



Stockholm, 6 November 2002

PRESS RELEASE

Interim report January-September 2002

Cost reduction offsets income decrease

- **Operating result*** for the first nine months: SEK 5,537 M (5,706 corresponding period last year)
- **Operating result for the third quarter, isolated:** SEK 1,551 M (1,461)
- **Total costs down by 9 per cent**
- **Lower income level due to deteriorating market conditions**
- **Credit losses at low levels**
- **Return on equity: 11.6 per cent (12.2)**
- **Earnings per share for the first nine months: SEK 5.46 (5.44)**
- **SEB's position in the Nordic area strengthened.**

* Includes pension compensation of SEK 759 M (766). Statutory operating profit (excluding pension compensation) amounted to SEK 4,778 M (4,940).

President's statement

Market conditions deteriorated further in the third quarter. Stock markets plunged by 20 to 30 per cent, bond rates kept decreasing and the Swedish krona weakened.

The economic outlook worsened in most countries. In Sweden, the economy still held up quite well by strong private consumption. The German economy is weak and no signs of improvement can be seen. The Baltic countries, however, continue to show strong growth.

Our internal *3 C change programme* proceeds at full speed within all areas of the bank.

- *Cost efficiency* measures are proceeding according to plan.
- Our efforts to increase *Customer Satisfaction* have started to yield results, and it is gratifying to see how the Swedish retail network has improved its customer satisfaction ratios. The launching of new products and services has proved successful.
- The area of *Cross-servicing* is becoming more and more important to us in order to increase customer satisfaction and revenues as well as to save costs.

Our credit losses remained low, and doubtful claims have been stable during the year. A further deterioration of the economy would of course also have an impact on SEB's credit portfolio in the future, thus demanding continued close attention.

Generally, it is satisfying to note that our net profit remains unchanged despite the difficult market conditions. However, there are no signs of a recovery in the world economy. On the contrary there are increased risks for a prolonged or deepened downturn. Given that negative outlook, the internal efforts in SEB are directed towards further cost savings and tight risk control.

However, there are also opportunities for us. With our strong capital base and a focused, operational management in control of costs and risks we will be able to gain market shares in the long term by supporting our customers.

Third quarter isolated

Improved result compared to last year

The operating result for the third quarter isolated amounted to SEK 1,551 M, an increase of 6 per cent compared to July-September 2001. This was an effect of cost reductions that more than compensated for the decrease in income. The result was, however, lower than the previous quarters of 2002.

The deteriorating market conditions had a negative effect on total income of SEK 6,407 M, which was a decrease both in comparison with the previous quarter and with the corresponding quarter last year.

Total costs, SEK 4,632 M, were 6 per cent lower than in the third quarter last year and about 2 per cent lower than in the first and second quarters of 2002, on a comparable basis. Staff costs and particularly other operating costs have been reduced.

Net credit losses, SEK 181 M, were in line with the previous quarters.

January-September

Operating result: SEK 5.5 billion

Operating result, including pension compensation, for the period January-September 2002 amounted to SEK 5,537 M (5,706). The comparison with the corresponding period 2001 was affected by capital gains and other one-off items, restructuring costs and currency translation differences. Adjusted for these items affecting comparability, the operating result increased by 6 per cent, mainly due to reduced costs.

Net profit (after tax) for January-September was unchanged, at SEK 3,827 M (3,830).

Lower income level

Total income during January-September amounted to SEK 20,449 M (21,781). On a comparable basis income decreased by 4 per cent, mainly due to the negative impact of the falling markets on net commission income and net financial transactions.

Net interest income amounted to SEK 10,176 M (9,513), an increase of 7 per cent on a comparable basis. The improvement was due to slightly increased volumes and somewhat decreased costs for funding.

Net commission income decreased by 9 per cent to SEK 7,516 M (8,285), mainly due to the gloomy stock market development.

Net result of financial transactions amounted to SEK 1,755 M (2,296). The third quarter showed a decrease in trading related income compared to the previous quarters, especially in the foreign exchange area, mainly due to lower customer activity level.

Other income was SEK 1,002 M (1,687). Capital gains, this year consisting of a number of minor transactions, totalled SEK 378 M (929). Last year included capital gains of SEK 512 M from sale of shares in OM and SEK 248 M from sale of shares in Deutsche Börse. Adjusted for these and other items affecting comparability, other income was down 18 per cent.

Continuously reduced costs

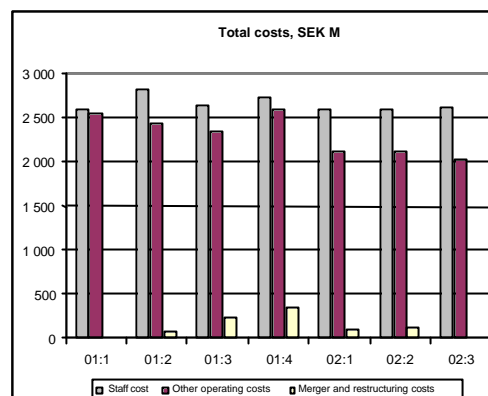
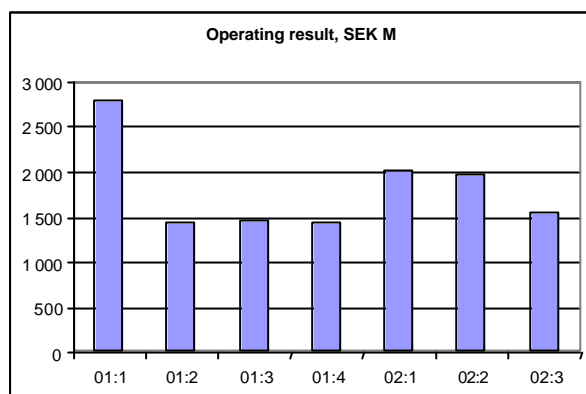
Total costs during January-September decreased by SEK 1,443 M or by 9 per cent to SEK 14,258 M (15,701).

Staff costs, gross, decreased by 3 per cent to SEK 8,564 M (8,833). Lower performance-related compensation accounted for approximately SEK 100 M of the decrease. The staff cost reduction implies that the efficiency improvement measures have offset the general salary increase. Staff costs, gross, do not comprise compensation for pension costs of SEK 759 M (766). Staff costs, net, were reduced by 3 per cent to SEK 7,805 M (8,067).

The average number of full time equivalents was 19,193 (19,734) during the first nine months of 2002. The number of full time equivalents in September was 18,473 (a reduction by 1,515 since June 2001).

Other operating costs decreased by 16 per cent to SEK 5,145 M (6,106). External costs for IT amounted to SEK 1,311 M (1,568). Total IT-costs (defined as a calculated cost for all IT-related activities including costs for own personnel) were reduced to SEK 2.6 billion (3.4).

In addition to the *merger and restructuring costs* that incurred during 2001, another SEK 200 M was charged during the first half of 2002. In the third quarter no such costs incurred.



Credit losses at low level

The Group's *net credit losses*, including changes in the value of assets taken over, amounted to SEK 550 M (341), of which SEK 352 M (348), was related to SEB Germany. The credit loss level for the Group amounted to 0.11 per cent.

