

Interim report Jan-Sept 2007

PRESS RELEASE

STOCKHOLM 26 OCTOBER 2007

SEB's first nine months 2007 – operating profit SEK 12.4bn (11.4)

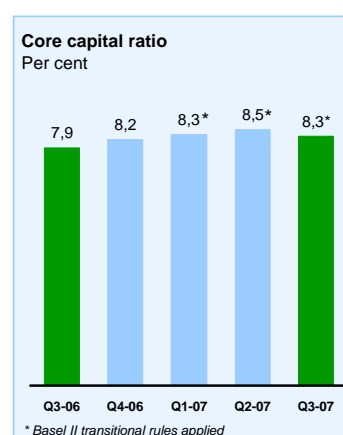
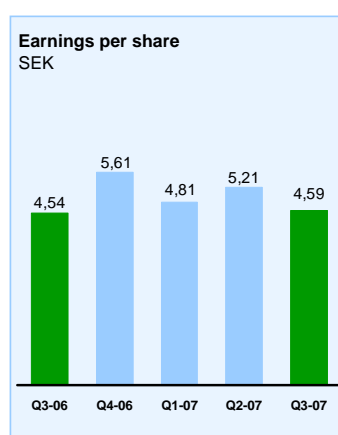
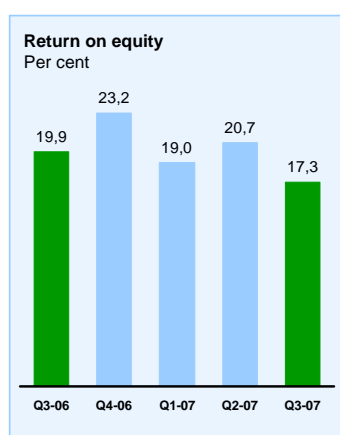
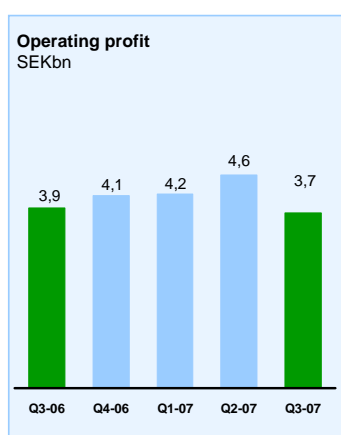
- Operating profit for January-September 2007 increased by 9 per cent, to SEK 12,437m. Net profit rose by 12 per cent, to SEK 9,885m.
- Operating income increased by 6 per cent due to higher revenues within all divisions, while operating expenses rose by 2 per cent; underlying expenses were up by 1 per cent. Overall customer business was strong.
- The turbulent credit markets in the third quarter led to lower valuations of fixed income securities, which negatively affected Net financial income.
- Net credit losses remained low.
- Return on equity was 19.0 per cent (19.9); earnings per share rose to SEK 14.62 (13.13).

SEB's third quarter – operating profit SEK 3.7bn (3.9)

- Operating profit for the third quarter of 2007 was SEK 3,726m, 4 per cent lower than in the third quarter of 2006 and 18 per cent down from the previous quarter. The quarter was characterised by widening credit spreads across all traded assets and lower fixed income activity. Business flows were high. Net profit was SEK 3,101m. Return on equity was 17.3 per cent.

“Our diversified business mix and high customer activity have supported profitability also during these turbulent times. The lower revenues in the fixed income securities portfolios must be seen in the light of SEB's leading Nordic wholesale banking position. SEB has maintained a sound liquidity profile and a strong capital base.”

Annika Falkengren



President's comment

The difficult conditions in the credit markets during the third quarter have been a challenge for the banking industry. After a long period of abundant liquidity, the risk reward correction was not unexpected, but the sharpness and the extent of the correction came as a surprise.

Throughout the period SEB maintained a sound liquidity profile, a strong capital base and the confidence of the capital markets. The main effect on SEB was the widened credit spreads, causing deterioration in values of bond portfolios, and lower customer activity in the fixed income area. SEB's stress testing shows that credit defaults in the portfolios causing material losses are unlikely given the current credit market circumstances. The controlled slowdown of credit growth in the Baltic countries continued.

Despite these turbulent times, SEB's diversified business mix and customer-centric organisation have proven resilient. The increase of operating profit for the year is driven by a combination of solid income generation and stable costs. The plan to deliver SEK 1.5-2.0bn in cost-efficiency gains over a three-year period is on track.

The work to strengthen customer relations further through increased pro-activity and more co-ordinated



product offerings continues. High quality must be recognised in everything we deliver to our customers. The number one position in attracting new Swedish mutual fund flows and the leading Nordic custodian position are evidence of these efforts yielding result. During the quarter, SEB continued to receive acknowledgments for the quality of its wholesale business and high customer rankings in the Baltic operations.

SEB's long-term strategy, the Road to Excellence, remains intact. SEB aims to be recognised as the best bank in Northern Europe in terms of customer satisfaction and financial performance.

Baltic business strategy – creating sustainable growth

SEB has a leading market position in the Baltic region. The strategy aims at capturing the long-term growth potential of these markets while maintaining asset quality.

SEB has over the past 18 months increased risk-awareness in its business by:

- Tightening the credit policy with an even stronger focus on repayment capacity.
- Raising the requirements on foreign currency borrowers, demanding a higher buffer from private customers and proof of matching revenue flows from corporate customers.
- Increasing risk-based capitalisation to prioritise return over volume growth.

SEB focuses on the retail and corporate businesses, actively reducing the single-name concentrations and ensuring good balance in the credit portfolio.

Property management in particular has been identified as a risk-exposed sector. At the same time properties represent a major growth area in the Baltic economies, thus constituting an important share of SEB's business. SEB's exposure to property management sector is largest in Lithuania, deemed to have the most stable macro-economic situation, and smallest in Latvia. The Loan-to-Value ratio at inception in the real estate business – both household and commercial – is less than

two thirds. As regards foreign currency lending, SEB is in line with the market average, with approximately 60 per cent of the lending in non-domestic currencies.

These prudent measures have gradually affected SEB's lending growth, as evidenced by the decelerating quarterly growth rate. As a result, SEB's market share of lending in Estonia and Latvia has decreased.

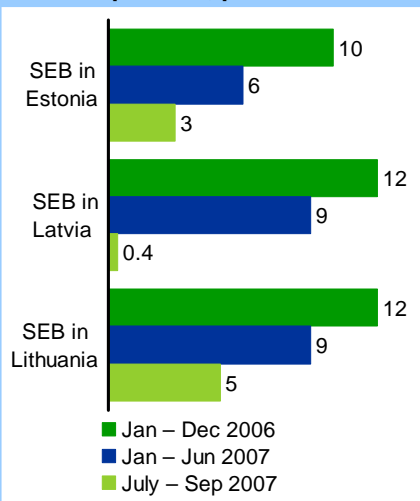
SEB continues to introduce new products in the Baltic area such as cards, mutual funds and pension products, thereby increasing product penetration as well as attracting new customers.

The strengthened focus on savings products continued to yield results and commission income has grown by 25 per cent in the region during 2007.

