

Total operating income amounted to SEK 37,686m (36,735), an increase of 3 per cent compared with 2010.

Net interest income at SEK 16,901m (15,930) was 6 per cent higher than 2010. Customer loans and deposits combined contributed SEK 1,820m more to net interest income compared with 2010 as the average lending volume was 7 per cent higher and deposit volumes 8 per cent up.

Net interest income from other activities was SEK 849m lower compared with 2010 due to several effects. Higher short-term rates had a positive impact. There were negative effects from reduced bond holdings, a shift of the liquidity portfolio towards AAA-rated securities and terming-out of funding. Also, the post-closing effects from the sale of the German retail operations were negative. The fee to the Swedish government's stabilisation fund doubled from 2010, and amounted to SEK 515m, which also reduced net interest income.

Net fee and commission income, at SEK 14,175m, was flat compared with 2010 (14,120). A decrease in securities commissions and payment fees was offset by higher lending fees.

Net financial income increased to SEK 3,548m (3,148), mainly due to high activity in foreign exchange and capital markets businesses during the year. Net financial income was negatively affected by realised and unrealised losses of SEK 612m on securities directly impacted by the European sovereign debt crisis in 2011.

Net life insurance income decreased by 2 per cent to SEK 3,197m (3,255), primarily due to lower asset valuations in financial markets and low interest rates.

Net other income was negative at SEK 135m (282) and included realised losses of SEK 357m in 2011 from the sale of the so-called GIIPS securities. Other income also included normal hedge accounting effects.

Operating expenses

Total operating expenses decreased by 3 per cent to SEK 23,121m (23,751).

Staff costs were unchanged from the prior year at SEK 13,933m (13,920). Higher *other expenses* include costs for improvements in the IT infrastructure.

Credit losses and provisions

A net release of *provisions for credit losses* of SEK 778m reflected the continued improved asset quality in the Baltic countries. During the year, the total net releases in the Baltic division were SEK 1,485m.

Individually assessed impaired loans decreased by SEK 6,128m to SEK 11,090m during the year, mainly due to the continued improvement in the Baltic countries, where impaired loans decreased by SEK 3,551m, or 33 per cent. Positive risk migration following the economic stabilisation was the main reason for the change.

The Group's *portfolio assessed loans past due >60 days* decreased by SEK 51m during the year to SEK 6,483m. In the Baltic countries the portfolio assessed loans decreased by SEK 129m. The outstanding amount of restructured Baltic household loans was SEK 501m, unchanged in 2011.

The *total reserve ratio for individually assessed impaired loans* increased to 71 per cent (69), while the *total non-performing loans coverage ratio* for the Group has decreased to 64 per cent (66).

Income tax expense

Total income tax amounted to SEK 3,046m (2,569) corresponding to an effective tax rate of 20 per cent (23).

Discontinued operations

Discontinued operations, at SEK -1,155m, included the combined result from the divestments of retail operations in both Germany and Ukraine. For both divestments, work and discussions to finalise the closing and operational separation are on-going.

Business volumes

Total assets as at 31 December 2011 amounted to SEK 2,363bn (2,180). Loans to the public increased to SEK 1,186bn (1,075). Corporate lending increased by SEK 62bn and household loans by SEK 46bn. Deposits from the public increased to SEK 862bn (712).

The Ukrainian retail assets and liabilities held for sale amounted to SEK 2bn.

SEB's total credit portfolio increased, to SEK 1,702bn (1,589, excluding the German retail portfolio). There was an increase of SEK 76bn, or 8 per cent, in the combined corporate and property management segments during the year. Both lending and commitments increased.

SEB's net position in fixed-income securities for investment, treasury and client facilitation purposes amounted to SEK 247bn (278), of which the bond investment portfolio was SEK 28bn (48). During the year, the strategic structural shift in the overall net position of fixed income securities from unsecured financials and structured bonds into sovereign and covered bonds continued. The total bond exposure to Greece, Italy, Ireland, Portugal and Spain amounted to SEK 14bn in nominal amounts (19), of which sovereign holdings amounted to SEK 1bn with a recorded value of SEK 417m.

As at year-end, assets under management amounted to SEK 1,261bn (1,399). The net inflow of assets was SEK 43bn. The decrease in value amounted to SEK 198bn and the acquisition of Irish Life International added SEK 17bn. Assets under custody amounted to SEK 4,490bn (5,072).

Market risk

During 2011, Value at Risk in the trading operations averaged SEK 211m. On average, the Group should not expect to lose more than this amount during a ten-day period, with 99 per cent probability.

The trading business is solely customer flow-driven, confirmed by the fact that there were only two loss-making days in 2011 with an average loss of SEK 5m.

Liquidity and long-term funding

SEB's loan-to-deposit ratio was 129 per cent (138), excluding repos and debt instruments. An important factor was the deposit base which increased by SEK 136bn. As per year-end, the matched funding of net cash inflows and outflows remained above two years. SEK 126bn of new long-term funding was raised during the year, while SEK 98bn matured.

In order to increase transparency regarding liquidity management, a common definition of liquidity reserves has been agreed within the Swedish Bankers' Association. The liquidity reserve at 31 December amounted to SEK 377bn. SEB's total liquid resources, including net trading assets and unutilised collateral in the cover pool, amounted to SEK 616bn. The Group's best estimate of the Liquidity Coverage Ratio (LCR), which is proposed to be included in the Swedish Basel III implementation from 2013, amounted to 95 per cent at year-end, while the USD and EUR LCR were above 100 per cent.

Capital position

As per year-end, the Basel II core Tier 1 capital ratio was 13.7 per cent (12.2) and the Tier 1 capital ratio was 15.9 per cent (14.2). The Group's risk-weighted assets (RWA) amounted to SEK 679bn (716). Adjusted for the RWA effect of SEK 37bn from the sale of the German retail operations, RWA was virtually unchanged.

Adjusted for the supervisory transitional rules, SEB reported RWA of SEK 828bn (800), a Core Tier 1 capital ratio of 11.2 per cent (10.9) and a Tier 1 capital ratio of 13.0 per cent (12.8).

Dividend

The Board proposes to the AGM a dividend of SEK 1.75 per Class A and Class C share, which corresponds to a pay-out ratio of 35 per cent. The total dividend amounts to SEK 3,836m (3,291), calculated on the total number of issued shares as per 31 December 2011, including repurchased shares. The SEB share will be traded ex-dividend on 30 March 2012. The proposed record date for the dividend is 3 April 2012 and dividend payments will be disbursed on 10 April 2012.

The proposal shall be seen with reference to the outlook for the economic environment, the Group's earnings generation and capital situation. The Board's dividend policy is that the dividend per share shall, over a business cycle, correspond to around 40 per cent of earnings per share.

Rating

In December 2011, Standard & Poor's upgraded SEB's long-term senior unsecured rating to A+. SEB's long-term senior unsecured ratings are now 'A1', 'A+' and 'A+' by Moody's, Standard & Poor's and Fitch, respectively. All ratings have a stable outlook.

Risks and uncertainties

The macroeconomic environment is the major driver of risk to the Group's earnings and financial stability. In particular, it affects the asset quality and thereby the credit risk of the Group. The medium-term outlook for the global economy is characterised by uncertainty – while Nordic economies are still robust, austerity measures in many countries may increase sovereign risk and create subdued economic growth, which could impact SEB's main markets. Such an impact has been evident following the increased uncertainty during 2011. Also, sovereign risk may impact valuations of bond holdings.

SEB also assumes market, liquidity, operational and life insurance risks. The risk composition of the Group, as well as the related risk management, is further described in SEB's annual report.

SEB's competitive situation may be negatively affected by specific Swedish tailoring and earlier implementation of the internationally agreed Basel III regulatory framework in relation to capital, liquidity and funding standards.

Effects from future changes in pension accounting

During 2011, IASB issued an amendment to IAS 19, Employee Benefits, on accounting for defined benefit obligations that may be implemented from 1 January 2013 (pending expected EU endorsement in Q1 2012). The new accounting standard stipulates that any unrecognized deficit between the market value of assets held to meet future pension obligations and the value of these pensions obligations should be deducted from equity at Group level (these differences have been built up due to the currently authorised use of the 'corridor method' of accounting). At the parent company level, Swedish rules according to the Act on Safeguarding of Pension Commitments (Tryggandelagen) remains in force.

If the new standard had been applied at the end of 2011, a deduction against equity of SEK 5.3bn would have been the result. The regulatory treatment which will have an effect on the capital ratios remains to be finalised.