Insurance operations

In accordance with one-line accounting, the result of the SEB Group's total insurance operations – non-life and life including goodwill amortisation of SEK 110 M (110) – amounted to SEK -66 M (-2).

SEB Trygg Liv's operating result, a gain of SEK 39 M (loss: 100), is included in the Group's result. The division's result from on-going business including surplus values (but excluding financial effects of short-term market fluctuations) was SEK 1,146 M (921). Including financial effects of short-term market fluctuations total result net was SEK -992 M (-467). Results including surplus values are not consolidated with the SEB Group's result.

As communicated in the interim report for January-June 2002, the capital base of Nya Livförsäkringsaktiebolaget SEB Trygg Liv was expanded by SEK 330 M in the second quarter. During the third quarter there was no need for any capital increase. It is anticipated that additional capital injections of approximately SEK 200 M will be needed before year-end to support the operation and its further growth.

The operating result for non-life insurance, mainly run-off, was SEK 12 M (279). Capital gains of SEK 126 M from bond portfolio sales were included in the first quarter of 2001.

Excess value in pension funds

As of 30 September 2002, total assets in SEB's pension funds amounted to SEK 12.8 billion, while commitments were SEK 10.2 billion. Accordingly the excess value amounted to SEK 2.6 billion.

Assets under management

On 30 September 2002, the SEB Group's assets under management totalled SEK 723 billion (871 by year-end 2001). Net inflow during the period was SEK 16 billion and the change in value SEK -164 billion. Assets of SEK 476 billion (567) were managed by SEB Asset Management, SEK 106 billion (111) by SEB Germany and SEK 184 M (258) by Private Banking, including mutual funds originating from SEB Asset Management.

Credit portfolio – continued stable development

Total credit exposure, including contingent liabilities and derivatives contracts, amounted to SEK 983 billion (955 at year-end), of which loans and leasing, excluding repos, accounted for SEK 721 billion (718).

The composition and volume development of the credit portfolio remained stable. The German public administration sector represents the largest volume change, where credit exposure has increased by approximately SEK 20 billion during 2002. Credit volumes within the corporate sector have declined, particularly during the third quarter, reflecting the lower activity level in the economy. The Swedish household mortgage lending continued to grow.

Exposure on the telecom industry (operators and manufacturing companies) was approximately SEK 13 billion (15), corresponding to 1.3 per cent (1.5) of the total credit portfolio. Within the IT-sector, the exposure totalled approximately SEK 3 billion (4).

The geographical distribution of the credit portfolio remained unchanged. Sweden and the other Nordic countries accounted for almost 45 per cent, followed by Germany with 35 per cent. The three Baltic subsidiary banks' credit volumes continued to grow and totalled SEK 35 billion (30). Exposure on emerging markets amounted to SEK 9.0 billion (9.7) net after deduction for provision for possible credit losses.

As per 30 September, *doubtful claims*, gross, amounted to SEK 14,731 M (15,822 at year-end 2001), of which SEK 7,251 M (8,161) in non-performing loans (loans where interest and amortisation are not paid) and SEK 7,480 M (7,661) in performing loans. The level of non-performing loans in relation to lending was 0.57 per cent (0.58) and the total level of doubtful claims, net, in relation to lending, was 1.30 per cent (1.37). The volume of assets taken over amounted to SEK 238 M (265).

Capital base and capital adequacy

The capital base for the financial group of undertakings (i.e. excluding the insurance companies) amounted to SEK 53.5 billion as of 30 September 2002 (54.4 by the end of 2001). Core capital was SEK 39.1 billion (38.7), of which SEK 1.8 billion constituted so-called core capital contribution. Risk-weighted assets amounted to SEK 493 billion (501). The decline in risk-weighted assets was mainly due to effects from the capital rationalisation programme within Merchant Banking.

As of 30 September 2002, the *core capital ratio* was 7.9 per cent (7.7) and the *total capital ratio* was 10.9 per cent (10.8) – not including profit for the third quarter of 2002. The Group's long-term goals to maintain a core capital ratio of at least 7 per cent and a total capital ratio of not less than 10.5 per cent have thus been met.

During the third quarter SEB entered into two new agreements that could have a potential effect upon the capital base. The increase in risk-weighted assets through the investment in Amagerbanken will however be offset through its contribution to the core and total capital. Goodwill from the investment in Europay Norge AS will decrease the capital slightly. The net effect of the two acquisitions upon the core capital and total capital ratios will be a decrease of approximately 0.3 percentage points.

In accordance with the decision made by the Board of Directors on 6 May 2002, SEB has acquired 7 million of its own shares for hedging of the employee stock options programme as decided by the Annual General Meeting on 10 April 2002. In compliance with regulations the value of the acquired shares has been eliminated against shareholders' equity.

In August, the rating institute Moody's changed its outlook on SEB's rating from Stable to Positive.

SEB's position in Norway and Denmark strengthened

At the end of September, SEB Kort made an offer to acquire the Eurocard brand in Norway through a purchase of Europay Norge AS at a price of NOK 1 billion. SEB expects to take full operational responsibility of the company in late 2002 or early 2003 upon approval by regulators, and to fully integrate Europay Norge's operations with SEB Kort Norway. The transaction is expected to have a neutral or positive impact on SEB's earnings per share after goodwill charges and adjusted for restructuring costs from the first full year and will thereafter be increasingly positive.

Through this acquisition SEB Kort will become a leading card issuer in Norway, encompassing Diners Club, MasterCard and Eurocard.

In September, SEB also purchased 239,434 shares (12 per cent) in the Danish bank Amagerbanken, at market price. SEB has been a shareholder in Amagerbanken since 1999 and, after the acquisition, its total shareholding is 30.4 per cent.

SEB has been operating in Denmark since 1994, and has now approximately 400 employees within areas such as bond trading, cash management, Internet/telephone banking, cards, asset management and investment banking.

Stockholm, 6 November 2002

Lars H. Thunell

President and Group Chief Executive

More detailed information is presented on the Internet (www.seb.net). The “Additional information” includes:

Appendix 1	SEB Trygg Liv
Appendix 2	SEB AG Group (SEB’s operations in Germany)
Appendix 3	Credit exposure
Appendix 4	Capital base for the SEB Financial Group of Undertakings
Appendix 5	Market risk

Operational Profit & Loss Account quarterly performance seven quarters

- The SEB Group
- The Divisions and business areas
- Bridge between present and previous accounting principles
- Revenue split
- One-off items

Statutory Profit & Loss Account

- The SEB Group
- Skandinaviska Enskilda Banken

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This Interim Report has not been reviewed by the Auditors of the Bank.

Financial information during 2002-2003

5 December 2002	Capital Market’s Day
13 February 2003	Annual Accounts 2002
9 April 2003	Annual General Meeting
8 May 2003	Interim Report January-March
14 August 2003	Interim Report January-June (N.B. new date)
6 November 2003	Interim Report January-September

Changes in accounting principles as of January 2002

Please note that SEB is following the Swedish Financial Supervisory Authority’s recommendations regarding reporting of insurance operations for the statutory accounts and also for the operational accounts. This implies that the result from insurance operations is reported according to the same principles as associated companies – one-line accounting. This change has no impact on the Group’s or the divisions’ operating results.

