Annual Accounts 2008

STOCKHOLM 5 FEBRUARY 2009

2008 – operating profit SEK 12.5bn (17.0)

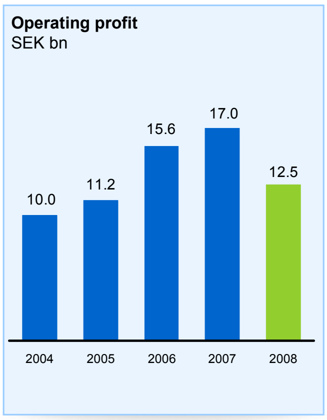
- Operating profit for 2008 amounted to SEK 12,471m (17,018), a decrease of 27 per cent compared with 2007. Net profit was SEK 10,050m (13,642).
- Operating income increased by 2 per cent. Net interest income rose by 17 per cent. Net fee and commission income decreased by 11 per cent.
- Operating expenses rose by 10 per cent. On a comparable basis the increase was 2 per cent.
- Loans to the public grew by SEK 229bn, 21 per cent, and deposits from the public by 90bn, 12 per cent.
- Provisions for credit losses were SEK 3,268m (1,016) and the credit loss level 0.30 per cent (0.11).
- Return on equity was 13.1 per cent (19.3) and earnings per share SEK 14.66 (19.97).
- In conjunction with other capital measures, the Board of Directors proposes no dividend (2007: 6.50).
- The Board has decided on a long-term Tier I capital ratio target of 10 per cent.

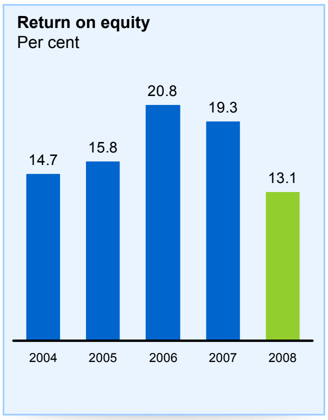
The fourth quarter – operating profit SEK 4.0bn (4.6)

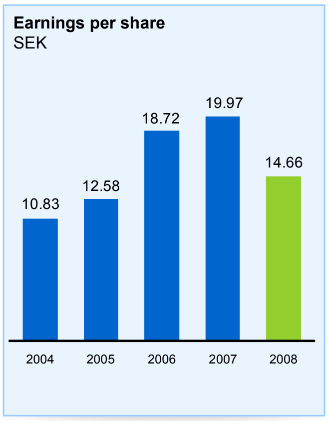
- Operating profit amounted to SEK 4,028m (4,581), up by 59 per cent compared to the previous quarter and 12 per cent lower than the last quarter of 2007. Net profit was SEK 3,507m.
- Operating income was up by 38 per cent from the previous quarter and by 27 per cent from the last quarter of 2007. Net interest income grew by more than 20 per cent.
- Operating expenses increased by 17 per cent compared with both the previous quarter and the last quarter of 2007. On a comparable basis and including currency effects, costs were unchanged.

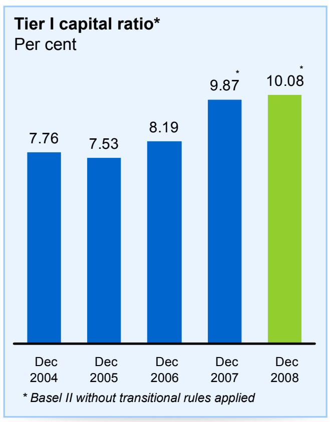
"In a year of unprecedented turbulence we have continued to generate income growth, reflecting a solid customer business. With the proposed capital measures to further strengthen our capital base, SEB is well equipped to meet the challenging macro-economic conditions."

Annika Falkengren









President's comment

The past year was a year of unprecedented financial turbulence on a global scale, exacerbated by the downward spiral of faltering confidence that followed on the Lehman Brothers' default in September. In this extremely difficult environment, SEB maintained income growth and reached an operating result of SEK 12.5bn.

