

Interim report January-June 2007

PRESS RELEASE

STOCKHOLM 19 JULY 2007

SEB's first half year – operating profit SEK 8.7bn (7.6)

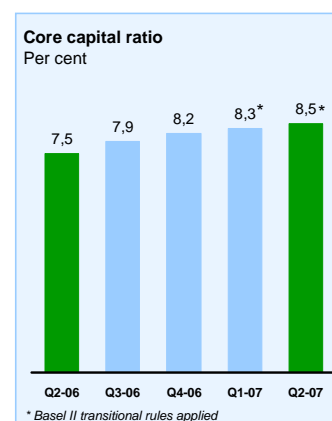
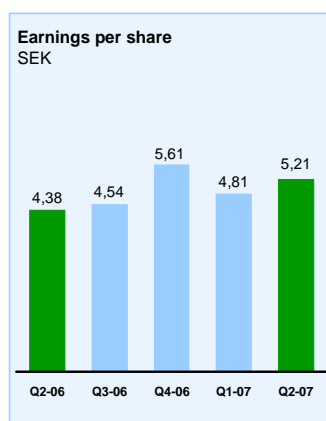
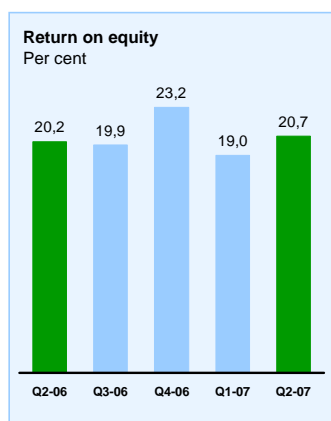
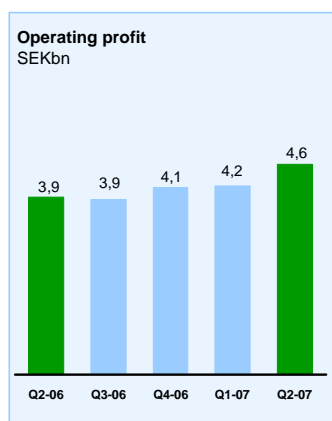
- Operating profit for January-June 2007 increased by 15 per cent, to SEK 8,711m. Net profit rose by 17 per cent, to SEK 6,784m.
- Customer business was strong within all areas. Assets under management as well as lending and deposit volumes reached record levels.
- Operating income increased by 8 per cent as a result of improved revenues within all areas.
- Operating expenses rose by 2 per cent, mainly due to performance-related costs. Underlying costs were unchanged.
- Net credit losses remained low.
- Return on equity was 19.8 per cent (19.8) and earnings per share increased to SEK 10.02 (8.59).

SEB's second quarter – operating profit SEK 4.6bn (3.9)

- Operating profit for the second quarter of 2007 was SEK 4,554m, an increase of 17 per cent compared with the corresponding quarter of 2006 and 10 per cent better than the previous quarter. Net profit increased to SEK 3,522m. Return on equity was 20.7 per cent.

“During the first half year of 2007 business volumes remained strong with high activity levels in all areas. The strong income and volume growth confirms the growth potential of SEB's business mix.”

Annika Falkengren



President's comment

During the first half of 2007 business volumes remained strong with high activity levels in all of SEB's markets. Return on equity reached 20 per cent despite the Group's increased capitalisation. Earnings per share increased by 17 per cent compared with the first half of 2006.

SEB has a strong customer franchise. Over the last year SEB has actively strengthened customer relations further through increased pro-activity and more co-ordinated product offerings.

The higher operating profit resulted from a combination of continued solid income generation and stable costs. Income grew by 8 per cent, confirming the growth potential of SEB's business mix. Further proofs of quality are the many top rankings awarded to SEB, especially within corporate banking. With our dedicated and highly competent staff we can match much larger competitors in fields such as cash management, foreign exchange, custody and prime brokerage.

Underlying costs, i.e. excluding performance-related remuneration and redundancy costs, were stable – a result of a more integrated bank and of investments in enhanced productivity.



Cost-management will not hinder further investments in SEB's core areas of strength, which will generate continued organic growth. The Baltic markets remain attractive despite the macroeconomic situation which necessitates stringent credit risk management. The strengthened capital base and enhanced operating model offer opportunities for complementary add-on acquisitions in SEB's markets across the Baltic rim.

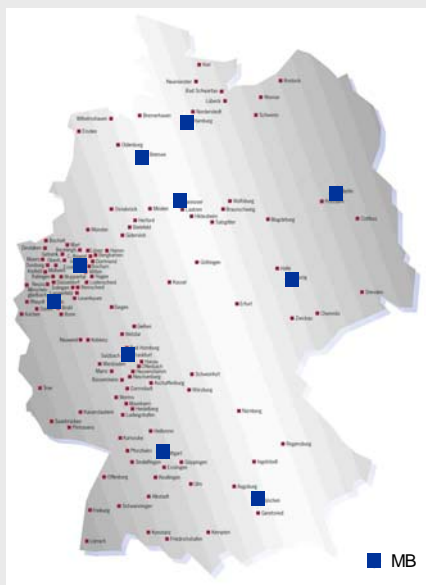
Top-line growth and cost-management remain the hallmark of SEB. Our ambition is to be top-ranked in terms of customer satisfaction within our selected segments in order to reach leadership in financial performance.

SEB Way implementation - an important measure for revenue growth

An example: Merchant Banking in Germany

The SEB Way programme is targeted to increase operational efficiency by streamlining processes and increasing quality so that resources are freed-up and more productively applied to generate further business. The programme is relevant for all parts of the Group – both for sales and support functions.

The implementation of SEB Way within Merchant Banking, Germany, displays all the merits of a structured approach to operational efficiency. SEB has a strong market position in the mid-sized institutional market. The customers are covered through a network of ten locations. The institutional business contributes to the EUR 60.5m operating profit of Merchant Banking in Germany.



Through SEB Way, a more structured approach to customer targeting and sales support was implemented. It involved the creation of a central prospect database, the bundling and moving of tasks from Client Executives to specialised product support areas as well as the creation of a skill matrix for competence development.

The initial results include:

- A right sizing of the institutions client coverage organisation, resulting in an increase of client income per full time employee of more than 15 per cent in one year.
- A near doubling of client visits per week by Client Executive and 20 to 30 per cent more credit cases per account manager.
- Implementation of a score-card for performance management at all levels of the organisation - from individual to an aggregate for the country.
- A methodology for identification and quantification of cross-selling opportunities between the client and product dimensions.

This is just one example and the 20 to 30 per cent initial efficiency gains on the existing business are promising for the future.

SEB Way is not a one-time implementation project, but a method for continuous improvement. So far more than half of all of SEB's employees are included in the overall diagnosis and some 3,000 employees, around 15 per cent, are involved in on-going or completed transformations.

The Group

Second quarter isolated

SEB's *operating profit* for the second quarter amounted to SEK 4,554m (3,906), an increase of 17 per cent compared with the corresponding quarter of 2006 and 10 per cent up on the previous quarter. Net profit increased to SEK 3,522m (2,947).

Total operating income amounted to SEK 10,719m (9,691), up by 11 per cent compared with the corresponding quarter of last year and up by 5 per cent from the first quarter of 2007. Deposit and lending volumes increased during the quarter. Lending margins were slightly lower whereas deposit margins improved from the higher short-term rates. *Net interest income* and *Net fee and commission income* improved compared with both the previous quarter and the corresponding quarter of last year. *Net other income* included a one-off income of SEK 110m from the sales of ÅF Bil.

Total operating expenses amounted to SEK 5,884m (5,637), an increase of 4 per cent from the corresponding quarter of 2006 and 1 per cent up on the previous quarter.

Net credit losses remained low.

Half-yearly results

Operating profit and net profit

SEB's *operating profit* for the first six months of 2007 increased by 15 per cent, to SEK 8,711m (7 576).

Net profit improved by 17 per cent, to SEK 6,784m (5,774).

Income

Total operating income increased by 8 per cent, to SEK 20,912m (19,301).

Net interest income improved by 7 per cent, to SEK 7,706m (7,174). Volume growth was strong within all areas. Deposits grew by 11 per cent, while lending to the public was 14 per cent higher than 12 months ago. Lending margins were still under pressure in some areas. Deposit margins improved following the higher short-term rates. As a consequence, customer-driven net interest income grew by 18 per cent compared with the first half of 2006. Higher short-term interest rate levels had a continued negative impact on funding costs, which was partly positively offset by derivatives in Net financial income.

Net fee and commission income rose by 9 per cent, to SEK 8,821m (8,100). Most commission income categories increased compared with last year. Securities commissions rose by 11 per cent, net.

Net financial income increased by 31 per cent, to SEK 2,656m (2,026). This improvement was an effect of high customer-driven business within the trading and capital markets area.

Net life insurance income improved by 16 per cent, to SEK 1,385m (1,190), mainly as a consequence of

commission growth due to increased unit-linked volumes. A complete description of Life's operations, including changes in surplus values, is found in "Additional information" on www.sebgroup.com.

Net other income dropped to SEK 344m (811) due to hedge accounting effects. This was only partially offset by the capital gain of SEK 110m from the sales of ÅF Bil.

Expenses

Total operating expenses amounted to SEK 11,686m (11,407), an increase of 2 per cent compared with last year.

Excluding redundancy costs and performance-related remuneration, underlying expenses were unchanged on a 12-months basis. SEK 108m was provisioned for redundancy costs. Social charges related to the long-term incentive programmes amounted to SEK 25m.

Staff costs rose by 5 per cent, to SEK 7,570m (7,185). The average number of full time equivalents decreased by 301 to 19,395 (19,696) compared with the corresponding period 2006 and since year-end by 229. Reductions of close to 500 employees in primarily Sweden and Germany have been balanced by net recruitments of some 250 staff in the Baltic business. The sale of Union Inkasso in the first quarter reduced staff by 108.

Other expenses decreased to SEK 3,446m (3,589) benefiting from increased integration of operations and enhanced operational efficiency.

The incremental cost-income ratio for the Group during the first half of 2007 was 0.17 compared with the first half of last year.

Credit losses

The Group's *net credit losses*, including changes in the value of assets taken over, amounted to SEK 514m (360). The credit loss level was 0.11 per cent (0.08). Asset quality remained stable.

Tax expenses

Total tax amounted to SEK 1,927m (1,802). The total tax rate was 22.1 per cent. The expected tax rate for 2007 is still 23 per cent.

Business volumes

Total assets continued to grow. The Group's total balance sheet of SEK 2,188bn as per 30 June represented an increase of 13 per cent since year-end 2006, due to growing lending and trading volumes. Currency effects from the weakening of the Swedish krona contributed to the volume increase by SEK 28bn.

SEB's total credit exposure increased to SEK 1,429bn (1,315 at year-end 2006) during the first six months of the year. Lending to the corporate sector showed strong growth, particularly in the Nordic countries. Credit volumes related to the Nordic household sector and the Baltic banks' operations continued to grow.

As of 30 June 2007, assets under management had grown to SEK 1,403bn, an increase of SEK 141bn or 11 per cent compared with year-end 2006. Net inflow during the quarter was SEK 29bn (36), while the change in value was SEK 42bn (-68). SEB remained the market leader within net sales of mutual funds in Sweden, gaining more than half of total net inflows during the first half of 2007. SEB was the second largest retail distributor of Swedish registered structured bonds with a 16 per cent market share of all issues. SEB is now the number one Nordic custodian with assets under custody of SEK 5,514bn.

Capital adequacy

New capital adequacy regulation (Basel II) is in force since 1 February 2007. Considering the supervisory transitional rules until 2010, SEB reported a core capital ratio of 8.5 per cent (8.2) and a total capital ratio of 11.1 per cent (11.5). Reporting according to the previous (Basel I) regulation would give capital ratios of 8.1 and 10.5 per cent, respectively. Growth of risk weighted assets (Basel I) is 11 per cent since year-end. Appendix 3 exposes details of capital adequacy.

Risks and uncertainties

In accordance with the Swedish implementation of the EU transparency directive, material risks and factors of uncertainty shall be described in the interim reports published after 1 July 2007.

SEB views its reputation and the credibility of the banking industry as a key for maintaining long-term customer relationships. The macro-economic 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 (details on the credit portfolio are described in Appendix 2). In addition, there are financial risks mainly in the form of price risks (details on market risks are described in Appendix 4). Credit and market risks as well as other risks for 2007 and risk management of all risks for the Group and the Parent Company are described in SEB's annual report (see pp 38-44 and note 44).

In addition to the risk disclosure in the annual report, increased economic imbalances and signs of overheating in Latvia and Estonia, have accentuated during the first six months of 2007. SEB closely monitors the situation and has implemented revised credit standards to mitigate risks.

Investments and divestments

The sale of the vendor-based car financing operation, ÅF Bil, of SEB Finans was completed during the second quarter, with a capital gain of SEK 110m.

SEB has agreed on the terms for the sale of the properties owned by SEB's Baltic subsidiary banks. The resulting capital gain of minimum SEK 0.7bn will be included in the third quarter results.

Rating

In June 2007, Fitch Ratings affirmed SEB's long-term rating of 'A+' with a positive outlook.

Events after the quarter

Anders Kvist has been appointed Head of Group Treasury as of 1 August, replacing Jan Sinclair who will take over as Head of Merchant Banking in Germany.

The Board of Directors and the President declare that the interim report for January-June provides a fair overview of the Parent Company's and Group's operations, their financial position and results, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 19 July 2007

Marcus Wallenberg

Chairman

Jacob Wallenberg

Deputy Chairman

Tuve Johannesson

Deputy Chairman

Penny Hughes

Director

Urban Jansson

Director

Ulf Jensen

*Director**

Steven Kaempfer

Director

Hans-Joachim Körber

Director

Jesper Ovesen

Director

Carl Wilhelm Ros

Director

Göran Lilja

*Director**

Annika Falkengren

President and Chief Executive Officer

Director

** appointed by the employees*

This Interim Report has been prepared in accordance with International Financial Reporting Standards IFRS/IAS, endorsed by the European Commission, and therefore complies with IAS 34 Interim Financial Reporting. The accounting regulations of the Swedish Financial Supervisory Authority require some additional disclosures.

The same accounting policies and methods of computation are followed in the interim financial statements as those applied to the most recent annual financial statements.

More detailed information is presented on www.sebgroup.com "Additional information" including:

Appendix 1	Division Life
Appendix 2	Credit exposure
Appendix 3	Capital adequacy
Appendix 4	Market risk
Appendix 5	P&L by division, business area and quarter
Appendix 6	P&L by geography and quarter
Appendix 7	Skandinaviska Enskilda Banken (parent company)

Financial information during 2007

9 February	Annual Accounts for 2006
28 March	Annual General Meeting in Stockholm
4 May	Interim Report January-March
19 July	Interim Report January-June
26 October	Interim Report January-September

Access to telephone conference and video web cast

The telephone conference at 15.00 (CET) on 19 July 2007 with CFO Per-Arne Blomquist can be accessed by telephone, +44 (0) 20 7162 0025, not later than 10 minutes in advance. A replay of the conference call will be available on www.sebgroup.com.