In order to provide a complete overview of the Group’s operations, SEB Trygg Liv is reported separately – including changes in surplus values.

SEB Group

Operational Profit and Loss Account

SEK M	July-Sept		Change, per cent	Jan-Sept		Change, per cent	Full year 2001
	2002	2001		2002	2001		
Net interest income	3 405	3 300	3	10 176	9 513	7	13 011
Net commission income	2 333	2 517	-7	7 516	8 285	-9	11 186
Net result of financial transactions	449	769	-42	1 755	2 296	-24	2 987
Other operating income	220	298	-26	1 002	1 687	-41	2 015
Total income	6 407	6 884	-7	20 449	21 781	-6	29 199
Staff costs	-2 800	-2 870	-2	-8 564	-8 833	-3	-11 796
Pension compensation	192	237	-19	759	766	-1	1 002
Other operating costs	-1 665	-1 941	-14	-5 145	-6 106	-16	-8 282
Amortisation of goodwill	- 137	- 136	1	- 407	- 403	1	- 553
Depreciation and write-downs	- 222	- 278	-20	- 701	- 822	-15	-1 084
Merger and restructuring costs		- 233	-100	- 200	- 303	-34	- 661
Total costs	-4 632	-5 221	-11	-14 258	-15 701	-9	-21 374
Net credit losses etc *	- 181	- 141	28	- 550	- 341	61	- 547
Write-downs of financial fixed assets		- 1		- 9	- 49	-82	- 69
Net result from associated companies	- 21	- 6		- 29	18		- 20
Operating result from insurance operations**	- 22	- 54	-59	- 66	- 2		- 36
Operating result	1 551	1 461	6	5 537	5 706	-3	7 153
Taxes	- 438	- 455	-4	-1 672	-1 820	-8	-2 058
Minority interests	- 11	11	-200	- 38	- 56	-32	- 44
Net profit for the year	1 102	1 017	8	3 827	3 830	0	5 051

* Including change in value of seized assets

** Result from SEB Trygg Liv, non-life and pertaining goodwill amortisation

Key figures

	Jan-Sept		Full year 2001
	2002	2001	
Return on equity, %	11.6	12.2	11.9
Return on total assets, %	0.43	0.44	0.43
Return on risk-weighted assets, %	1.05	1.00	0.99
Earnings per share (ordinary number), SEK	5.43	5.44	7.17
Earnings per share (weighted average number) *, SEK	5.46	5.44	7.17
Cost/income ratio	0.70	0.72	0.73
Cost/income ratio excl amortisation of goodwill and merger and restructuring costs	0.67	0.69	0.69
Credit loss level, %	0.11	0.07	0.09
Provision ratio for doubtful claims, %	42.5	48.1	44.6
Level of doubtful claims, %	1.28	1.24	1.37
Level of non-performing loans, %	0.57	0.57	0.58
Total capital ratio, %	10.86	10.41	10.84
Core capital ratio, %	7.93	7.27	7.71
Number of full time equivalents, average	19 193	19 734	19 618
Number of e-banking customers, thousands	1 264	1 042	1 128
Assets under management, SEK billion	723	816	871
Risk-weighted assets, SEK billion	493	516	501

* Issued number of shares 704 557 680 of which SEB has repurchased 7million Series A shares for the employee stock option programme.

Operational Profit and Loss Account, quarterly basis

SEK M	2002:3	2002:2	2002:1	2001:4	2001:3
Net interest income	3 405	3 430	3 341	3 498	3 300
Net commission income	2 333	2 601	2 582	2 901	2 517
Net result of financial transactions	449	652	654	691	769
Other operating income	220	311	471	328	298
Total income	6 407	6 994	7 048	7 418	6 884
Staff costs	-2 800	-2 865	-2 899	-2 963	-2 870
Pension compensation	192	273	294	236	237
Other operating costs	-1 665	-1 733	-1 747	-2 176	-1 941
Amortisation of goodwill	- 137	- 135	- 135	- 150	- 136
Depreciation and write-downs	- 222	- 246	- 233	- 262	- 278
Merger and restructuring costs		- 109	- 91	- 358	- 233
Total costs	-4 632	-4 815	-4 811	-5 673	-5 221
Net credit losses etc *	- 181	- 180	- 189	- 206	- 141
Write-downs of financial fixed assets		- 9		- 20	- 1
Net result from associated companies	- 21		- 8	- 38	- 6
Operating result from insurance operations**	- 22	- 20	- 24	- 34	- 54
Operating result	1 551	1 970	2 016	1 447	1 461

* Including change in value of seized assets

** Result from SEB Trygg Liv, non-life and pertaining goodwill amortisation

Operational Profit and Loss Account by division

Jan-Sept 2002, SEK M	Nordic Retail & Private Banking	Corporate & Institutions	SEB Germany	SEB Asset Manage- ment	SEB Baltic & Poland	SEB Trygg Liv	Other incl elimi- nations	SEB Group
Net interest income	3 148	3 244	2 898	57	1 028		- 199	10 176
Net commission income	2 334	2 644	1 071	918	440		109	7 516
Net result of financial transactions	123	1 366	55	9	188		14	1 755
Other operating income	151	209	274	5	36		327	1 002
Total income	5 756	7 463	4 298	989	1 692		251	20 449
Staff costs	-2 208	-2 558	-2 029	- 352	- 535		- 882	-8 564
Pension compensation	406	182		35	2		134	759
Other operating costs	-1 813	-1 681	-1 191	- 239	- 319		98	-5 145
Amortisation of goodwill		- 45		- 5	- 37		- 320	- 407
Depreciation and write-downs	- 31	- 93	- 238	- 17	- 165		- 157	- 701
Merger and restructuring costs	- 56	- 49		- 7			- 88	- 200
Total costs	-3 702	-4 244	-3 458	- 585	-1 054		-1 215	-14 258
Net credit losses etc *	- 14	- 59	- 352		- 129		4	- 550
Write-downs of financial fixed assets			- 5				- 4	- 9
Net result from associated companies	- 41		28		5		- 21	- 29
Operating result from insurance operations					27	39	- 132	- 66
Operating result	1 999	3 160	511	404	541	39**	-1 117	5 537

