



Capital Markets Day

Frankfurt May 10th 2000

(Abbreviated version)



S|E|B

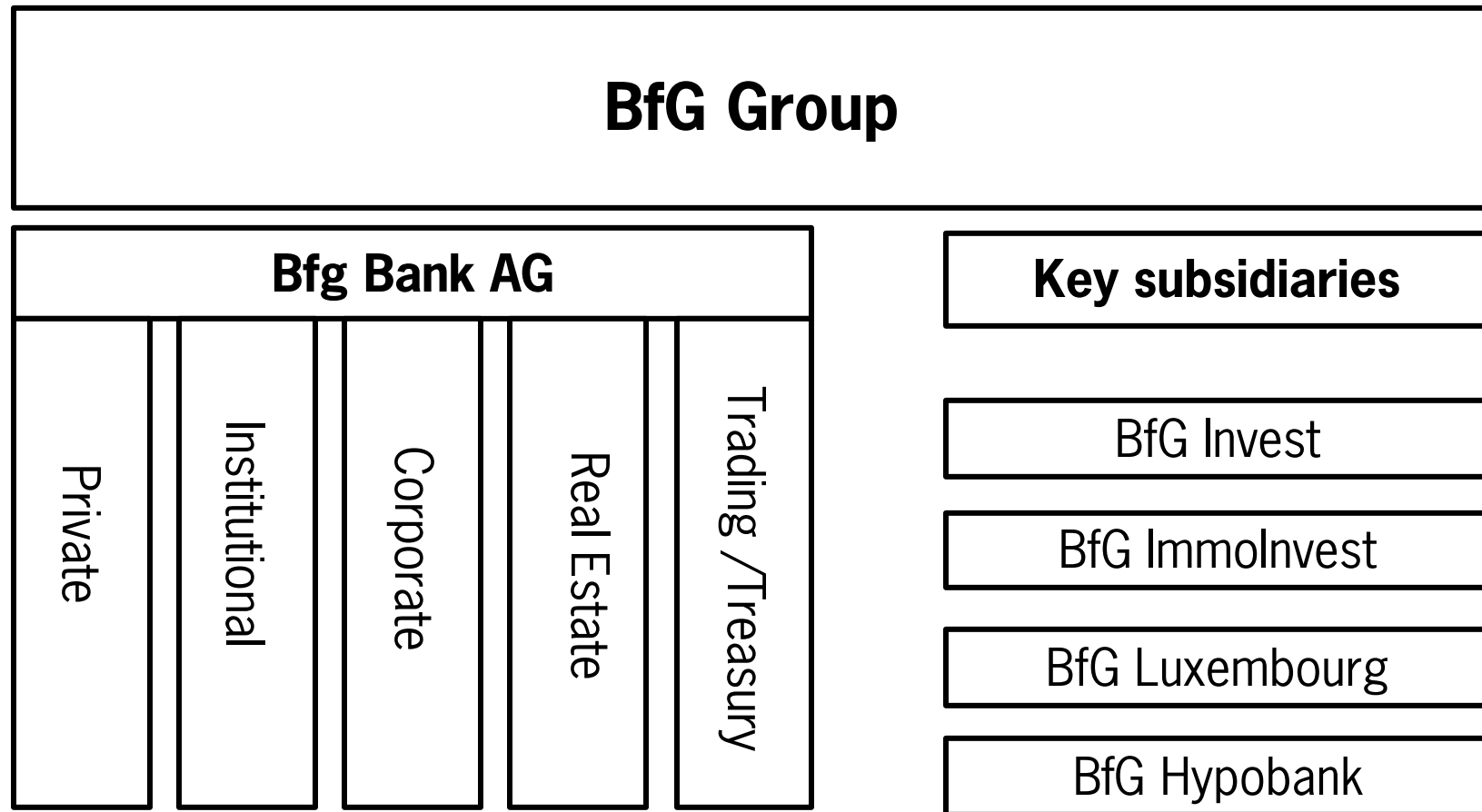
BfG

BfG – our experience so far

- › Asset quality in line with due diligence
- › Positive and change oriented management
- › Negative goodwill of EUR 400 m will be used for restructuring