The rapid development of events and increased uncertainty has created substantial challenges for the organisation. I am proud of the commitment of SEB's staff and the way in which we have interacted with our customers during a trying period.

A new financial landscape

A year ago there were still expectations that the world economy would be more resilient to a downturn, triggered by the U.S. sub-prime default. However, during 2008 the interdependencies of the financial system, and towards the real economy, became evident. Hopes of a decoupling scenario were put down.

The functioning of global credit markets has been severely impaired, the supply of credit has been reduced, funding costs have increased and asset prices have fallen significantly. These factors have put significant strain on the banking sector. Several major international banks have been rescued, in some cases through government interventions, resulting in a crisis of confidence among market participants and customers.

Despite massive efforts from central banks and governments to remedy the effects, the global economic outlook has turned into a prolonged recessionary mode. We are entering uncharted territories, where the divergence of opinion among experts on where the world economy is heading is unusually broad.

Northern Europe, SEB's core market, has also been affected. GDP-growth in the Nordic countries has come to a halt. In the Baltic countries, the macro-economic outlook markedly worsened towards the end of the year. Latvia was granted support of EUR 7.5bn in an IMF led bail-out. Our view is that there will be a protracted period of declining GDP in Estonia and Latvia, but also in Lithuania over the next few years. The austerity measures taken by the governments are necessary to address the imbalances.

Strong customer relations generated income growth

SEB's franchise is built on long-term customer relationships and product excellence. All through the turbulent year SEB's underlying business has been robust. In the fourth quarter, as the paralysis following the Lehman Brothers default eased somewhat, business activity was high overall. This was evident particularly within Merchant Banking, for example in areas such as foreign exchange, custody and cash management.

Within Retail Banking, income held up well, especially in Sweden. However, due to the sharply deteriorated economic outlook, we have continued to increase provisions for credit losses in the Baltic countries. We also continue to proactively address asset quality through joint local and Group work-out teams.

In the long-term savings area business was affected by lower equity values, but activity remained high with net inflows into Wealth Management and higher premium income in the Life division compared to last year.

Capital measures to further enhance necessary buffers

SEB entered this downturn as a more integrated bank with a diversified business mix. Maintaining a robust capital adequacy well in excess of minimum levels has been a principal priority for SEB. Thus, more than SEK 27bn has been accumulated since 2005, excluding the proposed capital measures.

In the new financial landscape, it will be even more important for a financial partner to be strong. The market standard for what is considered an adequate capitalisation has been reset, not least in order to cater for the more subdued economic environment.

As a consequence, the long-term Tier 1 capital ratio target has been set at 10 per cent. With the proposed capital measures of SEK 19.5bn, increasing our Tier I capital from SEK 77bn to SEK 97bn, SEB expects to achieve a capital position of 12.1 per cent, which will be among the top of our Nordic peers. I am confident that this will give us the necessary buffer to cope with this severe downturn.

A robust platform and business model

Ahead of us lies a challenging economic environment, affecting the financial stability of both corporate customers and households. In this climate it is inevitable that also SEB will experience higher credit losses. We are prepared for more uncertain times.

SEB's strategy to reach leadership in terms of customer satisfaction and financial performance long-term remains. For the next few years it will imply increased efforts to enhance efficiency and to strengthen relationships even more with our existing customer base.

Fourth quarter isolated

SEB's *operating profit* for the fourth quarter was SEK 4,028m (4,581). In comparison with the previous quarter, operating profit improved by 59 per cent due to increased volumes and high activity levels. *Net profit* amounted to SEK 3,507m (3,757).

Income

Total operating income amounted to SEK 12,714m (10,035), up by 27 per cent from the last quarter of 2007 and 38 per cent higher than for the previous quarter. A weaker SEK affected income positively by SEK 420m.