A video web-cast with CFO Per-Arne Blomquist will be available on www.sebgroup.com.

Further information is available from

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Corporate organisation number: 502032-9081

Review Report

We have reviewed the interim report for the period 1 January-30 June, 2007 for Skandinaviska Enskilda Banken AB (publ). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm, 19 July 2007

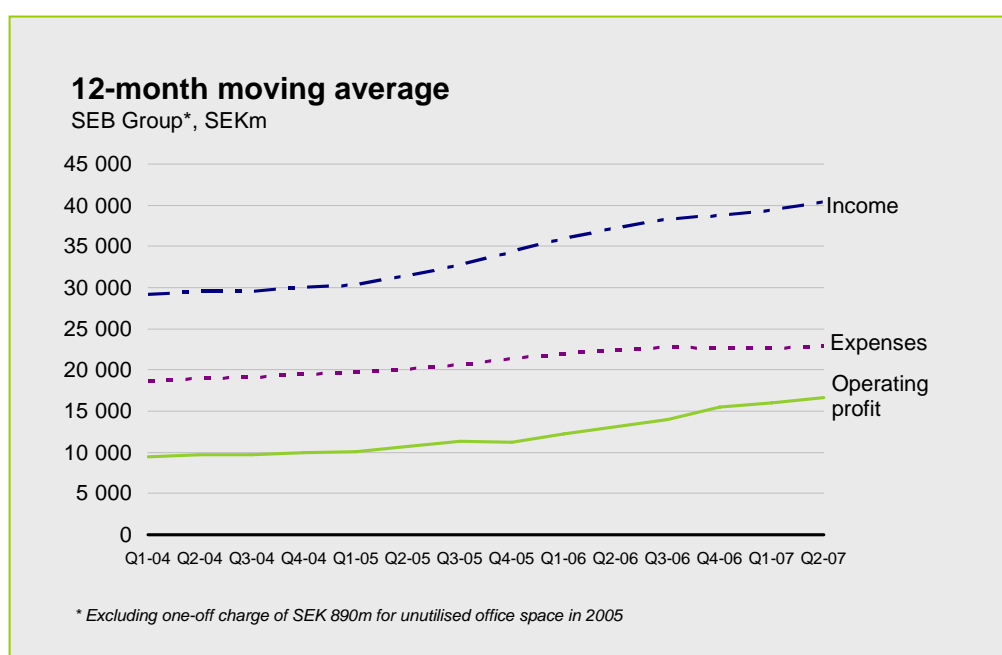
PricewaterhouseCoopers AB

Peter Clemedtson	Peter Nyllinge
Authorised Public Accountant	Authorised Public Accountant
Partner in charge	

The SEB Group

Income statement – SEB Group

Condensed SEKm	Q2			Q1			Q2			Jan - Jun			Full year 2006
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%		
Net interest income	3 939	3 767	5	3 578	10	7 706	7 174	7	14 281				
Net fee and commission income	4 544	4 277	6	4 107	11	8 821	8 100	9	16 146				
Net financial income	1 345	1 311	3	1 047	28	2 656	2 026	31	4 036				
Net life insurance income	642	743	-14	607	6	1 385	1 190	16	2 661				
Net other income	249	95	162	352	-29	344	811	-58	1 623				
Total operating income	10 719	10 193	5	9 691	11	20 912	19 301	8	38 747				
Staff costs	-3 774	-3 796	-1	-3 463	9	-7 570	-7 185	5	-14 363				
Other expenses	-1 768	-1 678	5	-1 853	-5	-3 446	-3 589	-4	-6 887				
Depreciation of assets	-342	-328	4	-321	7	-670	-633	6	-1 287				
Total operating expenses	-5 884	-5 802	1	-5 637	4	-11 686	-11 407	2	-22 537				
Gains less losses from tangible and intangible assets	-1			14	-107	-1	42	-102	70				
Net credit losses incl. changes in value of seized assets	-280	-234	20	-162	73	-514	-360	43	-718				
Operating profit*	4 554	4 157	10	3 906	17	8 711	7 576	15	15 562				
Income tax expense	-1 032	-895	15	-959	8	-1 927	-1 802	7	-2 939				
Net profit	3 522	3 262	8	2 947	20	6 784	5 774	17	12 623				
Attributable to minority interests	8	4	100	4	100	12	9	33	18				
Attributable to equity holders **	3 514	3 258	8	2 943	19	6 772	5 765	17	12 605				
* Life's operating profit	368	458	-20	295	25	826	589	40	1 470				
Change in surplus values, net	323	244	32	492	-34	567	915	-38	1 660				
Life's business result	691	702	-2	787	-12	1 393	1 504	-7	3 130				
** Basic earnings per share, SEK	5.21	4.81		4.38		10.02	8.59		18.72				
** Diluted earnings per share, SEK	5.21	4.76		4.35		9.96	8.52		18.53				



Key figures - SEB Group

	Q2	Q1	Q2	Jan - Jun		Full year
	2007	2007	2006	2007	2006	2006
Return on equity, %	20.7	19.0	20.2	19.8	19.8	20.8
Return on total assets, %	0.65	0.64	0.59	0.65	0.59	0.64
Return on risk-weighted assets, %	1.74	1.70	1.58	1.72	1.58	1.71
Basic earnings per share, SEK	5.21	4.81	4.38	10.02	8.59	18.72
Weighted average number of shares, millions*	674	677	672	676	671	673
Diluted earnings per share, SEK	5.21	4.76	4.35	9.96	8.52	18.53
Weighted average number of diluted shares, millions**	675	684	677	680	677	680
Cost/income ratio	0.55	0.57	0.58	0.56	0.59	0.58
Credit loss level, %	0.12	0.10	0.07	0.11	0.08	0.08
Reserve ratio for impaired loans, %	77.7	74.0	79.0	77.7	79.0	75.1
Level of impaired loans, %	0.19	0.22	0.20	0.19	0.20	0.22
Basel II (95% of RWA in Basel I):						
Total capital ratio, incl net profit, %	11.05	11.60		11.05		
Core capital ratio, incl net profit, %	8.45	8.33		8.45		
Risk-weighted assets, SEK billion	783	753		783		
Basel I:						
Total capital ratio, incl net profit, %	10.54	10.97	10.43	10.54	10.43	11.47
Core capital ratio, incl net profit, %	8.07	7.87	7.50	8.07	7.50	8.19
Risk-weighted assets, SEK billion	821	796	747	821	747	741
Number of full time equivalents***	19 619	19 330	19 965	19 395	19 696	19 672
Number of e-banking customers, thousands	2 770	2 688	2 443	2 770	2 443	2 597
Assets under management, SEK billion	1 403	1 344	1 086	1 403	1 086	1 262

* Issued number of shares was 687,156,631 at year-end 2006. SEB then owned 8.9 million Class A shares for the employee stock option programme. During 2007 4.6 million of these shares have been sold as employee stock options have been exercised. Thus, as of 30 June SEB owned 4.3 million Class A-shares with a market value of SEK 947m.

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

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

Income statement on a quarterly basis - SEB Group

SEKm	2007:2	2007:1	2006:4	2006:3	2006:2
Net interest income	3 939	3 767	3 604	3 503	3 578
Net fee and commission income	4 544	4 277	4 274	3 772	4 107
Net financial income	1 345	1 311	1 120	890	1 047
Net life insurance income	642	743	732	739	607
Net other income	249	95	274	538	352
Total operating income	10 719	10 193	10 004	9 442	9 691
Staff costs	-3 774	-3 796	-3 735	-3 443	-3 463
Other expenses	-1 768	-1 678	-1 634	-1 664	-1 853
Depreciation of assets	- 342	- 328	- 311	- 343	- 321
Total operating expenses	-5 884	-5 802	-5 680	-5 450	-5 637
Gains less losses from tangible and intangible assets	- 1		22	6	14
Net credit losses**	- 280	- 234	- 222	- 136	- 162
Operating profit*	4 554	4 157	4 124	3 862	3 906
Income tax expense	-1 032	- 895	- 334	- 803	- 959
Net profit from continuing operations	3 522	3 262	3 790	3 059	2 947
Discontinued operations					
Net profit	3 522	3 262	3 790	3 059	2 947
Attributable to minority interests	8	4	3	6	4
Attributable to equity holders***	3 514	3 258	3 787	3 053	2 943
* SEB Trygg Liv's operating profit	368	458	459	472	295
Change in surplus values, net	323	244	359	380	492
SEB Trygg Liv's business result	691	702	818	852	787
** Including change in value of seized assets					
*** Basic earnings per share, SEK	5.21	4.81	5.61	4.54	4.38
Diluted earnings per share, SEK	5.21	4.76	5.55	4.48	4.35

Income statement, by division - SEB Group

Jan-Jun 2007, SEKm	Merchant Banking	Retail Banking	Wealth Management	Life *	Other incl elimi- nations	SEB Group
Net interest income	2 672	4 764	384	- 15	- 99	7 706
Net fee and commission income	3 182	3 110	2 110		419	8 821
Net financial income	2 144	411	30		71	2 656
Net life insurance income				1 888	- 503	1 385
Net other income	215	90	33		6	344
Total operating income	8 213	8 375	2 557	1 873	- 106	20 912
Staff costs	-2 276	-2 521	- 732	- 520	-1 521	-7 570
Other expenses	-1 683	-2 141	- 422	- 257	1 057	-3 446
Depreciation of assets	- 40	- 218	- 36	- 270	- 106	- 670
Total operating expenses	-3 999	-4 880	-1 190	-1 047	- 570	-11 686
Gains less losses from tangible and intangible assets			- 1			- 1
Net credit losses**	- 228	- 279	- 9		2	- 514
Operating profit	3 986	3 216	1 357	826	- 674	8 711

* Business result in Life amounted to SEK 1,393m (1,504), of which change in surplus values was net SEK 567m (915).

** Including change in value of seized assets.

Merchant Banking

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

Profit and loss account

SEK m	Q2		Q1	Q2		Jan- Jun		Full year	
	2007	2007	%	2006	%	2007	2006	%	2006
Net interest income*	1 349	1 323	2	1 283	5	2 672	2 563	4	4 809
Net fee and commission income	1 625	1 557	4	1 504	8	3 182	2 983	7	5 874
Net financial income*	1 050	1 094	-4	847	24	2 144	1 722	25	3 676
Net other income	170	45		225	-24	215	421	-49	779
Total operating income	4 194	4 019	4	3 859	9	8 213	7 689	7	15 138
Staff costs	-1 159	-1 117	4	-887	31	-2 276	-2 071	10	-4 082
Other expenses	-857	-826	4	-881	-3	-1 683	-1 641	3	-3 227
Depreciation of assets	-17	-23	-26	-18	-6	-40	-43	-7	-89
Total operating expenses	-2 033	-1 966	3	-1 786	14	-3 999	-3 755	6	-7 398
Profit before credit losses etc	2 161	2 053	5	2 073	4	4 214	3 934	7	7 740
Gains less losses on assets							-18	-100	-2
Net credit losses	-115	-113	2	-85	35	-228	-139	64	-320
Operating profit	2 046	1 940	5	1 988	3	3 986	3 777	6	7 418
Cost/Income ratio	0,48	0,49		0,46		0,49	0,49		0,49
Business equity, SEK bn	26,4	26,4		24,9		26,4	24,9		24,9
Return on equity, %	22,3	21,2		23,0		21,7	21,8		21,4
Number of full time equivalents	2 399	2 417		2 497		2 403	2 629		2 537

* Isolated quarterly effects from structured products in 2006, shifting income to net interest income from net financial income, were: Q1: SEK 5m; Q2: SEK 41m; Q3: SEK 72m; Q4: SEK 201m

- **Operating profit increased by 6 per cent.**
- **Several rankings confirm SEB's position as the leading Nordic investment bank.**
- **Largest Nordic custodian with assets under custody of SEK 5,514bn.**

Comments on the first six months

Merchant Banking's half-year results reflect the high activity among customers in the market place as well as consecutive income growth. Compared with the first six months of 2006, operating income increased by 7 per cent. The sale of ÅF Bil created a non-recurring income of SEK 110m (182). Performance-related costs followed income growth and underlying costs were stable. Operating profit rose by 6 per cent to SEK 3,986m. Asset quality remained good and stable.

Trading and Capital Markets (TCM) continued to show strong underlying volumes from high customer activity. During the period the Nordic stock exchanges saw record trading volumes. For the first six months SEB Enskilda Equities was ranked number one in terms of market share on the Swedish (9.9 per cent) and Norwegian (8.8 per cent) exchanges. According to the 2007 Euromoney foreign exchange poll, SEB is ranked number 12 in the global corporate segment. Investments in the absolute return area paid off in the form of some key transactions during the quarter. These included an investment by the Swedish Sixth AP Fund in SEB's Nordic Hedge Fund Index. Close co-operation with the Wealth Management division further leveraged the TCM product capabilities through the establishment of a multi-manager currency fund-of-funds

as well as the launch of a Dynamic Manager Alpha 5-year bond. SEB also consolidated its position as the second largest issuer of Swedish (VPC registered) structured products, with a year-to-date market share of 16 per cent.

Global Transaction Services benefited from continued asset inflow and high exchange turnover. SEB is now the largest Nordic custodian, with assets under custody of SEK 5,514bn. Within cash management SEB maintained its leading pan Nordic-Baltic franchise in a highly competitive environment.

Within Corporate Banking, SEB was advisor in several corporate finance transactions, for example to Ericsson on its USD 1.3bn acquisition of the Norwegian company Tandberg TV. SEB furthermore acted as sole lead manager on the EUR 83.7m IPO of Arco Vara, a leading Baltic property developer. SEB was also mandated lead arranger of the first major public-private financing in Denmark, a DKK 600m project to construct a new Danish national archive.

During the period, SEB received top rankings on a regional basis within such areas as corporate finance, equities, research, foreign exchange, cash management and investor services.

Retail Banking

The Retail Banking division consists of six business areas - Sweden, Germany, Estonia, Latvia, Lithuania and Card.