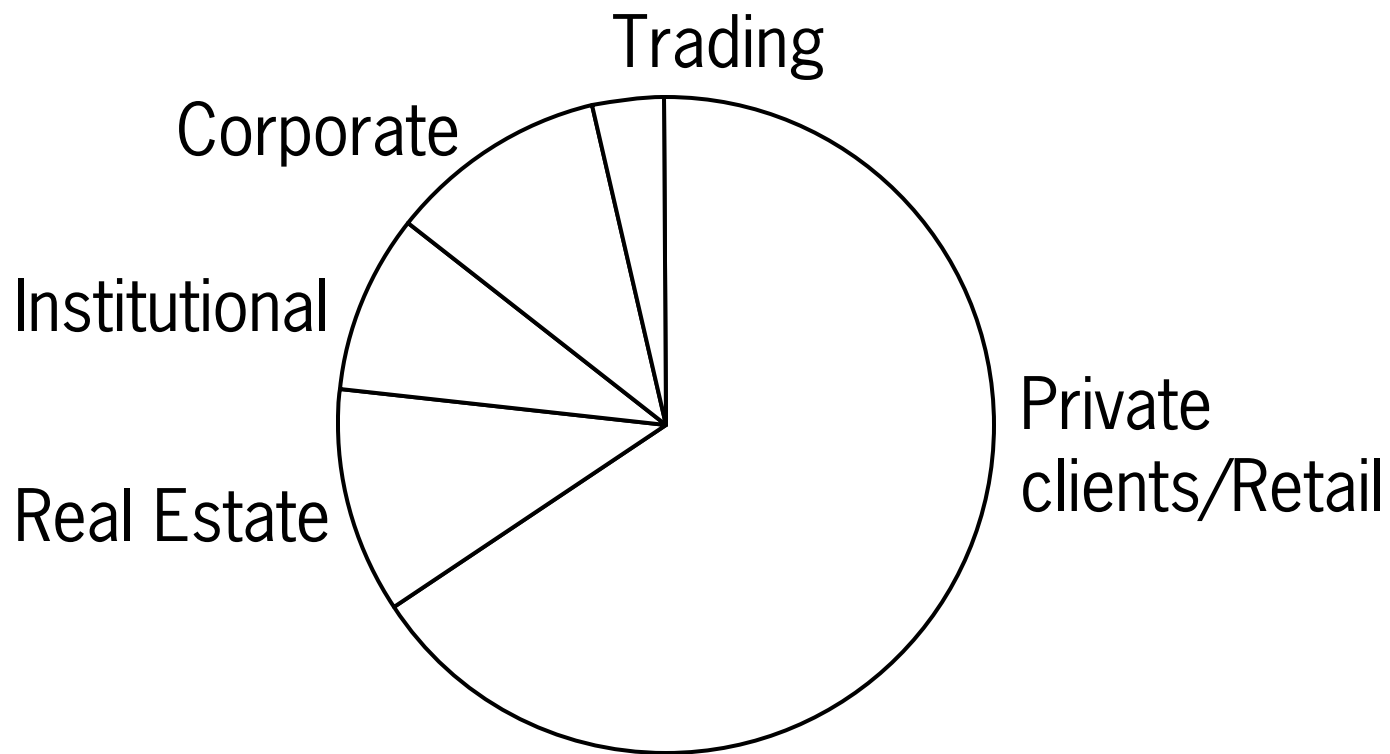


BfG today



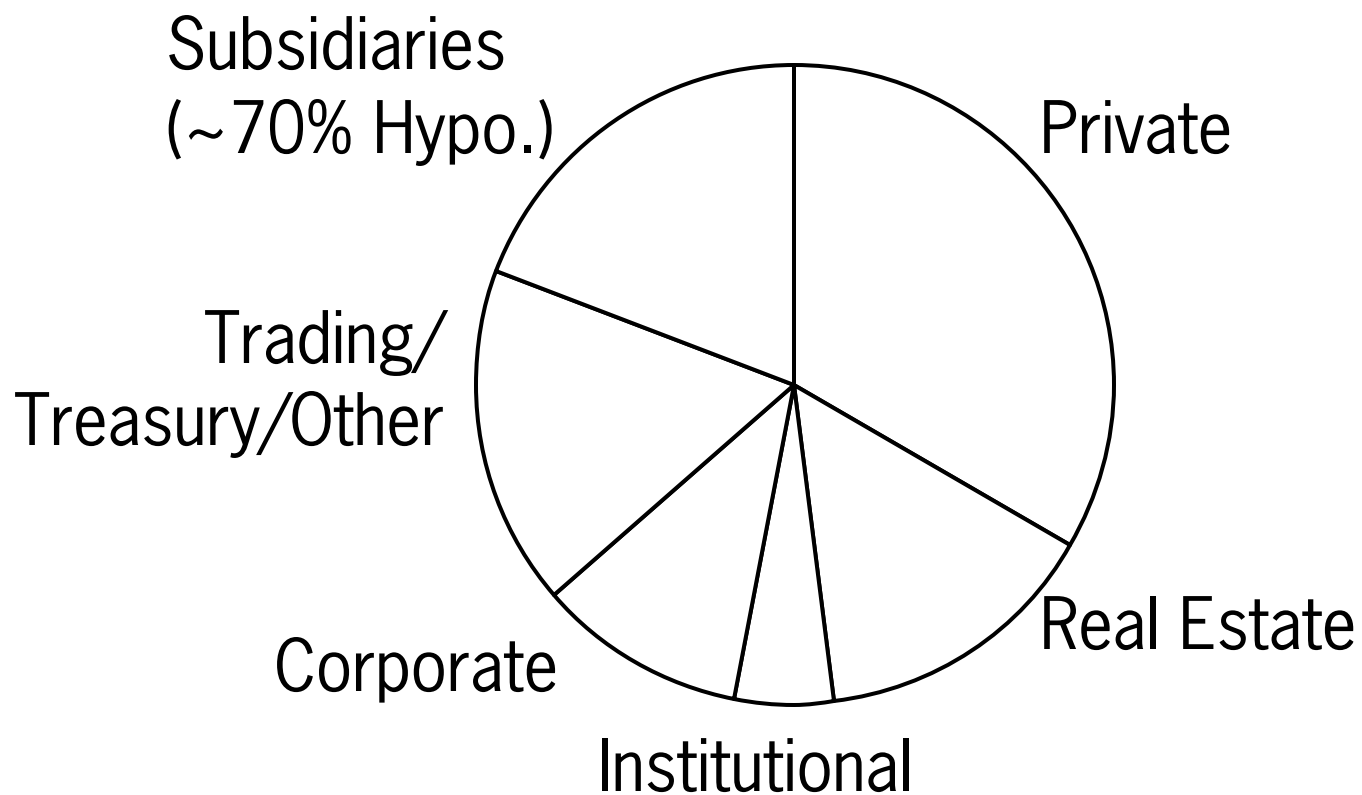
BfG in brief

Distribution of income by customer group



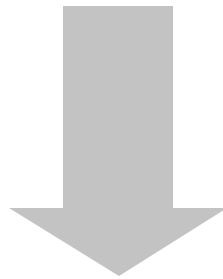
BfG - Risk Weighted Assets

Distribution of RWA by unit, Q1 2000



Asset quality

- › Thorough Due Diligence process
- › Net provisions 1999, 183 (65) EUR M
- › Review in line with expectations



No surprises expected

BfG Invest

- › Strong growth in sales of mutual funds
- › Gross sales 904 EUR M Q1, 2000 (+ 89%)
- › Assets under management: 8.3 EUR bn
- › SEB managed fund Concept Tele Tech launched in March: 46 EUR M in 5 weeks



BfG ImmoInvest

- › Best performing mutual real estate fund in Germany
- › S&P's (Micropal) Fund Services Awards 1994, 1996, 1997, 1998 and 1999
- › Market share 4%
- › Assets under management of 2 EUR bn
- › Fund sales of 610 EUR M in 1999 (+47%)



BfG Luxembourg

- › Coordination with SEB Luxembourg
- › Focus on offshore private banking and fund administration
- › Total assets of 2.2 EUR bn



BfG Hypothekenbank

- › S&P's AAA rating for municipal bonds
- › Total assets of 14.5 EUR bn
- › Cost-income-ratio of 0.3



Strong growth particularly in commission income

EUR M



The way forward

1. Internet / e-banking
2. Affluent Clients
3. Investment products
 - Own (SEB/BfG)
 - Third party
4. Cost reduction / improve efficiency

Institutional division

- central role in the BfG Group

- › Most important source for short and long-term refinancing/funding
- › Best practice in client satisfaction
- › Contributes to BfG's total volume in investment fund business