Net interest income increased by 26 per cent compared with the corresponding quarter of 2007. This was an effect of a positive development of lending and deposit volumes in combination with higher net interest income on the bond investment portfolio due to the market turbulence. The net margin effect from loans and deposits in relation both to last year and to the previous quarter was limited.

Net fee and commission income decreased by 8 per cent compared with the fourth quarter of last year, due to lower securities commissions and revenues from IPO's and M&A. Compared with the previous quarter, commission income was up by 1 per cent.

Net financial income rose to SEK 1,723m (420), largely due to high volumes and a strong customer demand for SEB's foreign exchange business. Valuation losses from the fixed-income investment portfolio were SEK 187m (990).

Net life insurance income decreased to SEK 516m (766), as unit-linked values decreased, and SEK 218m were provided for potential future guarantees related to Nya Liv. In comparison with the previous quarter, insurance income increased by 2 per cent

Net other income at SEK 1,172m (345) included a capital gain of SEK 780m from the sales of NSCD (VPC).

Expenses

Total operating expenses amounted to SEK 6,965m (5,928). This was an increase of 17 per cent both compared with the corresponding period in 2007 and the previous quarter. On a comparable basis operating expenses were up by 2 per cent, i.e. excluding net effects from increased redundancy costs (SEK 686m, of which SEK 600m for the net reduction of 500 full time equivalents in 2009), pension provisions (SEK 110m), the net increased effects from acquisitions (SEK 74m) and investments in One IT Roadmap (SEK 16m). Negative effects due to the weaker Swedish krona added SEK 230m compared with the previous quarter. The provision for short-term incentive remuneration was up by 8 per cent from the previous quarter, but down 37 per cent compared with the last quarter of 2007.

Credit losses

Net credit losses increased to SEK 1,723m (313). Provisions for credit losses in the Baltic countries increased to SEK 898m (239) as the Bank continued to build reserves to meet the sharp economic downturn in Lithuania during the quarter and the continuous difficult economic environment in Latvia.

Provisions in Merchant Banking amounted to SEK 593m (69), of which 62 per cent represented collective provisioning. Provisions in the Card business were SEK 144m (49).

The full year 2008

SEB's *operating profit* for 2008 amounted to SEK 12,471m (17,018), a decrease of 27 per cent compared with 2007. *Net profit* decreased by 26 per cent, to SEK 10,050m (13,642).

Income

Total operating income increased to SEK 41,140m (40,440). A weaker SEK affected income positively by SEK 509m.

Net interest income improved by 17 per cent, to SEK 18,710m (15,998). Higher volumes contributed SEK 1,699m, or 60 per cent, of the increase; average deposit volumes grew by 9 per cent and average lending volumes to the public by 11 per cent compared with 2007. The net effect of lending and deposit margins was an increase of net interest income by SEK 217m. Falling interest rates during the last quarter of the year impacted deposit margins negatively, while lending margins increased. Customer-driven net interest income grew by 13 per cent compared with 2007. The lower short-term rates at the end of the year, higher resets of coupons on the bond investment portfolio and higher net interest on equity contributed positively to net interest income, by SEK 796m.

Net fee and commission income decreased by 11 per cent, to SEK 15,254m (17,051), mostly due to declining income from advisory services and securities transactions both within the retail and institutional business. Payment-related income increased. Performance fees related to the asset management business increased to SEK 655m (555).

Net financial income decreased to SEK 2,970m (3,239), due to lower income from capital market-related debt instruments, including a SEK 540m loss in connection with the bankruptcy of Lehman Brothers. Valuation losses on the fixed-income investment portfolio amounted to SEK 1,069m (1,769). Net financial income from SEB's foreign exchange business grew by 43 per cent, to SEK 3,086m, due to high customer activity.

Net life insurance income decreased by 19 per cent, to SEK 2,375m (2,933). Positive sales growth could not compensate for decreased unit-linked values and provisions for guarantees for Nya Liv. The provision is mainly market value-related and recoverable, if future investment returns are adequate to meet guaranteed bonus levels over time. A complete description of Life's operations, including changes in surplus values, is found in "Additional information" on www.sebgroup.com.

