Outline

- Business activity and financial performance
- Comments on
  - The current market situation and fixed income securities portfolios
  - The Baltic countries
  - The status of SEB Germany
- Sum up
Business highlights Q3 2007

- Continued high customer activity
- Controlled slowdown in Baltic credit growth
- Efficiency program and SEB Way according to plan
A leading position in many areas
Recent awards and rankings

**June 2007**
- Best consumer Internet bank in Estonia and Lithuania

**Jun/Sep 2007**
- No.1 in the Nordic countries
  - Corporate Finance
  - Institutional Asset Management

**October 2007**
- Best report on Corporate Governance
- Top rated in all four Nordic markets (2007 Major Market Agent Bank Review)

**July 2007**
- Best in Nordic – Baltic region:
  - Equities
  - Cash management
  - Investor services
  - FX

**June 2007**
- Most attractive employer in Lithuania
Result highlights Q3 2007

- Strong growth in net interest income and commission income
- Low financial income due to mark-to-market loss
- Continued cost control
- Income increased by 9% excluding mark-to-market losses vs. Q3-06

<table>
<thead>
<tr>
<th>Operating profit</th>
<th>SEKbn</th>
<th>Q3-05</th>
<th>Q3-06</th>
<th>Q3-07</th>
<th>Q2-07</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3.0</td>
<td>3.9</td>
<td>3.7</td>
<td>4.6</td>
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</table>

<table>
<thead>
<tr>
<th>Return on equity</th>
<th>SEB Group, per cent</th>
<th>Q3-05</th>
<th>Q3-06</th>
<th>Q3-07</th>
<th>Q2-07</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>16.5</td>
<td>19.9</td>
<td>17.3</td>
<td>20.7</td>
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</tbody>
</table>
**Financial performance 9 months 2007**

<table>
<thead>
<tr>
<th></th>
<th>Return on Equity (%)</th>
<th>Core capital ratio (%)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Jan-Sep 05 16.5</td>
<td>Jan-Sep 05 7.8</td>
</tr>
<tr>
<td></td>
<td>Jan-Sep 06 19.9</td>
<td>Jan-Sep 06 7.9</td>
</tr>
<tr>
<td></td>
<td>Jan-Sep 07 19.0</td>
<td>Jan-Sep 07 8.3*</td>
</tr>
</tbody>
</table>

*Basel II transitional rules applied*

<table>
<thead>
<tr>
<th></th>
<th>Earnings per share (SEK)</th>
<th>Cost/Income ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jan-Sep 05 9.71</td>
<td>Jan-Sep 05 0.62</td>
</tr>
<tr>
<td></td>
<td>Jan-Sep 06 13.13</td>
<td>Jan-Sep 06 0.59</td>
</tr>
<tr>
<td></td>
<td>Jan-Sep 07 14.62</td>
<td>Jan-Sep 07 0.57</td>
</tr>
</tbody>
</table>

*Basel II transitional rules applied*
A broad based growth platform
SEKm

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Merchant Banking</td>
<td>-2%</td>
<td>19.1%</td>
</tr>
<tr>
<td>Retail Banking</td>
<td>+30%</td>
<td>20.5%</td>
</tr>
<tr>
<td>Wealth Management</td>
<td>+19%</td>
<td>34.5%</td>
</tr>
<tr>
<td>Life</td>
<td>+25%</td>
<td>20.8%</td>
</tr>
</tbody>
</table>
Income growth and cost discipline
SEB Group*, SEKbn, 12 month moving average

* Excluding restructuring costs and one-off charges of SEK 890m in Q4 2005
Net Interest Income, +9 %
SEB Group, SEKm

Total NII
Jan – Sep 2006: 10,677
Jan – Sep 2007: 11,623
+9%

Customer driven NII*
Jan – Sep 2006: 9,212
Jan – Sep 2007: 10,676
+16%

Lending to the public
SEKbn
Q1 2004: 400
Q3 2005: 500
Q1 2006: 600
Q3 2007: 700
Q1 2007: 800
Q3 2007: 900

Deposits from the public
SEKbn
Q1 2004: 700
Q3 2005: 800
Q1 2006: 900
Q3 2007: 1000
Q1 2007: 1100
Q3 2007: 1200

* volumes and margins on lending and deposits
Fee and commission income, +9 %
SEKm