At the same time, SEB is expanding its Merchant Banking activities in the region, building on its leading Nordic franchise, and has been top ranked in several areas for its wholesale and investment banking operations. In the third quarter SEB's leadership in the Nordic-Baltic region has again been confirmed by six awards, such as Best Equities House (Euromoney).

The Baltic business has been and will remain an important profit growth driver for SEB.

Average quarterly growth rate of credit exposures, per cent



The Group

Third quarter isolated

Operating profit for the third quarter amounted to SEK 3,726m (3,862), a decrease of 4 per cent compared with the third quarter of 2006 and down by 18 per cent from the previous quarter. *Net profit* was SEK 3,101m (3,059).

Total operating income amounted to SEK 9,493m, up by 1 per cent compared with the corresponding quarter of last year, but down by 11 per cent from the previous quarter. Excluding the negative effect from lower valuations, income rose by 9 per cent compared with the corresponding quarter of 2006. *Net interest income* and *Net fee and commission income* increased compared with the third quarter of last year, but were lower than in the previous quarter. Deposit and lending volumes decreased slightly during the quarter. Deposit margins improved, as did lending margins, with the exception of Swedish household mortgage lending. *Net financial income* was affected by SEK 800m in mark-to-market losses on fixed income securities portfolios and lower activity levels in the fixed income area. *Net life insurance income* grew both in comparison with the previous quarter and the third quarter of 2006 as a result of higher unit-linked fund values. *Net other income* remained stable compared with the corresponding quarter of last year and higher than the previous quarter due to capital gains in the normal business and hedge accounting volatility.

Total operating expenses amounted to SEK 5,580m, an increase of 2 per cent from the third quarter of 2006 and a decrease of 5 per cent compared with the previous quarter. Lower variable salaries were the main driver. Underlying costs decreased by 2 per cent from the previous quarter.

Net credit losses remained low.

Tax expenses were positively affected by the geographic mix, non-taxable capital gains and tax reimbursements from previous years. The tax rate was 17 per cent.

The first three quarters

Operating profit and net profit

Operating profit for the first nine months of 2007 increased by 9 per cent, to SEK 12,437m (11,438). *Net profit* improved by 12 per cent, to SEK 9,885m (8,833).

Income

Total operating income increased by 6 per cent, to SEK 30,405m (28,743).

Net interest income improved by 9 per cent, to SEK 11,623m (10,677). Deposits grew by 13 per cent, while lending to the public was 10 per cent higher than twelve months ago. Deposit margins improved following the higher short-term rates and more than offset the effect from reduced lending margins in the Retail division. As a consequence, customer-driven net interest income grew by 16 per cent compared with the first nine months of 2006. Higher short-term interest rate levels had a continued negative impact on funding costs.

Net fee and commission income rose by 9 per cent, to SEK 12,922m (11,872). Most commission income categories increased compared with last year. Securities commissions, accounting for 61 per cent of total commissions, rose by 14 per cent, net.

Net financial income, negatively affected by increased spreads and lower valuations of fixed income securities in the quarter, dropped by 3 per cent, to SEK 2,819m (2,916).

Net life insurance income improved by 12 per cent, to SEK 2,167m (1,929), mainly due to increased unit-linked fund values. 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 874m (1,349) due to hedge accounting effects, partially offset by capital gains.

Expenses

Total operating expenses amounted to SEK 17,266m (16,857), an increase of 2 per cent compared with last year. Excluding redundancy costs and performance-related remuneration, underlying expenses were up by 1 per cent compared with last year. SEK 185m was provisioned for redundancy costs. Social charges related to the long-term incentive programmes amounted to SEK 21m.

Staff costs rose by 5 per cent, to SEK 11,134m (10,628). The average number of full time equivalents decreased by 246 to 19,436 (19,682) compared with the corresponding period in 2006 and by 157 since year-end. Reductions of close to 500 employees, primarily in Sweden and Germany, were balanced by net recruitments of some 340 persons in the Baltic business.

Other expenses decreased to SEK 5,137m (5,253) benefiting from increased scalability in the operations.

The incremental cost-income ratio for the Group during the first nine months of 2007 was 0.25 compared with the corresponding period of last year.

Credit losses

The Group's *net credit losses*, including changes in the value of assets taken over, amounted to SEK 703m (496). Higher lending volumes in the Baltic business have resulted in increased collective provisions. The credit loss level was 0.10 per cent (0.07). Asset quality remained stable.

Tax expenses

Total tax amounted to SEK 2,552m (2,605). The total tax rate was 20.5 per cent. The expected tax rate for 2007 is around 20 per cent and for next year around 23 per cent.

Business volumes

Total assets continued to grow. The Group's total balance sheet of SEK 2,149bn as per 30 September represented an increase of 11 per cent since year-end 2006, due to growing lending and trading volumes. Currency effects contributed to the volume increase by SEK 14bn, despite a weaker USD.

SEB's total credit exposure increased to SEK 1,504bn (1,315 at year-end 2006). Lending to the corporate sector

showed strong growth, particularly in the Nordic countries. The Baltic banks' new credit volumes to the corporate sector slowed significantly during the third quarter. The growth in credit volumes to households has continued but at a slower pace during the third quarter.

As of 30 September 2007, assets under management amounted to SEK 1,385bn, up by SEK 123bn or 10 per cent compared with year-end 2006. Net inflow during the year was SEK 47bn (47), while the change in value was SEK 76bn (40). SEB remained the market leader within net sales of mutual funds in Sweden, gaining the majority of total net inflows so far during 2007. SEB was the second largest retail distributor of Swedish registered structured bonds with a 17 per cent market share of all issues. SEB is now the number one Nordic custodian with assets of SEK 5,461bn under custody, up by 16 per cent in one year.

Fixed income securities portfolios

SEB holds portfolios of fixed income securities for investment, treasury and client trading purposes. Dislocations in the credit markets during the third quarter resulted in lower market valuations of these portfolios, negatively affecting Net financial income by SEK 800m. Around SEK 400m of the mark-to-market loss refers to holdings in asset-backed securities and SEK 400m to other financial instruments, e.g. covered bonds and bonds issued by banks. At prevailing credit market conditions, SEB views the risk of default on the holdings in the portfolios as unlikely. The unrealised losses are expected to be reversed over time.

Within its investment portfolio, Merchant Banking holds SEK 75bn of high credit quality asset-backed securities with an average economic duration of around four years. 99.6 per cent of these are AAA-rated and 100 per cent are eligible as collateral with central banks. Some 60 per cent of the asset-backed exposures are to the European markets and 40 per cent to the US market. Direct and indirect asset-backed securities exposures to the US subprime mortgage sector amount to SEK 2.5bn, all of which have recently had their AAA-ratings confirmed. SEB's own stress testing shows that credit defaults causing material losses are unlikely even in severe stress tests.

In addition, Merchant Banking and Group Treasury hold SEK 225bn of mainly covered bonds and senior bank bonds with an average AA-rating. Including holdings outside Merchant Banking and Group Treasury, total net positions in fixed income securities amount to SEK 318bn.

Capital position

New capital adequacy regulation (Basel II) is in force since 1 February 2007. Adjusted for the supervisory transitional rules during the first Basel II years, SEB reported a core capital ratio of 8.3 per cent (8.2) and a total capital ratio of 10.7 per cent (11.5). Reporting according to the previous (Basel I) regulation would give capital ratios of 7.8 and 10.1 per cent, respectively. Risk weighted assets (Basel I) have grown by 14 per cent since year-end. Appendix 3 exposes details of capital adequacy.