Net other income rose to SEK 1,831m (1,219) due to capital gain of SEK 780m from the sale of NSCD (VPC), bringing the total 'one off' capital gain to SEK 839m (110) including the sale of PKK.

Expenses

Total operating expenses amounted to SEK 25,407m (23,194). On a comparable basis operating expenses were up by 2 per cent, i.e. excluding the net increased effects from redundancy costs (SEK 769m), pension provisions (SEK 374m), investments in One IT Roadmap (SEK 318m), and acquisitions (SEK 246m). If also the SEK 293m negative effect from the weaker Swedish krona is considered, operating expenses were flat compared with 2007. The cost-efficiency gains during 2008 amounted to SEK 483m, resulting in an accumulated gain of SEK 1,029m from the start of the cost-management programme in 2007.

Staff costs rose by 9 per cent, to SEK 16,241m (14,921). This was mainly due to salary adjustments, increased number of employees and higher pension costs, arising from falling return on plan assets and changed actuarial assumptions regarding longevity. Redundancy costs during the year amounted to SEK 1,050m (281), of which SEK 600m for the net reduction of 500 FTE's in 2009. The costs of SEK 71m for the long-term incentive programmes in 2007 turned into a gain of SEK 67m for 2008. Short-term incentive remuneration (including social benefit charges) was reduced by 30 per cent, to SEK 2,235m (3,172). The average number of full time equivalents increased by 1,785 to 21,291 (19,506), of whom more than 1,000 following acquisitions consolidated during 2008.

Other expenses increased by 10 per cent, to SEK 7,642m (6,919), mostly due to higher IT costs including investments in One IT Roadmap and efficiency projects as well as costs for premises, following the divestment of SEB's office premises the Baltic countries at the end of 2007.

Credit losses

The Group's *net credit losses,* including changes in the value of assets taken over – in reality to a high degree provisions rather than losses - amounted to SEK 3,268m (1,016). The credit loss level rose to 0.30 per cent (0.11)

Provisions for credit losses in the Baltic countries increased to SEK 1,775m (354) as SEB continued to build-up collective reserves in Estonia, Latvia and Lithuania. The net credit loss level in the Baltic countries was 1.28 per cent (0.43).

Provisions in Merchant Banking were SEK 904m (326), including the provision for Lehman Brothers' bankruptcy filing of SEK 137m. Provisions in the Card business increased to SEK 401m (134).

Impaired loans increased during the year and at year-end they amounted to SEK 13,911m (8,391), corresponding to a level of impaired loans of net 0.35 per cent and gross 0.84 per cent. The total reserve ratio was 66 per cent (76). The level of impaired loans in the Baltic countries was net 1.33 per cent and gross 3.05 per cent.

Tax costs

Total tax amounted to SEK 2,421 (3,376). The relatively low total tax rate of 19.4 per cent was due to tax free capital gains and one-time effects following the reduced Swedish corporate tax rate to 26.3 per cent from 28.0 per cent.

As a consequence, the Group's effective tax rate starting 2009 will be 0.8 percentage units lower. With respect to the mix of geographic profit contribution and capital gains, the expected tax rate for 2009 is 25 per cent.

Business volumes

The Group's balance sheet as per 31 December 2008 was SEK 2,511bn (2,344). Net of currency effects of SEK 209bn, the balance sheet decreased, to SEK 2,302bn. Lending to and deposits from the public increased by 21 and 12 per cent, respectively.

SEB's total credit exposure increased to SEK 1,934bn (1,552). Credit volumes continued to grow in the corporate sectors in the Nordic countries and in Germany, as did Swedish household lending. Annual credit growth, measured in local currencies, was -2, +5 and +7 per cent in Estonia, Latvia and Lithuania, respectively. These growth rates decreased during the year, especially in Lithuania.