* Including change in value of seized assets

** Result from ongoing business in SEB Trygg Liv amounted to SEK 1 146 M (921).

SEB Group

Statutory Profit and Loss Account

SEK M	July-Sept		Change, per cent	Jan-Sept		Change, per cent	Full year 2001
	2002	2001		2002	2001		
Income							
<i>Interest income</i>	12 148	13 334	-9	35 910	41 193	-13	53 616
<i>Interest costs</i>	-8 743	-10 034	-13	-25 734	-31 680	-19	-40 605
Net interest income	3 405	3 300	3	10 176	9 513	7	13 011
Dividends received **	11	11		52	85	-39	95
<i>Commission income</i>	2 796	2 930	-5	8 855	9 660	-8	13 039
<i>Commission costs</i>	- 463	- 413	12	-1 339	-1 375	-3	-1 853
Net commission income	2 333	2 517	-7	7 516	8 285	-9	11 186
Net result of financial transactions **	449	769	-42	1 755	2 296	-24	2 987
Other operating income	209	287	-27	950	1 602	-41	1 920
Income from banking operations	6 407	6 884	-7	20 449	21 781	-6	29 199
Costs							
Staff costs	-2 800	-2 870	-2	-8 564	-8 833	-3	-11 796
Other administrative and operating costs	-1 665	-1 941	-14	-5 145	-6 106	-16	-8 282
Depreciation and write-downs of tangible and intangible fixed assets ***	- 359	- 414	-13	-1 108	-1 225	-10	-1 637
Merger and restructuring costs		- 233	-100	- 200	- 303	-34	- 661
Costs from banking operations	-4 824	-5 458	-12	-15 017	-16 467	-9	-22 376
Profit/loss from banking operations before credit losses	1 583	1 426	11	5 432	5 314	2	6 823
Net credit losses	- 179	- 136	32	- 552	- 343	61	- 549
Change in value of seized assets	- 2	- 5		2	2		2
Write-downs of financial fixed assets		- 1		- 9	- 49	-82	- 69
Net result from associated companies	- 21	- 6		- 29	18		- 20
Operating profit from banking operations	1 381	1 278	8	4 844	4 942	-2	6 187
Operating profit from insurance operation	- 22	- 54	-59	- 66	- 2		- 36
Operating profit	1 359	1 224	11	4 778	4 940	-3	6 151
Pension compensation	192	237	-19	759	766	-1	1 002
Profit before tax and minority interest	1 551	1 461	6	5 537	5 706	-3	7 153
Current tax	- 378	- 214	77	-1 369	-1 156	18	-1 229
Deferred tax	- 60	- 241	-75	- 303	- 664	-54	- 829
Minority interests	- 11	11	-200	- 38	- 56	-32	- 44
Net profit for the year *	1 102	1 017	8	3 827	3 830	0	5 051
* Earnings per share (ordinary), SEK	1.56	1.45		5.43	5.44		7.17
Ordinary number of shares, million	705	705		705	705		705
Earnings per share (weighted), SEK	1.58	1.45		5.46	5.44		7.17
Weighted number of shares, million	698	705		701	705		705

** Dividend on shares in Merchant Banking's trading portfolio has been reclassified by SEK 1,291 M for the interim period 2001.

*** Amortisation of goodwill for SEB Trygg Liv has been reclassified by SEK 36 M in the third quarter, SEK 110 M for the interim period and SEK 147 M for the full year 2001.

Balance sheet

SEK M	30 September 2002	31 December 2001	30 September 2001
Lending to credit institutions	149 186	175 380	180 032
Lending to the public	653 893	634 995	662 135
Interest-bearing securities	192 790	153 033	155 268
- Financial fixed assets	4 235	4 094	4 785
- Financial current assets	188 555	148 939	150 483
Shares and participations	8 650	10 227	6 530
Assets used in the insurance operations	49 259	66 459	60 502
Other assets	150 043	123 221	134 597
Total assets	1 203 821	1 163 315	1 199 064
Liabilities to credit institutions	224 693	221 686	241 147
Deposits and borrowing from the public	466 782	465 243	461 060
Securities issued, etc.	206 339	194 682	204 467
Liabilities of the insurance operations	47 411	64 111	57 982
Other liabilities and provisions	187 082	143 293	160 227
Subordinated liabilities	27 209	30 008	31 375
Shareholders' equity ¹⁾	44 305	44 292	42 806
Total liabilities and shareholders' equity	1 203 821	1 163 315	1 199 064

1) Change in shareholders' equity

SEK M	30 September 2002	31 December 2001	30 September 2001
Opening balance	44 292	41 609	41 609
Dividend to shareholders	-2 818	-2 818	-2 818
Result, holding of own shares	- 8		
Swap hedging of employee stock option programme*	- 180	- 1	- 277
Elimination of repurchased shares **	- 659		
Translation difference	- 149	451	462
Net profit for the period	3 827	5 051	3 830
Closing balance	44 305	44 292	42 806

* Including dividends received

** SEB has repurchased 7 million Series A shares for the employee stock option programme as described and decided at the Annual General Meeting

Cash flow analysis

SEK M	Jan-Sept 2002	Full year 2001	Jan-Sept 2001
Cash flow before changes in lending and deposits	-7 107	-4 225	2 610
Increase (-)/decrease (+) in lending to the public	-19 739	-30 571	-57 210
Increase (+)/decrease (-) in deposits from the public	1 539	45 356	41 173
Cash flow, current operations	-25 307	10 560	-13 427
Cash flow, investment activities	- 254	-2 201	-2 830
Cash flow, financing activities	6 040	-11 321	537
Cash flow	-19 521	-2 962	-15 720
Liquid funds at beginning of year	43 570	46 532	46 532
Cash flow	-19 521	-2 962	-15 720
Liquid funds at end of period	24 049	43 570	30 812

Nordic Retail & Private Banking

The division has 1.5 million private customers - of which 690,000 e-banking customers - and 120,000 small and medium-sized corporate customers. The majority of the customers are Swedish. In the Nordic area, SEB also has approximately 600,000 card customers.

The main business areas are Retail Banking, Private Banking and SEB Kort (cards). In Sweden, SEB has 200 branch offices, a top-ranked Internet service and a 24h telephone bank.

Profit and loss account

SEK M	Jan - Sept		Change, per cent	Full year 2001
	2002	2001		
Net interest income	3 148	3 240	-3	4 328
Net commission income	2 334	2 689	-13	3 645
Net result of financial transactions	123	146	-16	184
Other operating income	151	152	-1	202
Total income	5 756	6 227	-8	8 359
Staff costs	-2 208	-2 211	0	-2 955
Pension compensation	406	380	7	461
Other operating costs	-1 813	-2 400	-24	-3 239
Depreciation and write-downs	- 31	- 66	-53	- 83
Merger and restructuring costs	- 56	- 95	-41	- 184
Total costs	-3 702	-4 392	-16	-6 000
Net credit losses etc *	- 14	- 64	-78	- 69
Intra-group minority share in associated companies	- 41	- 38	8	- 64
Operating result	1 999	1 733	15	2 226
* Including change in value of seized assets				
Cost/Income ratio	0.64	0.71		0.72
Allocated capital, SEK M	7,200	7,000		7,000
Return on capital, %	26.7	23.8		22.9
Number of full time equivalents, average	4,917	5,148		5,033

Result increased further – in spite of difficult market situation

The long and deep downturn of the stock market was the main reason for the decrease in total income by 8 per cent. This decrease, especially in net commission income, was however offset by a significantly lower cost level, -16 per cent, resulting in improved operating result by 15 per cent. This has had a major positive effect on both cost/income-ratio and profitability.