Risks and uncertainties

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). Also, 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 in 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 2007. SEB monitors the situation closely and has implemented revised and stricter credit standards to mitigate risks, while maintaining a balanced growth of lending volumes.

Furthermore, the tight liquidity conditions in the credit and interbank markets prevailing since the summer have put stable funding and liquidity management in focus. SEB has maintained its sound liquidity, which remains a top priority. Measures taken to safeguard payment capacity include maintaining a diversified funding base, low short-term refinancing need and a substantial liquidity portfolio. The general credit spread widening across all asset classes in the third quarter has resulted in mark-to-market losses on SEB's fixed income securities portfolios. Since these portfolios are mark-to-market, results will continue to be affected by further volatility.

Investments and divestments

The sale of the properties owned by SEB's Baltic subsidiary banks is in its final stage. The capital gain of minimum SEK 0.7bn will thus not be included until the fourth quarter.

Rating

In July 2007, Moody's changed SEB's outlook from stable to positive.

Events after the quarter

To further focus on operations and improved cost-efficiency SEB has signed an agreement to outsource its facility management services to Coor Service Management.

In line with SEB's continued integration of operations SEB Finans AB and SEB Bolån AB were merged with the Bank as of 1 October, 2007. The covered bonds issued by SEB Bolån AB have been grandfathered by the Bank and Moodys' Aaa rating for these issues has been confirmed.

Stockholm, 26 October 2007

Annika Falkengren

President and Chief Executive Officer

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 2008

7 February	Annual Accounts for 2007
8 April	Annual General Meeting in Stockholm
30 April	Interim Report January-March
16 July	Interim Report January-June
23 October	Interim Report January-September

Access to telephone conference and video web cast

The telephone conference at 15.00 (CEST) on 26 October 2007 with CEO Annika Falkengren and 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 Per-Arne Blomquist will be available on www.sebgroup.com.

Further information is available from

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Review Report

We have reviewed the interim report for the period 1 January-30 September, 2007 for Skandinaviska Enskilda Banken AB (publ). The Board of Directors and the CEO are 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*. 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, 26 October 2007

PricewaterhouseCoopers AB

Peter Clemedtson

Authorised Public Accountant

Partner in charge

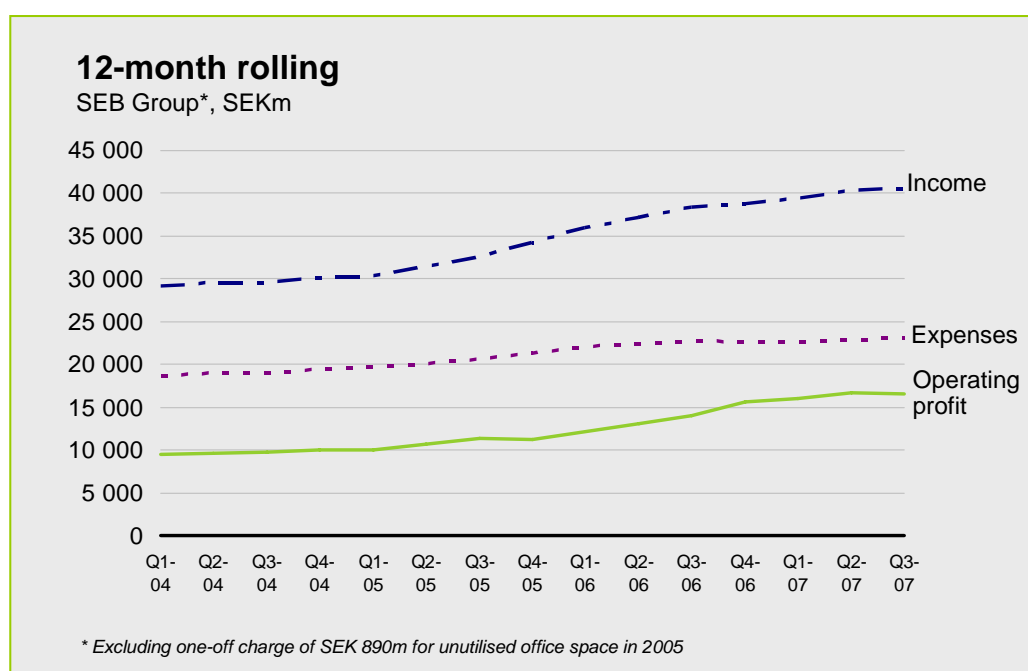
Peter Nyllinge

Authorised Public Accountant

The SEB Group

Income statement – SEB Group

Condensed SEKm	Q3			Q2		Q3		Jan - Sep			Full year 2006
	2007	2007	%	2006	%	2007	2006	%			
Net interest income	3 917	3 939	-1	3 503	12	11 623	10 677	9	14 281		
Net fee and commission income	4 101	4 544	-10	3 772	9	12 922	11 872	9	16 146		
Net financial income	163	1 345	-88	890	-82	2 819	2 916	-3	4 036		
Net life insurance income	782	642	22	739	6	2 167	1 929	12	2 661		
Net other income	530	249	113	538	-1	874	1 349	-35	1 623		
Total operating income	9 493	10 719	-11	9 442	1	30 405	28 743	6	38 747		
Staff costs	-3 564	-3 774	-6	-3 443	4	-11 134	-10 628	5	-14 363		
Other expenses	-1 691	-1 768	-4	-1 664	2	-5 137	-5 253	-2	-6 887		
Depreciation of assets	-325	-342	-5	-343	-5	-995	-976	2	-1 287		
Total operating expenses	-5 580	-5 884	-5	-5 450	2	-17 266	-16 857	2	-22 537		
Gains less losses from tangible and intangible assets	2	-1		6	-67	1	48	-98	70		
Net credit losses incl. changes in value of seized assets	-189	-280	-33	-136	39	-703	-496	42	-718		
Operating profit*	3 726	4 554	-18	3 862	-4	12 437	11 438	9	15 562		
Income tax expense	-625	-1 032	-39	-803	-22	-2 552	-2 605	-2	-2 939		
Net profit	3 101	3 522	-12	3 059	1	9 885	8 833	12	12 623		
Attributable to minority interests	7	8	-13	6	17	19	15	27	18		
Attributable to equity holders**	3 094	3 514	-12	3 053	1	9 866	8 818	12	12 605		
* Life's operating profit	501	368	36	472	6	1 327	1 061	25	1 520		
Change in surplus values, net	275	323	-15	381	-28	842	1 296	-35	1 655		
Life's business result	776	691	12	853	-9	2 169	2 357	-8	3 175		
** Basic earnings per share, SEK	4.59	5.21		4.53		14.62	13.13		18.72		
** Diluted earnings per share, SEK	4.57	5.21		4.47		14.54	12.99		18.53		