Changes in management accounting 2012

Following the increased clarification of the Basel III regulation for capital, liquidity and funding and to be implemented in Sweden starting 2013, SEB will amend the framework for capital and liquidity management. In 2012, the capital allocation will reflect the new capital requirements and the internal funds transfer pricing will reflect the increased buffers of liquidity required going forward. The impact on divisional reporting will be clarified closer to the release of next interim report.

Stockholm, 7 February 2012

The President declares that the Annual Accounts 2011 provides a fair overview of the Parent Company's and the Group's operations, their financial position and results and describes material risks and uncertainties facing the Parent Company and the Group.

Annika Falkengren

President and Chief Executive Officer

Press conference and webcasts

The press conference at 9.30 (CET) on 7 February 2012 at Kungsträdgårdsgatan 8 with President and CEO Annika Falkengren can be followed live in Swedish on www.sebgroup.se/ir and translated into English on www.sebgroup.com/ir. It will also be available afterwards.

Access to telephone conference

The telephone conference at 15.00 (CET) on 7 February 2012 with President and CEO Annika Falkengren and CFO Jan Erik Back can be accessed by telephone, +44(0)20 7162 0025. Please quote conference id: 910708, not later than 10 minutes in advance. A replay of the conference call will be available on www.sebgroup.com/ir.

Financial information calendar

7 March 2012	Annual Report on www.sebgroup.com
29 March 2012	Annual General Meeting
24 April 2012	Interim report Jan-Mar 2012
16 July 2012	Interim report Jan-Jun 2012
25 October 2012	Interim report Jan-Sep 2012
31 January 2013	Annual Accounts 2012

Events after the quarter

As of 7 February 2012, the Group Executive Committee includes Annika Falkengren, Johan Andersson, Jan Erik Back, Magnus Carlsson, Viveka Hirdman-Ryrberg, Martin Johansson, Anders Johnsson, Ulf Peterson and Mats Torstendahl.

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SEB's Fact Book is available on www.sebgroup.com/ir

Accounting policies

This Interim Report is presented in accordance with IAS 34 Interim Financial Reporting.

The Group's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations of these standards as adopted by the European Commission. The accounting follows the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the regulation and general guidelines issued by the Swedish Financial Supervisory Authority: Annual reports in credit institutions and securities companies (FFFS 2008:25). In addition, the Supplementary accounting rules for groups (RFR 1) from the Swedish Financial Reporting Board have been applied. The Parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's regulations and general guidelines (FFFS 2008:25) on annual

reports in credit institutions and securities companies and the supplementary accounting rules for legal entities (RFR 2) from the Swedish Financial Reporting Board.

As from 2011, the following changes have been introduced in the accounting standards: IAS 24 (revised 2010) Related Party Disclosures, IAS 32 (amendment) Financial Instruments: Classification, IFRS 7 (amendment) Financial instruments: Disclosures, IFRIC 14 (amendment) Prepayments of a Minimum Funding Requirement, and IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments. The changes have not had a material effect on the consolidated financial statements for 2011.

In all other respects, the Group's and the Parent company's accounting policies, basis for calculations and presentations are, in all material aspects, unchanged in comparison with the 2010 Annual Report.

The SEB Group

Income statement – SEB Group

SEK m	Q4			Q3		Q4		Jan - Dec		
	2011	2011	%	2010	%	2011	2010			
Net interest income	4 318	4 122	5	4 505	-4	16 901	15 930	6		
Net fee and commission income	3 637	3 489	4	3 895	-7	14 175	14 120	0		
Net financial income	589	903	-35	506	16	3 548	3 148	13		
Net life insurance income	992	659	51	780	27	3 197	3 255	-2		
Net other income	- 202	34		314		- 135	282			
Total operating income	9 334	9 207	1	10 000	-7	37 686	36 735	3		
Staff costs	-3 423	-3 393	1	-3 538	-3	-13 933	-13 920	0		
Other expenses	-2 030	-1 705	19	-1 938	5	-7 424	-7 213	3		
Depreciation, amortisation and impairment of tangible and intangible assets	- 475	- 435	9	- 644	-26	-1 764	-1 854	-5		
Restructuring costs				- 9	-100		- 764	-100		
Total operating expenses	-5 928	-5 533	7	-6 129	-3	-23 121	-23 751	-3		
Profit before credit losses	3 406	3 674	-7	3 871	-12	14 565	12 984	12		
Gains less losses from disposals of tangible and intangible assets	- 1	2		20		2	14			
Net credit losses	- 240	33		501		778	-1 609			
Operating profit	3 165	3 709	-15	4 392	-28	15 345	11 389	35		
Income tax expense	- 531	- 861	-38	- 752	-29	-3 046	-2 569	19		
Net profit from continuing operations	2 634	2 848	-8	3 640	-28	12 299	8 820	39		
Discontinued operations	- 300	- 24		- 131	129	-1 155	-2 022	-43		
Net profit	2 334	2 824	-17	3 509	-33	11 144	6 798	64		
Attributable to minority interests	10	7	43	6	67	37	53	-30		
Attributable to shareholders	2 324	2 817	-18	3 503	-34	11 107	6 745	65		
Continuing operations										
Basic earnings per share, SEK	1.20	1.29		1.66		5.59	4.00			
Diluted earnings per share, SEK	1.20	1.29		1.64		5.56	3.98			
Total operations										
Basic earnings per share, SEK	1.06	1.28		1.60		5.06	3.07			
Diluted earnings per share, SEK	1.06	1.28		1.58		5.04	3.06			

Statement of comprehensive income

SEK m	Q4			Q3		Q4		Jan - Dec		
	2011	2011	%	2010	%	2011	2010			
Net profit	2 334	2 824	-17	3 509	-33	11 144	6 798	64		
Available-for-sale financial assets	203	322	-37	- 377	-154	722	- 629			
Cash flow hedges	203	1 302	-84	- 731	-128	1 529	-1 215			
Translation of foreign operations	- 437	44		215		- 140	- 733	-81		
Taxes on translation effects	- 363	123		- 186	95	- 76	-1 574	-95		
Other	- 177	- 216	-18	- 61	190	- 454	100			
Other comprehensive income (net of tax)	- 571	1 575	-136	- 1 140	-50	1 581	-4 051	-139		
Total comprehensive income	1 763	4 399	- 60	2 369	-26	12 725	2 747			
Attributable to minority interests	8	12	-33	- 3		36	14	157		
Attributable to shareholders	1 755	4 387	-60	2 372	-26	12 689	2 733			

Key figures – SEB Group

	Q4 2011	Q3 2011	Q4 2010	Jan - Dec	
				2011	2010
Continuing operations					
Return on equity, continuing operations, %	9.74	10.86	14.81	11.89	8.89
Basic earnings per share, continuing operations, SEK	1.20	1.29	1.66	5.59	4.00
Diluted earnings per share, continuing operations, SEK	1.20	1.29	1.64	5.56	3.98
Cost/income ratio, continuing operations	0.64	0.60	0.61	0.61	0.65
Number of full time equivalents, continuing operations*	16,807	16,790	16,588	16,704	16,323
Total operations					
Return on equity, %	8.63	10.77	14.28	10.77	6.84
Return on total assets, %	0.40	0.50	0.63	0.50	0.30
Return on risk-weighted assets, %	1.13	1.40	1.73	1.39	0.83
Basic earnings per share, SEK	1.06	1.28	1.60	5.06	3.07
Weighted average number of shares, millions**	2,193	2,194	2,194	2,194	2,194
Diluted earnings per share, SEK	1.06	1.28	1.58	5.04	3.06
Weighted average number of diluted shares, millions***	2,203	2,205	2,212	2,204	2,202
Net worth per share, SEK	54.92	53.81	50.34	54.92	50.34
Average shareholders' equity, SEK, billion	107.8	104.6	98.1	103.1	98.7
Credit loss level, %	0.08	-0.01	-0.07	-0.08	0.15
Total reserve ratio individually assessed impaired loans, %	71.1	68.6	69.2	71.1	69.2
Net level of impaired loans, %	0.37	0.43	0.62	0.37	0.62
Gross level of impaired loans, %	0.79	0.90	1.26	0.79	1.26
Basel II (Legal reporting with transitional floor) :****					
Risk-weighted assets, SEK billion	828	827	800	828	800
Core Tier 1 capital ratio, %	11.25	11.25	10.93	11.25	10.93
Tier 1 capital ratio, %	13.01	13.06	12.75	13.01	12.75
Total capital ratio, %	12.50	12.77	12.40	12.50	12.40
Basel II (without transitional floor):					
Risk-weighted assets, SEK billion	679	667	716	679	716
Core Tier 1 capital ratio, %	13.71	13.94	12.20	13.71	12.20
Tier 1 capital ratio, %	15.87	16.18	14.24	15.87	14.24
Total capital ratio, %	15.24	15.83	13.85	15.24	13.85
Number of full time equivalents*	17,571	17,620	19,220	17,633	19,125
Assets under custody, SEK billion	4,490	4,321	5,072	4,490	5,072
Assets under management, SEK billion	1,261	1,241	1,399	1,261	1,399
Discontinued operations					
Basic earnings per share, discontinued operations, SEK	-0.14	-0.01	-0.06	-0.53	-0.93
Diluted earnings per share, discontinued operations, SEK	-0.14	-0.01	-0.06	-0.52	-0.92

* Quarterly numbers are for last month of quarter. Accumulated numbers are average for the period.