Profit and loss account

SEK m	Q2		Q1		Q2		Jan-Jun			Full year
	2007	2007	%	2006	%	2007	2006	%	2006	
Net interest income	2 426	2 338	4	2 083	16	4 764	4 078	17	8 514	
Net fee and commission income	1 584	1 526	4	1 479	7	3 110	2 917	7	5 752	
Net financial income	245	166	48	148	66	411	267	54	614	
Net other income	55	35	57	47	17	90	69	30	235	
Total operating income	4 310	4 065	6	3 757	15	8 375	7 331	14	15 115	
Staff costs	-1 290	-1 231	5	-1 220	6	-2 521	-2 394	5	-4 885	
Other expenses	-1 076	-1 065	1	-1 080	0	-2 141	-2 153	-1	-4 203	
Depreciation of assets	-116	-102	14	-115	1	-218	-219	0	-440	
Total operating expenses	-2 482	-2 398	4	-2 415	3	-4 880	-4 766	2	-9 528	
Profit before credit losses etc	1 828	1 667	10	1 342	36	3 495	2 565	36	5 587	
Gains less losses on assets				14	-100		31	-100	45	
Net credit losses	-160	-119	34	-95	68	-279	-227	23	-412	
Operating profit	1 668	1 548	8	1 261	32	3 216	2 369	36	5 220	
Cost/Income ratio	0,58	0,59		0,64		0,58	0,65		0,63	
Business equity, SEK bn	24,8	24,8		22,4		24,8	22,4		22,4	
Return on equity, %	21,3	19,5		17,6		20,4	16,4		18,1	
Number of full time equivalents	10 901	10 566		10 781		10 635	10 627		10 661	

- **Operating profit improved by 36 per cent.**
- **SEB was awarded as Best bank in Lithuania and Latvia.**
- **Increased penetration of SME segment in Sweden: 3,000 new customers.**

Comments on the first six months

The first half of 2007 was characterised by a favourable development of economic conditions, such as positive stock markets, increasing short-term interest rates and growing disposable income. Operating profit increased by 36 per cent.

Retail Sweden strengthened sales; sales of equity-linked bonds increased by 14 per cent and household mortgage sales by 8 per cent compared with the first half of 2006. The focus on small and medium-sized companies (SME) continued to yield results, and the number of SME customers year-to-date rose by more than 3,000. Intensified sales activity indicates the potential for revenue growth despite continued pressure on mortgage margins. Since year-end, these margins have dropped by 11 basis points. Costs decreased by 3 per cent following improved operational efficiency.

For the Baltic countries in general and Latvia in particular, measures to ensure a controlled slowdown of credit growth continued. During the first half of 2007, quarterly credit growth was between 5 and 10 per cent in all three countries, which was lower than in previous quarters. In parallel, the focus on savings products increased, with improved sales volumes and market shares as a result. For example, in Lithuania the market share of life insurance sales increased to 44 per cent, from 31 per cent in 2006.

SEB's strong position in the Baltic countries was further confirmed through several awards and rankings. In Lithuania, SEB was awarded as Best bank by Global Finance and Most attractive employer by two independent surveys. In Latvia, SEB was ranked Best bank by Euromoney.

In Germany, increased sales orientation continued in line with the turn-around plan, rendering more business with existing customers and future customer acquisition. Profit contribution from Retail Germany remained stable. Compared with the first half of 2006, income increased by 8 per cent and sales volumes improved for several products.

In the Card business area, turnover during the first six months increased by 9 per cent. The strong underlying business growth - together with reduced operating costs - continued to outweigh pressure from higher funding costs and decreasing margins. Several new co-brand card schemes were launched, e.g. Djurgårdens IF and Quintessentially.

The roll-out of SEB Way, SEB's operational efficiency programme, continued throughout the division. In Sweden, where the programme has advanced the furthest, more than 40 branches have now completed a transformation. The results indicate increased customer activity.

Wealth Management

This division has two business areas - Asset Management and Private Banking.

Profit and loss account

SEK m	Q2			Q1		Q2		Jan-Jun			Full year
	2007	2007	%	2006	%	2007	2006	%	2006		
Net interest income	198	186	6	158	25	384	300	28	644		
Net fee and commission income	1 086	1 024	6	960	13	2 110	1 894	11	3 836		
Net financial income	16	14	14	19	-16	30	33	-9	55		
Net other income	27	6		24	13	33	44	-25	60		
Total operating income	1 327	1 230	8	1 161	14	2 557	2 271	13	4 595		
Staff costs	-349	-383	-9	-371	-6	-732	-709	3	-1 440		
Other expenses	-207	-215	-4	-206	0	-422	-395	7	-801		
Depreciation of assets	-22	-14	57	-12	83	-36	-23	57	-51		
Total operating expenses	-578	-612	-6	-589	-2	-1 190	-1 127	6	-2 292		
Profit before credit losses etc	749	618	21	572	31	1 367	1 144	19	2 303		
Gains less losses on assets	-1					-1	29	-103	29		
Net credit losses	-5	-4	25	11	-145	-9	17	-153	25		
Operating profit	743	614	21	583	27	1 357	1 190	14	2 357		
Cost/Income ratio	0,44	0,50		0,51		0,47	0,50		0,50		
Business equity, SEK bn	5,5	5,5		4,0		5,5	4,0		4,0		
Return on equity, %	38,9	32,2		42,0		35,5	42,8		42,4		
Number of full time equivalents	1 227	1 306		1 320		1 282	1 281		1 300		

- **Operating profit increased by 14 per cent.**
- **More than 70 per cent of portfolios exceed benchmark investment returns.**
- **Good net sales – capturing customers' shift to alternative products.**

Comments on the first six months

Operating profit for the first half of 2007 increased by 14 per cent compared with the corresponding period of last year. The result included performance and transaction fees of SEK 327m (191). Higher asset values and net sales also generated growth of net fee and commission income. Operating expenses increased by 6 per cent compared with the first half of 2006. The decreased quarterly costs were primarily due to lower variable remuneration costs.

The first-quarter market trends continued, with somewhat volatile equity markets and declining fixed income values. The client shift to alternative asset products continued and SEB's newly launched products in this area, e.g. SEB Currency Alpha, attracted several SEK billion in new volumes. In total, SEB has captured SEK 28bn of net new assets (34) so far in 2007, whereof SEK 15bn (8) in Private Banking. In the Swedish mutual fund market SEB gained 55 per cent of the total market inflow - SEK 8bn (13) of a total of SEK 15bn (44).

The division's total assets under management grew to SEK 1,320bn, an increase of SEK 128bn or 11 per cent from year-end and a result of both higher asset values and net sales.

Investment performance continued to do well during the second quarter. Year-to-date, 71 per cent of portfolios (50) and 85 per cent (62) of assets under management were ahead of their respective benchmarks.

Asset Management's operating profit improved by 37 per cent compared with the first half of 2006, driven by a 20 per cent increase of net fee and commissions. Operating expenses were stable.

SEB is the clear market leader within private banking in Sweden. While Private Banking's sales improved in the first half of 2007 brokerage income declined due to margin pressure and lower client trading activity. Operating profit was 19 per cent lower than in the corresponding period of 2006, adversely affected also by restructuring effects in Denmark and Norway.

Life

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

Profit and loss account

SEK m	Q2			Q1		Q2		Jan-Jun			Full year
	2007	2007	%	2006	%	2007	2006	%	2006		
Net interest income	-6	-9	-33	-4	50	-15	-6	150			-15
Net life insurance income	907	981	-8	808	12	1 888	1 594	18			3 471
Net other income				-1	-100						
Total operating income	901	972	-7	803	12	1 873	1 588	18			3 456
Staff costs	-264	-256	3	-267	-1	-520	-514	1			-1 008
Other expenses	-129	-128	1	-125	3	-257	-260	-1			-474
Depreciation of assets	-140	-130	8	-116	21	-270	-225	20			-454
Total operating expenses	-533	-514	4	-508	5	-1 047	-999	5			-1 936
Profit before credit losses etc	368	458	-20	295	25	826	589	40			1 520
Operating profit	368	458	-20	295	25	826	589	40			1 520
Change in surplus values, net	323	244	32	492	-34	567	915	-38			1 655
Business result	691	702	-2	787	-12	1 393	1 504	-7			3 175
Cost/Income ratio	0,59	0,53		0,63		0,56	0,63				0,56
Business equity, SEK bn	7,5	7,5		7,0		7,5	7,0				7,0
Return on equity, %											
based on operating profit	17,3	21,5		14,8		19,4	14,8				19,1
based on business profit	32,4	32,9		39,6		32,7	37,8				39,9
Number of full time equivalents	1 210	1 201		1 296		1 206	1 308				1 280

- **Operating profit increased by 40 per cent.**
- **Leading Swedish unit-linked provider; sales in the Baltic markets doubled.**
- **Decreased margins on new business due to change of sales mix in Sweden.**

Comments on the first six months

Operating profit for the first half year improved as a result of higher unit-linked fund values and thus income growth. The result for traditional life and other risk products was stable. Rising interest rates are positive for the business going forward since the reinvestment yield improves. However, the sharp increase of bond yields during the second quarter adversely affected the investment return of the traditional life business in Denmark.

Operating expenses were stable, but higher depreciation of deferred acquisition costs offsets the effect of efficiency measures short term.

Unit-linked products remain the most important product group, representing 82 per cent of total sales. The portion of corporate pension increased its share.

Total sales, weighted volume, rose by 3 per cent compared with last year excluding the effect of the legislative initiatives in Sweden, which stopped the high volume product "Kapitalpension". Increased competition from new entrants reduced sales of corporate pension through the broker channel in Sweden while sales of

regular endowment policies increased. As a consequence, the sales margin on new business decreased to 22 per cent. The changed sales mix and lower sales volumes also affected surplus values.

Sales in Denmark were on the same level as last year, while sales in the Baltic countries almost doubled.

Total premium income (premiums paid) amounted to SEK 12.7bn compared with SEK 15.9bn for the same period last year. Excluding the effect of the legislative actions in Sweden, including the stop for transfers from SalusAnsvar, premium income rose by SEK 0.5bn, or 4 per cent. By the end of June it was indicated that the stop for transfers would be revoked by April 2008 at the latest.

The total value of unit-link funds increased by 14 per cent, to SEK 137bn, compared with SEK 120bn at year-end. The positive trend is a result of rising stock-markets, premium payments and a low level of surrenders in general. Total assets under management (net assets) increased by 5 per cent from year-end, to SEK 415bn.

Result by geography – first half of 2007

SEB has a local presence in the Nordic and Baltic countries, Germany, Poland, Ukraine and Russia and has a global presence through its international network in another 10 countries.

- **Strong profit growth in most markets, especially in the Baltic countries.**
- **Increased cost efficiency in Sweden.**
- **Business volumes outside Sweden generated 56 per cent of SEB's operating profit.**

Comments on the period

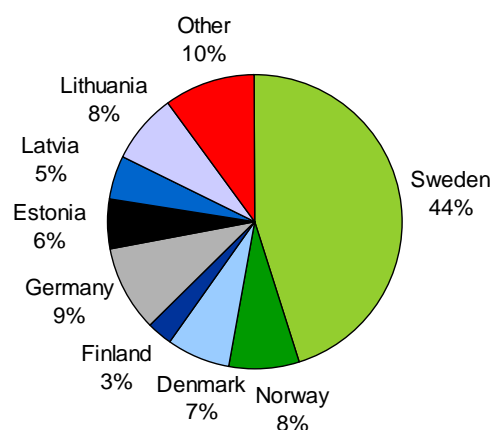
The business climate in *Sweden* remained strong during the first six months of the year and all of SEB's business areas continued to report solid revenues. Costs decreased by 4 per cent due to higher efficiency, including staff reductions. Operating profit rose by 20 per cent.

SEB's operations in *Denmark* and *Finland* developed favourably, mainly due to a strong development for Life in Denmark and for Merchant Banking and Wealth Management in Finland. SEB in *Norway* consolidated its market position within investment banking and maintained the strong business flow from last year.

Business in *Estonia*, *Latvia* and, in particular, *Lithuania* remained strong. Improved deposit margins and relatively stable lending margins in all markets, in combination with continued volume growth, led to increases in net interest income ranging between 40 and 60 per cent compared with the first half of 2006.

Following the strong growth of the Baltic economies and overheating tendencies, particularly in Latvia, measures to slow down credit growth continued. These measures include tightened lending requirements for customers borrowing in non-local currency. SEB remains focused on quality and risk-adjusted returns rather than on volumes and market share.

Operating profit per country, Jan-June 2007



The underlying customer business developed favourably in *Germany*. However, operating income was negatively affected by the reduced contribution of the treasury business following increased funding costs from higher short-term interest rates and the hedge exits during 2006, as earlier communicated. Net credit losses were higher related to a specific Merchant Banking customer fraud.

Business in new markets, i.e. Ukraine and Russia, developed according to plan.

Distribution by country Jan - June	Total operating income			Total operating expenses			Operating profit		
	2007	2006	%	2007	2006	%	2007	2006	%
SEKm									
Sweden	10 307	9 927	4	-6 264	-6 559	-4	3 917	3 265	20
Norway	1 554	1 451	7	- 829	- 770	8	673	678	-1
Denmark	1 418	1 246	14	- 789	- 653	21	621	580	7
Finland	543	474	15	-297	-256	16	240	216	11
Germany	3 296	3 374	-2	-2 288	-2 265	1	807	892	-10
Estonia	833	579	44	- 320	- 239	34	484	352	38
Latvia	753	542	39	- 286	- 250	14	429	293	46
Lithuania	1 117	733	52	-397	-337	18	665	366	82
Other countries and eliminations	1 091	975	12	-216	- 78	177	875	934	-6
Total	20 912	19 301	8	-11 686	-11 407	2	8 711	7 576	15

The SEB Group

Net fee and commission income – SEB Group

SEKm	Q2		Q1		Q2		Jan - Jun			Full year
	2007	2007	%	2006	%	2007	2006	%	2006	
Issue of securities	197	32		99	99	229	141	62	290	
Secondary market shares*	772	891	-13	870	-11	1 663	1 785	-7	3 100	
Secondary market other	166	177	-6	154	8	343	263	30	531	
Custody and mutual funds	1 923	1 692	14	1 535	25	3 615	3 022	20	6 184	
Securities commissions	3 058	2 792	10	2 658	15	5 850	5 211	12	10 105	
Payments	446	459	-3	444	0	905	886	2	1 787	
Card fees	1 039	957	9	949	9	1 996	1 817	10	3 730	
Payment commissions	1 485	1 416	5	1 393	7	2 901	2 703	7	5 517	
Advisory	337	499	-32	372	-9	836	775	8	1 742	
Lending	326	231	41	258	26	557	508	10	946	
Deposits	17	27	-37	28	-39	44	52	-15	124	
Guarantees	62	68	-9	74	-16	130	137	-5	278	
Derivatives	81	96	-16	111	-27	177	221	-20	384	
Other	268	226	19	193	39	494	374	32	849	
Other commissions	1 091	1 147	-5	1 036	5	2 238	2 067	8	4 323	
Fee and commission income	5 634	5 355	5	5 087	11	10 989	9 981	10	19 945	
Securities commissions*	-295	-204	45	-219	35	-499	-383	30	-698	
Payment commissions	-602	-576	5	-537	12	-1 178	-1 031	14	-2 150	
Other commissions	-193	-298	-35	-224	-14	-491	-467	5	-951	
Fee and commission expense	-1 090	-1 078	1	-980	11	-2 168	-1 881	15	-3 799	
Securities commissions, net	2 763	2 588	7	2 439	13	5 351	4 828	11	9 407	
Payment commissions, net	883	840	5	856	3	1 723	1 672	3	3 367	
Other commissions, net	898	849	6	812	11	1 747	1 600	9	3 372	
Net fee and commission income	4 544	4 277	6	4 107	11	8 821	8 100	9	16 146	

* Adjusted for gross fees for securities lending in 2006, SEK 200m.