New issues & advisory  | Secondary market & derivatives | Custody & mutual funds | Payment, cards, structured lending, deposits, guarantees | Other
---|---|---|---|---
Jan-Sep 06 | Jan-Sep 07
1,478 | 1,431
2,970 | 3,163
4,522 | 5,402
5,079 | 5,376
597 | 769

-3% | +7% | +19% | +6%
Cost-management commitment

2007 – 2009:
   Commitment
   **SEK 1.5 – 2bn**

Q1 – Q3: SEK 350m
Cost management
Total expenses, SEKm

- Recruitments of ~340 employees in the Baltics
- Reductions of ~500 employees in Sweden and Germany.

Jan-Sept 2006: 16,857
Jan-Sept 2007: 17,431

Salary inflation
Organic growth
Depreciation
Variable salaries
Cost before efficiency gains
Efficiency gains
Redundancy cost
Jan-Sept 2007: 17,266
### Key figures

<table>
<thead>
<tr>
<th></th>
<th>Q3 2007</th>
<th>Change</th>
<th>Jan – Sep 2007</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating income</strong></td>
<td>9,493</td>
<td>1%</td>
<td>30,405</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>-5,580</td>
<td>2%</td>
<td>-17,266</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>3,726</td>
<td>-4%</td>
<td>12,437</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>3,101</td>
<td>1%</td>
<td>9,885</td>
<td>12%</td>
</tr>
<tr>
<td>Return on Equity, %</td>
<td>17.3</td>
<td>19.9</td>
<td>19.0</td>
<td>19.9</td>
</tr>
<tr>
<td>Cost / income ratio</td>
<td>0.59</td>
<td>0.58</td>
<td>0.57</td>
<td>0.59</td>
</tr>
<tr>
<td>Credit loss level, %</td>
<td>0.08</td>
<td>0.06</td>
<td>0.10</td>
<td>0.07</td>
</tr>
<tr>
<td>Core capital ratio, Basel II, %</td>
<td>8.30</td>
<td></td>
<td>8.30</td>
<td></td>
</tr>
<tr>
<td>Core capital ratio, Basel I, %</td>
<td>7.82</td>
<td>7.90</td>
<td>7.82</td>
<td>7.90</td>
</tr>
<tr>
<td>RWA, Basel I, SEKbn</td>
<td>846</td>
<td>743</td>
<td>846</td>
<td>743</td>
</tr>
</tbody>
</table>

* Basel II including transitional rules
Outline

- Business activity and financial performance

- Comments on
  - The current market situation and fixed income securities portfolios
  - The Baltic countries
  - The status of SEB Germany

- Sum up
SEB in the market turmoil

- SEB has a sound financial situation with a strong capital base and stable and strong asset quality.
- SEB has ample liquidity and has not experienced any funding problems.
- SEB’s USD 1.2bn in liquidity facilities to its own customers’ trade receivables conduits have not been drawn.
SEB maintains a sound liquidity profile

- Stable and well diversified funding base
  - Growing deposit base
  - Funding across instruments and geographies
- Cash-flow limits are strictly applied based on current and stressed scenarios
- SEB maintains a very high quality liquidity portfolio
- SEB has an additional cover pool for covered bonds issuance of SEK ~100bn.

Deposit to Loan ratio

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<tbody>
<tr>
<td>Ratio</td>
<td>30%</td>
<td>40%</td>
<td>50%</td>
<td>60%</td>
<td>70%</td>
<td>80%</td>
<td>90%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Current market situation

- The Baltic countries
- SEB Germany
Market impact on SEB’s portfolio values

- Mark-to-market losses over income of SEK 779m evenly split between Asset Backed Securities portfolio and other bonds
- Mark-to-market loss over equity of SEK 265m on ABS portfolio
- The realised losses are expected to be reversed over time
- Further volatility from the mark-to-market of these securities is expected

![Fixed income security portfolios]

- Covered bonds, senior bonds etc (average AA-rating)
- Structured credits (99.6% AAA-rated)
  - Held for trading (MTM over income)
  - Available for sale (MTM over equity)
Main characteristics of structured credits portfolio (ABS portfolio)