** The number of issued shares was 2,194,171,802. SEB owned 267,360 Class A shares for the employee stock option programme at year end 2010. During 2011 SEB has repurchased 3,000,000 shares and 922,994 shares have been sold as employee stock options have been exercised. Thus, as at 31 December 2011 SEB owned 2,344,366 Class A-shares with a market value of SEK 94m.

*** Calculated dilution based on the estimated economic value of the long-term incentive programmes.

**** 80 per cent of RWA in Basel I

Income statement on quarterly basis - SEB Group

SEK m	Q4	Q3	Q2	Q1	Q4
	2011	2011	2011	2011	2010
Net interest income	4 318	4 122	4 215	4 246	4 505
Net fee and commission income	3 637	3 489	3 554	3 495	3 895
Net financial income	589	903	825	1 231	506
Net life insurance income	992	659	764	782	780
Net other income	- 202	34	143	- 110	314
Total operating income	9 334	9 207	9 501	9 644	10 000
Staff costs	-3 423	-3 393	-3 525	-3 592	-3 538
Other expenses	-2 030	-1 705	-1 904	-1 785	-1 938
Depreciation, amortisation and impairment of tangible and intangible assets	- 475	- 435	- 425	- 429	- 644
Restructuring costs					- 9
Total operating expenses	-5 928	-5 533	-5 854	-5 806	-6 129
Profit before credit losses	3 406	3 674	3 647	3 838	3 871
Gains less losses from disposals of tangible and intangible assets	- 1	2	- 5	6	20
Net credit losses	- 240	33	558	427	501
Operating profit	3 165	3 709	4 200	4 271	4 392
Income tax expense	- 531	- 861	- 789	- 865	- 752
Net profit from continuing operations	2 634	2 848	3 411	3 406	3 640
Discontinued operations	- 300	- 24	- 41	- 790	- 131
Net profit	2 334	2 824	3 370	2 616	3 509
Attributable to minority interests	10	7	6	14	6
Attributable to shareholders	2 324	2 817	3 364	2 602	3 503
Continuing operations					
Basic earnings per share, SEK	1.20	1.29	1.55	1.55	1.66
Diluted earnings per share, SEK	1.20	1.29	1.54	1.54	1.64
Total operations					
Basic earnings per share, SEK	1.06	1.28	1.53	1.19	1.60
Diluted earnings per share, SEK	1.06	1.28	1.52	1.18	1.58

Income statement, by Division – SEB Group

Jan-Dec 2011, SEK m	Merchant Banking	Retail Banking	Wealth Management	Life*	Baltic	Other incl eliminations	SEB Group
Net interest income	7 533	5 846	636	- 33	1 980	939	16 901
Net fee and commission income	5 378	3 175	3 717		894	1 011	14 175
Net financial income	4 000	302	87		365	-1 206	3 548
Net life insurance income				4 504		-1 307	3 197
Net other income	618	96	7		- 33	- 823	- 135
Total operating income	17 529	9 419	4 447	4 471	3 206	-1 386	37 686
Staff costs	-3 915	-2 694	-1 406	-1 193	- 699	-4 026	-13 933
Other expenses	-4 841	-3 568	-1 502	- 536	-1 113	4 136	-7 424
Depreciation, amortisation and impairment of tangible and intangible assets	- 227	- 79	- 49	- 785	- 133	- 491	-1 764
Total operating expenses	-8 983	-6 341	-2 957	-2 514	-1 945	- 381	-23 121
Profit before credit losses	8 546	3 078	1 490	1 957	1 261	-1 767	14 565
Gains less losses from disposals of tangible and intangible assets	- 1				2	1	2
Net credit losses	- 224	- 476	- 9		1 485	2	778
Operating profit	8 321	2 602	1 481	1 957	2 748	-1 764	15 345

* Business result in Life amounted to SEK 3,145m (3,182), of which change in surplus values was net SEK 1,188m (1,045).

Merchant Banking

Merchant Banking has two large business areas - Trading and Capital Markets and Global Transaction Services. Other business units, e.g. the CRM function, Commercial Real Estate, Corporate Finance and Structured Finance, are consolidated in Corporate Banking.

Income statement

SEK m	Q4			Q3			Q4			Jan- Dec		
	2011	2011	%	2010	%	2010	%	2011	2010	%	2010	%
Net interest income	2 033	1 883	8	1 966	3	7 533	7 328	3				
Net fee and commission income	1 406	1 371	3	1 503	- 6	5 378	5 275	2				
Net financial income	904	1 016	- 11	607	49	4 000	3 366	19				
Net other income	237	211	12	155	53	618	322	92				
Total operating income	4 580	4 481	2	4 231	8	17 529	16 291	8				
Staff costs	- 872	- 983	- 11	- 1 084	- 20	- 3 915	- 3 959	- 1				
Other expenses	- 1 215	- 1 150	6	- 1 230	- 1	- 4 841	- 4 649	4				
Depreciation, amortisation and impairment of tangible and intangible assets	- 80	- 46	74	- 63	27	- 227	- 170	34				
Total operating expenses	- 2 167	- 2 179	- 1	- 2 377	- 9	- 8 983	- 8 778	2				
Profit before credit losses	2 413	2 302	5	1 854	30	8 546	7 513	14				
Gains less losses from disposals of tangible and intangible assets	- 1			23		- 1	20					
Net credit losses	- 87	- 53	64	- 99	- 12	- 224	- 203	10				
Operating profit	2 325	2 249	3	1 778	31	8 321	7 330	14				
Cost/Income ratio	0,47	0,49		0,56		0,51	0,54					
Business equity, SEK bn	27,3	27,6		25,7		26,7	25,8					
Return on business equity, %	24,5	23,5		19,9		22,4	20,5					
Number of full time equivalents	2 508	2 503		2 394		2 493	2 343					

- Customers adjusted to the market uncertainties which increased business activity
- SEB delivered on its growth plans in the Nordic countries and Germany
- Higher operating profit reflecting increased volumes and maintained strong asset quality

Comments on 2011

The European debt crisis and global growth concerns characterised 2011. Most stock exchanges closed the year with double digit negative indices and M&A activity remained subdued. Times like these reinforce the importance of SEB's strategy to pursue active customer relationships with a long-term perspective. The customers were active and continued to request services across most business areas. This resulted in solid profitability with maintained strong asset quality.

Operating income increased by 8 per cent on a year-on-year basis and compared with the last quarter of 2010. Operating expenses for the full year were up by 2 per cent compared with 2010 and decreased by 9 per cent in the last quarter 2011 compared with the same period 2010. Operating profit amounted to SEK 8,321m, up 14 per cent year-on-year.

SEB's trading business is customer flow-driven and it generated stable operating profits for Trading & Capital Markets. Customer activity levels increased in the foreign exchange and capital markets areas as customers adapted to the uncertain markets. Higher volatility spurred stock market volumes and SEB Enskilda Equities continued as the market

leader on the Nordic and Baltic exchanges. Operating profit grew by 4 per cent in 2011 compared with 2010.

Global Transaction Services benefited from higher interest rates and a continued strong momentum in all geographies and customer segments. Assets under custody reflected the lower stock market values and amounted to SEK 4,490bn (5,072). Operating profit was 41 per cent higher in 2011 compared with 2010.

Corporate Banking continued the strong performance also in the fourth quarter and delivered an all-time-high yearly result due to increased business volumes. During the year, lending to the public increased with SEK 50bn while demand for M&A and Equity Capital Market services decreased. Operating profit was 14 per cent higher than in 2010.

SEB's growth initiatives in the Nordic and German wholesale segments are successful and during the year, 114 new customers have been added. In the fall of 2011, SEB received its local banking license in Hong Kong from where it will offer a wide range of products to corporate clients and global financial institutions.

Retail Banking

The Retail Banking division consists of two business areas - Sweden and Card.