Net financial income – SEB Group

SEKm	Q2		Q1		Q2		Jan - Jun			Full year
	2007	2007	%	2006	%	2007	2006	%	2006	
Equity instruments and related derivatives	126	147	-14	114	11	273	257	6	342	
Debt instruments and related derivatives	513	645	-20	288	78	1 158	608	90	1 424	
Capital market related	639	792	-19	402	59	1 431	865	65	1 766	
Currency-related	706	519	36	645	9	1 225	1 161	6	2 270	
Net financial income	1 345	1 311	3	1 047	28	2 656	2 026	31	4 036	

Net credit losses - Group

SEKm	Q2		Q1		Q2		Jan - Jun			Full year
	2007	2007	%	2006	%	2007	2006	%	2006	
<i>Provisions:</i>										
Net collective provisions	- 220	- 114	93	- 106	108	- 334	- 231	45	- 108	
Specific provisions	- 77	- 245	-69	- 198	-61	- 322	- 308	5	- 888	
Reversal of specific provisions no longer required	87	75	16	155	-44	162	238	-32	544	
Net provisions for contingent liabilities	- 7	31	-123	9	-178	24	20	20	31	
Net provisions	- 217	- 253	-14	- 140	55	- 470	- 281	67	- 421	
<i>Write-offs:</i>										
Total write-offs	- 240	- 243	-1	- 305	-21	- 483	- 530	-9	-1 308	
Reversal of specific provisions utilized for write-offs	131	124	6	181	-28	255	287	-11	704	
Write-offs not previously provided for	- 109	- 119	-8	- 124	-12	- 228	- 243	-6	- 604	
Recovered from previous write-offs	43	135	-68	102	-58	178	179	-1	322	
Net write-offs	- 66	16		- 22	200	- 50	- 64	-22	- 282	
Net credit losses	- 283	- 237	19	- 162	75	- 520	- 345	51	- 703	
Change in value of seized assets	3	3				6	- 15	-140	- 15	
Net credit losses incl change in value	- 280	- 234	20	- 162	73	- 514	- 360	43	- 718	

Balance sheet – SEB Group

Condensed SEKm	30 June 2007	31 December 2006	30 June 2006
Cash and cash balances with central banks	26 063	11 314	14 915
Loans to credit institutions	224 899	179 339	223 087
Loans to the public	1 047 546	946 643	920 947
Financial assets at fair value *	682 881	610 945	571 033
Available-for-sale financial assets *	134 115	115 482	170 108
Held-to-maturity investments *	2 051	2 208	15 497
Asset held for sale / Discontinued operations	949	2 189	1 417
Investments in associates	1 122	1 085	1 156
Tangible and intangible assets	23 076	22 914	23 858
Other assets	45 006	42 322	43 843
Total assets	2 187 708	1 934 441	1 985 861
Deposits by credit institutions	413 283	365 980	362 679
Deposits and borrowing from the public	715 037	641 758	643 024
Liabilities to policyholders	218 958	203 719	185 450
Debt securities	454 651	388 822	379 093
Financial liabilities at fair value	198 920	150 852	243 102
Other liabilities	75 717	70 528	69 091
Provisions	1 747	2 066	2 367
Subordinated liabilities	39 094	43 449	41 509
Total equity	70 301	67 267	59 546
Total liabilities and equity	2 187 708	1 934 441	1 985 861
* Of which interest bearing	587 472	560 844	557 192

Memorandum items – SEB Group

SEKm	30 June 2007	31 December 2006	30 June 2006
Collateral and comparable security pledged for own liabilities	302 354	354 694	353 944
Other pledged assets and comparable collateral	207 552	189 730	169 691
Contingent liabilities	67 325	60 156	64 876
Commitments	376 202	346 517	279 402

Statement of changes in equity – SEB Group

SEKm	Minority interests	Reserve for cash flow hedges	Reserve for afs financial assets	Share capital	Restricted reserves	Retained earnings	Total
Jan-Jun 2007							
Opening balance	130	380	392	6 872	30 203	29 290	67 267
Dividend to shareholders						- 4 123	- 4 123
Dividend, own holdings of shares						44	44
Neutralisation of PL impact and utilisation of employee stock options*						57	57
Neutralisation of 2004 employee stock options**						- 590	- 590
Eliminations of repurchased shares for employee stock option programme***						834	834
Taxes directly against equity						172	172
Other changes	6				909	- 909	6
Change in market value		-120	- 83				- 203
Recognised in income statement			13				13
Translation difference						40	40
Net income recognised directly in equity		-120	-70			40	-150
Net profit	12					6 772	6 784
Total recognised income	12	-120	-70			6 812	6 634
Closing balance	148	260	322	6 872	31 112	31 587	70 301
Jan-Dec 2006							
Opening balance	112	882	481	6 872	28 882	19 567	56 796
Dividend to shareholders						- 3 264	- 3 264
Dividend, own holdings of shares						75	75
Neutralisation of PL impact and utilisation of employee stock options*						580	580
Eliminations of repurchased shares for employee stock option programme***						1 232	1 232
Other changes					1 505	- 1 505	
Change in market value		-502	- 27				- 529
Recognised in income statement			- 62				- 62
Translation difference					-184		- 184
Net income recognised directly in equity		-502	-89		-184		-775
Net profit	18					12 605	12 623
Total recognised income	18	-502	-89		-184	12 605	11 848
Closing balance	130	380	392	6 872	30 203	29 290	67 267
Jan-Jun 2006							
Opening balance	112	882	481	6 872	28 882	19 567	56 796
Dividend to shareholders						- 3 264	- 3 264
Dividend, own holdings of shares						75	75
Neutralisation of PL impact and utilisation of employee stock options*						498	498
Eliminations of repurchased shares for employee stock option programme***						398	398
Other changes	8					- 21	- 13
Change in market value		-621	-130				- 751
Recognised in income statement			10				10
Translation difference					23		23
Net income recognised directly in equity		-621	-120		23		-718
Net profit	9					5 765	5 774
Total recognised income	9	-621	-120		23	5 765	5 056
Closing balance	129	261	361	6 872	28 905	23 018	59 546

* Includes changes in nominal amounts of equity swaps used for hedging of stock option programmes.

** Reclassification from equity instruments to financial instruments.

*** As of 31 December 2006 SEB owned 8.9 million Class A shares for the employee stock option programme. The acquisition cost for these shares is deducted from shareholders' equity. During 2007 4.6 million of these shares have been sold as employee stock options have been exercised. Thus, as of 30 June SEB owned 4.3 million Class A-shares with a market value of SEK 947m for hedging of the long-term incentive programmes.

Cash flow statement – SEB Group

SEKm	Jan - Jun			Full year 2006
	2007	2006	%	
Cash flow from the profit and loss statement	6 033	4 935	22	15 490
Increase (-)/decrease (+) in trading portfolios	-39 852	-18 392	117	-69 110
Increase (+)/decrease (-) in issued short term securities	57 543	6 130		10 581
Increase (-)/decrease (+) in lending to credit institutions	-29 282	-29 752	-2	17 745
Increase (-)/decrease (+) in lending to the public	-101 569	-20 097		-46 351
Increase (+)/decrease (-) in liabilities to credit institutions	47 303	-36 860		-33 559
Increase (+)/decrease (-) in deposits and borrowings from the public	73 279	72 761	1	71 495
Increase (-)/decrease (+) in insurance portfolios	15 312	10 086	52	18 319
Change in other balance sheet items	3 114	1 269	145	-1 587
Cash flow from operating activities	31 881	-9 920		-16 977
Cash flow from investment activities ¹⁾	- 869	- 627	39	- 12
Cash flow from financing activities	- 146	13 831	-101	21 048
Net increase in cash and cash equivalents	30 866	3 284		4 059
Cash and cash equivalents at beginning of year	73 751	70 796	4	70 796
Exchange difference in cash and cash equivalents	217	- 432	-150	-1 104
Net increase in cash and cash equivalents	30 866	3 284		4 059
Cash and cash equivalents at end of period²⁾	104 834	73 648	42	73 751
1) Including investments in subsidiaries				
Cost of acquisitions		- 130	-100	- 130
Less cash acquired		113	-100	113
Outflow on acquisition		- 17	-100	- 17

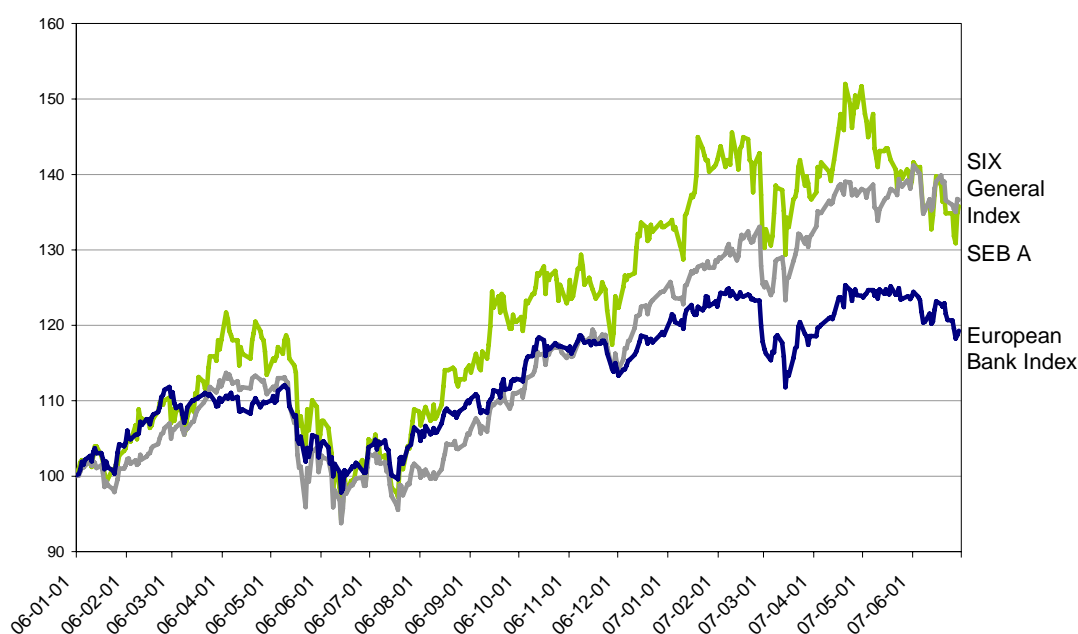
1) Cash and cash equivalents at end of period is defined as Cash and cash balances with central banks and Loans to credit institutions - payable on demand. Cash and cash equivalents June 2006 is restated.

Impaired loans and seized assets – SEB Group

SEKm	30 June 2007	31 December 2006	30 June 2006
Non-performing impaired loans	7 498	7 123	7 891
Performing impaired loans	1 097	1 403	888
Impaired loans gross*	8 595	8 526	8 779
Specific reserves	-4 151	-4 234	-4 476
<i>of which reserves for non-performing loans</i>	-3 716	-3 630	-4 120
<i>of which reserves for performing loans</i>	-435	-604	-356
Collective reserves	-2 524	-2 170	-2 463
Impaired loans net	1 920	2 122	1 840
Reserves for off-balance sheet items	-194	-215	-236
Total reserves	-6 869	-6 619	-7 175
Level of impaired loans (Impaired loans, net in relation to lending, at end of period)	0.19%	0.22%	0.20%
Reserve ratio for impaired loans (Specific and collective reserves in relation to impaired loans gross, per cent)	77.7%	75.1%	79.0%
<i>Specific reserve ratio for impaired loans</i>	48.3%	49.7%	51.0%
Pledges taken over			
Properties	88	86	100
Shares	42	42	43
Total volume of pledges taken over	130	128	143

* Individually impaired loans.

The SEB share



Rating

Moody's Outlook Stable		Standard & Poor's Outlook Stable		Fitch Outlook Positive		DBRS Outlook Stable	
Short	Long	Short	Long	Short	Long	Short	Long
P-1	Aaa	A-1+	AAA	F1+	AAA	R-1 (high)	AAA
P-2	Aa1	A-1	AA+	F1	AA+	R-1 (middle)	AA (high)
P-3	Aa2	A-2	AA	F2	AA	R-1 (low)	AA
	Aa3	A-3	AA-	F3	AA-	R-2 (high)	AA (low)
	A1		A+		A+	R-2 (middle)	A
	A2		A		A	R-2 (low)	BBB
	A3		A-		A-	R-3	BB
	Baa1		BBB+		BBB+	R-4	B
	Baa2		BBB		BBB	R-5	CCC CC C
	Baa3		BBB-		BBB-	D	D

SEB's major shareholders

June 2007	Share of capital, per cent
Investor AB	17.9
Trygg Foundation	9.6
Alecta	3.3
Swedbank Robur Funds	2.7
AFA Försäkring	2.0
SHB/SPP mutual funds	2.0
Wallenberg Foundations	1.5
SEB mutual funds	1.5
Nordea mutual funds	1.3

Foreign shareholders 28.7

Source: VPC/SIS Ägarservice

Additional Information January-June 2007

STOCKHOLM 19 JULY 2007

Appendix 1 Division Life

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

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

Comments to the second quarter

Operating profit for the second quarter amounted to SEK 368m. This is a decrease with SEK 90m compared with the first quarter. The decrease is mainly income related whereas expenses are relatively stable. Business area SEB Pension Denmark dropped SEK 70m and SEB Life & Pension International dropped SEK 19m. In Denmark higher interest rates adversely affected the investment return related to sickness insurance and equity capital funds held in short term bond portfolios. The higher interest rate level is however positive in the long run. In International the first quarter included a one-off income of SEK 33m from a revaluation of technical reserves. The results for SEB Trygg Liv Sweden and central functions were stable.

Compared with the second quarter previous year, the operating profit increased with SEK 73m. The improvement is due to increasing unit-linked incomes generated from higher fund values which benefit from continued strong stock market trends. The total value of unit-link funds in June amounted to SEK 137bn compared with SEK 120bn in December and SEK 103bn in June previous year. Total assets under management (net assets) amounted to SEK 415bn.

Total sales, weighted volume, amounted to SEK 10.8bn during the second quarter. This is a decrease with more than SEK 1bn compared with the first quarter. Almost SEK 0.5bn of this is related to the product Kapitalpension which was stopped due to legislative actions on 2 February 2007. Most of the remaining drop is explained by seasonal variations. Compared with the second quarter previous

year, the drop was also more than SEK 1bn. Kapitalpension dropped SEK 1.7bn thus other products increased.