Net interest income remained stable with a small increase in volumes and slightly reduced margins. The new savings account, "Specialkonto", was launched in April offering one of the Swedish market's highest interest rates and accounted for more than 20 per cent of deposits from private individuals as per 30 September.

Total deposit volumes in September amounted to SEK 105.3 billion on a monthly average (104.9 in December 2001). In the total savings market in Sweden, SEB keeps its leading position. As of June, SEB had a 16.0 (15.6) per cent share of the total savings market.

Lending volumes in September amounted to SEK 148.3 billion on a monthly average (140.2 in December 2001), of which SEK 99.9 billion (93.3) in mortgages. The strong development in the mortgage market continued. As of September, SEB BoLån's total market share of the private market was 13.2 percent (13.0). This was due to increased branch office activities and improved mortgage products, such as lowered list prices on fixed mortgages.

Net credit losses were low and included an extraordinary recovery of approximately SEK 50 M.

Strengthened position in Norway and Denmark

During the third quarter, SEB has made two acquisitions in the Nordic area:

In September, SEB Kort made an agreement to acquire Europay Norge AS in Norway for a total price of NOK 1 billion. Thereby SEB Kort acquires the Eurocard brand in Norway and becomes a leading card issuer in Norway, encompassing Diners Club, MasterCard and Eurocard.

SEB's share of Danish Amagerbanken has been increased and is now 30.4 per cent. Amagerbanken's customer base consists of 100,000 private customers and small and medium-sized companies. The bank has 26 branch offices and is located in the attractive growth area around Copenhagen.

Retail banking – continues to cut costs

Retail Banking's result was SEK 1,264 M (999), an increase of 27 per cent, mainly explained by continued cost reductions (-19 per cent).

This autumn, SEB's top ranked website www.seb.se was improved in order to facilitate navigation and to make the information more specific.

The decision earlier this year to offer all university students SEB's "Student package" free of charge, resulted in 6,000 new customers when the autumn term started – an increase of approximately 25 per cent.

Customer satisfaction is an area of top priority. In the external annual quality survey, "Swedish Quality Index", SEB showed the best improvement of all banks this year. The private customer satisfaction index has improved from 60 to 65 and the corporate customers index from 60 to 66. This positive trend was confirmed by the Bank's own survey concerning customers' satisfaction with service in branches, by telephone and on the Internet.

Private Banking – hit by the declining stock market

The Private Banking area is the part of the division that is worst affected by the stock market decline. Even though the decrease in net commission income was balanced by a positive development of net interest income and by a decrease of costs, the period showed a result, SEK 351 M (405), that was 13 per cent lower than for the corresponding period last year.

The decrease in costs was partly explained by restructuring of Enskilda Banken Norway. The total number of employees within Private Banking has decreased from 927 at year-end 2001 to 825 in September 2002.

The decline in the stock market had a negative impact on the development of brokerage fees in Enskilda Banken. Compared to the corresponding period last year fees were down by 24 per cent, which is less than the decrease on the Stock Exchange in Stockholm.

The net inflow of new volumes in Enskilda Banken in Sweden amounted to SEK 7.5 billion, of which SEK 4.4 billion came from new customers. Assets under management have declined by 30 per cent to SEK 154 billion from the opening balance.

Private Banking International showed a 9 per cent result increase as per 30 September.

SEB Kort – strengthening its Nordic leadership

SEB's card business, SEB Kort, showed a result of SEK 384 M (329), mainly due to a decrease in total costs from SEK 646 M to SEK 577 M. Total income amounted to SEK 1,027 M (1,050). Total turnover for SEB Kort including Euroline increased to SEK 98.4 billion (95.4).

The third quarter's most important event was the offer to acquire 100 per cent of the shares in Europay Norge AS. By this SEB Kort acquires the exclusive right to the Eurocard brand in Norway, and Europay Norge's business within card issuing, acquiring and bank service – pending approval by the authorities in Norway and Sweden.

Corporate & Institutions

The division is responsible for medium-sized companies, large corporations and financial institutions. It comprises Merchant Banking (including the merchant banking part of SEB AG, Securities Services and parts of Mid Corporate) and Enskilda Securities (SEB's institutional equity and corporate finance unit) and operates in eleven countries.

Profit and loss account

SEK M	Jan - Sept 2002	2001	Change, per cent	Full year 2001
Net interest income	3 244	2 931	11	4 007
Net commission income	2 644	3 186	-17	4 431
Net result of financial transactions	1 366	1 691	-19	2 165
Other operating income	209	119	76	168
Total income	7 463	7 927	-6	10 771
Staff costs	-2 558	-2 735	-6	-3 762
Pension compensation	182	177	3	218
Other operating costs	-1 681	-1 809	-7	-2 450
Amortisation of goodwill	- 45	- 42	7	- 56
Depreciation and write-downs	- 93	- 117	-21	- 160
Merger and restructuring costs	- 49	- 3		- 35
Total costs	-4 244	-4 529	-6	-6 245
Net credit losses etc *	- 59	141	-142	149
Operating result	3 160	3 539	-11	4 675
* Including change in value of seized assets				
Cost/Income ratio	0.57	0.57		0.58
Allocated capital, SEK M	15,000	15,500		15,500
Return on capital, %	20.2	21.9		21.7
Number of full time equivalents, average	3,186	3,302		3,322

Continued weak financial markets

The stock market remained under pressure during the third quarter, due to growing concern about the recovery of the global economy. Equity prices fell by 26 per cent on the stock exchange in Stockholm and by 20 per cent on the stock exchange in New York. The flight to quality papers drove U.S. bond yields down to levels not seen for the last four decades; the Swedish 10-year bond yield fell by 55 basis points to 4.90 per cent. The markets started to discount rate cuts from central banks.

Strong return despite weak financial market

The division has on an aggregated level achieved a satisfactory result considering present market conditions. Most of the business units performed well, although the bearish development in the equity market was negative for Enskilda Securities and Securities Services.

Net interest income remained stable while both net commission income and net result of financial transactions fell compared to the corresponding period 2001. The decrease was primarily due to lower customer activities, particularly within equities, but also within other areas. The cost/income ratio was unchanged compared to last year.

Merchant Banking

The operating result of Merchant Banking amounted to SEK 2,985 M (3,251). Compared with 2001, the result before credit losses was slightly lower, at SEK 3,046 M (3,116).

During the period January to September, most areas within Merchant Banking reported strong results considering current market conditions.

Year to year Trading & Capital Markets shows an income on the same level as in 2001 through the combination of stable customer flows and acquisition of new clients. However, the third quarter showed a decrease in trading related income compared to previous quarters, especially in the foreign exchange area, mainly due to lower customer activity.

Merchant Banking Germany showed a positive development compared to last year. The result is ahead of plan, mainly due to good results within trading and capital market products.

Cash Management performed well in a competitive market. However, margin pressure causes restraints on profitability and calls for continued efficiency measures.

Securities Services' result was lower this year compared with the first three quarters of 2001. This was mainly due to decreasing values in assets under custody and price pressure, which to some extent was offset by the highest level of transactions ever for Securities Services.