Institutional clients important

Asset Management

BfG Investment-
gesellschaft mbH

60 special funds

4.2 Billion Euro
assets under
management

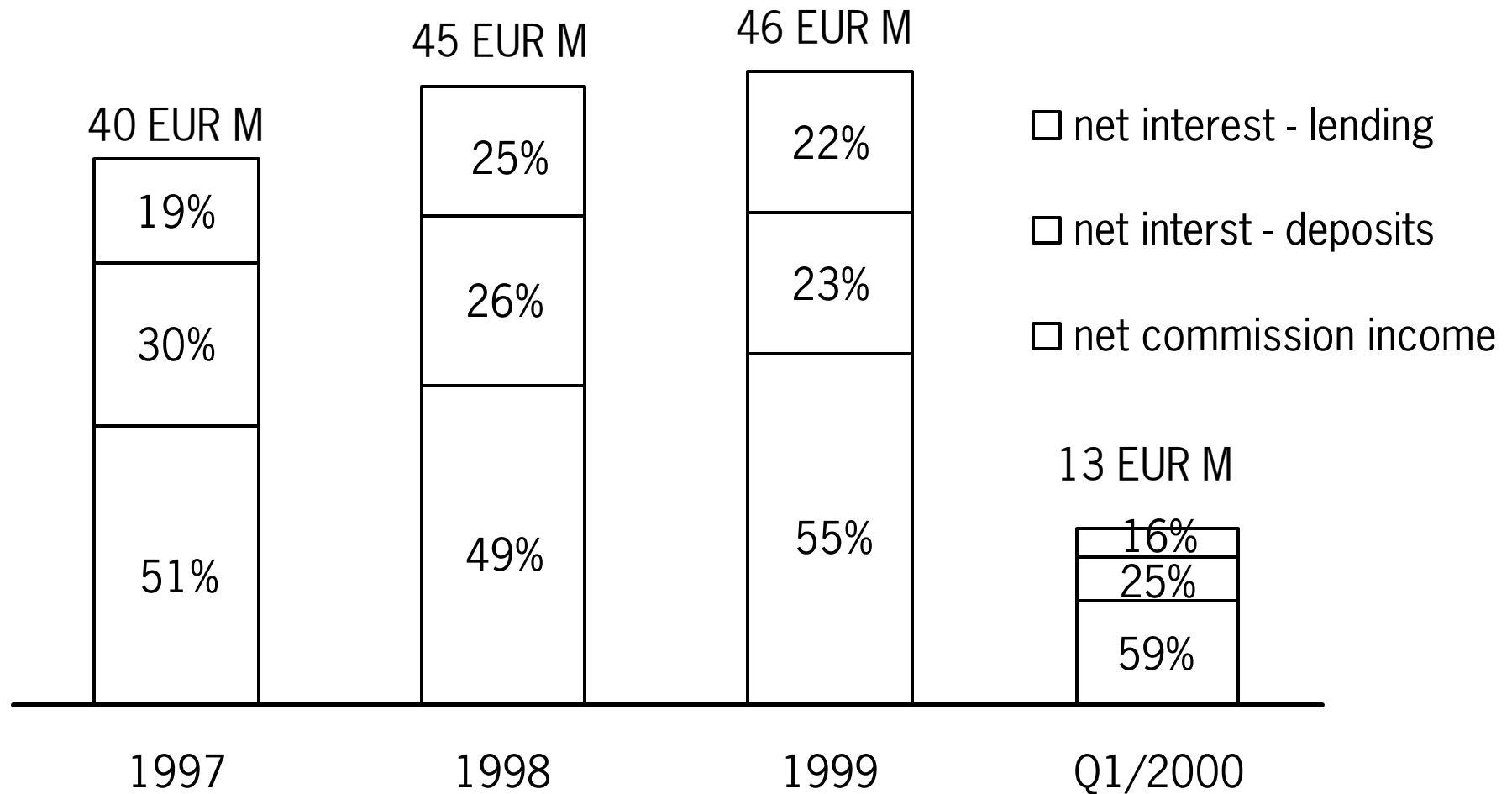
Capital Management
GmbH

42 mandates

0.3 Billion Euro
assets under
management

As per 31 March, 2000

Growth in commission income



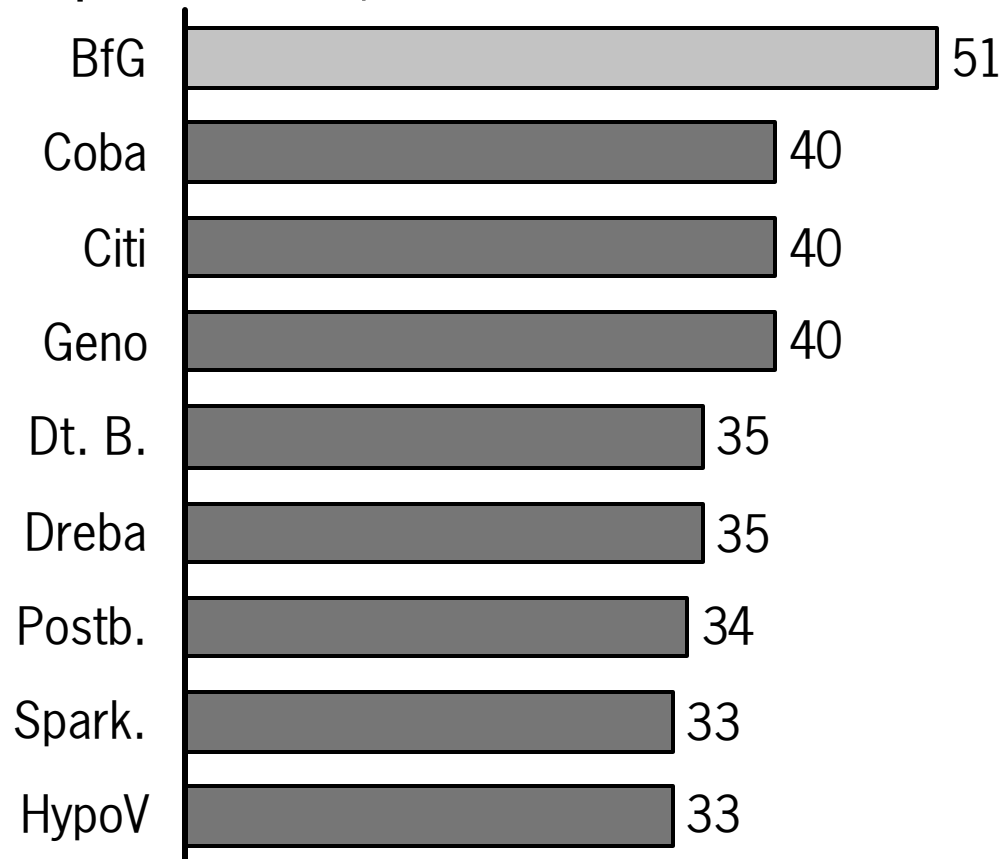
The way forward

Growth in savings products

- › Enlargement of portfolio management and sales of special investment funds
- › Cross-Selling of SEB products
- › Increase of market share
- › Use of our special know-how for selling structured products

No 1 in over all satisfaction Private Clients

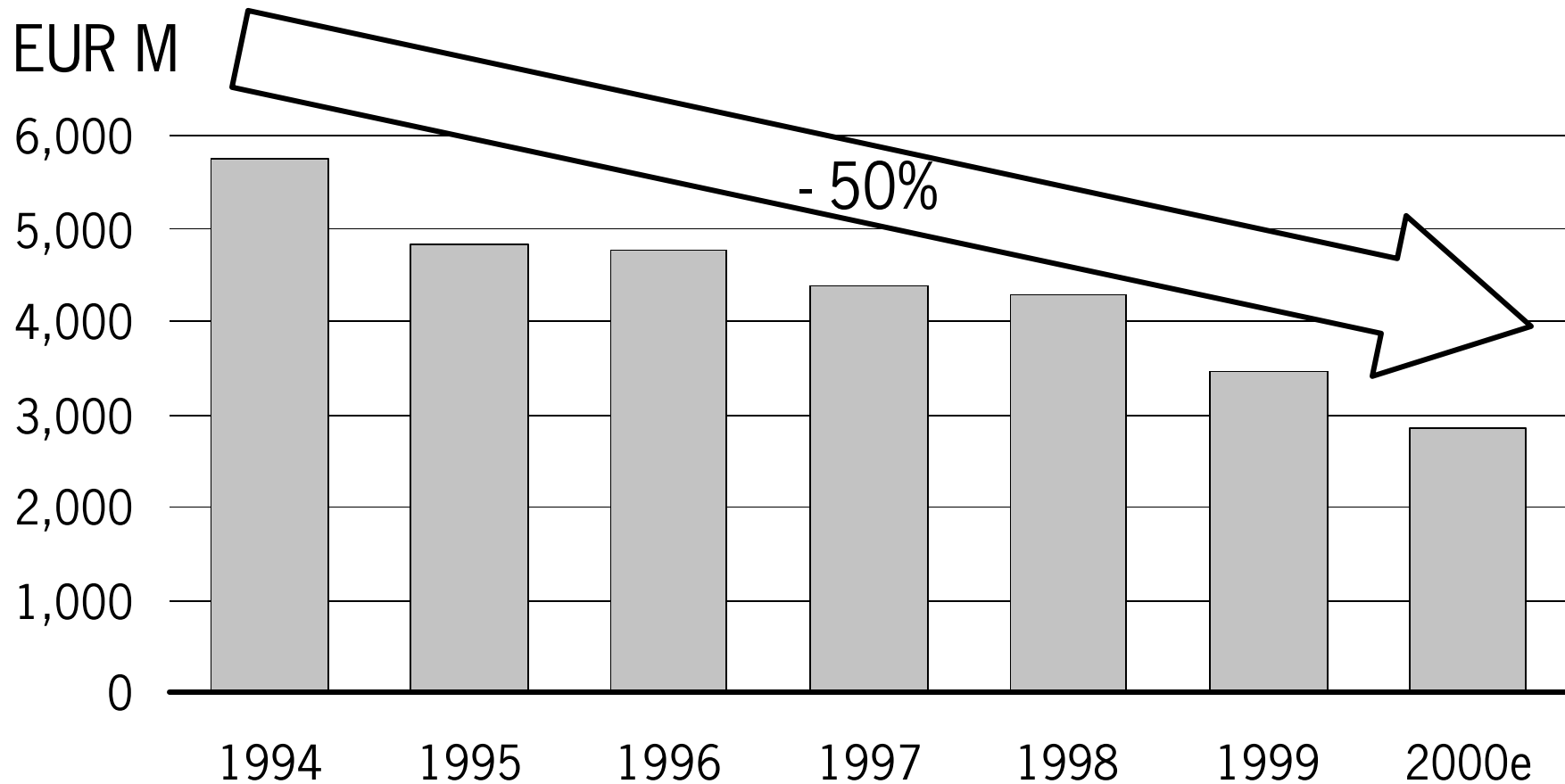
top 2 boxes, %



Source: Finance Market Data Service(FMDS) 1999, Infratest Burke, München
Target Group: People aged 14 +, representative of Germany