Income statement

SEK m	Q4			Q3			Q4			Jan- Dec		
	2011	2011	%	2010	%	2010	%	2011	2010	%	2010	%
Net interest income	1 564	1 497	4	1 332	17	5 846	5 008	17				
Net fee and commission income	825	740	11	848	- 3	3 175	3 240	- 2				
Net financial income	81	74	9	74	9	302	273	11				
Net other income	19	23	- 17	14	36	96	48	100				
Total operating income	2 489	2 334	7	2 268	10	9 419	8 569	10				
Staff costs	- 674	- 658	2	- 647	4	- 2 694	- 2 650	2				
Other expenses	- 878	- 868	1	- 928	- 5	- 3 568	- 3 381	6				
Depreciation, amortisation and impairment of tangible and intangible assets	- 21	- 20	5	- 21	0	- 79	- 84	- 6				
Total operating expenses	- 1 573	- 1 546	2	- 1 596	- 1	- 6 341	- 6 115	4				
Profit before credit losses	916	788	16	672	36	3 078	2 454	25				
Gains less losses from disposals of tangible and intangible assets							- 1					
Net credit losses	- 183	- 111	65	- 144	27	- 476	- 543	- 12				
Operating profit	733	677	8	528	39	2 602	1 910	36				
Cost/Income ratio	0,63	0,66		0,70		0,67	0,71					
Business equity, SEK bn	10,4	10,2		9,8		10,2	9,7					
Return on business equity, %	20,8	19,6		16,0		18,9	14,5					
Number of full time equivalents	3 553	3 521		3 441		3 532	3 404					

- Strong growth in deposit and mortgage volumes due to continued high customer demand
- Corporate customer needs and the SME offering led to above market growth in corporate lending volumes
- Operating profit increased

Comments on 2011

The positive economic outlook and rising interest rates in the early part of 2011 were replaced by increasingly negative consumer and SME confidence indicators following the Euro sovereign debt crisis. Also in this environment, SEB's customers continued to be active and the division's operating profit increased significantly to SEK 2,602m (1,910).

The strategic focus on long-term customer relationships led to improved offers to retail customers, such as the launch of a new bank services to young adults as well as individual advice to 400,000 home bank customers.

During the year customers were advised to lower their risk profile and reallocate holdings from mutual fund and direct equity investments to traditional savings, such as term deposit accounts. Deposits increased by SEK 21bn to SEK 196bn. The mortgage portfolio grew by SEK 49bn (24), whereof SEK 7bn relates to the acquisition of the Swedish mortgage portfolio from DNB.

SEB's customers have high credit scores and are located in the large cities. In general, mortgage customers have a

home banking relationship with SEB. More than 95 per cent of the mortgage loans have loan-to values below 75 per cent. SEB continues to safeguard customers' repayment capacity by requiring amortizations and restrictions on the ratio of total household debt to gross income.

SEB has further strengthened its position with SME customers and is on track to reach the long-term market share target of 15 per cent. During 2011, the market share increased to 12 per cent (11). Corporate credits grew by 25 per cent and the number of SME customers by 11,000 to 117,000. SEB was for the third time in a row named SME bank of the year.

Growth of both deposit and lending volumes increased net interest income. Commission fees were stable. As a result, operating profit for Retail Sweden grew by 66 per cent in 2011 compared with 2010.

The operating profit in the card business amounted to an all time high of SEK 1,023m (957). Credit losses were 27 per cent lower than last year. Card turnover increased by 6 per cent and the average transaction amount continued to fall reflecting increasing card usage for sundry expenses.

Wealth Management

The Wealth Management division has two business areas – Private Banking and Institutional Clients.

Income statement

SEK m	Q4			Q3			Q4			Jan- Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Net interest income	167	166	1	136	23	636	485	31				
Net fee and commission income	1 009	849	19	1 115	-10	3 717	3 752	-1				
Net financial income	17	33	-48	30	-43	87	89	-2				
Net other income		-21		4		7	58	-88				
Total operating income	1 193	1 027	16	1 285	-7	4 447	4 384	1				
Staff costs	-356	-317	12	-344	3	-1 406	-1 298	8				
Other expenses	-390	-356	10	-422	-8	-1 502	-1 528	-2				
Depreciation, amortisation and impairment of tangible and intangible assets	-17	-10	70	-23	-26	-49	-84	-42				
Total operating expenses	-763	-683	12	-789	-3	-2 957	-2 910	2				
Profit before credit losses	430	344	25	496	-13	1 490	1 474	1				
Gains less losses from disposals of tangible and intangible assets												
Net credit losses	-2	-5	-60	7		-9	3					
Operating profit	428	339	26	503	-15	1 481	1 477	0				
Cost/Income ratio	0,64	0,67		0,61		0,66	0,66					
Business equity, SEK bn	5,1	5,0		5,3		5,0	5,3					
Return on business equity, %	24,3	19,5		27,4		21,3	20,2					
Number of full time equivalents	995	1 002		1 005		1 006	963					

- 1,300 new customers selected SEB Private Banking as their long-term partner in a turbulent environment
- SEK 34bn of new assets under management from Private Banking and Institutional Clients
- Stable operating profit despite a difficult market environment

Comments on 2011

In the volatile market environment that characterised 2011 SEB focused on providing pro-active and client-focused advice. This contributed to a stable level of net new money with net inflows every quarter.

Operating profit was stable compared to 2010. Operating income increased by 1 per cent primarily from strong development of the net interest income. Base commissions and brokerage fees were in line with 2010. Performance and transaction related revenues for the year amounted to SEK 399m (409). Total expenses increased by 2 per cent compared to previous year.

During the year Institutional Clients created a more integrated customer offer including mutual funds, structured

products and exchange traded funds (ETF) leading to higher effectiveness and better customer support. SEB's first three ETFs under the name SpotR and a second hedge fund of fund with Private Equity upside were successfully launched.

Private Banking attracted 1,300 new clients during the year. The strength of the Private Banking offer was again confirmed by SEB attracting SEK 24bn (26) in net new assets under management in 2011, as well as by Global Private Banking which again named SEB best Nordic Private Bank.

Total assets under management amounted to SEK 1,175bn (1,321). The investment performance of two thirds of assets under management were ahead of their respective benchmarks.

Life

Life consists of three business areas - SEB Trygg Liv (Sweden), SEB Pension (Denmark) and SEB Life & Pension International (International).

Income statement

SEK m	Q4			Q3			Q4			Jan- Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Net interest income	-7	-8	-13	-5	40	-33	-11	200				
Net life insurance income	1 253	988	27	1 106	13	4 504	4 550	-1				
Total operating income	1 246	980	27	1 101	13	4 471	4 539	-1				
Staff costs	-307	-289	6	-278	10	-1 193	-1 123	6				
Other expenses	-153	-137	12	-141	9	-536	-589	-9				
Depreciation, amortisation and impairment of tangible and intangible assets	-203	-198	3	-176	15	-785	-690	14				
Total operating expenses	-663	-624	6	-595	11	-2 514	-2 402	5				
Operating profit	583	356	64	506	15	1 957	2 137	-8				
Change in surplus values, net	399	217	84	294	36	1 188	1 045	14				
Business result	982	573	71	800	23	3 145	3 182	-1				
Cost/Income ratio	0,53	0,64		0,54		0,56	0,53					
Business equity, SEK bn	6,4	6,4		6,0		6,4	6,0					
Return on business equity, %												
based on operating profit	32,1	19,6		29,7		26,9	31,3					
based on business result	54,0	31,5		46,9		43,2	46,7					
Number of full time equivalents	1 323	1 331		1 226		1 270	1 190					

Surplus values in the Danish traditional business are included from 2011 and historical figures are restated.

- New markets and customers through the acquisition of Irish Life International
- Customers reallocated their assets from equity funds to fixed income and mixed funds
- Continued income growth in core unit-linked business

Comments on 2011

The work to strengthen advisory and client service support activities to assist clients in times of turbulence in the financial markets continued. Long-term customer relationships were further developed by initiatives in the retirement market. The distribution capacity and product offering in the affluent segment across Europe was reinforced by the acquisition of Irish Life International (ILI).

Operating profit for the year decreased by 8 per cent compared with last year. Unit-linked income, which represents 57 per cent of total income and 84 per cent of total sales, increased by 3 per cent due to the acquisition of ILI, while income from traditional and risk insurance and other income fell by 6 per cent. Operating profit for the fourth quarter improved significantly, up 64 per cent compared to the previous quarter, primarily due to good performance in the traditional portfolios. Solvency ratios were stable over the year.

In Sweden, unit-linked income was stable and SEB Trygg Liv continued to be the market leader within unit-linked insurance. The market share of new sales at 30 September 2011 was 21.6 per cent (22.9). Additional guarantee provisions in the Swedish traditional business amounted to SEK 53m (previous year recoveries of SEK 76m), which was the main driver for the 10 per cent lower operating profit.