As of 31 December 2008, assets under management amounted to SEK 1,201bn (1,370). Net inflow during the year was SEK 34bn (47), while the change in value was SEK -220bn (-177). (The acquisition of Key Asset Management contributed SEK 17bn.) SEB remained the market leader within net sales of mutual funds in Sweden, with SEK 6.5bn of net inflows during the year. Assets under custody amounted to SEK 3,891bn (5,314).

Fixed-income securities portfolios

As per 31 December, SEB held total net positions in fixed-income securities of SEK 355bn (331) for investment, treasury and client trading purposes. Holdings consist mainly of covered bonds, bonds issued by financial institutions and asset-backed securities.

The SEK 133bn investment portfolio of Merchant Banking remained negatively affected by the dislocations in the credit markets.

Following the reclassification of SEK 99bn of fixed-income securities to loans and receivables from 1 July 2008, the valuation losses in 2008 amounted to SEK 3,976m (2,467), of which SEK 1,069m (1,769) over income and SEK 2,907m (698) over equity. SEK 2,530m (1,682) of the mark-to-market loss referred to holdings in asset-backed securities and SEK 1,446m (785) to other financial instruments, mainly bonds issued by financial institutions. If the Group had not reclassified financial assets during the year, fair value losses amounting to SEK 1,623m and SEK 5,252m would have been recognised in profit and loss and in the revaluation reserve in equity, respectively.

Based on SEB's long-term investment view, risk management has been focused on limiting further income volatility. Thus, and including the reclassification within the portfolio, the Held-for-Trading holdings decreased to SEK 8bn (72) and the Available-for-Sale holdings to SEK 24bn (60), while securities classified as Loans and Receivables increased to SEK 101bn (0).

Under prevailing credit market conditions and government interventions, SEB views a default on the holdings in the investment portfolio as unlikely.

The holdings of asset-backed securities in the investment portfolio amounted to SEK 68bn (71); 93.0 per cent of these securities are AAA-rated and 1.7 per cent have a sub-investment grade rating. There are no impaired assets in the portfolio and no 'level 3' assets. The average economic duration of the holdings is approximately three and a half years. 67 per cent of the asset-backed exposures are related to the European markets, 35 per cent to the U.S. market while other markets make up 2 per cent.

The holdings of covered bonds and bonds issued by financial institutions in the investment portfolio amounted to SEK 65bn (60). 70 per cent of the holdings involve European institutions, 26 per cent U.S. institutions and 4 per cent Australian institutions.

Market risk

During 2008, the Group's Value at Risk in the trading operations averaged SEK 151m (92). This means that the Group, on average, with 99 per cent probability, should not expect to lose more than this amount during a ten-day period. The turbulence in the financial markets continued to cause high volatilities throughout the year. This explains the higher VaR level during 2008, even though underlying exposures were reduced.

Liquidity and funding

The funding markets, which were severely disrupted due to increased uncertainty among banks and investors in the third quarter, improved in the fourth quarter. With a deposit-to-loan ratio of 65 per cent and continued capacity to issue covered bonds, SEB has not restricted its lending. Furthermore, SEB has benefited from the close to SEK 160bn of funds with a maturity of more than one year raised during the year. SEB continued to maintain a large pool of eligible assets in excess of SEK 200bn.

At year-end 2008, the match-funding of net cash inflows and outflows was approximately 6-8 months, taking liquidity reserves into consideration.

Capital position

As per 31 December 2008, Basel II risk-weighted assets (RWA) amounted to SEK 818bn, which would represent a Tier I capital ratio of 10.1 per cent and a total capital ratio of 12.8 per cent without application of transition rules.

Adjusted for the supervisory transitional rules during the first Basel II years, SEB reports RWA of SEK 986bn (842), a Tier I capital ratio of 8.4 per cent (8.6) and a total capital ratio of 10.6 per cent (11.0). The lowering in 2008 of Basel II implementation floors (from 95 to 90 per cent of previous requirements) is reflected in these ratios.