This is BfG – Customer Satisfaction

Continuous reduction of loan volume



Source: Corporate Division

The way forward

Accelerating concentration of business

- Focus on main bank relations
- Cost reduction
- Significant reduction of loan business and risk related assets
- Fee generating business

ROE 15%

Customers:

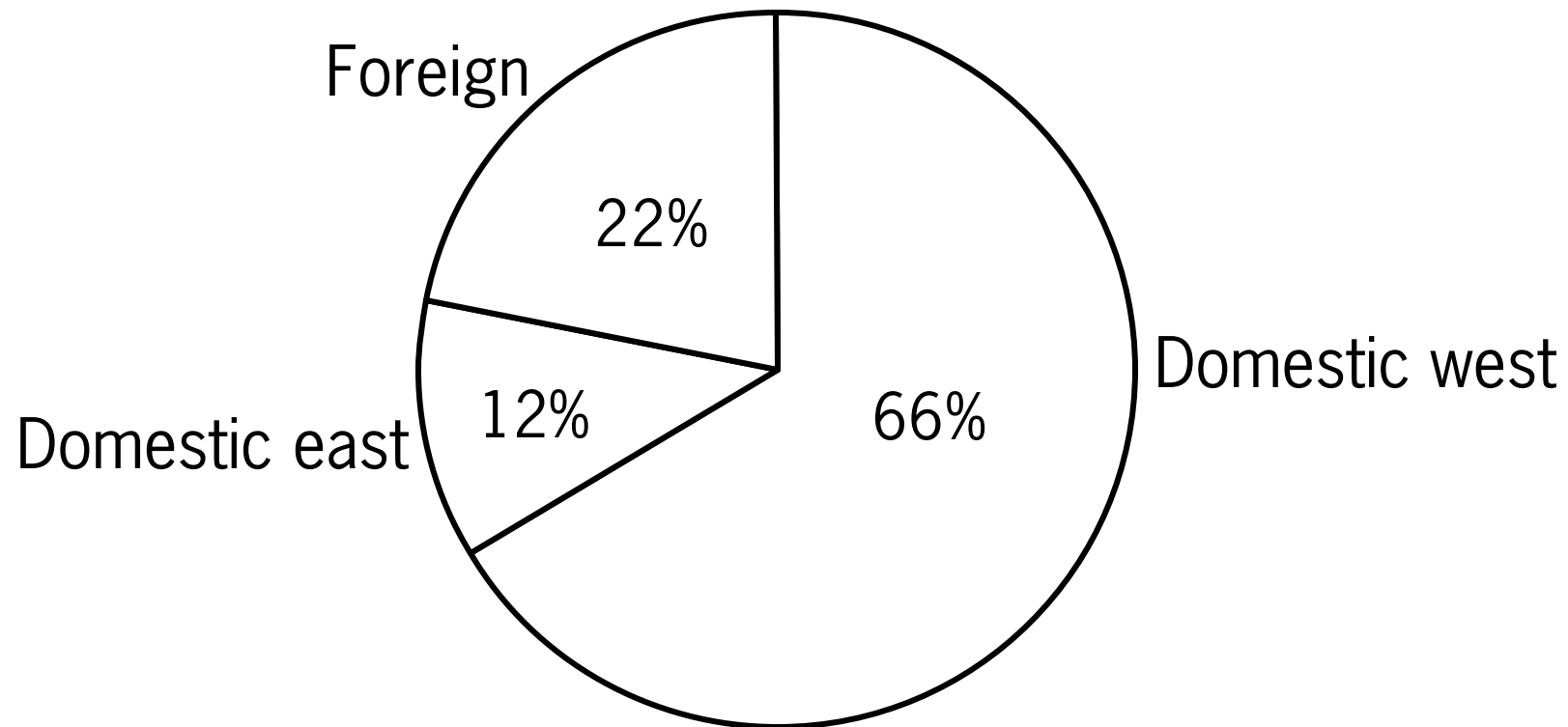
Main segment are Real Estate Investors

Structure of BfG's Real Estate Customers

EUR M

Customer segments	Loan volume	Deposits volume
Real estate investors	3,365	692
Housing corporations	617	204
Developer of housing projects	400	84
Total	4,315	980

Loan Portfolio: The location of financed Real Estate



The way forward

Focus

- › Concentrating on domestic business
- › Increasing productivity
- › Reducing low margin business
- › Increasing commission income
- › Co-operation with Private Clients Division (Affluent business)

BfG Profit and loss accounts

(adapted to Swedish accounting principles)

EUR M	1Q 2000	1Q 1999*	1999**
Net interest earnings	128	154	579
Dividends received	1	3	5
Net commission income	66	43	186
Net result of financial transactions	20	8	42
Other operating income	12	1	48
Total operating income	227	209	860
General administration costs	- 130	- 147	- 643
Depreciation	- 11	- 16	- 56
Other operating costs	- 13	- 2	-
Total costs	- 154	- 165	- 699
Lending losses	- 36	- 23	- 101
Total result	37	21	60
Total Result excl. one-offs	23		

* ½ of 1H99

** Normalised

BfG and SEB Group in brief, Q1 2000



	BfG	SEB Group
Total Result, EUR M	37	430
excl. one offs, EUR M	23	323
Total assets, EUR bn	45.2	137.8
Assets under management, EUR bn	14	112
Customers, million	1.0	2.5
Employees, million	5,300	20,000
Branches	177	~420

Follow up and reporting process

Overall
Program/process

- Bi-weekly meetings with Vorstand
 - Overall status
 - Specific projects
- SEB CEO and CFO participates in Vorstand meetings once a month
 - Same as above

Each
project

- Steering Group follows up in line with milestones
- Program Management follows up "continuously" and at predetermined milestones