Operating profit in Denmark increased by 10 per cent. Income from unit-linked, traditional and risk insurance increased whereas return from own account investments decreased.

Operating profit for International almost halved, partly explained by the expenses related to the ILI acquisition, but also due to lower income.

The premium income relating to new and existing policies amounted to SEK 29bn which was 5 per cent lower than 2010. The weighted sales volume of new policies decreased by 13 per cent to SEK 42bn, and reflects lower volumes in Sweden. The share of corporate paid policies was 68 per cent (65).

During the year, unit-linked fund value increased by SEK 7.4bn to 186.8bn. The net inflow was SEK 7.7bn and the depreciation of value was 17.9bn. In addition, the Irish acquisition contributed with SEK 17.5 bn. Total assets under management (net assets) amounted to SEK 420bn which was a decrease of 1 per cent from year-end 2010.

Baltic

The Baltic division encompasses the retail and corporate banking operations in Estonia, Latvia and Lithuania as well as the Baltic real estate holding company. In the Fact Book, the full Baltic geographical segmentation is also reported, including the operations in Corporate Finance, Structured Finance, Wealth Management and Life.

Income statement

SEK m	Q4			Q3			Q4			Jan- Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Net interest income	514	524	- 2	492	4	1 980	1 923	3				
Net fee and commission income	227	218	4	235	- 3	894	964	- 7				
Net financial income	104	92	13	60	73	365	401	- 9				
Net other income	- 11	- 5	120	11		- 33	52					
Total operating income	834	829	1	798	5	3 206	3 340	- 4				
Staff costs	- 189	- 177	7	- 163	16	- 699	- 728	- 4				
Other expenses	- 322	- 278	16	- 290	11	- 1 113	- 1 177	- 5				
Depreciation, amortisation and impairment of tangible and intangible assets	- 35	- 33	6	- 235	- 85	- 133	- 296	- 55				
Total operating expenses	- 546	- 488	12	- 688	- 21	- 1 945	- 2 201	- 12				
Profit before credit losses	288	341	- 16	110	162	1 261	1 139	11				
Gains less losses from disposals of tangible and intangible assets		2		- 4		2	- 5					
Net credit losses	32	202	- 84	736	- 96	1 485	- 873					
Operating profit	320	545	- 41	842	- 62	2 748	261					
Cost/Income ratio	0,65	0,59		0,86		0,61	0,66					
Business equity, SEK bn	8,2	8,0		11,8		8,1	11,8					
Return on business equity, %	14,4	24,4		25,7		30,0	2,2					
Number of full time equivalents	3 061	3 109		3 203		3 145	3 208					

- 70,000 new customers selected SEB as their home bank and there was a strong increase in deposit volumes
- SEB selected as paying agent for the Lithuanian government's deposit insurance fund following Snoras Bank's default
- Operating profit before credit losses increased and asset quality improvements supported net write backs

Comments on 2011

The Baltic economies all had a strong export led growth during the course of 2011, although there was a marked slow-down during the fourth quarter. Consumer confidence was strong in the first half of the year, but trended downward in the second half.

Operating profit of SEK 2,748m (261) in 2011 included a net release of credit provisions of SEK 1,485m (-873). Non-performing loans declined by 23 per cent, while the total reserve ratio decreased to 63 per cent (66).

Operating income for the year decreased to SEK 3,206m (3,340). In local currency, operating income increased. Some 70,000 new home bank customers joined SEB during the year. Net financial income was 9 per cent lower than in 2010, with less FX transactions undertaken in Estonia, which joined the Eurozone on 1 January 2011.

Deposit volumes increased throughout the year in Estonia and also increased markedly in the fourth quarter in Lithuania and Latvia. The overall Baltic deposit volume of SEK 66bn increased by 15 per cent in the year. Deposit margins increased throughout 2011, but still remain below pre-crisis

levels. Customer demand for loans was robust through the first three quarters, although somewhat lower in the fourth quarter. Gross loan volumes were SEK 101bn at year-end 2011, roughly unchanged to year-end 2010. Loan margins have strengthened during the year.

Operating expenses of SEK 1,945m were 12 per cent lower than last year, but costs were up in the fourth quarter due in part to the default of Lithuania's fifth-largest bank (Snoras Bank) and its Latvian subsidiary. In Lithuania, SEB was selected as the main paying agent for the government's deposit insurance fund which resulted in a temporary increase of staff expenses and also in an increase in the deposit volumes. By the end of the year 80 per cent of the fund was disbursed.

SEB received several banking awards during the year. Most notably, the Banker named SEB as the Best Bank in both Estonia and in Latvia for 2011.

At year end, SEB's Baltic real estate holding companies held assets with a total book value of SEK 1,455m (399). The operating loss in 2011 was SEK 63m (25).

Operating profit by geography 2011

As the Relationship bank, SEB offers universal financial advice and a wide range of financial services in Sweden and the Baltic countries. In Denmark, Finland, Norway and Germany, the bank's operations have a strong focus on corporate and investment banking based on a full-service offering to corporate and institutional clients.

- The Nordic business generated 78 per cent of operating income
- Nordic corporate banking growth increased the Nordic corporate credit portfolio by 9 per cent
- Operating profit increased in all countries

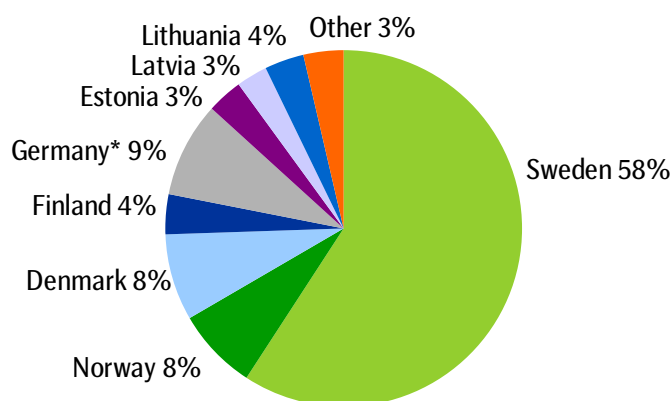
Comments to 2011

In Sweden focus was on activities building customer relations. Merchant Banking again reaffirmed its No. 1 position with Swedish large corporates and financial institutions with a continued large share of wallet. More than 60 per cent of the largest corporations in Sweden maintain a core banking relationship with SEB (TNS SIFO Prospera 2012). Retail's net interest income increased by 17 per cent reflecting higher loan and deposit volumes. Wealth management increased income with higher volume as well as performance fees despite negative stock exchange development. Deposit volumes for all sectors increased as well as lending volumes, except for banks. Expenses were higher due to new hires and higher IT costs. The Banker named SEB as the Best Bank in Sweden.

In Norway, 2011 ended with a strong quarter driven by high activity within several business areas. Corporate Banking took part in a large number of major transactions during the year with new and existing customers. Operating income increased compared to last year and is combined with a 10 per cent reduction in costs. Operating profit for 2011 increased by 22 per cent compared to 2010.

Following a strong fourth quarter, Denmark increased operating profit in local currency to an all-time high. Continued strong performance within Corporate Banking more than off-set lower income in the trading related activities, and Life had the best result ever. With higher volumes and reduced credit losses, Cards showed stronger performance, whereas Wealth Management was negatively effected by lower overall activity.

Share of total operating income – by geography 2011



* Excluding centralised Treasury operations

In Finland, operating profit in local currency increased during the year. Corporate Banking and Trading & Capital Markets continued the positive trend while Corporate Finance had low activity level. Wealth Management's operating profit also increased compared to last year.

The growth initiatives are on track in all three Nordic countries. During 2011, 62 new large corporate customers were added.

Also in Germany, growth activities have momentum resulting in an inflow of 52 new high quality key customers. Operating profit in 2011 increased (excluding restructuring costs). In parallel, efficiency measures were commenced to reduce staff by 300 FTEs.

In Estonia, Latvia and Lithuania, operating profit improved. (See the information on the Baltic division).

