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PRESS RELEASE

Restatement of SEB's 2004 accounts

On 3 May 2005, SEB will present its interim report for the first quarter of 2005, prepared in accordance with International Financial Reporting Standards (IFRS).

The main effects of the introduction of the new accounting standards have already been described in SEB's Annual Accounts and Annual Report. In order to facilitate the interpretation of the forthcoming interim report, the changed format and the restated figures for the quarterly results of 2004 is now available on www.sebgroup.com. Quarterly results, pro forma, for the years 2001 to 2003 will also be available on the website.

Please find enclosed a brief presentation of the main IFRS-related changes in SEB's financial accounts, as well as tables with bridges of the restatement of Equity, the Profit and Loss accounts and Balance Sheet as previously reported and restated according to IFRS.

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Link to www.sebgroup.com. Please go to the financial statistics section:

[http://taz.vv.sebank.se/cgi-](http://taz.vv.sebank.se/cgi-bin/pts3/pow/wcp/sebgroup.asp?website=TAB2&lang=en)

[bin/pts3/pow/wcp/sebgroup.asp?website=TAB2&lang=en](http://taz.vv.sebank.se/cgi-bin/pts3/pow/wcp/sebgroup.asp?website=TAB2&lang=en)

The SEB Group is a North European financial group for corporate customers, institutions and private individuals, with 680 branch offices around Sweden, Germany, the Baltic countries, Poland and Ukraine. SEB has more than 5 million customers, of whom 1.9 million use the internet for their banking transactions. On 30 December 2004, the Group's total assets amounted to SEK 1,591bn while its assets under management totalled SEK 886 bn. The Group is represented in some 20 countries around the world and has a staff of about 19,000. Read more about SEB at www.sebgroup.com.

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The SEB Group accounts according to new accounting standards IFRS

From 2005 the SEB Group accounts will be reported according to International Financial Reporting Standards (IFRS) introduced in EU. For comparison the figures for 2004 has been restated according to the new rules and audited by the auditors. Many of the standards have already been introduced in Swedish GAAP therefore the changes mainly come from the latest standards IFRS 1-4 and IAS 32 and 39. One should also be aware that the IFRS implementation and interpretations are in a very early stage which means that the general accepted accounting practices are still under development.

In summary the implementation of these standards (IFRS) in the SEB Group has had the following main consequences:

- The Goodwill amortisation is removed according to Business Combinations (IFRS 3) which give a positive effect of SEK 822 m in the Profit and Loss 2004. The value of the Goodwill will be tested yearly for impairment. The impairment test is already implemented in Swedish GAAP when there is an indication of an impairment need.
- The new standard about Financial Instruments (IAS 39) can create some volatility in the Profit and Loss, Equity and Balance Sheet but this is not expected to give major effects.
- The accounting for the Employee stock option programme is governed by Share based payments (IFRS 2). The calculated costs for the two concerned programmes are SEK 55m 2004 that is neutralised in equity.
- There is an effect on the opening balance of Equity 2005 of SEK -1,424m due to the deduction of notional amounts of swaps hedging employee stock options programmes classified as equity instruments according to IAS 32 Financial Instruments: Disclosure and Presentation.
- The new accounting principles for Insurance contracts (IFRS 4) mainly change the classification of contracts and have a small effect on the Profit and Loss. There is a negative effect of SEK -229m on the opening balance of equity due to the valuation of Deferred Acquisitions Costs in 2004.
- IFRS 3 Business combinations states that all entities over which the Group has a decisive influence must be fully consolidated. Two Special Purpose Entities (Osprey and Three Crowns) and some smaller entities have therefore been consolidated from 2004. In accordance with these rules the mutual insurance companies Gamla Liv AB and Nya Liv AB are not consolidated.
- The face of the Profit and Loss and Balance Sheet differ from earlier lay-out due to the new accounting rules. Insurance operations must be consolidated on several lines and can no longer only be consolidated on "one-line" (IFRS 3). Therefore a new line for Net life insurance income is introduced. The result from associated companies, non-life insurance business and write-down of financial fixed assets is included in Net other income. These items were reported on separate lines before. Gains and/or losses from tangible and intangible assets are now reported below Total operating expenses.
- The new Statement of changes in equity will be important due to the fact that some items will go directly through equity according to the new accounting rules.

Enclosed you will find a bridge of the restatement of Equity, the Profit and Loss accounts and Balance Sheet as previously reported and restated according to IFRS. For longer time series with pro forma figures from 2001 to 2003 (pro forma changes includes full consolidation of life insurance, no goodwill and items moved between lines only) and restated figures 2004 please see www.sebgroup.com.