Key figures - SEB Group

	Q3	Q2	Q3	Jan - Sep		Full year
	2007	2007	2006	2007	2006	2006
Return on equity, %	17.3	20.7	19.9	19.0	19.9	20.8
Return on total assets, %	0.57	0.65	0.62	0.63	0.60	0.64
Return on risk-weighted assets, %	1.49	1.74	1.64	1.64	1.60	1.71
Basic earnings per share, SEK	4.59	5.21	4.54	14.62	13.13	18.72
Weighted average number of shares, millions*	673	674	673	675	672	673
Diluted earnings per share, SEK	4.57	5.21	4.48	14.54	12.99	18.53
Weighted average number of diluted shares, millions**	677	675	681	679	679	680
Cost/income ratio	0.59	0.55	0.58	0.57	0.59	0.58
Credit loss level, %	0.08	0.12	0.06	0.10	0.07	0.08
Reserve ratio for impaired loans, %	78.5	77.7	77.5	78.5	77.5	75.1
Level of impaired loans, %	0.17	0.19	0.21	0.17	0.21	0.22
Basel II (95% of RWA in Basel I):						
Total capital ratio, incl net profit, %	10.70	11.05		10.70		
Core capital ratio, incl net profit, %	8.30	8.45		8.30		
Risk-weighted assets, SEK billion	797	783		797		
Basel I:						
Total capital ratio, incl net profit, %	10.09	10.54	10.81	10.09	10.81	11.47
Core capital ratio, incl net profit, %	7.82	8.07	7.90	7.82	7.90	8.19
Risk-weighted assets, SEK billion	846	821	743	846	743	741
Number of full time equivalents***	19 440	19 619	19 791	19 436	19 682	19 672
Number of e-banking customers, thousands	2 850	2 770	2 523	2 850	2 523	2 597
Assets under management, SEK billion	1 385	1 403	1 208	1 385	1 208	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 4.9 million of these shares have been sold as employee stock options have been exercised. Thus, as of 30 September SEB owned 4.0 million Class A-shares with a market value of SEK 830m.

** 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	2007:3	2007:2	2007:1	2006:4	2006:3
Net interest income	3 917	3 939	3 767	3 604	3 503
Net fee and commission income	4 101	4 544	4 277	4 274	3 772
Net financial income	163	1 345	1 311	1 120	890
Net life insurance income	782	642	743	732	739
Net other income	530	249	95	274	538
Total operating income	9 493	10 719	10 193	10 004	9 442
Staff costs	-3 564	-3 774	-3 796	-3 735	-3 443
Other expenses	-1 691	-1 768	-1 678	-1 634	-1 664
Depreciation of assets	- 325	- 342	- 328	- 311	- 343
Total operating expenses	-5 580	-5 884	-5 802	-5 680	-5 450
Gains less losses from tangible and intangible assets	2	- 1		22	6
Net credit losses**	- 189	- 280	- 234	- 222	- 136
Operating profit*	3 726	4 554	4 157	4 124	3 862
Income tax expense	- 625	-1 032	- 895	- 334	- 803
Net profit	3 101	3 522	3 262	3 790	3 059
Attributable to minority interests	7	8	4	3	6
Attributable to equity holders***	3 094	3 514	3 258	3 787	3 053
* SEB Trygg Liv's operating profit	501	368	458	459	472
Change in surplus values, net	275	323	244	359	381
SEB Trygg Liv's business result	776	691	702	818	853
** Including change in value of seized assets					
*** Basic earnings per share, SEK	4.59	5.21	4.81	5.61	4.54
Diluted earnings per share, SEK	4.57	5.21	4.76	5.55	4.48

Income statement, by division - SEB Group

	Merchant	Retail	Wealth		Other	
Jan-Sep 2007, SEKm	Banking	Banking	Management	Life*	incl elimi- nations	SEB Group
Net interest income	4 042	7 259	598	- 21	- 255	11 623
Net fee and commission income	4 539	4 627	3 098		658	12 922
Net financial income	2 116	567	33		103	2 819
Net life insurance income				2 927	- 760	2 167
Net other income	618	150	46		60	874
Total operating income	11 315	12 603	3 775	2 906	- 194	30 405
Staff costs	-3 184	-3 836	-1 089	- 771	-2 254	-11 134
Other expenses	-2 565	-3 161	- 644	- 404	1 637	-5 137
Depreciation of assets	- 58	- 324	- 49	- 404	- 160	- 995
Total operating expenses	-5 807	-7 321	-1 782	-1 579	- 777	-17 266
Gains less losses from tangible and intangible assets		3	- 1		- 1	1
Net credit losses**	- 260	- 425	- 17		- 1	- 703
Operating profit	5 248	4 860	1 975	1 327	- 973	12 437

* Business result in Life amounted to SEK 2,169m (2,357), of which change in surplus values was net SEK 842m (1,296).

** 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	Q3			Q2			Q3			Jan- Sep			Full year
	2007	2007	%	2006	%		2007	2006	%	2006		2006	
Net interest income*	1 370	1 349	2	1 174	17		4 042	3 737	8	4 809		4 809	
Net fee and commission income	1 357	1 625	-16	1 376	-1		4 539	4 359	4	5 874		5 874	
Net financial income*	-28	1 050	-103	695	-104		2 116	2 417	-12	3 676		3 676	
Net other income	403	170	137	193	109		618	614	1	779		779	
Total operating income	3 102	4 194	-26	3 438	-10		11 315	11 127	2	15 138		15 138	
Staff costs	-908	-1 159	-22	-953	-5		-3 184	-3 024	5	-4 082		-4 082	
Other expenses	-882	-857	3	-830	6		-2 565	-2 471	4	-3 227		-3 227	
Depreciation of assets	-18	-17	6	-21	-14		-58	-64	-9	-89		-89	
Total operating expenses	-1 808	-2 033	-11	-1 804	0		-5 807	-5 559	4	-7 398		-7 398	
Profit before credit losses etc	1 294	2 161	-40	1 634	-21		5 508	5 568	-1	7 740		7 740	
Gains less losses on assets				3	-100			-15	-100			-2	
Net credit losses	-32	-115	-72	-80	-60		-260	-219	19	-320		-320	
Operating profit	1 262	2 046	-38	1 557	-19		5 248	5 334	-2	7 418		7 418	
Cost/Income ratio	0,58	0,48		0,52			0,51	0,50		0,49		0,49	
Business equity, SEK bn	26,4	26,4		24,9			26,4	24,9		24,9		24,9	
Return on equity, %	13,8	22,3		18,0			19,1	20,6		21,4		21,4	
Number of full time equivalents	2 209	2 399		2 418			2 346	2 563		2 537		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

- **Subdued operating profit due to turbulent credit markets.**
- **Efficiency gains and customer acquisition drive profitability in underlying business.**
- **Customer rankings remain high.**

Comments on the first nine months

Merchant Banking's results for the first nine months reflect continued high business activities on the one hand and the impact from the credit market turbulence and summer months on the other. Compared with the corresponding period in 2006, operating income rose by 2 per cent. Operating profit declined by 2 per cent.

During the third quarter, net financial income was substantially impacted by increased credit spreads across all assets. As a result, the investment and trading portfolios recorded mark-to-market losses and the fixed income and capital markets activities within Trading and Capital Markets experienced lower income. Nevertheless, the division's diversified business model, its position in major debt and equity markets in combination with strength in the underlying business still enabled a third quarter operating profit of SEK 1,262m. Net other income was positively affected by capital gains from the sale of securities. Underlying costs were stable while variable salaries were lower as a result of lower income.