The long-term objective of changing Merchant Banking's business mix from more volatile areas to more stable and growth business has been successful and continues with undiminished focus. However, the weak markets during 2002 have led to an unchanged income level for the growth areas compared to last year. The more mature business areas continue delivering but are under constant efficiency pressure in order to keep profitability levels.

Results are seen within all three areas of the "3 C programme". The customer satisfaction has been confirmed by successful acquisitions of new clients within priority areas and recent awards and rankings, for example Best Trade Finance Bank in Sweden (July 2002, Global Finance Magazine) and Leading Bank in Swedish kronor and Norwegian kroner derivatives (September 2002, Risk Magazine). The increased focus on cross servicing, both between SEB divisions and internally within Merchant Banking, has led to new business. Cost efficiency measures are implemented and costs are in line with the commitments made in the cost cutting programme. Costs excluding performance-related compensation and restructuring costs decreased by 2 per cent.

Asset quality remained high and credit losses were SEK 61 M. Under current market conditions risk management has become even more important and a cautious view on risks combined with conservative structuring of new transactions will continue to permeate all business decisions.

Enskilda Securities

In continuously weak equity markets Enskilda Securities retained its strong market position.

Enskilda Securities result for the first nine months was SEK 175 M (288). The weaker markets had a negative impact on revenues in both Equities and Corporate Finance. Enskilda Securities has implemented a cost cutting programme which has led to substantially lower costs compared with the corresponding period last year. Staff costs were down by 22 per cent and other operating costs by 20 per cent. By the end of September, the number of personnel had decreased by 14 per cent compared with last year.

The business unit Equities' income for the first nine months fell by 28 per cent. Secondary commission, which is the single most important revenue source, fell by 17 per cent.

The business unit Corporate Finance's revenues fell by 34 per cent and lower income was reported both for Initial Public Offerings and Merger & Acquisitions.

SEB Germany division

The division serves one million private customers as well as small corporations, institutions and real estate companies throughout Germany. Customers are able to access its services via 177 branches, 30 advisory centres, Internet and telephone banking.

The division does not comprise those parts (large corporate customers, trading operations and former Skandinaviska Enskilda Banken AG) which are included within the Corporate & Institutions division. Information regarding the legal unit SEB AG Group can be found in "Additional information" on www.seb.net.

Profit and loss account

SEK M	Jan - Sept		Change, per cent	Full year 2001
	2002	2001		
Net interest income	2 898	3 016	-4	4 119
Net commission income	1 071	1 057	1	1 365
Net result of financial transactions	55	109	-50	101
Other operating income	274	448	-39	551
Total income	4 298	4 630	-7	6 136
Staff costs	-2 029	-2 045	-1	-2 651
Other operating costs	-1 191	-1 314	-9	-1 816
Depreciation and write-downs	- 238	- 278	-14	- 369
Total costs	-3 458	-3 637	-5	-4 836
Net credit losses etc *	- 352	- 348	1	- 478
Write-downs of financial fixed assets	- 5			- 2
Net result from associated companies	28	48	-42	75
Operating result	511	693	-26	895
* Including change in value of seized assets				
Average exchange rate SEK/EUR	9.18	9.18		9.25
Cost/Income ratio	0.80	0.79		0.79
Allocated capital, SEK M	10,300	10,700		10,800
Return on capital, %	4.8	6.2		6.0
Number of full time equivalents, average**	3,802	3,933		3,916

** Excluding 89 (average Jan-Sept) temporary staff working with euro conversion during the beginning of 2002

Continuously weak economy

The market situation in Germany continues to be characterised by a weakening economy, the highest number of insolvencies among small and medium-sized companies for years, a weak local stock market, and low market interest rates. In addition, several different tax increases for both corporations and private individuals are now being discussed by the new Government coalition. Customer behaviour is still conservative and the activity level low.

The performance of German banks is generally poor due to large credit losses and some banks show large deficits. As a result most of the banks are now initiating cost reduction programmes similar to the restructuring programme started by SEB AG already in the year 2000. The German banking industry is facing a staff reduction by more than 50,000 employees.

SEB AG Group

SEB's total German operations (SEB AG Group) are performing well as compared to other German banks. Total result for SEB's German operations amounted to SEK 618 M (769). The decrease was due to lower one-off items in 2002. Operating income was stable. See further in the "Additional information" on www.seb.net.

New sales and underlying earning capacity improved

The division's new sales of mortgage loans, SEK 5,077 M, improved by 40 per cent compared to last year. Prolongation of mortgage loans, SEK 3,231 M, rose by 29 per cent.

Net sales of funds, SEK 8.6 billion, more than doubled compared to the corresponding period 2001. Net sales of SEB Immoinvest's No 1 ranked real estate funds, SEK 6.1 billion, continued to be successful. The market share of Immoinvest is now 4.6 per cent. Net sales of SEB Invest's mutual funds, SEK 1.5 billion (2.4), deteriorated due to the market conditions.

Assets under management amounted to SEK 106 billion, a decrease of 2 per cent compared to the previous quarter. Compared to the corresponding period 2001, measured in euro, there was an increase of assets under management despite the negative market conditions.

Income decreased. However, the relatively stable level of net interest income and particularly commission income should be considered satisfactory given the market conditions. Net commission income developed comparably well during the first half of 2002, showing a slight improvement compared with 2001 as a result of a strong sales focus. During the third quarter net commission income was stable.

Continuous cost efficiency improvement

The cost efficiency programme led to a 5 per cent lower cost level during the first three quarters of 2002. Compared with 2001, staff costs decreased by 1 per cent while other costs were down by 10 per cent. The number of full time equivalents was down by 156 to 3,742.

During 2002 major cost reductions have been achieved by moving the headquarters to new premises at considerably lower rents and through cost cuts within staff units. In the third quarter the whole mainframe operations was moved from Frankfurt to Stockholm. This will lead to cost reductions in the future, mainly due to lower license and consultant costs. The successful move was a complicated and unique operation, which now attracts the attention of a number of other banks considering similar consolidation measures. Further cost reduction activities within the IT area through organisational co-ordinations within the SEB Group are under implementation.

Overall the cost reduction programme is running according to plan and additional efforts are now made to achieve further cost reductions to compensate for the lower income side.

Credit loss situation

Credit losses increased during the third quarter compared to the previous quarters this year due to the weak economic climate. Further deterioration of the economy demands continued attention to the development of the credit portfolio. However, the portfolio mix of SEB's German operations in combination with specific and general reserves attributable to SEB AG provides a balance of the risk exposure.

SEB Asset Management

SEB Asset Management offers a full spectrum of investment management expertise and services to institutions, life insurance companies and retail clients - from low-risk portfolios to private equity and hedge funds. SEB Asset Management has offices in Copenhagen, Helsinki, New York, Stamford and Stockholm. The division has more than 100 persons engaged in portfolio management.