SEB Trygg Liv, Sweden

The Swedish operations are conducted partly according to a bancassurance concept, i.e. an integrated banking and insurance business, and partly through insurance mediators and other external mediators. The purpose of the bancassurance concept is to offer SEB's customers a complete range of products and services within the financial area. Savings in life insurance products, including pension savings, represent a growing share of the Swedish households' financial assets. According to the SEB "Sparbarometern" this share was 46 per cent by March 2007.

Stable market position

Sales focus is on unit-linked, which represents more than 80 per cent of total sales. SEB Trygg Liv is the market leader in Sweden within unit-linked insurance with a 28.6 per cent (30.8) share of new sales for the twelve month period to March 2007. The market share for the previous period was influenced by the initially dominant position for the product "Kapitalpension".

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

Significant occupational pension business

Corporate sales have gradually grown and increased their share of total sales. SEB Trygg Liv is the market leader within new business unit-linked occupational pension. The market share for the twelve month period to March 2007 was 25.9 per cent (26.6).

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

Strong in the private market

In the private market SEB Trygg Liv has a strong position within new business unit-linked endowment insurance. The market share for the twelve month period to March 2007 was 30.8 per cent (38.6). SEB Trygg Liv was the first

company in 2005 to launch the new product "Kapitalpension". Kapitalpension was stopped due to legislative actions on 2 February 2007.

Sales of private pension savings are relatively stable. SEB's sales in this area consist mainly of IPS - Individual Pension Savings and "Enkla Pensionen", a unit-linked product with a guarantee.

SEB Pension, Denmark

SEB Pension's traditional life insurance operations in Denmark are carried out in a profit-sharing company and therefore included in the division's result. By hedging the investment portfolios, the market and investment risks are controlled in relation to guaranteed commitments to policyholders. Variations in investment returns can be absorbed to a great extent by accumulated buffer funds, called "collective bonus potential".

The first quarter results included accrued income of SEK 50m from the traditional life portfolios in Denmark. The amount was placed in a "shadow account", following the local Danish legislation regarding shareholder fee available for distribution in profit-sharing traditional life insurance. Due to good performance in this area during the second quarter, no amount is placed in the "shadow account" by the end of June. The restriction of distribution to the shareholder fee is relevant in relation to the full year results only.

SEB Pension's products

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

Savings insurance is available both as unit-linked and traditional insurance (in a profit-sharing company). In the private market unit-linked insurance accounts for almost 90 per cent of sales, while approximately 50 per cent of the corporate market consists of traditional insurance, since certain business areas still do not allow unit-linked insurance to form part of an occupational pension plan.

The market for non-traditional life insurance, such as unit-linked, keeps expanding. This growth emanates mainly from the corporate segment, via insurance mediators.

Growing occupational pension market

The Danish occupational pension market has grown by approximately 10 per cent annually since year 2000, while the private market has shown virtually zero-growth. SEB Pension's growth rate within occupational pension has been in the range of 15-18 per cent in recent years, and the company has gained market shares, accordingly.

SEB Pension's development in the private market has been in line with the general trend. Measured in terms of premium income SEB Pension is the fourth largest life insurance company in Denmark, with a market share of nearly 10 per cent. In the unit-linked segment the market share is 17 per cent.

Distribution

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

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

SEB Life & Pension, International

SEB Life & Pension International includes operating subsidiaries in Ireland, Estonia, Latvia and Lithuania. Also in Ukraine a subsidiary is being established. The Irish company has also a branch in the UK.

The operations of the Irish company SEB Life (Ireland) are focused primarily on sales of Portfolio Bond (depot investments), existing in the form of an international endowment insurance, and Personal Life Portfolio Bond (endowment pension). The sale is primarily concentrated on the Swedish market. Since 2004, the company has also a branch office in Luxembourg via SEB Private Banking, with sales focused on Swedes living abroad.

Profit & loss account

SEKm	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Full year 2006
Income unit-linked	585	524	523	470	446	439	1 878
Income other insurance	206	333	275	368	273	265	1 181
Other income	110	115	132	100	84	81	397
Total operating income	901	972	930	938	803	785	3 456
Operating expenses	-570	-570	-617	-505	-622	-637	-2 381
Other expenses	-8	-15	-5	-6	-30	-21	-62
Change in deferred acquisition costs	45	71	151	45	144	167	507
Total expenses	-533	-514	-471	-466	-508	-491	-1 936
Operating profit ¹⁾	368	458	459	472	295	294	1 520
Change in surplus value, net	323	244	359	381	492	423	1 655
Business result	691	702	818	853	787	717	3 175
Financial effects due to market fluctuations ²⁾	353	343	433	399	-852	548	528
Change in assumptions ²⁾	0	0	-72	0	0	0	-72
Total result	1 044	1 045	1 179	1 252	-65	1 265	3 631
Business equity	7 500	7 500	7 000	7 000	7 000	7 000	7 000
Return on business equity ³⁾							
based on operating profit, %	17,3%	21,5%	23,1%	23,7%	14,8%	14,8%	19,1%
based on business result, %	32,4%	32,9%	41,1%	42,9%	39,6%	36,1%	39,9%
Expense ratio, % ⁴⁾	9,6	8,4	6,6	8,7	8,1	7,7	7,7
¹⁾ SEB Trygg Liv, Sweden	282	290	286	260	198	249	993
SEB Pension, Denmark	69	139	142	145	103	32	422
SEB Life & Pension, International	43	62	52	117	25	29	223
Other including central functions etc	-26	-33	-21	-50	-31	-16	-118
	368	458	459	472	295	294	1 520

²⁾ Effect on surplus values.

³⁾ Annual basis after 12 per cent tax which reflects the divisions effective tax rate.

⁴⁾ Operating expenses as percentage of premium income.

Sales volume insurance (weighted)

SEKm	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Full year 2006
Total	10 800	11 854	13 078	9 556	11 972	12 519	47 125
SEB Trygg Liv Sweden	6 689	7 691	8 245	5 848	8 414	8 735	31 242
Traditional life and sickness/health insurance	435	504	529	416	440	504	1 889
Unit-linked insurance	6 254	7 187	7 716	5 432	7 974	8 231	29 353
Private paid	1 455	1 731	3 164	1 009	2 750	2 615	9 538
Corporate paid	5 234	5 960	5 081	4 839	5 664	6 120	21 704
SEB Pension Denmark	3 155	3 419	3 215	2 835	3 053	3 291	12 394
Traditional life and sickness/health insurance*	1 514	1 335	1 257	1 466	1 248	1 054	5 025
Unit-linked insurance	1 641	2 084	1 958	1 369	1 805	2 237	7 369
Private paid	684	1 009	915	554	616	827	2 912
Corporate paid	2 471	2 410	2 300	2 281	2 437	2 464	9 482
SEB Life & Pension International	956	744	1 618	873	505	493	3 489
Traditional life and sickness insurance	132	165	199	156	148	111	614
Unit-linked insurance	824	579	1 419	717	357	382	2 875
Private paid	679	573	1 462	783	425	446	3 116
Corporate paid	277	171	156	90	80	47	373

* Sickness/health insurance included from Q2 2007 (SEK 272m)

Premium income and Assets under management

SEKm	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Full year 2006
Premium income							
Total	5 963	6 785	9 374	5 782	7 705	8 221	31 082
SEB Trygg Liv Sweden	3 625	4 432	5 660	3 859	5 632	6 108	21 259
Traditional life and sickness/health insurance	752	869	1 079	700	790	908	3 477
Unit-linked insurance	2 873	3 563	4 581	3 159	4 842	5 200	17 782
SEB Pension Denmark	1 535	1 622	2 242	1 349	1 516	1 398	6 505
Traditional life and sickness insurance	1 105	865	1 462	935	945	896	4 238
Unit-linked insurance	430	757	780	414	571	502	2 267
SEB Life & Pension International	803	731	1 472	574	557	715	3 318
Traditional life and sickness insurance	18	95	197	145	85	84	511
Unit-linked insurance	785	636	1 275	429	472	631	2 807
Assets under management, net assets *							
Total	415 200	407 700	395 300	381 400	364 200	380 000	395 300
SEB Trygg Liv Sweden	312 100	303 900	295 400	282 300	269 400	277 900	295 400
Traditional life and sickness/health insurance	199 200	197 000	194 200	188 400	181 900	187 400	194 200
Unit-linked insurance	112 900	106 900	101 200	93 900	87 500	90 500	101 200
SEB Pension Denmark	85 900	87 600	84 700	86 000	82 100	88 500	84 700
Traditional life and sickness insurance	78 500	80 900	80 400	82 200	78 800	85 600	80 400
Unit-linked insurance	7 400	6 700	4 300	3 800	3 300	2 900	4 300
SEB Life & Pension International	17 200	16 200	15 200	13 100	12 700	13 600	15 200
Traditional life and sickness insurance	500	900	1 000	800	700	700	1 000
Unit-linked insurance	16 700	15 300	14 200	12 300	12 000	12 900	14 200

* rounded to whole 100 millions

Surplus value accounting

SEKm							Full year
	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	2006
Surplus values, opening balance	13 452	12 872	12 148	11 369	11 729	10 755	10 755
Present value of new sales ¹⁾	396	482	765	403	658	719	2 545
Return/realised value on policies from previous periods	-68	-62	-45	-58	-35	-35	-173
Actual outcome compared to assumptions ²⁾	40	-105	-210	81	13	-94	-210
Change in surplus values from ongoing business, gross	368	315	510	426	636	590	2 162
Capitalisation of acquisition costs for the period	-173	-189	-243	-157	-248	-263	-911
Amortisation of capitalised acquisition costs	128	118	92	112	104	96	404
Change in surplus values from ongoing business, net ³⁾	323	244	359	381	492	423	1 655
Financial effects due to short term market fluctuations ⁴⁾	353	343	433	399	-852	548	528
Change in assumptions ⁵⁾			-72				-72
Total change in surplus values	676	587	720	780	-360	971	2 111
Exchange rate differences etc	2	-7	4	-1	0	3	6
Surplus values, closing balance ⁶⁾	14 130	13 452	12 872	12 148	11 369	11 729	12 872

¹⁾ Sales defined as new contracts and extra premiums in existing contracts.

²⁾ The reported actual outcome of contracts signed can be placed in relation to the operative assumptions that were made. Thus, the value of the deviations can be estimated. The most important components consist of extensions of contracts as well as cancellations. However, the actual income and administrative expenses are included in full in the operating result.

³⁾ Deferred acquisition costs are capitalised in the accounts and amortised according to plan. The reported change in surplus values is therefore adjusted by the net result of the capitalisation and amortisation during the period.

⁴⁾ Assumed unit growth is 6 per cent, i.e. 1.5 per cent per quarter. Actual growth results in positive or negative financial effects.

⁵⁾ In Q4 2006 the assumption of a 1% transfer of ITPK policies was introduced in Sweden with a negative effect. The surrender rate was changed from 10 per cent to 6 or 12 per cent depending on years past since signement of contracts. Administrative costs per policy were also adjusted with a positive effect.

⁶⁾ Estimated surplus value according to the above are not included in the SEB Group's consolidated accounts. The closing balance is shown after the deduction of capitalised acquisition costs (SEK 2,965m at June 30, 2007).

Surplus values

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

SEB Trygg Liv uses the method of surplus value calculations since 1997 for both internal management accounting and external reporting. The reporting is according to international practice and is reviewed by an external party annually. Surplus values are not consolidated in the SEB Group accounts. For the Danish business, surplus values are included for the unit linked business but not for the traditional insurance business. For traditional insurance in Denmark, profit distribution between shareholders and policyholders is defined by the so-called contribution principle. No surplus values are included for the Baltic insurance business.

Assumptions for calculating surplus values

The surplus value calculation is based on different

Discount rate	8%
Surrender rate of endowment insurance, contracts signed within 5 years / thereafter	6% / 12%
Lapse rate of regular premiums, unit-linked	10%
Growth in fund units	6%
Inflation CPI / Inflation expenses	2% / 3%
Right to transfer policy (unit-linked)	1%
Mortality	According to the Group's experience

assumptions, which are adjusted when necessary to correspond to the long-term actual development.

The sensitivity analysis

The calculation of surplus values is relatively sensitive to changes in assumptions. A change of the discount rate by +1/-1 percentage point gives an effect in surplus values of SEK -1,436/+1,655m. A higher or lower actual return/growth in fund units will result in positive or negative effects when the surplus value change of the period is calculated. A change in the growth assumption by +1/-1 percentage point will give a change in surplus values of SEK +1,473/-1,299m.

New business profit

One way of measuring profitability of sales is to calculate the new business profit. Profit from new business, the net of present value of new sales and sales expenses, is measured in relation to the weighted sales volume.

SEKm	Jan-Jun 2007	Full year 2006	Full year 2005	Full year 2004
SEB Trygg Liv Sweden				
Sales volume weighted (regular + single/10)	1 502	3 345	3 678	2 962
Present value of new sales	771	1 788	1 924	1 525
Sales expenses	-435	-970	-1 116	-947
Profit from new business	336	818	808	578
Sales margin new business	22,4%	24,5%	22,0%	19,5%

The decrease in the margin during the second quarter is an effect of lower sales volume and a change in the product mix. In the sales margin calculations for 2006, the volume transferred from SalusAnsvar was not included.

Embedded value

SEKm	30 Jun 2007	31 Dec 2006	31 Dec 2005	31 Dec 2004
Equity ¹⁾	8 737	8 450	7 696	6 482
Surplus values	14 130	12 872	10 755	7 757
¹⁾ Dividend paid to the parent company during the period	500	400		

Traditional life insurance, Sweden

Gamla and Nya Livförsäkringsaktiebolaget

The traditional insurance business is operated in Gamla and Nya Livförsäkringsaktiebolaget SEB Trygg Liv. The entities are operated according to mutual principles and are not consolidated in the division's result. Gamla Livförsäkringsaktiebolaget is closed for new business.

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

- Appoint two board members of Gamla Livförsäkrings-aktiebolaget and, jointly with SEB, appoint the Chairman of the Board, which consists of five members.

- Appoint the majority of members and the Chairman of the Finance Delegation, which is responsible for the asset management of Gamla Livförsäkringsaktiebolaget.

The merger process of Fondförsäkringsaktiebolaget SEB Trygg Liv and Nya Livförsäkrings AB continues according to plan. The policyholders in Nya Liv have voted in favour of the proposal (>95%) and the merger is planned to become effective as of 1 October 2007.

For more facts concerning these companies see SEB Trygg Liv at: www.sebgroup.com.