Other parts of Trading and Capital Markets had strong results. Foreign Exchange improved revenues and Equities was stronger than usual for a third quarter. SEB maintained its leading position on the consolidated Nordic stock exchanges with a year-to-date market share of 7.3 per cent. The exchanges saw trading volumes that were higher

than normal for the summer months, partly reflecting increased volatility on the financial markets. SEB's market share of Swedish structured products issued in 2007 is 17 per cent.

Within Global Transaction Services, the custody business benefited from continued high exchange turnover and asset inflow, which more than compensated for income lost due to lower stock market valuations. SEB was top ranked in all four Nordic countries and on a regional basis in the Global Custodian Major Markets Survey.

The result in Corporate Banking was largely unaffected by the market dislocations during the quarter. The recent re-pricing of credit and SEB's strong capital position put SEB in a strong position as regards corporate lending and structured finance activities. SEB again ranked first in the Nordic-Baltic region for commercial banking and investment banking in the real estate segment. The biannual Prospera survey on corporate finance confirmed SEB's number one position in the Nordic market. SEB Enskilda acted as advisor to Norwegian Properties on its acquisition of Norgani hotels and is advising NASDAQ on its merger with OMX and Borse Dubai.

The division continues to focus on productivity and quality enhancing measures. SEB Way transformations are ongoing in both sales and support functions.

Retail Banking

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

Profit and loss account

SEK m	Q3			Q2			Q3			Jan-Sep			Full year
	2007	2007	%	2006	%	2006	%	2007	2006	%	2006	2006	
Net interest income	2 495	2 426	3	2 205	13	7 259	6 283	16	8 514				
Net fee and commission income	1 517	1 584	-4	1 317	15	4 627	4 234	9	5 752				
Net financial income	156	245	-36	128	22	567	395	44	614				
Net other income	60	55	9	114	-47	150	183	-18	235				
Total operating income	4 228	4 310	-2	3 764	12	12 603	11 095	14	15 115				
Staff costs	-1 315	-1 290	2	-1 254	5	-3 836	-3 648	5	-4 885				
Other expenses	-1 020	-1 076	-5	-971	5	-3 161	-3 124	1	-4 203				
Depreciation of assets	-106	-116	-9	-120	-12	-324	-339	-4	-440				
Total operating expenses	-2 441	-2 482	-2	-2 345	4	-7 321	-7 111	3	-9 528				
Profit before credit losses etc	1 787	1 828	-2	1 419	26	5 282	3 984	33	5 587				
Gains less losses on assets	3			3		3	34	-91	45				
Net credit losses	-146	-160	-9	-60	143	-425	-287	48	-412				
Operating profit	1 644	1 668	-1	1 362	21	4 860	3 731	30	5 220				
Cost/Income ratio	0,58	0,58		0,62		0,58	0,64		0,63				
Business equity, SEK bn	24,8	24,8		22,4		24,8	22,4		22,4				
Return on equity, %	20,8	21,3		18,9		20,5	17,2		18,1				
Number of full time equivalents	10 794	10 901		10 684		10 717	10 659		10 661				

- **Operating profit improved by 30 per cent.**
- **Controlled slowdown of Baltic credit growth.**
- **Customer satisfaction – No. 1 in Lithuania and Estonia, improvement in Sweden.**

Comments on the first nine months

Operating profit for the first nine months increased by 30 per cent supported by high customer activity and volume growth in general across all geographic areas.

For Retail Sweden, business activity remained strong throughout the first nine months. Sales of savings products developed strongly following successful sales campaigns, e.g. equity-linked bond sales has increased by 25 per cent. The efforts to develop a strengthened customer offering continued and included a new internet trading offering ("Enkla depån"), which so far has attracted almost 50,000 customers. In addition, a new offering ("Enkla firman") for the smaller SME segment has been launched. According to Svenskt Kvalitetsindex (Swedish Quality Index), SEB increased customer satisfaction more than competitors both in the private and SME markets. Achieving leading customer satisfaction in both areas continues to be a priority. The pressure on mortgage margins remained, but at a lower pace during the third quarter. The increased focus on operational efficiency continued to yield result as costs decreased by 2 percent.

The controlled slowdown of credit growth in the Baltic countries, particularly in Latvia, continued. During the third quarter, quarterly credit growth in Latvia was 0 per cent compared with 3 per cent in Estonia and 5 per cent in Lithuania. The strengthened focus on savings products

yielded results. In Estonia, third quarter "pillar III" pension sales were four times higher than last year, while Latvian life insurance sales year-to-date increased by almost 300 per cent. SEB's strong position within internet banking was further confirmed by the awards "the Best Consumer Internet Bank" in Estonia and Lithuania by Global Finance. According to EPSI Rating, SEB had the highest customer satisfaction for private individuals both in Estonia and Lithuania.

In Germany, the development of increasing sales activity and customer growth continued in line with the plan to reach satisfactory profitability. For the third quarter in particular, sales of insurance products and consumer finance had a positive development.

For the Card business, focus has been to strengthen organic growth. Several new co-brand card schemes and SEB cards have been launched. Despite higher funding costs and margin pressure, profit increased compared with 2006 adjusted for last year's capital gain related to the listing of MasterCard. During the first nine months, card turnover increased by 9 per cent.

SEB Way is on-going across the division. In Sweden, around 50 per cent of the branch offices have started or completed the transformations.

Wealth Management

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

Profit and loss account

SEK m	Q3			Q2			Q3			Jan-Sep			Full year
	2007	2007	%	2006	%	2006	%	2007	2006	%	2006	2006	
Net interest income	214	198	8	165	30	598	465	29	644				
Net fee and commission income	988	1 086	-9	848	17	3 098	2 742	13	3 836				
Net financial income	3	16	-81	10	-70	33	43	-23	55				
Net other income	13	27	-52	5	160	46	49	-6	60				
Total operating income	1 218	1 327	-8	1 028	18	3 775	3 299	14	4 595				
Staff costs	-357	-349	2	-355	1	-1 089	-1 064	2	-1 440				
Other expenses	-222	-207	7	-199	12	-644	-594	8	-801				
Depreciation of assets	-13	-22	-41	-13		-49	-36	36	-51				
Total operating expenses	-592	-578	2	-567	4	-1 782	-1 694	5	-2 292				
Profit before credit losses etc	626	749	-16	461	36	1 993	1 605	24	2 303				
Gains less losses on assets		-1	-100			-1	29	-103	29				
Net credit losses	-8	-5	60	4		-17	21	-181	25				
Operating profit	618	743	-17	465	33	1 975	1 655	19	2 357				
Cost/Income ratio	0,49	0,44		0,55		0,47	0,51		0,50				
Business equity, SEK bn	5,5	5,5		4,0		5,5	4,0		4,0				
Return on equity, %	32,4	38,9		33,5		34,5	39,7		42,4				
Number of full time equivalents	1 215	1 227		1 331		1 258	1 293		1 300				

- **Operating profit increased by 19 per cent.**
- **Stable net sales and product launches capture customers' shift to alternative products.**
- **Leading institutional franchise in Sweden confirmed in customer survey.**

Comments on the first nine months

Operating profit for the first three quarters of 2007 increased by 19 per cent compared with year-to-date last year. The result included performance and transaction fees of SEK 448m (270). Higher asset values and net sales also generated growth of net fee and commission income.