Communication/
Information

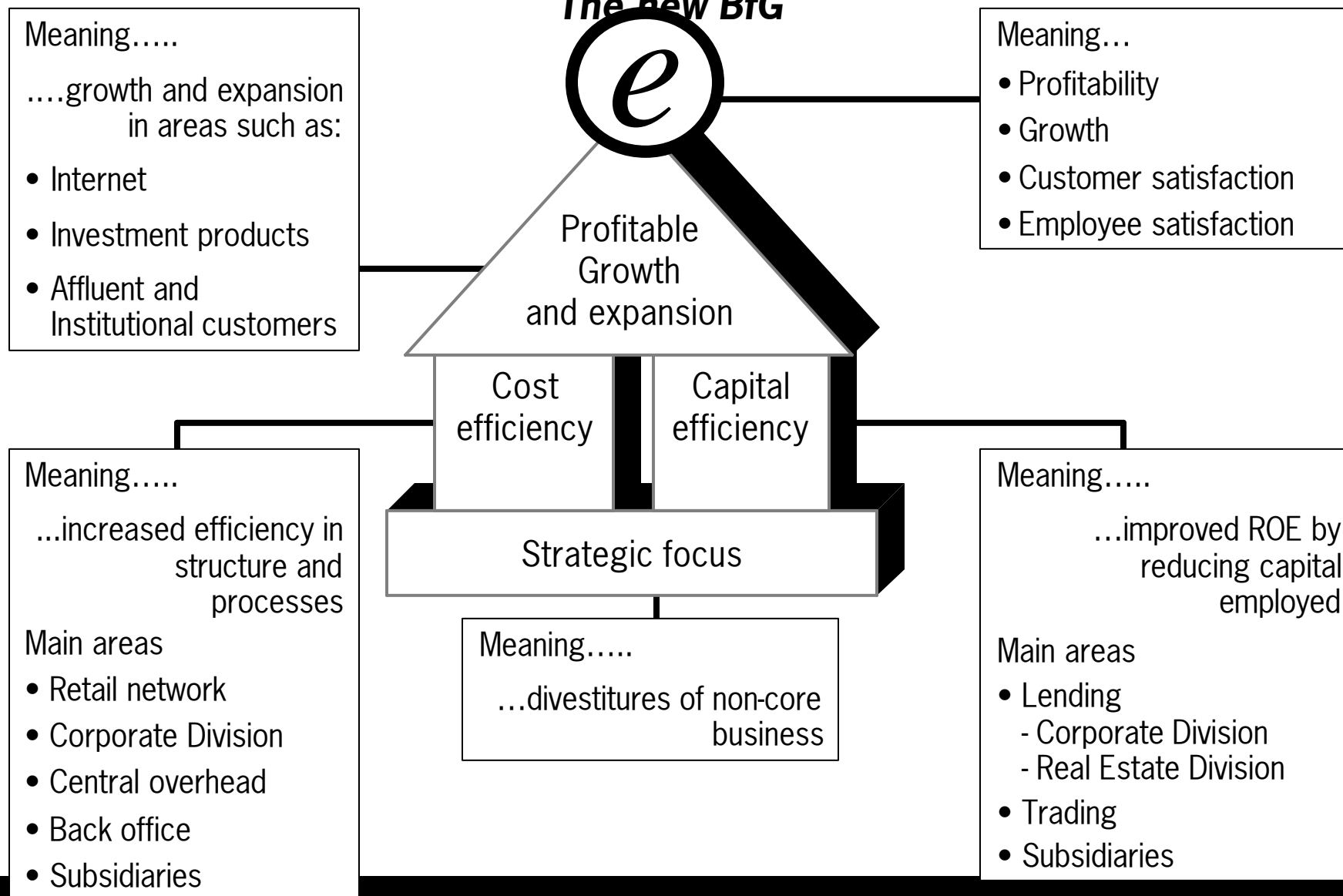
- Management meeting monthly
- Works council meetings regularly
- Information to all employees bi-weekly

Group Policy
Implementation

Reporting via normal organizational procedures -
Lineorganization

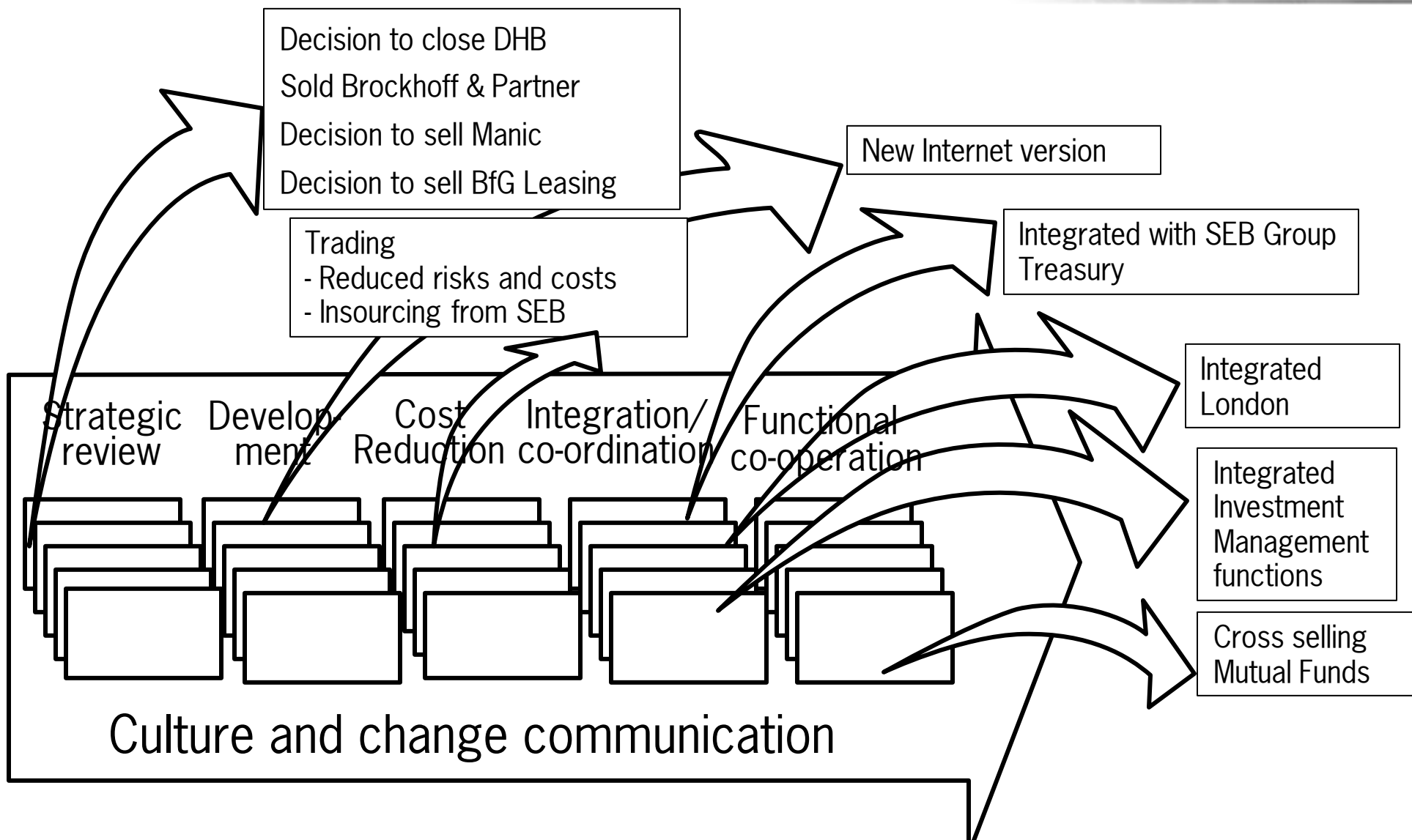
The future strategy

The new BfG



The BfG Change program

Already achieved



What we are doing...

Private Division

Cost and capital reduction

- Organisational structure
- Efficiency
- Credit processes

Growth

- Internet
 - Revised version Q2
 - New version brokerage Q3
- Advisory for Affluent individuals
 - Financial planning
 - Portfolio Management

Corporate Division

Cost and capital reduction

FOCUS

- Concentration on main bank relations
- Branch closures
- Co-operation SEB AG

Service /Central Staff

Cost reduction

- Productivity
- Merging functions

What we are doing...