- A high quality investment portfolio initiated 1998 with fixed income securities eligible as central bank collateral
- 99.6% of the portfolio is rated Aaa/AAA
  - No rating actions to date in our tranches
  - Well diversified across products, asset classes and geographies
- Cash-flow based – only one synthetic transaction ($10.5m)
- Mark-to-market prices applied to all 756 positions of which 8 have been more complex to value (<1% of notional amount)
Distribution of MB’s Structured Credit Portfolio

- Total volume SEK 75bn (across 756 positions)
- Expected average remaining maturity ~4 years.
- Expected annual amortisation rate is SEK 12-15bn

European 60%, SEK 45bn
- US 40%, SEK 30bn

- RMBS 35%
- CMO 15%
- CMBS 6%
- CDO 6%
- Sub prime 4%
- Other ABS 19%
- Other ABS 19%

Direct and indirect exposure
Baltics – three different markets

### Average quarterly growth rate of credit exposures, per cent

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<thead>
<tr>
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<tbody>
<tr>
<td>SEB in Estonia</td>
<td>3</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>SEB in Latvia</td>
<td>0.4</td>
<td>9</td>
<td>12</td>
</tr>
<tr>
<td>SEB in Lithuania</td>
<td>5</td>
<td>9</td>
<td>12</td>
</tr>
</tbody>
</table>

### Net new lending in Latvia

<table>
<thead>
<tr>
<th></th>
<th>Jan-Sep 2006</th>
<th>Jan-Sep 2007</th>
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</thead>
<tbody>
<tr>
<td>Swedbank (Hansabank)</td>
<td>16</td>
<td>8</td>
</tr>
<tr>
<td>SEB</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Parex</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>DnB NORD</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Nordea</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

### Total Baltic public lending SEK 128bn (12.5% of Group)

- **Lithuania**: 42%
- **Estonia**: 31%
- **Latvia**: 27%
Development of lending market shares – Baltics
Per cent, Dec 2004 – Sept 2007

*) For Estonia and Lithuania Dec 2004 – Aug 2007
Baltics – Long-term growth story intact

GDP per Capita 2006, Thousand EUR, current prices

Underlying development

Profit +44% CAGR*

*Compounded Annual Growth Rate 1999-9M 2007

Current market situation | The Baltic countries | SEB Germany

GDP

Time

Wave 1: Savings, payment transfers, loans
Wave 2: Current accounts, debit cards, mortgages, wholesale
Wave 3: Credit cards, consumer finance
Wave 4: Wealth management – asset management, pensions, insurance

1998-9 Baltic acquisitions
2007

Source: AMECO

1. Estonia
2. Latvia
3. Lithuania
4. EU 25 countries
5. Sweden
Still capturing profit growth in the Baltics

Operating profit
SEKm
- Q1-06
- Q3-06
- Q1-07
- Q3-07

Number of private customers, thousands

Net interest margins

Current market situation
The Baltic countries
SEB Germany
## Actions taken in Latvia

### SEB
- Gradual tightening of Credit and Portfolio policies requirements since Q4 2005
- Reviewed KPI’s for business people
- More selective approach to corporate real estate business
- Active supporter of Government’s anti-inflation program

### Government economy stabilization plan
- Fiscal responsibility (surplus in 2007-2010)
- Differentiation/increase of taxes and duties on real estate registration in Land Register
- Loans require legal income statement from the State Revenue Service
- Promotion of savings (pay-back of personal income tax up to 20% from gross annual income)
Germany – growing the customer business

Operating profit (SEKm)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>Jan – Sep 2007</th>
</tr>
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<tbody>
<tr>
<td>2005</td>
<td>800</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>800</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>Jan – Sep 2007</td>
<td>800</td>
<td>800</td>
<td></td>
</tr>
</tbody>
</table>

Distribution of Operating profit Jan – Jun 2007*

- RoE ~55%
- RoE ~20%
- RoE ~5%
- RoE ~10%

* Excluding treasury result

Current market situation | The Baltic countries | SEB Germany

Retail

RoE ~5%

CRE (MB)

RoE ~10%

AM

RoE ~55%

MB

RoE ~20%

Treasury

Customer Business
Outline

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- Sum up
Strategic priorities

- Productivity
- Quality
- Streamlining
- Mindset and culture
- Deepen customer relationships
- Invest in areas of strengths
- Entrepreneurial spirit
- Complementary acquisitions

Profitable Growth

Operational Excellence
Road to Excellence

The Best Bank in Northern Europe
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