Profit and loss account

SEK M	Jan - Sept 2002	2001	Change, per cent	Full year 2001
Net interest income	57	77	-26	100
Net commission income	918	1 123	-18	1 506
Net result of financial transactions	9	8	13	14
Other operating income	5	9	-44	11
Total income	989	1 217	-19	1 631
Staff costs	- 352	- 438	-20	- 567
Pension compensation	35	40	-13	46
Other operating costs	- 239	- 319	-25	- 432
Amortisation of goodwill	- 5	- 21	-76	- 8
Depreciation and write-downs	- 17	- 19	-11	- 23
Merger and restructuring costs	- 7	- 19	-63	- 54
Total costs	- 585	- 776	-25	-1 038
Operating result	404	441	-8	593
Cost/Income ratio	0.59	0.64		0.64
Allocated capital, SEK M	1,700	1,700		1,700
Return on capital, %	22.8	24.9		25.1
Number of full time equivalents, average	414	519		512

Improved cost/income ratio

In spite of lower income due to weak stock markets, SEB Asset Management improved its cost/income-ratio from 0.64 to 0.59. This improvement was due to substantial reductions of costs by 25 per cent, primarily through staff cuts. Since June 2001, total staff has been reduced by approximately 135 full time equivalents, or by 26 per cent. During the third quarter, SEB Asset Management outsourced the administrative and technical property management of the real estate operations in Stockholm, which will have a positive effect on costs.

The division's operating result decreased by 8 per cent compared to the corresponding period last year. For the third quarter isolated, however, operating result improved slightly to SEK 105 M (104).

Positive net inflow in spite of tough market conditions

During the third quarter of 2002 the global stock markets fell by 19 per cent and the Swedish portfolio index (SIX) by 26 per cent, adding up to a fall during 2002 of 29 per cent for the global markets and 43 per cent for the Swedish market. Weak stock markets had a continuous negative impact upon sales within the whole industry. Total accumulated net sales were lower than in last year. In the third quarter SEB Asset Management gained a number of new mandates, primarily in Denmark. The business in Finland and the U.S. was also successful in attracting new capital, while institutional sales in Sweden were generally weak.

During the first nine months of 2002, the net inflow to SEB's mutual funds, excluding SEB Germany, totalled SEK 9.5 billion (5.0), of which SEK 6.1 billion (2.9) in Sweden. The successful launch of the new product line corporate bond funds, the first of its kind in the Swedish market, has attracted a considerable amount of capital. SEB Mutual Funds in Sweden has a net sales market share of 11.5 per cent (6.5) and 26.7 per cent (21.7) of the fixed income segment. In addition, net sales of mutual funds in Denmark and Finland amounted to SEK 3.4 billion. SEB's market share of mutual funds in Sweden was 17.3 per cent (18.4 by year-end), totalling SEK 137 billion (181 by year-end). This represented 29 per cent of the division's assets under management.

On 30 September 2002, the division's total assets under management, amounted to SEK 476 billion (567).

Improved performance

During 2002, one of the most important ambitions has been to improve the performance for all portfolios. This has mainly been made through concentration of the investment management activities and new recruitment within the division's key competence areas.

Performance relative to benchmarks has improved during the second and third quarter. In October, SEB Mutual Funds was top-ten-ranked by Wall Street Journal within fixed income fund management for the regions of Europe, the euro and the U.S.

To further improve efficiency, SEB Asset Management is streamlining and simplifying the range of mutual funds in Sweden. Approximately 30 funds will be merged or closed during the fourth quarter of this year.

SEB Baltic & Poland

The division comprises the three wholly-owned Baltic banks Eesti Ühispank (Estonia), Latvijas Unibanka (Latvia) and Vilniaus Bankas (Lithuania). The three banks serve 1.2 million individual customers and 140,000 corporations via a branch network that comprises some 200 branch offices, and via Internet banks. The listed Polish bank Bank Ochrony Srodowiska, BOS, of which SEB owns 47 per cent, also forms part of the division.

Profit and loss account

SEK M	Jan - Sept		Change, per cent	Full year 2001
	2002	2001		
Net interest income	1 028	831	24	1 183
Net commission income	440	435	1	596
Net result of financial transactions	188	140	34	197
Other operating income	36	126	-71	135
Total income	1 692	1 532	10	2 111
Staff costs	-535	-497	8	- 673
Pension compensation	2	2		2
Other operating costs	-319	-319		- 451
Amortisation of goodwill	-37	-36	3	- 49
Depreciation and write-downs	-165	-161	2	- 217
Total costs	-1 054	-1 011	4	-1 388
Net credit losses etc *	-129	-101	28	- 133
Write-downs of financial fixed assets		-49		- 67
Net result from associated companies	5	25	-80	2
Operating result from insurance operations	27			22
Operating result	541	396	37	547
* Including change in value of seized assets				
Cost/Income ratio	0.62	0.66		0.66
Allocated capital, SEK M	2,750	2,750		2,750
Return on capital, %	18.9	13.8		14.3
Number of full time equivalents, average	4,305	4,202		4,114

Continued economic growth

The GDP growth for year 2002 in the Baltic countries is expected to be almost 5 per cent. For 2003-2004 the growth is expected to be slightly higher for all the three countries, the reason being a strong domestic demand situation that offsets the weak international economic situation.

The strong economy is reflected in SEB's Baltic subsidiary banks. The number of customers has increased by 13 per cent compared to September 2001. During the same period, the number of Internet customers increased by 73 per cent to 336,000. During 2002 the loan portfolio has increased by 9 per cent (13 per cent after adjustments for currency fluctuations), resulting in a market share of 33.3 per cent (34.3). The growth is relatively evenly spread between the banks. A sharp increase in demand for mortgage loans and leasing and strong domestic consumer demand in general are the main reasons behind this expansion.

Deposits increased by 11 per cent (13 per cent after adjustments for currency fluctuations) during 2002, corresponding to a market share of 25.6 per cent (25.0). The market for savings products other than deposits is relatively immature but rising demand can be foreseen. Both Estonia and Latvia are launching pension reforms, which are expected to lead to an increase in funds savings. Assets under management in the banks amounted to approximately SEK 1 billion by the end of September, an increase of 28 per cent since year-end.

For Poland the economic situation is somewhat different. GDP is expected to grow by 0.9 per cent this year, but will increase during 2003 and 2004 to 2.3 and 3.2 per cent respectively. The main reason for the low growth rate is a low domestic demand and a downturn in capital spending.

Result increases further

The growth in the Baltic banks has been well balanced. Income increased by 10 per cent (10 per cent after adjustments for currency fluctuations) while costs increased by 4 per cent (3 per cent after adjustments for currency fluctuations). The cost increase is primarily a result of expansion in volumes and products. Accordingly, the cost/income ratio improved from 0.66 to 0.62. The increase in operating result amounted to 37 per cent. Also, return on allocated capital increased from 13.8 per cent up to 18.9 per cent.

Result from BOS Bank is included in the division's result by SEK 5 M as net result from associated companies.

Increased co-operation

Intensive efforts have been made to improve cross-servicing and customer satisfaction. SEB's Baltic banks can now offer Pan-Baltic customers one-point-of-entry solutions, i.e. possibilities to get service in all three countries via any one of the banks. Vilniaus Bankas as well as Latvijas Unibanka received the best bank reward for the respective country in 2002 from Global Finance.