Institutional division

- Focus on asset gathering

Real Estate Division

- Cost reduction
- Capital reduction

Luxembourg

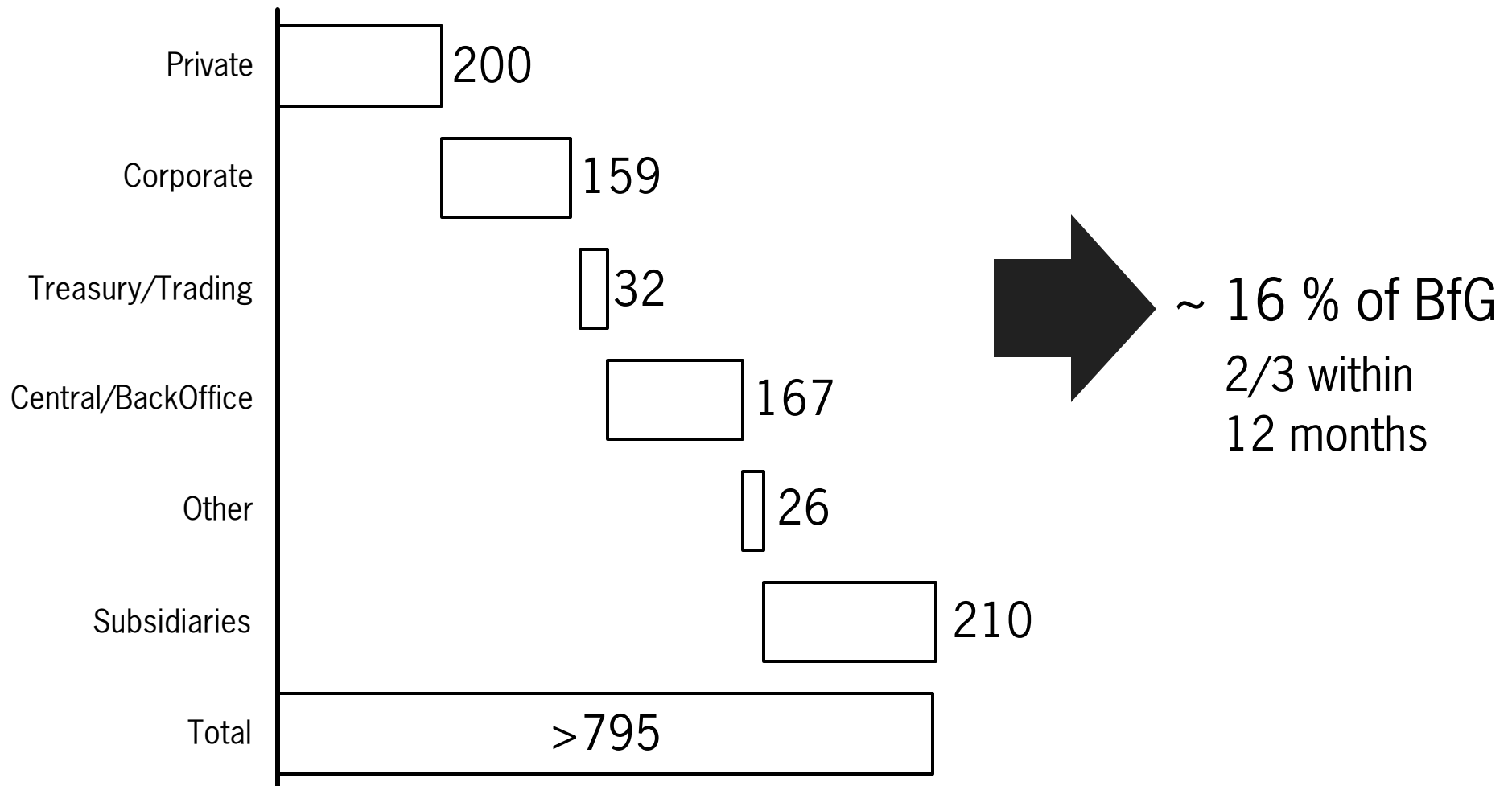
- Cooperation with SEB Luxembourg
- Cost reduction
- Focus on off-shore Private Banking and fund administration

Other

- Divestitures/run down of non-core business

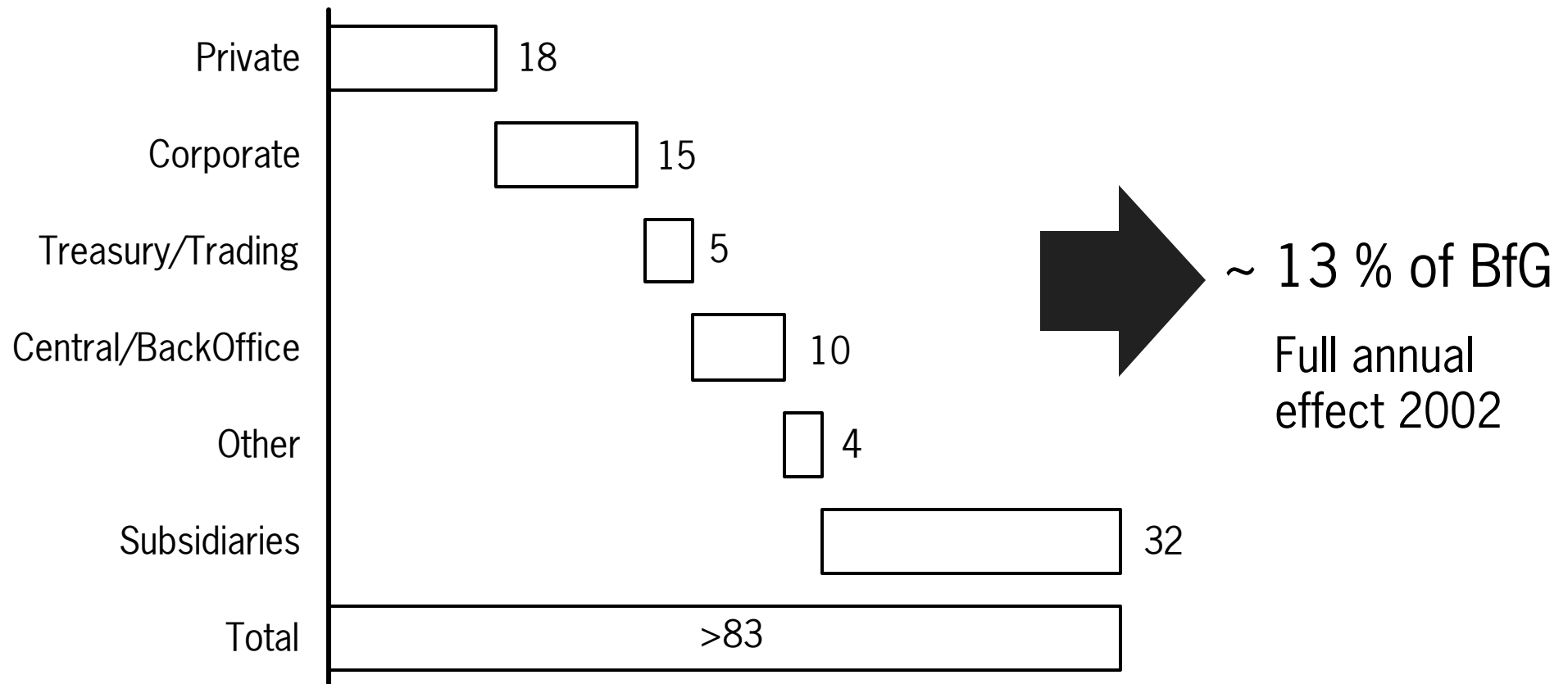
... and the effects will be ...