Operating expenses increased by 5 per cent compared with 2006.

Operating profit was down by 17 per cent on the previous quarter but up by 33 per cent compared with the same quarter last year. Base revenues, i.e. excluding performance-related fees, declined slightly in the third quarter, primarily due to the volatility in the stock market.

The client shift to alternative asset products continued and SEB launched additional products in this area, attracting SEK 6bn in new volumes during 2007. In total, SEB captured SEK 46bn (43) of net new assets so far in 2007. In the Swedish mutual fund market SEB gained an inflow of SEK 11bn (16), while market inflow dropped to only SEK 9bn (52).

The division's total assets under management grew to SEK 1,300bn, an increase of SEK 109bn or 9 per cent from year-end, as a result of higher asset values and net sales. However, asset values declined slightly from the second quarter.

Investment performance fell in the third quarter, adversely affected by the recent market development. Year-to-date, 48 per cent (49) of portfolios and 68 per cent (63) of assets under management were ahead of their respective benchmarks.

SEB was once again top ranked by Swedish institutional customers in a survey conducted by Prospera.

Asset Management's operating profit improved by 35 per cent compared with the first nine months of 2006, driven by a 20 per cent increase of net fee and commission income.

Sales in Private Banking almost doubled to SEK 19bn (10) with a strong demand for alternative asset products. Brokerage income declined due to margin pressure and lower client trading activity. Operating profit year-to-date was 6 per cent lower than in the corresponding period of 2006, adversely affected by restructuring effects in Denmark and Norway. However, operating profit for the third quarter increased by 41 per cent compared with the corresponding quarter of last year.

In order to facilitate the investment process of funds for SEB customers, SEB has launched a selected number of external and SEB funds in a new core offering which also is available for unit-linked customers.

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	Q3			Q2		Q3			Jan-Sep			Full year
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%	2006
Net interest income	-6	-6		-5	20	-21	-11	91	-15			-15
Net life insurance income	1 039	907	15	943	10	2 927	2 537	15	3 471			3 471
Total operating income	1 033	901	15	938	10	2 906	2 526	15	3 456			3 456
Staff costs	-251	-264	-5	-236	6	-771	-750	3	-1 008			-1 008
Other expenses	-147	-129	14	-106	39	-404	-366	10	-474			-474
Depreciation of assets	-134	-140	-4	-124	8	-404	-349	16	-454			-454
Total operating expenses	-532	-533	0	-466	14	-1 579	-1 465	8	-1 936			-1 936
Profit before credit losses etc	501	368	36	472	6	1 327	1 061	25	1 520			1 520
Operating profit	501	368	36	472	6	1 327	1 061	25	1 520			1 520
Change in surplus values, net	275	323	-15	381	-28	842	1 296	-35	1 655			1 655
Business result	776	691	12	853	-9	2 169	2 357	-8	3 175			3 175

Cost/Income ratio	0,52	0,59		0,50		0,54	0,58		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	23,5	17,3		23,7		20,8	17,8		19,1
based on business profit	36,4	32,4		42,9		33,9	39,5		39,9
Number of full time equivalents	1 206	1 210		1 254		1 204	1 293		1 280

- **Operating profit increased by 25 per cent – best quarterly result ever.**
- **Sales in the Baltic markets doubled and International's share rose to 8.8 per cent.**
- **Investments in the Baltic region increased costs; underlying costs stable.**

Comments on the first nine months

Operating profit for the first nine months improved as a result of higher unit-linked fund values and thus income growth, while operating expenses grew at a lower rate. The result for traditional life was stable, while the result for other risk products such as sickness insurance and care products declined somewhat, due to lower investment return and investments in the care product area. During the third quarter interest rates were relatively stable, which improved the result for sickness insurance and other risk products as well as investment return on solvency capital.

Operating expenses were stable, but higher depreciation of deferred acquisition costs offset the effect of efficiency measures short term. Some 85 per cent of all employees have been covered by SEB Way diagnosis to date. Significant efficiency gains have been identified and will gradually be implemented. The total number of full time employees has decreased by 7 per cent during the past year despite increases in growth markets.

Unit-linked insurance remains the most important product group, representing 80 per cent of total sales. The share of corporate pension has increased to 74 per cent (70).

Total sales, weighted volume, rose by 5 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 20.8 per cent (24.4). The changed sales mix and lower sales volumes also affected surplus values.

Sales in Denmark were somewhat higher than last year, while sales in the Baltic countries almost doubled. Also sales of Portfolio Bond in Sweden through SEB Life Ireland showed a strong trend and International increased its share of business volume to 8.8 per cent (5.4) in total.

Total premium income (premiums paid) amounted to SEK 18.6bn compared with SEK 21.7bn for the corresponding period last year. Excluding the effect of the legislative actions in Sweden, including the stop for transfers, premium income rose by SEK 2.1bn, or 13 per cent.

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 4 per cent from year-end, to SEK 412bn.

Result by geography – January - September 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 54 per cent of SEB's operating profit.**

Comments on the period

The business climate in *Sweden* remained strong during the first nine months of the year and all of SEB's business areas continued to report improved revenues with the exception of Trading and Capital Markets, which in the third quarter was adversely affected by the turbulent credit markets. Costs in Sweden decreased by 8 per cent due to higher efficiency, including staff reductions. Operating profit rose by 15 per cent.

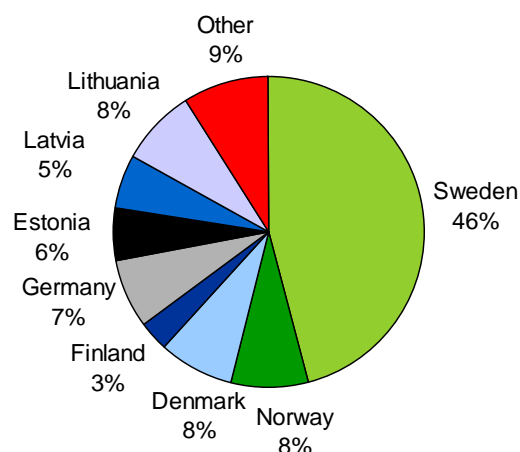
SEB's operations in *Denmark* and *Finland* developed favourably, mainly due to a strong development for Life in Denmark and for Merchant Banking and Wealth Management in Finland. SEB in *Norway* consolidated its market position within investment banking and maintained the strong business flow from last 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 nine months of 2006.

The controlled slowdown of credit growth in the Baltic countries, particularly *Latvia*, continued throughout the year. During the third quarter, credit growth in *Latvia* was 0 per cent compared with 3 per cent in *Estonia* and 5 per cent in *Lithuania*. Measures taken include tightened lending requirements for customers borrowing in non-local currency and a cautious view of the real estate sector.

The strengthened focus on savings products continued to yield results and commission income grew by more than 25 per cent in the region. SEB remains focused on quality and risk-adjusted returns rather than on volumes and market share.

Operating profit per country, Jan-Sep 2007



Operating profit in *Germany* decreased by 24 per cent, mainly as a result of mark-to-market losses in the trading portfolios of Merchant Banking due to the turbulent credit markets. The overall German customer related business increased operating profit by more than 20 per cent compared to last year. In the first nine months of 2007, the operating profit of SEB's customer business was SEK 1.2bn compared with SEK 0.2bn for the full year of 2005.