Credit as well as treasury and risk functions continue to become more integrated with the parent company.

Outsourcing of non core business is an on-going process. In Latvijas Unibanka cash collection and security services have been outsourced for increased efficiency. Similar activities are under way in Vilniaus Bankas.

BOS in Poland has an explicit strategy to increase its focus on small- and medium-sized companies as well as private individuals in order to gain market shares within these segments. BOS is also working on finding ways to increase efficiency as well as competence in order to improve net result and reduce risks.

SEB Trygg Liv

SEB Trygg Liv is one of the Nordic region's leading life insurance companies. Operations comprise insurance products within the investment and social security area for individuals and corporations. SEB Trygg Liv provides both unit-linked and traditional insurance and has slightly more than 1 million customers, mainly in Sweden.

Traditional life insurance operations are conducted in the mutual insurance companies Nya and Gamla Livförsäkringsaktiebolaget SEB Trygg Liv, which are not consolidated with the SEB Trygg Liv Group's results.

Profit and loss account

SEK M	Jan - Sept 2002	Jan - Sept 2001	Change, per cent	Full year 2001
Total income	1 069	1 112	-4	1 493
Total costs	-1 016	-1 199	-15	-1 563
Result from associated companies	- 14	- 13		- 9
Operating result*	39	- 100		- 79
Change in surplus values, net	1 107	1 021	8	1 241
Result from ongoing business	1 146	921	24	1 162
Change in assumptions				620
Financial effects of short-term market fluctuations	-2 138	-1 388		-1 199
Total result, net	- 992	- 467		583
Allocated capital, SEK M	3,900	3,900		3,900
Return, ongoing business, %	28.2	22.7		21.5
Number of full-time equivalents, average	790	868		862

* In the SEB Group reporting, SEB Trygg Liv is accounted for according to the same principles as associated companies – one-line accounting. Accordingly, only the operating result is consolidated in the SEB Group's accounts. More detailed information about SEB Trygg Liv can be found in "Additional information", available at www.seb.net.

Improved results

The result from on-going business, SEK 1,146 M, which includes the change in surplus values, improved as a consequence of the continued shift from single-premium to the regular-premium insurance, combined with lower costs.

The operating result also improved due to the limited decline in revenues (administration agreements, insurance fees and net interest) and sharply reduced costs as a result of continued savings measures and lower distribution payments due to lower sales. The number of full time equivalents was reduced by 78 compared with last year. In addition, 65 temporary employees left during October 2001. Naturally, the continued negative trend of the stock market affected the total result, net.

Sales affected by continued stock market decline

The life insurance market remained affected by market uncertainty. Sales, measured as weighted volume, amounted to SEK 18,164 M (21,843), a decline of 17 per cent. Compared with the preceding quarter, the decline in unit-linked insurance has slowed somewhat, while it increased for traditional insurance. Sales of single-premium endowment insurance declined by about 40 per cent. The sales trend for occupational pension with regular premiums is relatively stable, although a certain weakening was noted also within this segment. Combined, this means a continued increase in the portion of company-paid insurance, from 68 to 76 per cent. At mid-year 2002 the portion was 74 per cent. The development is viewed positively, since the objective has

been to increase company business to create a more long-term and cyclically less sensitive combination of the total business.

During the third quarter, SEB Trygg Liv's sales offices in Stockholm and Gothenburg were closed and personnel was transferred to the branches of the bank to combine banking and insurance expertise. Competence development of the branch office and telephone bank personnel has been carried out regarding pensions, with an emphasis on early retirement pensions. This work will continue during the fourth quarter. Within the corporate segment, customers are offered a combined review of bank and insurance products to an increasing extent.

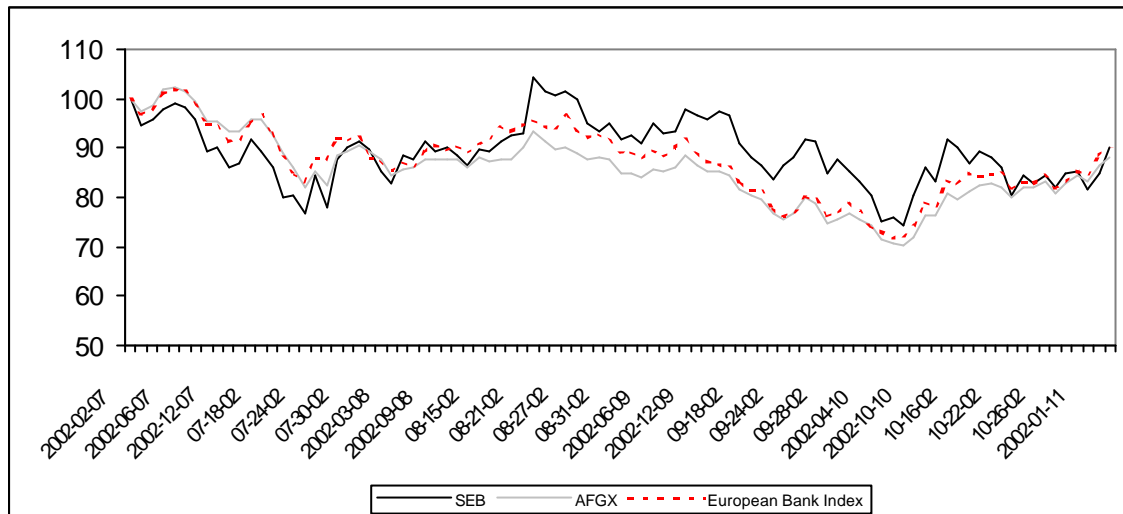
Premium income, i.e. paid-in savings and insurance premiums, amounted to SEK 9,916 M (11,359). However, this decline of 13 per cent was an improvement compared with mid-year 2002. Unit-linked insurance accounted for two thirds and traditional insurance for one third of premium income.

Total assets under management declined by 8 per cent or SEK 16 billion, from SEK 213 billion to 197 billion. From the beginning of the year the change was minus 13 per cent. Assets managed within traditional insurance declined during the period by 4 per cent or SEK 7 billion and within unit-linked insurance by 18 per cent, or SEK 9 billion.

During September, the first SEB customers moved into the BoViva flats in Halmstad. BoViva is a secure living environment comprising tenant-rights flats with access to service and care that may be required by elderly people. The project is a co-operative venture involving SEB Trygg Liv, Peab and Actica. More BoViva facilities are planned, initially in major metropolitan areas. Customers with private pension savings, occupational pension or endowment insurance with SEB are offered such tenant-rights flats.

SEB share

SEK



Rating

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

SEB's rating has remained unchanged during 2002. In August, the rating institute Moody's changed its outlook for SEB's rating from Stable to Positive.

SEB's major shareholders

By the end of June 2002

Percent of capital

Investor	19,8
Trygg Foundation	9,3
Alecta (former SPP)	2,9
SEB Funds	2,8
Skandia	2,2
AFA	1,9
Foreign shareholders	23,3