Committed staff reductions - FTEs



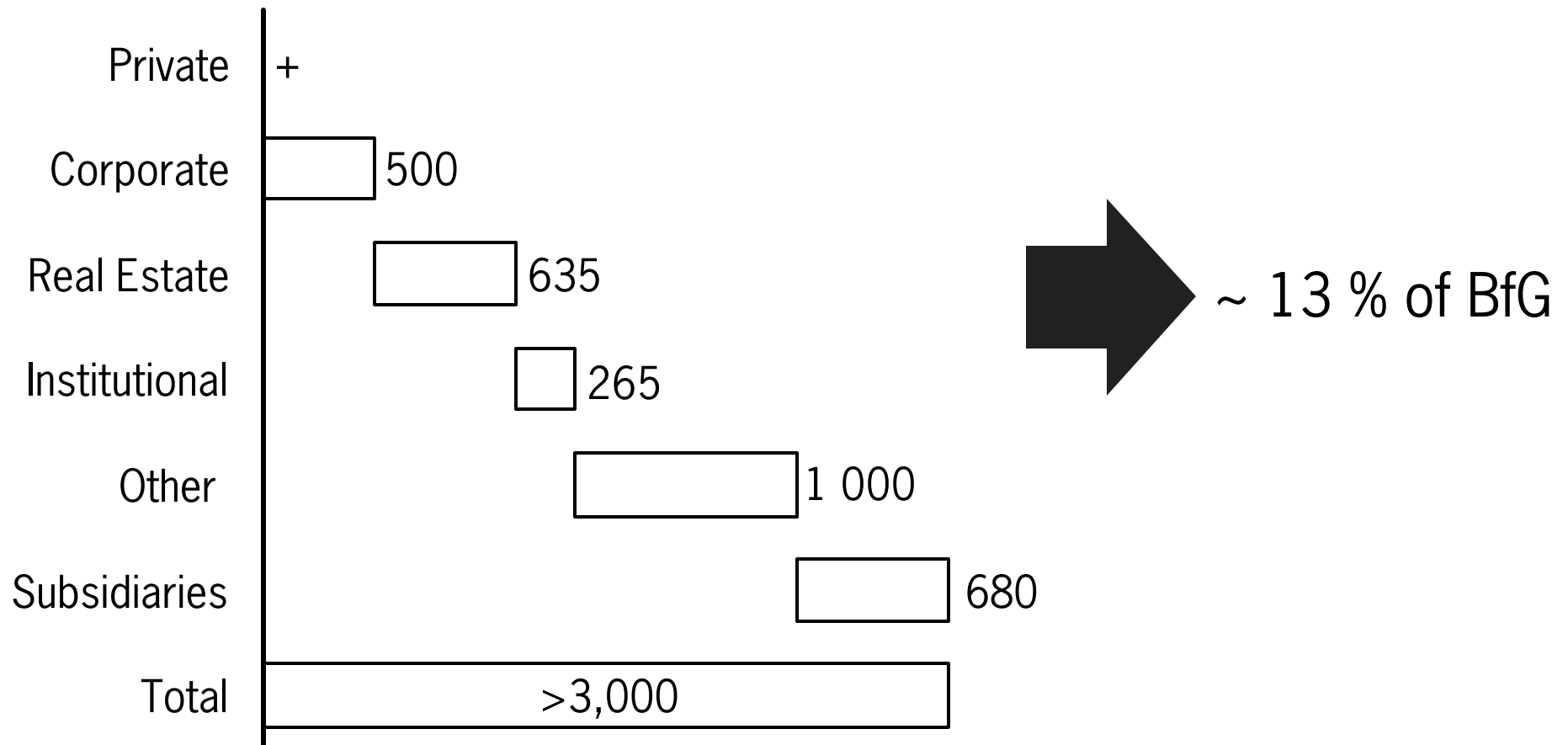
... and the effects will be ...

Estimated Annual Cost Reduction - EUR M



... and the effects will be ...

Committed reduction of RWA - EUR M



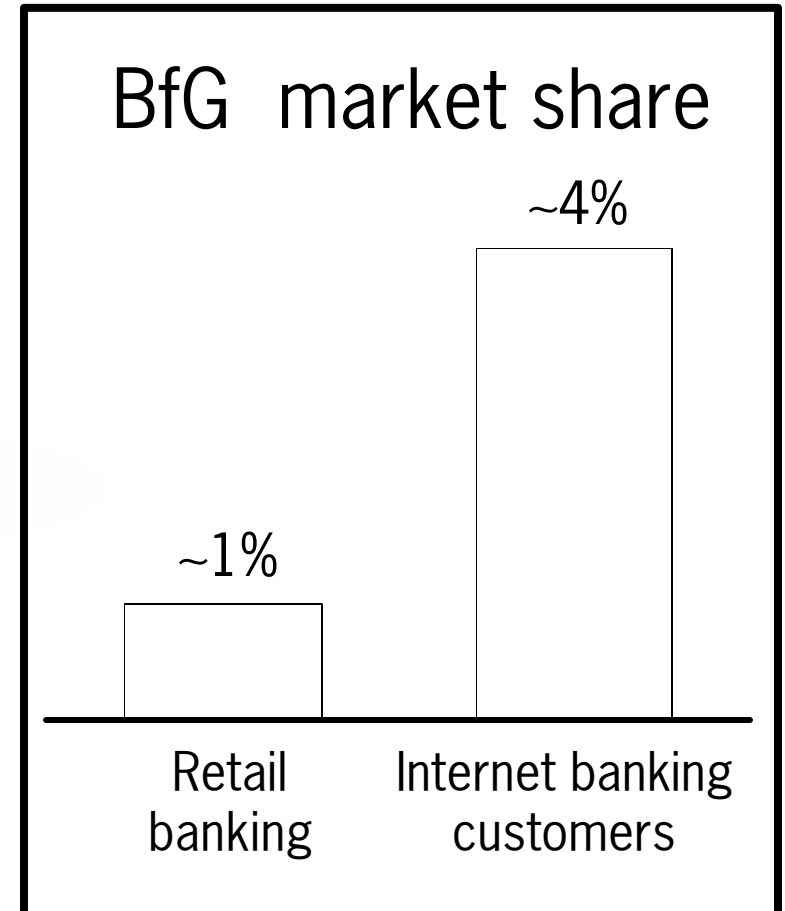
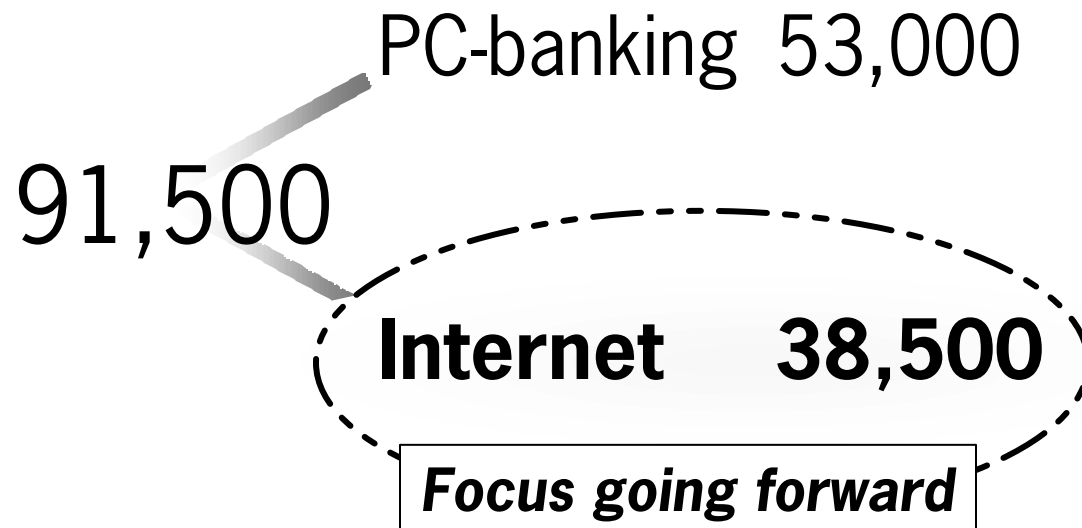
We are on our way towards “Bull’s eye”

ROE: ~ 5%

Q1: 6.4% (annualized)