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

Distribution by country Jan - Sep	Total operating income			Total operating expenses			Operating profit		
	2007	2006	%	2007	2006	%	2007	2006	%
Sweden	14 813	14 806	0	-8 953	-9 692	-8	5 702	4 943	15
Norway	2 165	2 161	0	-1 079	-1 142	-6	997	1 026	-3
Denmark	2 124	1 918	11	-1 150	-979	17	958	917	4
Finland	825	696	19	-433	-375	15	385	317	21
Germany	4 630	4 900	-6	-3 519	-3 437	2	893	1 172	-24
Estonia	1 233	903	37	-475	-367	29	697	547	27
Latvia	1 179	851	39	-432	-369	17	682	485	41
Lithuania	1 710	1 162	47	-612	-517	18	1 012	630	61
Other countries and eliminations	1 726	1 346	28	-613	21		1 111	1 401	-21
Total	30 405	28 743	6	-17 266	-16 857	2	12 437	11 438	9

The SEB Group

Net fee and commission income – SEB Group

SEKm	Q3			Q2			Q3			Jan - Sep			Full year
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%	2006	
Issue of securities	45	197	-77	51	-12	274	192	43	290				
Secondary market shares*	779	772	1	556	40	2 442	2 341	4	3 100				
Secondary market other	107	166	-36	63	70	450	326	38	531				
Custody and mutual funds	1 787	1 923	-7	1 500	19	5 402	4 522	19	6 184				
Securities commissions	2 718	3 058	-11	2 170	25	8 568	7 381	16	10 105				
Payments	440	446	-1	438	0	1 345	1 324	2	1 787				
Card fees	1 010	1 039	-3	928	9	3 006	2 745	10	3 730				
Payment commissions	1 450	1 485	-2	1 366	6	4 351	4 069	7	5 517				
Advisory	321	337	-5	511	-37	1 157	1 286	-10	1 742				
Lending	204	326	-37	207	-1	761	715	6	946				
Deposits	22	17	29	36	-39	66	88	-25	124				
Guarantees	68	62	10	70	-3	198	207	-4	278				
Derivatives	94	81	16	81	16	271	302	-10	384				
Other	275	268	3	222	24	769	596	29	849				
Other commissions	984	1 091	-10	1 127	-13	3 222	3 194	1	4 323				
Fee and commission income	5 152	5 634	-9	4 663	10	16 141	14 644	10	19 945				
Securities commissions*	-208	-295	-29	-117	78	-707	-500	41	-698				
Payment commissions	-576	-602	-4	-530	9	-1 754	-1 561	12	-2 150				
Other commissions	-267	-193	38	-244	9	-758	-711	7	-951				
Fee and commission expense	-1 051	-1 090	-4	-891	18	-3 219	-2 772	16	-3 799				
Securities commissions, net	2 510	2 763	-9	2 053	22	7 861	6 881	14	9 407				
Payment commissions, net	874	883	-1	836	5	2 597	2 508	4	3 367				
Other commissions, net	717	898	-20	883	-19	2 464	2 483	-1	3 372				
Net fee and commission income	4 101	4 544	-10	3 772	9	12 922	11 872	9	16 146				

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

Net financial income – SEB Group

SEKm	Q3			Q2			Q3			Jan - Sep			Full year
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%	2006	
Equity instruments and related derivatives	90	126	-29	153	-41	363	410	-11	342				
Debt instruments and related derivatives	-782	513		287		376	895	-58	1 424				
Capital market related	-692	639		440		739	1 305	-43	1 766				
Currency-related	855	706	21	450	90	2 080	1 611	29	2 270				
Net financial income	163	1 345	-88	890	-82	2 819	2 916	-3	4 036				

Related party transactions

During the period, normal business transactions have been carried out between the parent company and subsidiaries. In three transactions Skandinaviska Enskilda Banken AB publ., the parent company, has sold shares to SEB Stiftelsen, Skandinaviska Enskilda Bankens Pensionsstiftelse (SEB Pension foundation) worth SEK 203m, which has generated a capital gain of SEK 112m. There are no other transactions of material significance with associated companies.

Net credit losses - Group

SEKm	Q3			Q2			Q3			Jan - Sep			Full year 2006
	2007	2007	%	2006	%	2007	2006	%	2007	2006	%		
<i>Provisions:</i>													
Net collective provisions	- 71	- 220	-68	- 89	-20	- 405	- 320	27	- 108				
Specific provisions	- 100	- 77	30	- 125	-20	- 422	- 433	-3	- 888				
Reversal of specific provisions no longer required	80	87	-8	133	-40	242	371	-35	544				
Net provisions for contingent liabilities	8	- 7		1		32	21	52	31				
Net provisions	- 83	- 217	-62	- 80	4	- 553	- 361	53	- 421				
<i>Write-offs:</i>													
Total write-offs	- 350	- 240	46	- 334	5	- 833	- 864	-4	- 1 308				
Reversal of specific provisions utilized for write-offs	214	131	63	196	9	469	483	-3	704				
Write-offs not previously provided for	- 136	- 109	25	- 138	-1	- 364	- 381	-4	- 604				
Recovered from previous write-offs	30	43	-30	81	-63	208	260	-20	322				
Net write-offs	- 106	- 66	61	- 57	86	- 156	- 121	29	- 282				
Net credit losses	- 189	- 283	-33	- 137	38	- 709	- 482	47	- 703				
Change in value of seized assets		3	-100	1	-100	6	- 14	-143	- 15				
Net credit losses incl change in value	- 189	- 280	-33	- 136	39	- 703	- 496	42	- 718				

Balance sheet – SEB Group

Condensed SEKm	30 September 2007	31 December 2006	30 September 2006
Cash and cash balances with central banks	16 402	11 314	19 957
Loans to credit institutions	242 706	179 339	201 038
Loans to the public	1 021 498	946 643	926 016
Financial assets at fair value *	661 314	610 945	542 940
Available-for-sale financial assets *	133 608	115 482	177 806
Held-to-maturity investments *	2 089	2 208	14 258
Asset held for sale / Discontinued operations	943	2 189	958
Investments in associates	1 180	1 085	1 165
Tangible and intangible assets	22 994	22 914	22 905
Other assets	45 921	42 322	47 339
Total assets	2 148 655	1 934 441	1 954 382
Deposits by credit institutions	360 609	365 980	370 808
Deposits and borrowing from the public	706 623	641 758	625 549
Liabilities to policyholders	217 516	203 719	194 915
Debt securities	465 381	388 822	392 359
Financial liabilities at fair value	209 380	150 852	197 348
Other liabilities	75 966	70 528	65 965
Provisions	1 590	2 066	2 295
Subordinated liabilities	38 631	43 449	41 609
Total equity	72 959	67 267	63 534
Total liabilities and equity	2 148 655	1 934 441	1 954 382
* Of which bonds and other interest bearing securities inclusive derivatives.	573 741	560 844	551 213