Appendix 2 Credit Exposure

Credit Exposure by Industry, SEKbn

(before provisions for possible credit losses)

	TOTAL			
	30 Jun 2007	%	31 Dec 2006	%
Banks	181.6	12.7	168.6	12.8
Corporate	538.6	37.7	485.0	36.9
Finance and insurance	46.7	3.3	36.3	2.8
Wholesale and retail	63.2	4.4	65.6	5.0
Transportation	50.3	3.5	46.0	3.5
Other service sectors	99.2	6.9	61.8	4.7
Construction	18.6	1.3	16.8	1.3
Manufacturing	142.5	10.0	125.3	9.5
Other	118.2	8.3	133.3	10.1
Property Management	191.9	13.4	190.7	14.5
Public Administration	100.8	7.1	96.6	7.3
Households	415.7	29.1	374.3	28.5
Housing loans	309.0	21.6	269.6	20.5
Other	106.7	7.5	104.7	8.0
Total credit portfolio	1 428.6	100.0	1 315.3	100.0
Repos	270.8		195.3	
Credit institutions	118.9		82.9	
General public	151.9		112.4	
Bonds and other interest bearing securities	517.8		487.3	

Credit Exposure*, Emerging Markets, SEKbn

	30 Jun 2007	31 Dec 2006
Asia	8.6	8.2
China	2.9	3.0
Hong Kong	2.3	2.1
India	1.6	0.8
Latin America	1.6	1.4
Brazil	0.9	0.8
Eastern and Central Europe	7.1	5.2
Russia	4.4	2.6
Africa and Middle East	3.7	4.0
Saudi Arabia	0.9	0.6
UAE	0.7	0.8
Total - gross	21.0	18.8
Reserve	0.4	0.3
Total - net	20.6	18.5

Exposure to private equity and hedge funds

In July, the Swedish Financial Supervisory Authority presented a report on the Swedish banks' total granting of credits to and investments in private equity and hedge funds. The banks' exposure amounted to 1.4 per cent of the total exposure. The average is in line with SEB's exposure to private equity which amounts to slightly more than SEK 20bn; the absolute majority consists of lending. SEB's exposure to hedge funds is subject to daily margining which means that the exposure is limited. SEB considers the exposure of these two sectors to be of good quality.

*) The domestic exposure of SEB's subsidiaries domiciled in emerging markets is excluded from the above figures.

Appendix 3a Capital base of the SEB financial group of undertakings

SEKm	30 June 2007	31 December 2006
Total equity according to balance sheet (1)	70 301	67 267
./. Dividend for year 2006 (excl repurchased shares)		-4 070
./. Estimated dividend for current year (excl repurchased shares)	-2 049	
./. Deductions for investments outside the financial group of undertakings (2)	-83	
./. Other deductions outside the financial group of undertakings (3)	-2 809	-2 622
= Total equity in the capital adequacy	65 360	60 575
Core capital contribution	7 527	7 543
Adjustment for hedge contracts (4)	177	51
Net provisioning amount for IFRS-reported credit exposures (5)	0	
./. Unrealised value changes on available-for-sale financial assets (6)	-264	-388
./. Goodwill (7)	-5 464	-5 341
./. Other intangible assets	-527	-712
./. Deferred tax assets	-626	-1 066
= Core capital (tier 1)	66 183	60 662
Dated subordinated debt	18 615	22 770
./. Deduction for remaining maturity	-1 545	-1 289
Perpetual subordinated debt	14 167	13 973
Net provisioning amount for IFRS-reported credit exposures (5)	277	
Unrealised gains on available-for-sale financial assets (6)	581	381
= Supplementary capital (tier 2)	32 095	35 835
./. Deductions for investments in insurance companies (8)	-10 583	-10 500
./. Deductions for other investments outside the financial group of undertakings (2)	-83	-464
./. Deduction for pension assets in excess of related liabilities (9)	-1 099	-611
= Capital base	86 513	84 922

To note:

Total equity according to the balance sheet (1) includes the current year's profit which has been reviewed by the auditors.

Deductions (2) for investments outside the financial group of undertakings should be made with equal parts from core and supplementary capital. However, investments in insurance companies made before 20 July 2006 can be deducted from supplementary capital (8) – this holds for SEB's investments in insurance companies.

The deduction (3) consists of retained earnings in subsidiaries outside the financial group of undertakings.

The adjustment (4) refers to differences in how hedging contracts are acknowledged according to the capital adequacy regulation, as compared with the preparation of the balance sheet.

If provisions and value adjustments for credit exposures reported according to the Internal Rating Based approach fall short of expected losses on these exposures, the difference (5) should be deducted in equal parts from primary and supplementary capital. A corresponding excess can, up to a certain limit, be added to the supplementary capital.

Surplus values in Available For Sale portfolios (6) must not be included in the core capital. However, if the surplus is attributable to equity instruments it may be included in the supplementary capital.

Goodwill in the capital adequacy differs from what is stated in the balance sheet due to the inclusion of companies in the capital adequacy calculation that are not consolidated in the Group's balance sheet. Goodwill in (7) relates only to companies in the financial group of undertakings. Goodwill related to insurance companies (SEK 5,721m) is included in the deductions (8).

Pension surplus values (9) should be deducted from the capital base, excepting such indemnification as prescribed in the Swedish Act on safeguarding of pension undertakings.

On 30 June 2007, the parent company's core capital (tier 1) was SEK 48,604m (46,662), and the reported core capital ratio was 10.6 per cent (16.5).

Appendix 3b Capital requirements for the SEB financial group of undertakings

To facilitate comparison with previous reporting, the regulatory capital requirements below are expressed also as risk weighted assets (RWA, 12.5 times the capital requirement). For operational and market risk these are derived entities, since the new regulation is formulated directly in terms of capital requirements. SEB's own capital targets are set considerably higher than the regulatory minima.

30 June 2007	Capital req't SEKm	RWA SEKm
Companies that report according to Basel II		
Credit risk, IRB approach: Institutions	3 150	39 369
Credit risk, IRB approach: Corporates	20 198	252 480
Credit risk, IRB approach: Securitisations	206	2 573
Credit risk, IRB approach: Retail mortgages	3 473	43 412
Total for credit risk, IRB approach	27 027	337 834
Credit risk, Standardised approach	6 118	76 475
Operational risk, Basic Indicator approach	3 723	46 540
Currency price risk	493	6 163
Trading book risks	4 125	51 568
Total, companies that report according to Basel II	41 486	518 580
Companies that report according to Basel I		
Credit risk	12 915	161 436
Currency price risk	0	0
Trading book risks	52	655
Total, companies that report according to Basel I	12 967	162 091
Summary		
Credit risk, Basel II	33 145	414 309
Credit risk, Basel I	12 915	161 436
Operational risk	3 723	46 540
Market risk	4 671	58 386
Total	54 454	680 671
Adjustment for flooring rules		
Additional requirement according to transitional flooring (4)	8 190	102 374
Total reported	62 644	783 045

To note:

The capital requirement for the individual company (both in solo and in consolidated reporting) is computed either fully according to Basel I or fully according to Basel II. The companies (1) that in 30 June 2007 reporting follow Basel II are SEB AB, SEB BoLån AB, SEB Finans AB, SEB AG, and SEB Gyllenberg Ab.

In Basel II, counterparty risk (repos, securities lending, derivatives) in the trading book is referred to credit risk, and not to market risk as in Basel I.

Corporate exposures (2) exclude such small companies where the total exposure does not exceed certain regulatory-defined thresholds.

Reporting according to the Standardised approach (3) mainly refers to exposures to the public sector, to small companies as described in the previous paragraph, and to other household exposures than those secured by residential mortgage.

Swedish law (2006:1372) stipulates that during the year 2007 institutions should have a capital base not below 95 per cent of the capital requirement according to previous (Basel I) regulation. The addition (4) is made in consequence with this transitional rule.

Appendix 3c Capital adequacy analysis

SEB uses a gradual roll-out of the new framework, which means that the aggregate capital requirement is calculated using a combination of Basel I and Basel II rules. At the reporting as per 30 June 2007 more than 70 per cent of the total credit portfolio is reported according to the IRB approach. Operational risk reporting follows the Basic Indicator approach, awaiting supervisory processing of SEB's application to use the Advanced Measurement approach.

The part of the Group that follows Basel II reports credit risk RWA of SEK 414bn and operational risk RWA of SEK 47bn; a total of 461bn. The same part of the Group would report credit risk RWA of 592bn under Basel I. The lower Basel II number can be derived from considerably lower capital requirements for mortgages and for corporate exposures, while the risk weight for exposures to institutions is roughly the same under the two frameworks.

Capital adequacy	30 June 2007	31 December 2006
Capital resources		
Core capital (tier 1)	66 183	60 662
Capital base	86 513	84 922
Capital adequacy following Basel I		
Risk weighted assets	820 617	740 513
Core capital ratio	8,1%	8,2%
Total capital ratio	10,5%	11,5%
Capital adequacy quotient (capital base / capital requirement)	1,32	1,43
Capital adequacy as officially reported with transitional rules (Basel II)		
Risk weighted assets	783 045	740 513
Core capital ratio	8,5%	8,2%
Total capital ratio	11,1%	11,5%
Capital adequacy quotient (capital base / capital requirement)	1,39	1,43
Capital adequacy without transitional floor (Basel II)		
Risk weighted assets	680 671	
Core capital ratio	9,7%	
Total capital ratio	12,7%	
Capital adequacy quotient (capital base / capital requirement)	1,59	

The regulatory requirements can be expressed as a total capital ratio of at least 8 per cent and a core capital ratio of at least 4 per cent. However, and following the "second pillar" of the new framework, banks are expected to operate above this level. The margin supports SEB's high rating ambitions, covering risks that are not included in the capital adequacy regulation, and representing a buffer for the less benign phases of the business cycle. The Group's internal capital assessment process is based on the long term business plans and utilises SEB's economic capital model, supplemented e.g. with macro economic analysis and stress testing.

Appendix 4 Market risk

The Group's risk-taking in trading operations is measured by so-called value at risk, VaR. The Group has chosen a probability level of 99 per cent and a ten-day time horizon. The table below shows the risk by risk type.

Total VaR by the reporting date was SEK 105m (65 at year end 2006). Average VaR level during the first half-year was SEK 76m, compared with 96m during the calendar year 2006. The second quarter of 2007 was a rather calm

quarter in the financial markets, but with rising interest rate volatilities towards the end of June. Currency risk VaR remained stable, just as equity risk VaR which remained stable on a somewhat higher level than during the beginning of the year. Reduced total VaR in April and May was entirely position driven whereas the increase in June was due to a combination of increased positions and rising interest rate volatilities.

SEKm	Min	Max	30 June 2007	Average 2007	Average 2006
Interest risk	28	109	101	48	63
Currency risk	8	83	15	21	30
Equity risk	17	150	77	74	48
Diversification			-88	-67	-45
Total	36	155	105	76	96

Appendix 5 Profit and loss accounts by division, business area and quarter

The SEB Group

Total

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	3 596	3 578	3 503	3 604	3 767	3 939	14 281
Net fee and commission income	3 993	4 107	3 772	4 274	4 277	4 544	16 146
Net financial income	979	1 047	890	1 120	1 311	1 345	4 036
Net life insurance income	583	607	739	732	743	642	2 661
Net other income	459	352	538	274	95	249	1 623
Total operating income	9 610	9 691	9 442	10 004	10 193	10 719	38 747
Staff costs	-3 722	-3 463	-3 443	-3 735	-3 796	-3 774	-14 363
Other expenses	-1 736	-1 853	-1 664	-1 634	-1 678	-1 768	-6 887
Depreciation of assets	-312	-321	-343	-311	-328	-342	-1 287
Total operating expenses	-5 770	-5 637	-5 450	-5 680	-5 802	-5 884	-22 537
Profit before credit losses etc	3 840	4 054	3 992	4 324	4 391	4 835	16 210
Gains less losses from assets	28	14	6	22		-1	70
Net credit losses including change in value of seized assets	-198	-162	-136	-222	-234	-280	-718
Operating profit	3 670	3 906	3 862	4 124	4 157	4 554	15 562
Income tax expense	-843	-959	-803	-334	-895	-1 032	-2 939
Net profit	2 827	2 947	3 059	3 790	3 262	3 522	12 623
Attributable to minority interests	5	4	6	3	4	8	18
Attributable to equity holders	2 822	2 943	3 053	3 787	3 258	3 514	12 605

Merchant Banking

Total

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income*	1 280	1 283	1 174	1 072	1 323	1 349	4 809
Net fee and commission income	1 479	1 504	1 376	1 515	1 557	1 625	5 874
Net financial income*	875	847	695	1 259	1 094	1 050	3 676
Net other income	196	225	193	165	45	170	779
Total operating income	3 830	3 859	3 438	4 011	4 019	4 194	15 138
Staff costs	-1 184	-887	-953	-1 058	-1 117	-1 159	-4 082
Other expenses	-760	-881	-830	-756	-826	-857	-3 227
Depreciation of assets	-25	-18	-21	-25	-23	-17	-89
Total operating expenses	-1 969	-1 786	-1 804	-1 839	-1 966	-2 033	-7 398
Profit before credit losses etc	1 861	2 073	1 634	2 172	2 053	2 161	7 740
Gains less losses from assets	-18		3	13			-2
Net credit losses	-54	-85	-80	-101	-113	-115	-320
Operating profit	1 789	1 988	1 557	2 084	1 940	2 046	7 418

* Isolated quarterly effects from structures products in 2006, shifting income to net interest income from net financial income, were: Q1: SEK 5m; Q2: SEK 41m; Q3: 72m; Q4: SEK 201m.

Merchant Banking

Trading and Capital Markets

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income*	283	184	126	-91	146	94	502
Net fee and commission income	704	621	483	652	629	715	2 460
Net financial income*	866	813	698	1 285	1 084	1 030	3 662
Net other income	7	206	19	1	9	17	233
Total operating income	1 860	1 824	1 326	1 847	1 868	1 856	6 857
Staff costs	-571	-419	-452	-503	-531	-561	-1 945
Other expenses	-316	-358	-352	-312	-350	-356	-1 338
Depreciation of assets	-8	-6	-6	-8	-7	-7	-28
Total operating expenses	-895	-783	-810	-823	-888	-924	-3 311
Profit before credit losses etc	965	1 041	516	1 024	980	932	3 546
Gains less losses from assets							
Net credit losses	-7	-14	-15	21	-23	-25	-15
Operating profit	958	1 027	501	1 045	957	907	3 531

* Isolated quarterly effects from structures products in 2006, shifting income to net interest income from net financial income, were: Q1: SEK 5m; Q2: SEK 41m; Q3: 72m; Q4: SEK 201m.