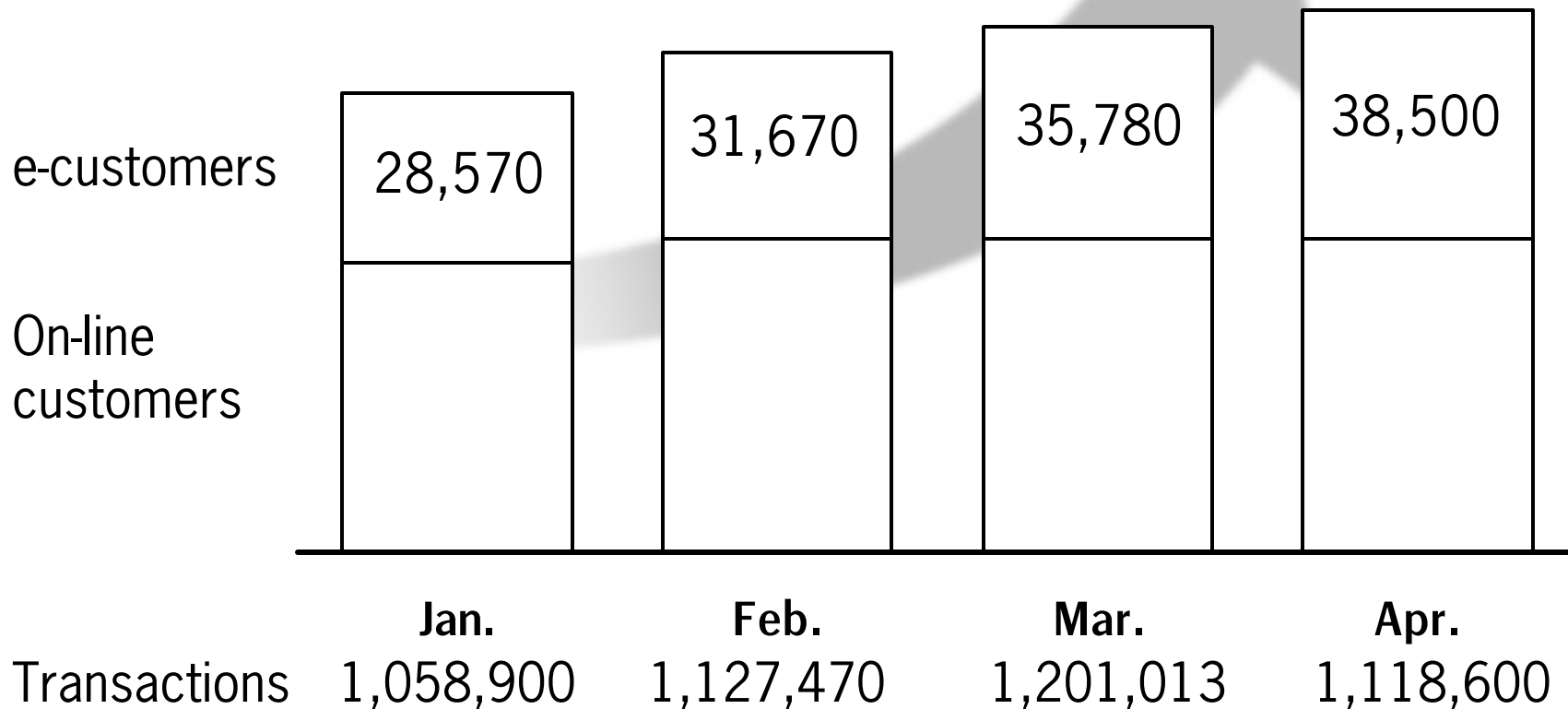
15%

e-banking customers

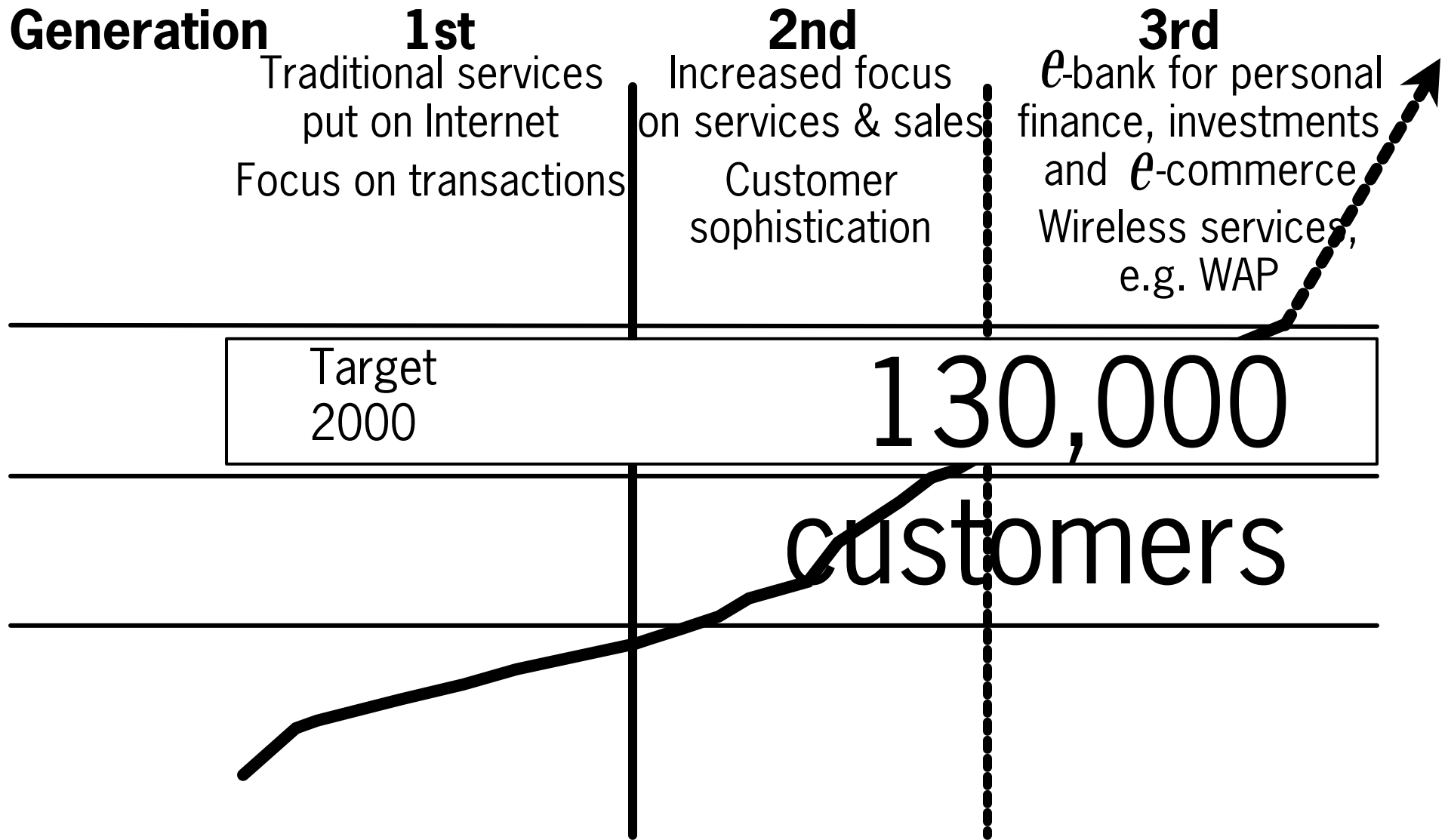


Growth in Internet banking 2000

No. of customers +10% per month – no campaigns



BfG e-banking development



The way forward

Next steps

Migrating existing customers

- › Relaunch/new version
- › personal new look and feel

Easy access

- › on-line account opening
- › multi-security access

Empowered clients

Attracting new customers

On-line investment brokerage/internet

- › pan-European solution
- › equities, mutual funds and warrants

Alliances/partners

Mobile services

- › WAP
- › SMS, e-mail, Palm

Intensive marketing

Conclusion

There are several "valuables" in BfG

We are

- › Focusing the business of BfG
- › Escalating our Internet penetration and customer acquisition
- › Reducing Risk Weighted Assets
- › Reducing costs

We will

- › Succeed in increasing ROE to 15% by the latest 2005



BfG

**A good starting point
for expansion in Europe**