Memorandum items – SEB Group

SEKm	30 September 2007	31 December 2006	30 September 2006
Collateral and comparable security pledged for own liabilities	314 832	354 694	307 707
Other pledged assets and comparable collateral	193 146	189 730	164 691
Contingent liabilities	61 458	60 156	67 780
Commitments	372 453	346 517	323 140

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-Sep 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 P&L impact and utilisation of employee stock options*						133	133
Neutralisation of 2004 employee stock options**						- 590	- 590
Eliminations of repurchased shares for employee stock option programme***						864	864
Taxes directly against equity						60	60
Other changes	10				688	- 688	10
Change in market value		-134	- 451				- 585
Recognised in income statement			- 3				- 3
Translation difference					-3		- 3
Net income recognised directly in equity		-134	-454		-3		-591
Net profit	19					9 866	9 885
Total recognised income	19	-134	-454		-3	9 866	9 294
Closing balance	159	246	- 62	6 872	30 888	34 856	72 959
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 P&L 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-Sep 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 P&L impact and utilisation of employee stock options*						534	534
Eliminations of repurchased shares for employee stock option programme***						1 096	1 096
Other changes	4					- 12	- 8
Change in market value		-429	-15				- 444
Recognised in income statement			10				10
Translation difference					-94		- 94
Net income recognised directly in equity		-429	-5		-94		-528
Net profit	15					8 818	8 833
Total recognised income	15	-429	-5		-94	8 818	8 305
Closing balance	131	453	476	6 872	28 788	26 814	63 534

* 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 4.9 million of these shares have been sold as employee stock options have been exercised. Thus, as of 30 September SEB owned 4.0 million Class A-shares with a market value of SEK 830m for hedging of the long-term incentive programmes.

Cash flow statement – SEB Group

SEKm	Jan - Sep			Full year 2006
	2007	2006	%	
Cash flow from the profit and loss statement	10 817	10 543	3	15 490
Increase (-)/decrease (+) in trading portfolios	-13 654	-36 240	-62	-69 110
Increase (+)/decrease (-) in issued short term securities	55 917	28 461	96	10 581
Increase (-)/decrease (+) in lending to credit institutions	4 606	-3 619		17 745
Increase (-)/decrease (+) in lending to the public	-75 770	-25 412	198	-46 351
Increase (+)/decrease (-) in liabilities to credit institutions	-5 371	-28 731	-81	-33 559
Increase (+)/decrease (-) in deposits and borrowings from the public	64 865	55 286	17	71 495
Increase (-)/decrease (+) in insurance portfolios	13 905	16 106	-14	18 319
Change in other balance sheet items	7 050	-8 968	-179	-1 587
Cash flow from operating activities	62 365	7 426		-16 977
Cash flow from investment activities ¹⁾	-1 167	93		-12
Cash flow from financing activities	11 746	4 866	141	21 048
Net increase in cash and cash equivalents	72 944	12 385		4 059
Cash and cash equivalents at beginning of year	73 751	70 796	4	70 796
Exchange difference in cash and cash equivalents	151	-434	-135	-1 104
Net increase in cash and cash equivalents	72 944	12 385		4 059
Cash and cash equivalents at end of period²⁾	146 846	82 747	77	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

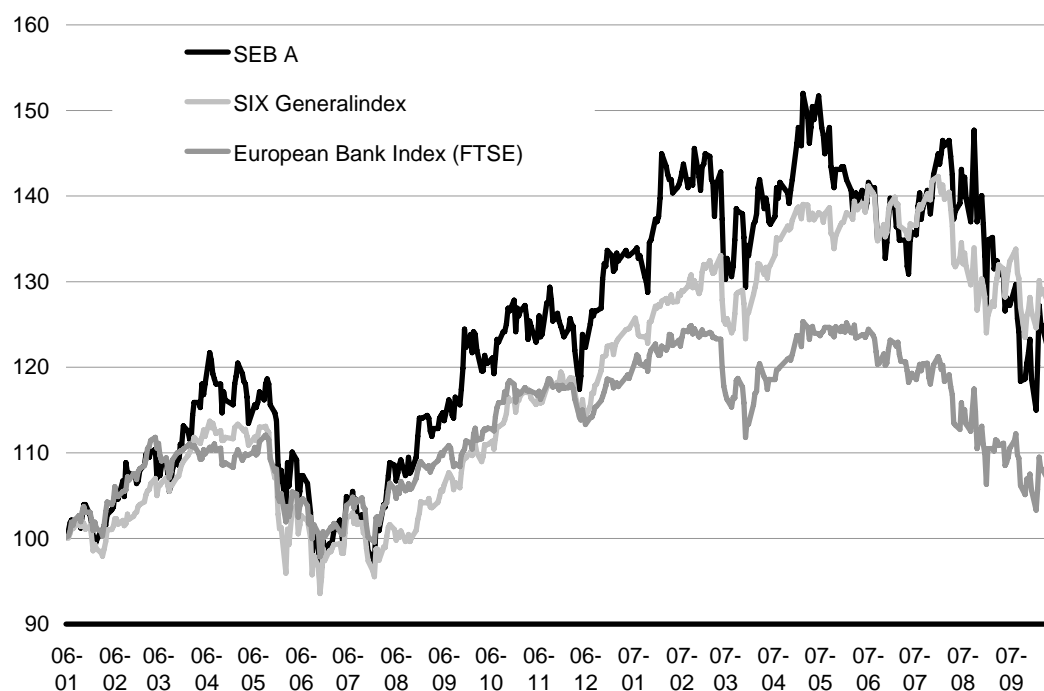
2) Cash and cash equivalents at end of period is defined as Cash and cash balances with central banks and Loans to credit institutions - payable on demand. Cash and cash equivalents September 2006 is restated.

Impaired loans and seized assets – SEB Group

SEKm	30 September 2007	31 December 2006	30 September 2006
Non-performing impaired loans	7 468	7 123	7 487
Performing impaired loans	784	1 403	1 186
Impaired loans gross*	8 252	8 526	8 673
Specific reserves	-3 905	-4 234	-4 274
<i>of which reserves for non-performing loans</i>	-3 667	-3 630	-3 785
<i>of which reserves for performing loans</i>	-238	-604	-489
Collective reserves	-2 577	-2 170	-2 444
Impaired loans net	1 770	2 122	1 955
Reserves for off-balance sheet items	-179	-215	-237
Total reserves	-6 661	-6 619	-6 955
Level of impaired loans	0.17%	0.22%	0.21%
(Impaired loans, net in relation to lending, at end of period)			
Reserve ratio for impaired loans	78.5%	75.1%	77.5%
(Specific and collective reserves in relation to impaired loans gross, per cent)			
<i>Specific reserve ratio for impaired loans</i>	47.3%	49.7%	49.3%
Pledges taken over			
Properties	87	86	89
Shares	40	42	44
Total volume of pledges taken over	127	128	133

* Individually impaired loans.

The SEB share



Rating

Moody's Outlook Positive		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

September 2007	Share of capital, per cent
Investor AB	20.0
Trygg Foundation	9.6
Alecta	3.3
Swedbank Robur Funds	2.7
AFA Försäkring	2.1
SHB/SPP mutual funds	1.9
Nordea mutual funds	1.6
Wallenberg Foundations	1.5
SEB mutual funds	1.5

Foreign shareholders 26.9

Source: VPC/SIS Ägarservice