Distribution by country Jan - Dec										Operating profit in local currency		
SEK m	Total operating income			Total operating expenses			Operating profit			2011	2010	%
	2011	2010	%	2011	2010	%	2011	2010	%			
Sweden	22 262	20 373	9	-15 336	-14 043	9	6 489	6 005	8	6 489	6 005	8
Norway	2 906	2 845	2	-1 164	-1 315	-11	1 648	1 387	19	1 422	1 168	22
Denmark	2 909	3 020	-4	-1 495	-1 606	-7	1 349	1 298	4	1 113	1 012	10
Finland	1 372	1 272	8	- 646	- 592	9	724	664	9	80	70	14
Germany*	3 262	2 958	10	-1 865	-2 697	-31	1 348	145		149	15	
Estonia	1 214	1 187	2	- 590	- 632	- 7	852	469	82	94	49	92
Latvia	1 006	1 066	-6	- 535	- 601	-11	861	99		67	7	
Lithuania	1 442	1 380	4	- 933	-1 066	-12	1 377	- 112		527	- 40	
Other countries and eliminations	1 313	2 634	-50	- 557	-1 199	-54	697	1 434	-51			
Total	37 686	36 735	3	-23 121	-23 751	-3	15 345	11 389	35			

*Excluding centralised Treasury operations

The SEB Group

Net interest income – SEB Group

SEK m	Q4			Q3			Q4			Jan - Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Interest income	14 866	14 406	3	11 622	28	56 163	45 891	22				
Interest expense	-10 548	-10 284	3	-7 117	48	-39 262	-29 961	31				
Net interest income	4 318	4 122	5	4 505	-4	16 901	15 930	6				

Net fee and commission income – SEB Group

SEK m	Q4			Q3			Q4			Jan - Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Issue of securities	92	28		168	-45	252	357	-29				
Secondary market	525	485	8	544	-3	1 821	1 761	3				
Custody and mutual funds	1 795	1 711	5	1 919	-6	7 218	7 066	2				
Securities commissions	2 412	2 224	8	2 631	-8	9 291	9 184	1				
Payments	399	390	2	362	10	1 575	1 531	3				
Card fees	1 060	1 022	4	941	13	4 034	3 982	1				
Payment commissions	1 459	1 412	3	1 303	12	5 609	5 513	2				
Advisory	97	122	-20	137	-29	432	482	-10				
Lending	461	474	-3	462	0	1 963	1 680	17				
Deposits	27	27		26	4	106	103	3				
Guarantees	106	98	8	106		398	427	-7				
Derivatives	208	222	-6	117	78	715	518	38				
Other	128	120	7	180	-29	509	716	-29				
Other commissions	1 027	1 063	-3	1 028	0	4 123	3 926	5				
Fee and commission income	4 898	4 699	4	4 962	-1	19 023	18 623	2				
Securities commissions	-348	-326	7	-341	2	-1 385	-1 216	14				
Payment commissions	-592	-593	0	-449	32	-2 301	-2 240	3				
Other commissions	-321	-291	10	-277	16	-1 162	-1 047	11				
Fee and commission expense	-1 261	-1 210	4	-1 067	18	-4 848	-4 503	8				
Securities commissions, net	2 064	1 898	9	2 290	-10	7 906	7 968	-1				
Payment commissions, net	867	819	6	854	2	3 308	3 273	1				
Other commissions, net	706	772	-9	751	-6	2 961	2 879	3				
Net fee and commission income	3 637	3 489	4	3 895	-7	14 175	14 120	0				

Net financial income – SEB Group

SEK m	Q4			Q3			Q4			Jan - Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Equity instruments and related derivatives	-17	-357	-95	-32	-47	-21	629					
Debt instruments and related derivatives	-64	793		-70	-9	1 057	478	121				
Currency related	848	613	38	600	41	2 981	2 089	43				
Other	-178	-146	22	8		-469	-48					
Net financial income	589	903	-35	506	16	3 548	3 148	13				

Net credit losses – SEB Group

SEK m	Q4		Q3		Q4		Jan - Dec	
	2011	2011	%	2010	%	2011	2010	%
<i>Provisions:</i>								
Net collective provisions for individually assessed loans	- 7	87		846	-101	707	705	0
Net collective provisions for portfolio assessed loans	- 11	- 25	-56	- 70	-84	68	- 831	
Specific provisions	- 195	17		- 675	-71	- 800	-2 093	-62
Reversal of specific provisions no longer required	173	157	10	454	-62	1 421	1 447	-2
Net provisions for off-balance sheet items	19	21		15	27	68	- 15	
Net provisions	- 21	257	-108	570	-104	1 464	- 787	
<i>Write-offs:</i>								
Total write-offs	- 749	- 823	-9	- 309	142	-2 705	-2 160	25
Reversal of specific provisions utilized for write-offs	487	579	-16	215	127	1 909	1 228	55
Write-offs not previously provided for	- 262	- 244		- 94		- 796	- 932	-15
Recovered from previous write-offs	43	20	115	25	72	110	110	
Net write-offs	- 219	- 224		- 69		- 686	- 822	-17
Net credit losses	- 240	33		501		778	-1 609	-148

Staff costs

SEK m	Jan - Dec		
	2011	2010	%
Salaries*	-10 480	-10 150	3
Short-term incentive*	-1 381	-1 644	-16
Long-term incentive*	- 281	- 234	20
Pension costs	-1 020	-1 093	-7
Redundancy costs*	- 136	- 134	1
Other staff costs	- 635	- 665	-5
Staff costs	-13 933	-13 920	0

* including social charges

SEK m	Jan - Dec		
	2011	2010	%
Short-term incentive (STI) to staff	-1 123	-1 391	-19
Social benefit charges on STI	- 258	- 253	2
Short-term incentive remuneration	-1 381	-1 644	-16

SEK m	Jan - Dec		
	2011	2010	%
Long-term incentive (LTI) to staff	- 286	- 183	56
Social benefit charges on LTI	5	- 51	-110
Long-term incentive remuneration	- 281	- 234	20

Balance sheet – SEB Group

SEK m	31 Dec 2011	31 Dec 2010
Cash and cash balances with central banks	148 042	46 488
Other loans to central banks	80 548	20 664
Loans to other credit institutions ¹⁾	128 763	183 524
Loans to the public	1 186 223	1 074 879
Financial assets at fair value *	670 633	617 746
Available-for-sale financial assets *	57 377	66 970
Held-to-maturity investments *	282	1 451
Assets held for sale	2 005	74 951
Investments in associates	1 289	1 022
Tangible and intangible assets	29 016	27 035
Other assets	58 475	65 091
Total assets	2 362 653	2 179 821
Deposits from credit institutions	201 274	212 624
Deposits and borrowing from the public	861 682	711 541
Liabilities to policyholders	269 683	263 970
Debt securities	589 873	530 483
Financial liabilities at fair value	232 247	200 690
Liabilities held for sale	1 962	48 339
Other liabilities	69 883	85 331
Provisions	1 779	1 748
Subordinated liabilities	25 109	25 552
Total equity	109 161	99 543
Total liabilities and equity	2 362 653	2 179 821

* Of which bonds and other interest bearing securities including derivatives.

456 915 416 849

1) Loans to credit institutions and liquidity placements with other direct participants in interbank fund transfer systems.

A more detailed balance sheet is included in the Fact Book.

Off-balance sheet items – SEB Group

SEK m	31 Dec 2011	31 Dec 2010
Collateral pledged for own liabilities	204 265	231 334
Other pledged collateral	221 626	214 989
Contingent liabilities	94 004	82 048
Commitments	390 352	388 619

Statement of changes in equity – SEB Group

SEK m	Share capital	Retained earnings	Available-for-sale financial assets	Cash flow hedges	Translation of foreign operations	Total Shareholders' equity		Minority interests	Total Equity
						Other			
Jan-Dec 2011									
Opening balance	21 942	80 571	-1 725	- 422	-1 145	56	99 277	266	99 543
Net profit		11 107					11 107	37	11 144
Other comprehensive income (net of tax)			722	1 529	- 140	- 529	1 582	- 1	1 581
Total comprehensive income		11 107	722	1 529	- 140	- 529	12 689	36	12 725
Dividend to shareholders		-3 242					-3 242		-3 242
Employee share programme*		189					189		189
Minority interests		15					15	- 41	- 26
Change in holdings of own shares*		- 28					- 28		- 28
Closing balance	21 942	88 612	-1 003	1 107	-1 285	- 473	108 900	261	109 161
Jan-Dec 2010									
Opening balance	21 942	76 699	-1 096	793	- 412	1 491	99 417	252	99 669
Net profit		6 745					6 745	53	6 798
Other comprehensive income (net of tax)			- 629	-1 215	- 733	-1 435	-4 012	- 39	-4 051
Total recognised income		6 745	- 629	-1 215	- 733	-1 435	2 733	14	2 747
Dividend to shareholders		-2 194					-2 194		-2 194
Employee share programme*		- 713					- 713		- 713
Change in holdings of own shares*		34					34		34
Closing balance	21 942	80 571	-1 725	- 422	-1 145	56	99 277	266	99 543

* The acquisition cost for the purchase or own shares is deducted from shareholders' equity.

The item includes changes in nominal amounts of equity swaps used for hedging of stock option programmes.