Merchant Banking
Corporate Banking

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	746	792	765	820	852	870	3 123
Net fee and commission income	425	512	552	500	541	515	1 989
Net financial income	-21	9	-21	-43	-13	-1	-76
Net other income	185	16	168	153	31	145	522
Total operating income	1 335	1 329	1 464	1 430	1 411	1 529	5 558
Staff costs	-505	-376	-404	-442	-480	-486	-1 727
Other expenses	-132	-202	-176	-115	-172	-182	-625
Depreciation of assets	-16	-12	-13	-15	-14	-8	-56
Total operating expenses	-653	-590	-593	-572	-666	-676	-2 408
Profit before credit losses etc	682	739	871	858	745	853	3 150
Gains less losses from assets	-18		3	12			-3
Net credit losses	-45	-69	-63	-125	-90	-88	-302
Operating profit	619	670	811	745	655	765	2 845

Merchant Banking
Global Transaction Services

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	251	307	282	344	325	386	1 184
Net fee and commission income	349	370	342	364	388	394	1 425
Net financial income	29	25	18	17	23	22	89
Net other income	5	4	5	11	4	8	25
Total operating income	634	706	647	736	740	810	2 723
Staff costs	-108	-92	-97	-113	-105	-113	-410
Other expenses	-312	-321	-303	-329	-305	-319	-1 265
Depreciation of assets	-1	-1	-1	-2	-2	-2	-5
Total operating expenses	-421	-414	-401	-444	-412	-434	-1 680
Profit before credit losses etc	213	292	246	292	328	376	1 043
Gains less losses from assets							
Net credit losses	-1	-1	-1	2		-2	-1
Operating profit	212	291	245	294	328	374	1 042

Retail Banking

Total

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	1 995	2 083	2 205	2 231	2 338	2 426	8 514
Net fee and commission income	1 438	1 479	1 317	1 518	1 526	1 584	5 752
Net financial income	119	148	128	219	166	245	614
Net other income	22	47	114	52	35	55	235
Total operating income	3 574	3 757	3 764	4 020	4 065	4 310	15 115
Staff costs	-1 174	-1 220	-1 254	-1 237	-1 231	-1 290	-4 885
Other expenses	-1 073	-1 080	-971	-1 079	-1 065	-1 076	-4 203
Depreciation of assets	-104	-115	-120	-101	-102	-116	-440
Total operating expenses	-2 351	-2 415	-2 345	-2 417	-2 398	-2 482	-9 528
Profit before credit losses etc	1 223	1 342	1 419	1 603	1 667	1 828	5 587
Gains less losses from assets	17	14	3	11			45
Net credit losses	-132	-95	-60	-125	-119	-160	-412
Operating profit	1 108	1 261	1 362	1 489	1 548	1 668	5 220

Retail Banking

Sweden

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	923	960	976	981	975	977	3 840
Net fee and commission income	471	455	345	474	462	415	1 745
Net financial income	43	58	39	109	56	77	249
Net other income	3	5	4	3	5	5	15
Total operating income	1 440	1 478	1 364	1 567	1 498	1 474	5 849
Staff costs	-428	-441	-477	-444	-429	-443	-1 790
Other expenses	-466	-494	-407	-474	-441	-447	-1 841
Depreciation of assets	-2	-10	-2	-5	-4	-14	-19
Total operating expenses	-896	-945	-886	-923	-874	-904	-3 650
Profit before credit losses etc	544	533	478	644	624	570	2 199
Gains less losses from assets							
Net credit losses	-26	-13	-21	-21	-25	-19	-81
Operating profit	518	520	457	623	599	551	2 118

Retail Banking

Estonia

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	144	162	173	193	211	225	672
Net fee and commission income	76	92	90	87	98	138	345
Net financial income	17	24	19	32	39	38	92
Net other income	6	13	8	8	8	13	35
Total operating income	243	291	290	320	356	414	1 144
Staff costs	-66	-70	-72	-76	-84	-103	-284
Other expenses	-34	-31	-36	-45	-44	-48	-146
Depreciation of assets	-12	-10	-11	-8	-9	-9	-41
Total operating expenses	-112	-111	-119	-129	-137	-160	-471
Profit before credit losses etc	131	180	171	191	219	254	673
Gains less losses from assets	13		5	13			31
Net credit losses	-3	2	-6	-13	-12	-17	-20
Operating profit	141	182	170	191	207	237	684

Retail Banking

Latvia

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	172	195	214	244	252	309	825
Net fee and commission income	55	62	62	60	46	55	239
Net financial income	22	20	22	22	22	45	86
Net other income	2	2	3	1	6	8	8
Total operating income	251	279	301	327	326	417	1 158
Staff costs	-55	-63	-57	-73	-62	-74	-248
Other expenses	-41	-42	-36	-43	-49	-48	-162
Depreciation of assets	-19	-18	-18	-17	-17	-18	-72
Total operating expenses	-115	-123	-111	-133	-128	-140	-482
Profit before credit losses etc	136	156	190	194	198	277	676
Gains less losses from assets	4		-1				3
Net credit losses	2	-6	3	-24	-8	-30	-25
Operating profit	142	150	192	170	190	247	654

Retail Banking
Lithuania

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	201	234	265	272	339	368	972
Net fee and commission income	82	83	83	85	103	131	333
Net financial income	41	44	49	58	50	83	192
Net other income	7	7	9	11	10	14	34
Total operating income	331	368	406	426	502	596	1 531
Staff costs	-81	-87	-87	-92	-102	-104	-347
Other expenses	-60	-53	-60	-68	-65	-75	-241
Depreciation of assets	-19	-17	-21	-16	-18	-18	-73
Total operating expenses	-160	-157	-168	-176	-185	-197	-661
Profit before credit losses etc	171	211	238	250	317	399	870
Gains less losses from assets		14	2				16
Net credit losses	-12	-12	-7	-10	-12	-43	-41
Operating profit	159	213	233	240	305	356	845

Retail Banking
Germany

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	452	435	475	456	473	471	1 818
Net fee and commission income	337	325	291	326	374	350	1 279
Net financial income	-3	1	-1	-2			-5
Net other income	-2	13	14	23	5	4	48
Total operating income	784	774	779	803	852	825	3 140
Staff costs	-385	-392	-395	-391	-383	-394	-1 563
Other expenses	-307	-298	-298	-271	-321	-298	-1 174
Depreciation of assets	-44	-53	-61	-46	-48	-49	-204
Total operating expenses	-736	-743	-754	-708	-752	-741	-2 941
Profit before credit losses etc	48	31	25	95	100	84	199
Gains less losses from assets			-2	-3	-1		-5
Net credit losses	-60	-41	-11	-44	-31	-16	-156
Operating profit	-12	-10	12	48	68	68	38

Retail Banking
Cards

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	103	98	102	85	89	77	388
Net fee and commission income	416	456	441	479	436	487	1 792
Net other income	5	14	78	12	8	16	109
Total operating income	524	568	621	576	533	580	2 289
Staff costs	-159	-166	-167	-163	-170	-173	-655
Other expenses	-164	-163	-132	-177	-145	-155	-636
Depreciation of assets	-8	-7	-7	-7	-8	-8	-29
Total operating expenses	-331	-336	-306	-347	-323	-336	-1 320
Profit before credit losses etc	193	232	315	229	210	244	969
Gains less losses from assets				1			1
Net credit losses	-33	-26	-17	-13	-31	-35	-89
Operating profit	160	206	298	217	179	209	881

Wealth Management
Total

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	142	158	165	179	186	198	644
Net fee and commission income	934	960	848	1 094	1 024	1 086	3 836
Net financial income	14	19	10	12	14	16	55
Net other income	20	24	5	11	6	27	60
Total operating income	1 110	1 161	1 028	1 296	1 230	1 327	4 595
Staff costs	-338	-371	-355	-376	-383	-349	-1 440
Other expenses	-189	-206	-199	-207	-215	-207	-801
Depreciation of assets	-11	-12	-13	-15	-14	-22	-51
Total operating expenses	-538	-589	-567	-598	-612	-578	-2 292
Profit before credit losses etc	572	572	461	698	618	749	2 303
Gains less losses from assets	29					-1	29
Net credit losses	6	11	4	4	-4	-5	25
Operating profit	607	583	465	702	614	743	2 357

Wealth Management
Asset Management

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	20	22	29	36	35	30	107
Net fee and commission income	610	653	603	783	720	795	2 649
Net financial income	2	4	4		2	4	10
Net other income	4	3	2	11	5	8	20
Total operating income	636	682	638	830	762	837	2 786
Staff costs	-172	-203	-184	-203	-202	-171	-762
Other expenses	-111	-120	-125	-122	-128	-124	-478
Depreciation of assets	-5	-5	-5	-6	-5	-6	-21
Total operating expenses	-288	-328	-314	-331	-335	-301	-1 261
Profit before credit losses etc	348	354	324	499	427	536	1 525
Gains less losses from assets						-1	
Net credit losses							
Operating profit	348	354	324	499	427	535	1 525

Wealth Management
Private Banking

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	122	136	135	143	150	168	536
Net fee and commission income	324	307	246	309	304	291	1 186
Net financial income	12	15	7	12	12	13	46
Net other income	16	21	2	1	1	19	40
Total operating income	474	479	390	465	467	491	1 808
Staff costs	-165	-168	-171	-173	-181	-178	-677
Other expenses	-78	-86	-74	-85	-87	-83	-323
Depreciation of assets	-6	-7	-8	-9	-8	-17	-30
Total operating expenses	-249	-261	-253	-267	-276	-278	-1 030
Profit before credit losses etc	225	218	137	198	191	213	778
Gains less losses from assets	29						29
Net credit losses	5	11	4	5	-4	-5	25
Operating profit	259	229	141	203	187	208	832

Life
Total

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	-2	-4	-5	-4	-9	-6	-15
Net life insurance income	786	808	943	934	981	907	3 471
Net other income	1	-1					
Total operating income	785	803	938	930	972	901	3 456
Staff costs	-247	-267	-236	-258	-256	-264	-1 008
Other expenses	-135	-125	-106	-108	-128	-129	-474
Depreciation of assets	-109	-116	-124	-105	-130	-140	-454
Total operating expenses	-491	-508	-466	-471	-514	-533	-1 936
Gains less losses from assets							
Net credit losses							
Operating profit *	294	295	472	459	458	368	1 520
Change in surplus values	423	492	381	359	244	323	1 655
Business result	717	787	853	818	702	691	3 175

* Consolidated in the Group accounts

Other and eliminations
Total

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Net interest income	181	58	-36	126	-71	-28	329
Net fee and commission income	142	164	231	147	170	249	684
Net financial income	-29	33	57	-370	37	34	-309
Net life insurance income	-203	-201	-204	-202	-238	-265	-810
Net other income	220	57	226	46	9	-3	549
Total operating income	311	111	274	-253	-93	-13	443
Staff costs	-779	-718	-645	-806	-809	-712	-2 948
Other expenses	421	439	442	516	556	501	1 818
Depreciation of assets	-63	-60	-65	-65	-59	-47	-253
Total operating expenses	-421	-339	-268	-355	-312	-258	-1 383
Profit before credit losses etc	-110	-228	6	-608	-405	-271	-940
Gains less losses from assets				-2			-2
Net credit losses	-18	7			2		-11
Operating profit	-128	-221	6	-610	-403	-271	-953

The SEB Group

Net fee and commission income

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Issue of securities	42	99	51	98	32	197	290
Secondary market shares*	915	870	556	759	891	772	3 100
Secondary market other	109	154	63	205	177	166	531
Custody and mutual funds	1 487	1 535	1 500	1 662	1 692	1 923	6 184
Securities commissions	2 553	2 658	2 170	2 724	2 792	3 058	10 105
Payments	442	444	438	463	459	446	1 787
Card fees	868	949	928	985	957	1 039	3 730
Payment commissions	1 310	1 393	1 366	1 448	1 416	1 485	5 517
Advisory	403	372	511	456	499	337	1 742
Lending	250	258	207	231	231	326	946
Deposits	24	28	36	36	27	17	124
Guarantees	63	74	70	71	68	62	278
Derivatives	110	111	81	82	96	81	384
Other	181	193	222	253	226	268	849
Other commissions	1 031	1 036	1 127	1 129	1 147	1 091	4 323
Total commission income	4 894	5 087	4 663	5 301	5 355	5 634	19 945
Securities commissions*	-164	-219	-117	-198	-204	-295	-698
Payment commissions	-494	-537	-530	-589	-576	-602	-2 150
Other commissions	-243	-224	-244	-240	-298	-193	-951
Commission expense	-901	-980	-891	-1 027	-1 078	-1 090	-3 799
Securities commissions	2 389	2 439	2 053	2 526	2 588	2 763	9 407
Payment commissions	816	856	836	859	840	883	3 367
Other commissions	788	812	883	889	849	898	3 372
Net fee and commission income	3 993	4 107	3 772	4 274	4 277	4 544	16 146

* Adjusted for gross fees for securities lending in 2006, SEK 200m.