Bridge restatement of equity SEB Group 2003-2005

SEK m	SEB Group
Closing balance 031231	48 464
Change in accounting principles pensions	1 383
Opening balance 040101	49 847
Minority interest included in Equity	73
Change in accounting principles DAC	-229
Change in accounting principles, IFRS 1&3	65
Opening balance according to IFRS 040101	49 756
Change in equity during 2004 as reported	1 161
Employee stock option programme	55
Stopped goodwill amortisation	822
Other restatement in Net profit	-31
Closing balance according to IFRS 041231	51 763
IAS 39, Revaluation reserve, cash-flow hedges	1 015
IAS 39, Swap agreements	-1 424
Other effects from IAS 39	-956
Opening balance according to IFRS 050101	50 398

The figures above are net of deferred tax.

The effect of IAS 39 is mainly composed of a positive effect from cash-flow hedges of SEK 741m and a negative effect of SEK 901 due to hedges that do not qualify for hedge accounting according to IAS 39.

As reported previously the closing balance of equity as of 041231 was SEK 51 008m.

Profit and Loss accounts SEB Group 2004

SEK m	Previous accounting standards	New accounting standards
Net interest income	13 521	13 551
Net fee and commission income	11 299	11 704
Net financial income	2 176	2 176
Net life insurance income	0	1 401
Net other income	1 229	1 209
Total operating income	28 225	30 041
Staff costs	-10 912	-11 579
Other expenses	-6 318	-7 027
Net Deferred Acquisition Costs	0	316
<i>Amortisation of goodwill</i>	-655	0
<i>Depreciation and write-downs</i>	-753	0
Depreciation, amortisation and impairment of tangible and intangible assets		-932
Restructuring costs	-163	-163
Total operating expenses	-18 801	-19 385
Profit before credit losses etc	9 424	10 656
Gains less losses from tangible and intangible assets	0	100
Net credit losses etc	-701	-701
<i>Write-downs of financial fixed assets</i>	-31	0
<i>Net result from associated companies</i>	21	0
<i>Operating result from insurance operations</i>	560	0
Operating profit	9 273	10 055
Income tax expense	-2 666	-2 673
<i>Minority interests</i>	-17	
Net profit	6 590	7 382
Attributable to minority interests ¹		17
Attributable to equity holders¹	6 590	7 365

The lines in italic are no longer valid and the content of the lines has been reclassified to other lines.

Balance Sheet 31 December 2004

SEK m	Closing balance 2004	Closing balance 2004	Opening balance 2005
	Previous accounting standards	New accounting standards IFRS 1-4	New accounting standards incl IAS 32&39
Cash and cash balances with central banks	12 979	12 979	12 979
<i>Eligible Treasury Bills etc.</i>	117 464	0	
Loans and advances to credit institutions	207 724	208 226	208 554
Loans and advances to the public	783 019	783 355	786 551
<i>Bonds and other interest-bearing securities</i>	142 358	0	
<i>Shares and participations</i>	19 312	0	
Financial assets at fair value		336 814	387 801
Available-for-sale financial assets		175 400	135 290
Held-to-maturity investments		15 536	13 781
<i>Assets in insurance operations</i>	155 021	0	
Investments in associates	1 323	1 266	1 315
<i>Intangible fixed assets</i>	10 145	0	
Tangible and intangible assets	3 461	17 574	21 432
Other assets	127 139	55 401	47 821
<i>Prepaid expenses and accrued income</i>	11 373	0	
Total assets	1 591 318	1 606 551	1 615 524
Deposits by credit institutions	357 188	370 483	361 755
Deposits and borrowing from the public	517 520	516 513	516 836
Liabilities to policyholders		145 730	145 730
Debt securities	266 693	268 368	268 124
<i>Liabilities in insurance operations</i>	147 753	0	
Financial liabilities at fair value		101 366	177 137
Other liabilities	199 252	120 896	63 918
<i>Accrued expenses and prepaid income</i>	13 424	0	
Provisions	7 587	628	758
Subordinated liabilities	30 804	30 804	30 868
Total liabilities	1 540 221	1 554 788	1 565 126
Minority interests	89	85	85
Revaluation reserves		0	1 015
Core equity	51 008	51 678	49 298
Total equity	51 097	51 763	50 398
Total liabilities and equity	1 591 318	1 606 551	1 615 524

The lines in italic are no longer valid and the content of the lines has been reclassified to other lines.