During 2010, SEB repurchased 0.6 million Series A shares for the long-term incentive programmes as decided at the Annual General Meeting. As stock options were exercised, 1.1 million shares were sold in 2010. As of 31 December 2010 SEB owned 0.3 million Class A shares with a market value of SEK 15m. Another 1.0 million shares have been sold as stock options were exercised in 2011. During 2011, SEB also repurchased 3.0 million Series A shares for the long-term incentive programmes as decided at the Annual General Meeting. As of 31 December 2011 SEB owned 2.3 million Class A-shares with a market value of SEK 94m.

Cash flow statement – SEB Group

SEK m	Jan - Dec		
	2011	2010	%
Cash flow from operating activities	218 830	- 3 472	
Cash flow from investment activities	- 1 952	935	
Cash flow from financing activities	- 3 671	- 23 490	- 84
Net increase in cash and cash equivalents	213 207	- 26 027	
Cash and cash equivalents at the beginning of year	63 646	89 673	- 29
Net increase in cash and cash equivalents	213 207	- 26 027	
Cash and cash equivalents at the end of period¹⁾	276 853	63 646	

1) Cash and cash equivalents at the end of period is defined as Cash and cash balances with central banks and Loans to credit institutions - payable on demand.

Reclassified portfolios – SEB Group

SEK m	Q4			Q3			Q4			Jan - Dec		
	2011	2011	%	2010	%	2011	2010	%	2011	2010	%	
Reclassified, SEK m												
Opening balance	49 190	55 317	-11	95 003	-48	78 681	125 339	-37				
Reclassified												
Amortisations	- 475	-1 684	-72	-3 004	-84	-6 360	-6 618	-4				
Securities sold	-4 778	-5 446	-12	-11 164	-57	-29 058	-25 325	15				
Accrued coupon	- 51	35		- 79	-35	- 4	- 44	-91				
Exchange rate differences	-1 717	968		-2 075	-17	-1 090	-14 671	-93				
Closing balance*	42 169	49 190	-14	78 681	-46	42 169	78 681	-46				
* Market value	39 284	48 585	-19	77 138	-49	39 284	77 138	-49				
Fair value impact - if not reclassified, SEK m												
In Equity (AFS origin)	- 279	- 429	-35	458	-161	21	2 901	-99				
In Income Statements (HFT origin)	24	- 1		- 511	-105	127	49	159				
Total	- 255	- 430	-41	- 53		148	2 950	-95				
Effect in Income Statements, SEK m*												
Net interest income	267	157	70	232	15	1 214	1 578	-23				
Net financial income	- 901	734		-1 447	-38	-1 147	-9 060	-87				
Other income	- 128	- 73	75	- 180	-29	- 473	- 282	68				
Total	- 762	818	-193	-1 395	-45	- 406	-7 764	-95				

* The effect in the Income Statement is the profit or loss transactions from the reclassified portfolio reported gross. Net interest income is the interest income from the portfolio without taking into account the funding costs. Net financial income is the foreign currency effect related to the reclassified portfolio but does not include the off-setting foreign currency effects from financing activities. Other income is the realised gains or losses from sales in the portfolio.

Non-performing loans – SEB Group

SEK m	31 Dec 2011	31 Dec 2010
Individually assessed impaired loans		
Impaired loans, past due > 60 days	9 831	14 464
Impaired loans, performing or past due < 60 days	1 259	2 754
Total individually assessed impaired loans	11 090	17 218
Specific reserves	- 5 938	- 8 883
<i>for impaired loans, past due > 60 days</i>	- 5 311	- 7 741
<i>for impaired loans, performing or past due < 60 days</i>	- 627	- 1 142
Collective reserves	- 1 948	- 3 030
Impaired loans net	3 204	5 305
Specific reserve ratio for individually assessed impaired loans	53.5%	51.6%
Total reserve ratio for individually assessed impaired loans	71.1%	69.2%
Net level of impaired loans	0.39%	0.62%
Gross level of impaired loans	0.84%	1.26%
Portfolio assessed loans		
Portfolio assessed loans past due > 60 days	6 483	6 534
Restructured loans	501	502
Collective reserves for portfolio assessed loans	- 3 351	- 3 577
Reserve ratio for portfolio assessed loans	48.0%	50.8%
Reserves		
Specific reserves	- 5 938	- 8 883
Collective reserves	- 5 299	- 6 607
Reserves for off-balance sheet items	- 369	- 476
Total reserves	- 11 606	- 15 966
Non-performing loans		
Non-performing loans*	18 074	24 254
NPL coverage ratio	64.2%	65.8%
NPL % of lending	1.36%	1.80%

* Impaired loans + portfolio assessed loans > 60 days + restructured portfolio assessed loans

Seized assets – SEB Group

SEK m	31 Dec 2011	31 Dec 2010
Properties, vehicles and equipment	1 603	647
Shares	53	56
Total seized assets	1 656	703

Discontinued operations – SEB Group

Income statement

SEK m	Q4			Q3		Q4		Jan - Dec		
	2011	2011	%	2010	%	2011	2010			
Total operating income	84	148	-43	570	-85	- 535	2 482	-122		
Total operating expenses	- 532	- 99		- 633	-16	-1 093	-4 093	-73		
Profit before credit losses	- 448	49		- 63		-1 628	-1 611	1		
Net credit losses	- 3	1		- 242	-99	180	- 590			
Operating profit	- 451	50		- 305	48	-1 448	-2 201	-34		
Income tax expense	151	- 74		174	-13	293	179	64		
Net profit from discontinued operations	- 300	- 24		- 131	129	-1 155	-2 022	-43		

Assets and liabilities held for sale

SEK m	31 Dec 2011	31 Dec 2010
Loans to the public	734	73 866
Other assets	1 271	1 085
Total assets held for sale	2 005	74 951
Deposits from credit institutions	1 275	6 303
Deposits and borrowing from the public	663	40 777
Other liabilities	24	1 259
Total liabilities held for sale	1 962	48 339

Cash flow statement

SEK m	Q4			Q3		Q4		Jan - Dec		
	2011	2011	%	2010	%	2011	2010			
Cash flow from operating activities	- 727	1 033		1167	-162	27 387	904			
Cash flow from investment activities	50	60	-17	-158		423	- 348			
Cash flow from financing activities	895	- 920		-1013		- 27 800	- 726			
Net increase in cash and cash equivalents from discontinued operations	218	173	26	- 4		10	- 170	- 106		

Capital base of the SEB financial group of undertakings

SEK m	31 Dec 2011	31 Dec 2010
Total equity according to balance sheet	109,161	99,543
Dividend (excl repurchased shares)	-3,836	-3,291
Investments outside the financial group of undertakings	-41	-40
Other deductions outside the financial group of undertakings	-3,728	-2,688
= Total equity in the capital adequacy	101,556	93,524
Adjustment for hedge contracts	229	1,755
Net provisioning amount for IRB-reported credit exposures	-108	0
Unrealised value changes on available-for-sale financial assets	717	1,724
Exposures where RWA is not calculated	-914	-1,184
Goodwill	-4,147	-4,174
Other intangible assets	-2,943	-2,564
Deferred tax assets	-1,293	-1,694
= Core Tier 1 capital	93,097	87,387
Tier 1 capital contribution (non-innovative)	4,455	4,492
Tier 1 capital contribution (innovative)	10,159	10,101
= Tier 1 capital	107,711	101,980
Dated subordinated debt	4,815	4,922
Deduction for remaining maturity	-320	-361
Perpetual subordinated debt	2,225	4,152
Net provisioning amount for IRB-reported credit exposures	-108	91
Unrealised gains on available-for-sale financial assets	799	511
Exposures where RWA is not calculated	-914	-1,184
Investments outside the financial group of undertakings	-41	-40
= Tier 2 capital	6,456	8,091
Investments in insurance companies	-10,500	-10,500
Pension assets in excess of related liabilities	-222	-422
= Capital base	103,445	99,149

On 31 December 2011 the parent company's Tier 1 capital was SEK 98,098m (94,050m) and the reported Tier 1 capital ratio was 16.0 percent (16.0).

Risk-weighted assets for the SEB financial group of undertakings

Minimum capital requirements are 8 per cent of risk-weighted assets as stated below.