The SEB Group

Net financial income

SEKm	Q 1 2006	Q 2 2006	Q 3 2006	Q 4 2006	Q 1 2007	Q 2 2007	Full year 2006
Equity instruments and related derivatives	143	114	153	-68	147	126	342
Debt instruments and related derivatives	320	288	287	529	645	513	1 424
Capital market related	463	402	440	461	792	639	1 766
Currency related	516	645	450	659	519	706	2 270
Net financial income	979	1 047	890	1 120	1 311	1 345	4 036

Appendix 6 Profit and loss accounts by geography and quarter

Sweden

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	4 904	5 023	4 879	5 005	4 965	5 342	19 811
Total operating expenses	-3 192	-3 367	-3 133	-2 438	-3 157	-3 107	-12 130
Profit before credit losses etc	1 712	1 656	1 746	2 567	1 808	2 235	7 681
Gains less losses from assets							
Net credit losses	-59	-44	-68	-61	-13	-113	-232
Operating profit	1 653	1 612	1 678	2 506	1 795	2 122	7 449

Norway

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	624	827	710	881	853	701	3 042
Total operating expenses	-361	-409	-372	-532	-442	-387	-1 674
Profit before credit losses etc	263	418	338	349	411	314	1 368
Gains less losses from assets							
Net credit losses	-11	8	10	8	-37	-15	15
Operating profit	252	426	348	357	374	299	1 383

Denmark

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	614	632	672	715	754	664	2 633
Total operating expenses	-314	-339	-326	-508	-356	-433	-1 487
Profit before credit losses etc	300	293	346	207	398	231	1 146
Gains less losses from assets							
Net credit losses	-7	-6	-9	-2		-8	-24
Operating profit	293	287	337	205	398	223	1 122

Finland

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	238	236	222	280	247	296	976
Total operating expenses	-144	-112	-119	-204	-137	-160	-579
Profit before credit losses etc	94	124	103	76	110	136	397
Gains less losses from assets							
Net credit losses	-1	-1	-2	-1	-4	-2	-5
Operating profit	93	123	101	75	106	134	392

Germany

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	1 730	1 644	1 526	1 664	1 620	1 676	6 564
Total operating expenses	-1 139	-1 126	-1 172	-1 181	-1 140	-1 148	-4 618
Profit before credit losses etc	591	518	354	483	480	528	1 946
Gains less losses from assets	-18		1	8		-1	-9
Net credit losses	-113	-86	-75	-118	-149	-51	-392
Operating profit	460	432	280	373	331	476	1 545

Estonia

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	282	297	324	392	388	445	1 295
Total operating expenses	-121	-118	-128	-151	-151	-169	-518
Profit before credit losses etc	161	179	196	241	237	276	777
Gains less losses from assets	13		5	13			31
Net credit losses	-3	2	-6	-13	-12	-17	-20
Operating profit	171	181	195	241	225	259	788

Latvia

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	256	286	309	332	329	424	1 183
Total operating expenses	-120	-130	-119	-134	-137	-149	-503
Profit before credit losses etc	136	156	190	198	192	275	680
Gains less losses from assets	4	1	-1				4
Net credit losses	2	-6	3	-24	-8	-30	-25
Operating profit	142	151	192	174	184	245	659

Lithuania

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	346	387	429	441	508	609	1 603
Total operating expenses	-169	-168	-180	-188	-195	-202	-705
Profit before credit losses etc	177	219	249	253	313	407	898
Gains less losses from assets		14	2				16
Net credit losses	-12	-32	13	-10	-12	-43	-41
Operating profit	165	201	264	243	301	364	873

Other countries and eliminations

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	616	359	371	294	529	562	1 640
Total operating expenses	-210	132	99	-344	-87	-129	-323
Profit before credit losses etc	406	491	470	-50	442	433	1 317
Gains less losses from assets	29	-1	-1	1			28
Net credit losses	6	3	-2	1	1	-1	8
Operating profit	441	493	467	-49	443	432	1 352

SEB Group Total

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Full year
SEKm	2006	2006	2006	2006	2007	2007	2006
Total operating income	9 610	9 691	9 442	10 004	10 193	10 719	38 747
Total operating expenses	-5 770	-5 637	-5 450	-5 680	-5 802	-5 884	-22 537
Profit before credit losses etc	3 840	4 054	3 992	4 324	4 391	4 835	16 210
Gains less losses from assets	28	14	6	22		-1	70
Net credit losses	-198	-162	-136	-222	-234	-280	-718
Operating profit	3 670	3 906	3 862	4 124	4 157	4 554	15 562

Appendix 7 Skandinaviska Enskilda Banken (parent company)

In accordance with SFSA regulations SEKm	Q2			Q1			Q2			Jan - Jun			Full year 2006
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%		
Interest income	12 607	9 739	29	7 879	60	22 346	14 953	49	32 316				
Leasing income	226	223	1	221	2	449	437	3	877				
Interest expense	-11 476	-8 736	31	-6 866	67	-20 212	-12 892	57	-28 482				
Net interest income ¹⁾													
Dividends received	630	10		138		640	139		1 407				
Commission income ²⁾	2 244	2 178	3	2 594	-13	4 422	4 326	2	8 374				
Commission costs ²⁾	-318	-320	-1	-348	-9	-638	-622	3	-1 211				
Net commission income ²⁾	1 926	1 858	4	2 246	-14	3 784	3 704	2	7 163				
Net financial income ³⁾	916	1 057	-13	1 007	-9	1 973	1 777	11	3 515				
Other operating income	216	316	-32	521	-59	532	817	-35	2 108				
Total income	5 045	4 467	13	5 146	-2	9 512	8 935	6	18 904				
Staff costs	-2 179	-2 139	2	-2 291	-5	-4 318	-4 296	1	-8 409				
Other administrative and operating costs	-918	-1 010	-9	-1 280	-28	-1 928	-2 405	-20	-4 664				
Depreciation of assets	-102	-100	2	-105	-3	-202	-189	7	-399				
Total costs	-3 199	-3 249	-2	-3 676	-13	-6 448	-6 890	-6	-13 472				
Profit/loss from banking operations before credit losses	1 846	1 218	52	1 470	26	3 064	2 045	50	5 432				
Net credit losses ⁴⁾	-48	6		-42	14	-42	-60	-30	-134				
Change in value of seized assets													
Impairment financial assets	-67			-1		-67	-1		-100				
Operating profit	1 731	1 224	41	1 427	21	2 955	1 984	49	5 198				
Pension compensation	90	87	3	86	5	177	160	11	343				
Profit before appropriation and tax	1 821	1 311	39	1 513	20	3 132	2 144	46	5 541				
Other appropriations	-90	-90		-177	-49	-180	-355	-49	-688				
Current tax	22	-118	-119	-610	-104	-96	-745	-87	-200				
Deferred tax	-293	-11		216		-304	227		-491				
Net profit	1 460	1 092	34	942	55	2 552	1 271	101	4 162				

1) Net interest income - Skandinaviska Enskilda Banken

SEKm	Q2			Q1			Q2			Jan - Jun			Full year 2006
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%		
Interest income	12 607	9 739	29	7 879	60	22 346	14 953	49	32 316				
Leasing income	226	223	1	221	2	449	437	3	877				
Interest costs	-11 476	-8 736	31	-6 866	67	-20 212	-12 892	57	-28 482				
Leasing depreciation	-78	-74	5	-76	3	-152	-151	1	-302				
Net interest income	1 279	1 152	11	1 158	10	2 431	2 347	4	4 409				

2) Net fee and commission income - Skandinaviska Enskilda Banken

SEKm	Q2			Q1			Q2			Jan - Jun			Full year 2006
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%		
Securities commissions	1 280	1 237	3	1 558	-18	2 517	2 415	4	4 633				4 633
Payment commissions	315	333	-5	316	0	648	638	2	1 279				1 279
Other commissions	649	608	7	720	-10	1 257	1 273	-1	2 462				2 462
Commission income	2 244	2 178	3	2 594	-13	4 422	4 326	2	8 374				8 374
Securities commissions	-72	-47	53	-62	16	-119	-101	18	-174				-174
Payment commissions	-136	-126	8	-122	11	-262	-228	15	-490				-490
Other commissions	-110	-147	-25	-164	-33	-257	-293	-12	-547				-547
Commission expense	-318	-320	-1	-348	-9	-638	-622	3	-1 211				-1 211
Securities commissions, net	1 208	1 190	2	1 496	-19	2 398	2 314	4	4 459				4 459
Payment commissions, net	179	207	-14	194	-8	386	410	-6	789				789
Other commissions, net	539	461	17	556	-3	1 000	980	2	1 915				1 915
Net fee and commission income	1 926	1 858	4	2 246	-14	3 784	3 704	2	7 163				7 163

3) Net financial income - Skandinaviska Enskilda Banken

SEKm	Q2			Q1			Q2			Jan - Jun			Full year 2006
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%		
Equity instruments and related derivatives	71	78	-9	41	73	149	17		189				189
Debt instruments and related derivatives	318	592	-46	337	-6	910	704	29	1 557				1 557
Capital market related	389	670	-42	378	3	1 059	721	47	1 746				1 746
Currency-related	527	387	36	629	-16	914	1 056	-13	1 769				1 769
Net financial income	916	1 057	-13	1 007	-9	1 973	1 777	11	3 515				3 515

4) Net credit losses - Skandinaviska Enskilda Banken

SEKm	Q2		Q1		Q2		Jan - Jun			Full year 2006
	2007	2007	%	2006	%	2007	2006	%		
<i>Provisions:</i>										
Net collective provisions	- 53	29		- 86	-38	- 24	- 109	-78		- 138
Specific provisions	- 4			- 5	-20	- 4	- 19	-79		- 46
Reversal of specific provisions no longer required	2	1	100	2		3	10	-70		36
Net provisions for contingent liabilities	1					1				
Net provisions	- 54	30		- 89	-39	- 24	- 118	-80		- 148
<i>Write-offs:</i>										
Total write-offs	- 31	- 48	-35	- 76	-59	- 79	- 112	-29		- 265
Reversal of specific provisions utilized for write-offs	11	20	-45	67	-84	31	91	-66		182
Write-offs not previously provided for	- 20	- 28	-29	- 9	122	- 48	- 21	129		- 83
Recovered from previous write-offs	26	4		56	-54	30	79	-62		97
Net write-offs	6	- 24	-125	47	-87	- 18	58	-131		14
Net credit losses	- 48	6		- 42	14	- 42	- 60	-30		- 134
Change in value of seized assets										
Net credit losses incl. change in value of seized assets	- 48	6		- 42	14	- 42	- 60	-30		- 134

Balance sheet - Skandinaviska Enskilda Banken

Condensed SEKm	30 June 2007	31 December 2006	30 June 2006
Cash and cash balances with central banks	4 290	1 828	1 731
Loans to credit institutions	498 270	360 728	400 140
Loans to the public	377 951	333 129	309 310
Financial assets at fair value	401 986	349 764	399 558
Available-for-sale financial assets	33 420	22 057	20 514
Held-to-maturity investments	4 059	3 820	3 556
Discontinued operations			661
Investments in associates	1 063	1 059	1 086
Shares in subsidiaries	56 355	55 306	56 123
Tangible and intangible assets	15 377	15 397	15 512
Other assets	28 820	28 961	26 036
Total assets	1 421 591	1 172 049	1 234 227
Deposits by credit institutions	406 501	332 371	327 492
Deposits and borrowing from the public	420 722	389 127	380 376
Debt securities	265 704	172 288	163 455
Financial liabilities at fair value	189 167	141 501	231 573
Other liabilities	53 133	46 166	47 342
Provisions	345	416	627
Subordinated liabilities	38 199	42 278	40 327
Untaxed reserves	12 266	12 089	11 756
Total equity	35 554	35 813	31 279
Total liabilities and shareholders' equity	1 421 591	1 172 049	1 234 227

Memorandum items - Skandinaviska Enskilda Banken

SEK m	30 June 2007	31 December 2006	30 June 2006
Collateral and comparable security pledged for own liabilities	180 026	231 121	221 436
Other pledged assets and comparable collateral	71 680	70 051	67 073
Contingent liabilities	45 673	55 721	56 360
Commitments	219 504	233 895	158 772

Statement of changes in equity - Skandinaviska Enskilda Banken

SEKm	Reserve for cash flow hedges	Reserve for financial assets	Share capital	Restricted reserves	Retained earnings	Total
Jan-Jun 2007						
Opening balance	367	212	6 872	12 804	15 558	35 813
Dividend to shareholders					- 4 123	- 4 123
Dividend, own holdings of shares					44	44
Group contributions net after tax					940	940
Neutralisation of PL impact and utilisation of employee stock options*					57	57
Neutralisation of 2004 employee stock options**					- 590	- 590
Eliminations of repurchased shares for employee stock option programme***					834	834
Other changes				878	- 878	
Change in market value	-60	91				31
Recognised in income statement		- 8				- 8
Translation difference					4	4
Net income recognised directly in equity	-60	83			4	27
Net profit					2 552	2 552
Total recognised income	-60	83			2 556	2 579
Closing balance	307	295	6 872	13 682	14 398	35 554
Jan-Dec 2006						
Opening balance	818	191	6 872	12 260	10 696	30 837
Effect of merger of SEB IT and Enskilda Securities					1 031	1 031
Dividend to shareholders					- 3 264	- 3 264
Dividend, own holdings of shares					75	75
Group contributions net after tax					1 627	1 627
Neutralisation of PL impact and utilisation of employee stock options*					580	580
Eliminations of repurchased shares for employee stock option programme***					1 232	1 232
Other changes				544	- 544	
Change in market value	- 451	45				- 406
Recognised in income statement		- 24				- 24
Translation difference					- 37	- 37
Net income recognised directly in equity	-451	21			-37	-467
Net profit					4 162	4 162
Total recognised income	-451	21			4 125	3 695
Closing balance	367	212	6 872	12 804	15 558	35 813
Jan-Jun 2006						
Opening balance	818	191	6 872	12 260	10 696	30 837
Effect of merger of SEB IT and Enskilda Securities					1 031	1 031
Dividend to shareholders					- 3 264	- 3 264
Dividend, own holdings of shares					75	75
Group contributions net after tax					1 033	1 033
Neutralisation of PL impact and utilisation of employee stock options*					498	498
Eliminations of repurchased shares for employee stock option programme***					398	398
Other changes					- 21	- 21
Change in market value	-576	1				- 575
Recognised in income statement		13				13
Translation difference					- 17	- 17
Net income recognised directly in equity	-576	14			-17	-579
Net profit					1 271	1 271
Total recognised income	-576	14			1 254	692
Closing balance	242	205	6 872	12 260	11 700	31 279

* Includes changes in nominal amounts of equity swaps used for hedging of stock option programmes.

** Reclassification from equity instruments to financial instruments.

*** As of 31 December 2006 SEB owned 8.9 million Class A shares for the employee stock option programme. The acquisition cost for these shares is deducted from shareholders' equity. During 2007 4.6 million of these shares have been sold as employee stock options have been exercised. Thus, as of 30 June SEB owned 4.3 million Class A-shares with a market value of SEK 94.7m for hedging of the long-term incentive programmes.

Cash flow analysis - Skandinaviska Enskilda Banken

SEKm	Jan - Jun			Full year
	2007	2006	%	2006
Cash flow from the profit and loss statement	4 117	3 518	17	3 924
Increase (-)/decrease (+) in portfolios	-11 994	6 498		-32 945
Increase (+)/decrease (-) in issued short term securities	65 982	17 697		60 688
Increase (-)/decrease (+) in lending to credit institutions	-113 470	-138 008	-18	-18 537
Increase (-)/decrease (+) in lending to the public	-44 953	-17 588	156	-41 796
Increase (+)/decrease (-) in liabilities to credit institutions	74 129	-18 018		-13 138
Increase (+)/decrease (-) in deposits and borrowings from the public	31 596	55 657	-43	64 407
Change in other balance sheet items	1 633	12 913	-87	9 411
Cash flow, current operations	7 040	-77 331	-109	32 014
Cash flow, investment activities	208	2 059	-90	5 208
Cash flow, financing activities	19 276	1 707		-30 396
Cash flow	26 524	-73 565	-136	6 826
Liquid funds at beginning of year	89 198	82 666	8	82 666
Exchange difference in liquid funds	-9	-60	-85	-294
Cash flow	26 524	-73 565	-136	6 826
Liquid funds at end of period¹⁾	115 713	9 041		89 198

Only liquid funds have been adjusted for exchange rate differences.

1) Cash and cash equivalents at end of period is defined as Cash and cash balances with central banks and Loans to credit institutions - payable on demand. Cash and cash equivalents June 2006 is restated.

Derivative contracts - Skandinaviska Enskilda Banken

30 June 2007			
Book value, SEK m	Derivatives with positive amounts	Derivatives with negative amounts	
Interest-related	38 455	38 690	
Currency-related	21 058	22 084	
Equity-related	8 498	732	
Other	36	64	
Total	68 047	61 570	