Risk-weighted assets SEK m	31 Dec 2011	31 Dec 2010
Credit risk IRB approach		
Institutions	29,552	37,405
Corporates	394,094	403,128
Securitisation positions	6,515	6,337
Retail mortgages	45,241	65,704
Other retail exposures	9,460	9,826
Other exposure classes	1,651	1,511
Total credit risk IRB approach	486,513	523,911
Further risk-weighted assets		
Credit risk, Standardised approach	77,485	91,682
Operational risk, Advanced Measurement approach	42,267	44,568
Foreign exchange rate risk	13,173	15,995
Trading book risks	59,403	39,970
Total risk-weighted assets	678,841	716,126
Summary		
Credit risk	563,998	615,593
Operational risk	42,267	44,568
Market risk	72,576	55,965
Total	678,841	716,126
Adjustment for flooring rules		
Addition according to transitional flooring	148,774	83,672
Total reported	827,615	799,798

Capital adequacy analysis

Capital adequacy	31 Dec 2011	31 Dec 2010
Capital resources		
Core Tier 1 capital	93,097	87,387
Tier 1 capital	107,711	101,980
Capital base	103,445	99,149
Capital adequacy without transitional floor (Basel II)		
Risk-weighted assets	678,841	716,126
Expressed as capital requirement	54,307	57,290
Core Tier 1 capital ratio	13,7%	12,2%
Tier 1 capital ratio	15,9%	14,2%
Total capital ratio	15,2%	13,8%
Capital base in relation to capital requirement	1,90	1,73
Capital adequacy including transitional floor		
Transition floor applied	80%	80%
Risk-weighted assets	827,615	799,798
Expressed as capital requirement	66,209	63,984
Core Tier 1 capital ratio	11,2%	10,9%
Tier 1 capital ratio	13,0%	12,8%
Total capital ratio	12,5%	12,4%
Capital base in relation to capital requirement	1,56	1,55
Capital adequacy with risk-weighting according to Basel I		
Risk-weighted assets	1,037,898	998,326
Expressed as capital requirement	83,032	79,866
Core Tier 1 capital ratio	9,0%	8,8%
Tier 1 capital ratio	10,4%	10,2%
Total capital ratio	10,0%	9,9%
Capital base in relation to capital requirement	1,25	1,24

Overall Basel II risk weighted assets ('RWA'), before the effect of transitional flooring, decreased with 5 per cent or SEK 37bn since year-end. The largest factor behind this decrease is the divestiture of the German retail portfolios (a decrease of SEK 37bn). Underlying credit volumes expressed as RWA increased SEK 38bn, mainly due to increased corporate exposures and the acquisition of DNB's retail mortgages. The Swedish krona weakened during the year resulting in an RWA increase of SEK 2bn. The effect of risk class migration was a decrease of SEK 1bn. RWA process changes resulted in an RWA decrease of SEK 24bn, whereof SEK 14bn was due to the implementation of an Advanced Unsecured loss-given-default model in the parent company. There has been a shift of exposures to better riskgrades, which resulted in declining risk-weights. This contributed to an RWA decrease of SEK 22bn. Market risk RWA has increased with SEK 17bn including the effect from introducing stressed VaR. Operational risk RWA decreased SEK 2bn during the year. Including other changes this resulted in a net decrease of

RWA according to Basel II (without transitional floor) to SEK 679bn (716).

Un-floored Basel II RWA was 35 per cent lower than Basel I RWA. SEB applies a gradual roll-out of the Basel II framework. The ultimate target is to use IRB reporting for all credit exposures except those to central governments, central banks and local governments and authorities, and a small number of insignificant portfolios.

The forthcoming regulatory directive, CRD IV, establishes explicit minimum levels for Core Tier 1 and Tier 1 capital and requires banks to hold more and higher quality capital. In addition, the Swedish government in November 2011 proposed stricter common equity ratio requirements than Basel III; 10 per cent from 2013 and 12 per cent from 2015 (with capital and RWA defined according to fully implemented CRD IV/Basel III frameworks). SEB actively monitors the regulatory development and takes part in consultations via national and international industry organisations.

The following table summarises average risk weights (Risk-Weighted Assets, 'RWA', divided by Exposure At Default, 'EAD') for exposures where RWA is calculated following the internal ratings based ('IRB') approach. Repo and securities

lending transactions are excluded from the analysis since they carry low risk weight and can vary considerably in volume, thus making numbers less comparable.

IRB reported credit exposures (less repos and securities lending)	31 Dec	31 Dec
Average risk-weight	2011	2010
Institutions	19,2%	19,5%
Corporates	51,6%	57,0%
Securitisation positions	34,9%	20,6%
Retail mortgages	12,1%	16,9%
Other retail exposures	37,5%	38,2%

Implementation of an Advanced Unsecured loss-given-default 'LGD' model and risk class migration have contributed to the decline in corporate risk-weight. The increase in risk-weight for securitisation positions is due to relatively higher amortisation in better risk grades and the CRD III requirement of increased risk-weights for resecuritisation positions. The

decrease in risk-weight for retail mortgages relates to the divestiture during the year of the German retail portfolios, typically having higher loan-to-value (and thus risk-weight) than Group averages. Excluding the German portfolios the average risk-weight for retail mortgages was 12.6 per cent at year-end 2010.

Income statement – Skandinaviska Enskilda Banken AB (publ)

In accordance with FSA regulations SEK m	Q4			Q3		Q4		Jan - Dec		
	2011	2011	%	2010	%	2011	2010			
Interest income	10 201	9 465	8	7 883	29	36 819	27 830	32		
Leasing income	1 470	1 456	1	1 415	4	5 756	5 496	5		
Interest expense	-7 590	-7 135	6	-5 493	38	-27 034	-19 498	39		
Dividends	196	1 232	-84	670	-71	4 409	2 814	57		
Fee and commission income	2 451	2 130	15	2 328	5	9 030	8 408	7		
Fee and commission expense	- 463	- 390	19	- 361	28	-1 634	-1 501	9		
Net financial income	708	872	-19	449	58	3 133	3 239	-3		
Other income	279	494	-44	217	29	1 183	532	122		
Total operating income	7 252	8 124	-11	7 108	2	31 662	27 320	16		
Administrative expenses	-3 776	-3 372	12	-3 859	-2	-14 479	-13 935	4		
Depreciation, amortisation and impairment of tangible and intangible assets	-1 317	-1 206	9	-1 165	13	-4 884	-4 630	5		
Total operating expenses	-5 093	-4 578	11	-5 024	1	-19 363	-18 565	4		
Profit before credit losses	2 159	3 546	-39	2 084	4	12 299	8 755	40		
Net credit losses	- 190	- 114	67	- 185	3	- 458	- 362	27		
Impairment of financial assets	- 27	- 32	-16	7		- 759	- 442	72		
Operating profit	1 942	3 400	-43	1 906	2	11 082	7 951	39		
Appropriations	-1 119			-1 288	-13	-1 119	-1 283	-13		
Income tax expense	- 817	- 494	65	- 155		-2 122	-3 020	-30		
Other taxes	247	- 54		- 451		10	- 75	-113		
Net profit	253	2 852	-91	12		7 851	3 573	120		

Statement of comprehensive income – Skandinaviska Enskilda Banken AB (publ)

SEK m	Q4			Q3		Q4		Jan - Dec		
	2011	2011	%	2010	%	2011	2010			
Net profit	253	2 852	- 91	12		7 851	3 573	120		
Available-for-sale financial assets	- 88	- 40	120	-223	- 61	36	- 337	- 111		
Cash flow hedges	204	1 302	- 84	-730		1 536	-1 208			
Translation of foreign operations	- 11	9		8		44	- 29			
Other	-158	- 233	- 32	758	- 121	- 452	603	- 175		
Other comprehensive income (net of tax)	- 53	1 038	- 105	- 187	- 72	1 164	- 971			
Total comprehensive income	200	3 890	- 95	- 175		9 015	2 602			

Balance sheet - Skandinaviska Enskilda Banken AB (publ)

Condensed	31 Dec	31 Dec
SEK m	2011	2010
Cash and cash balances with central banks	121 948	19 941
Loans to credit institutions	245 796	250 568
Loans to the public	873 335	763 441
Financial assets at fair value	386 830	334 060
Available-for-sale financial assets	16 739	16 583
Held-to-maturity investments	2 771	3 685
Investments in associates	1 092	967
Shares in subsidiaries	53 686	55 145
Tangible and intangible assets	43 363	40 907
Other assets	43 290	51 031
Total assets	1 788 850	1 536 328
Deposits from credit institutions	229 428	195 408
Deposits and borrowing from the public	608 645	484 839
Debt securities	558 747	488 533
Financial liabilities at fair value	226 717	190 638
Other liabilities	44 157	62 363
Provisions	76	180
Subordinated liabilities	24 727	25 096
Untaxed reserves	25 049	23 930
Total equity	71 304	65 341
Total liabilities, untaxed reserves and shareholders' equity	1 788 850	1 536 328

Off-balance sheet items - Skandinaviska Enskilda Banken AB (publ)

SEK m	31 Dec	31 Dec
SEK m	2011	2010
Collateral pledged for own liabilities	104 496	138 775
Other pledged collateral	51 077	35 663
Contingent liabilities	74 435	64 120
Commitments	303 315	291 046