RWA calculated according to the previous (Basel I) regulation would give capital ratios of 7.3 and 9.3 per cent, respectively. Risk-weighted assets (Basel I) have grown by 26 per cent, SEK 235bn, since year-end. Currency effects contributed SEK 80bn.

Appendix 3 exposes capital adequacy details.

New capital target

The Board has decided on a long-term Tier 1 capital ratio target of 10 per cent when the Basel II framework is applied without transition rules.

Risks and uncertainties

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). The outlook for the global economy has deteriorated and SEB holds the view that economic growth will be substantially lower in the next few years.

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 and risk management of all the risks of the Group and the Parent Company are described in SEB's annual report for 2007 (see pp 34-41 and Note 44).

A sharp reduction of economic growth and continued economic imbalances in the Baltic countries together with higher past due payments on loans during the year have emphasised the need for a continued proactive treatment of any arising asset quality problems and for monitoring further developments closely. In Lithuania, where the economic downturn started later, the situation deteriorated very fast towards the end of the year, leading to substantial increases of SEB's provisions.

The tight liquidity conditions in the credit and inter-bank markets prevailing since the summer of 2007, and accelerating during the autumn of 2008, put stable funding and liquidity management in focus. Liquidity injections by central banks globally have eased the pressure on banks but the funding markets are still not fully functioning, particularly not for long-term durations.

The general credit spread widening across all assets, which started mid-2007, continued and accelerated in the third quarter. Wider spreads have resulted in mark-to-market losses on SEB's fixed-income securities portfolios (see under Fixed-income securities portfolios). Following the actions taken by governments and central banks around the world, the likelihood of achieving global financial stability has increased substantially, but further losses cannot be ruled out.

Rating

In December, Moody's changed its outlook from stable to negative, but affirmed SEB's long-term Aa2 rating. In October, Fitch Ratings affirmed its A+ rating for SEB, with maintained stable outlook. Furthermore, Standard & Poor's affirmed its long-term A+ rating for SEB, but changed its outlook to negative, primarily due to concerns regarding the Bank's Baltic operations. DBRS rates SEB's long-term rating at AA (low) with a stable outlook. SEB has a long-term AA rating target.

Reclassification of securities portfolios

Following the amendments to IAS 39 and IFRS 7, endorsed by the EU in October 2008, SEB has used the possibility of reclassifications of financial instruments from 1 July, 2008 and reclassified SEK 99bn of its fixed-income securities portfolio as loans and receivables, from the total of its net position in fixed income securities of SEK 355bn. The reclassification included SEK 13bn of assets held-for-trading and SEK 86bn of assets in the available-for-sale category.

SEB has decided to reclassify SEK 52 bn of its fixed-income securities as loans and receivables as of 1 January 2009. The reclassification includes SEK 3bn of assets held-for-trading and SEK 49bn of assets in the available-for-sale category.

SEB has the intention and ability to hold these securities for the foreseeable future or until maturity. Thus, the classification as loans and receivables better reflects the purpose of these holdings and avoids further short-term mark-to-market volatility in income and equity.

Dividend

In order to further improve SEB's capital position the Board proposes that no dividend shall be paid for 2008. The proposal should be seen together with the proposed capital measures as announced on 5 February, 2009.

Stockholm, 5 February 2009

Annika Falkengren
President and Chief Executive Officer

These Annual Accounts have 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.

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 2009

5 February	Annual Accounts 2008
20 February	Annual Report available on the website
6 March	Annual General Meeting in Stockholm
6 May	Interim Report January – March 2009
20 July	Interim Report January – June 2009
21 October	Interim Report January – September 2009

Access to telephone conference and video web cast

The telephone conference at 14.00 (CET) on 5 February 2009 with CEO Annika Falkengren and CFO Jan Erik Back can be accessed by telephone, not later than 15 minutes in advance: +44 (0)1452 560 063

A video web-cast with CFO Jan Erik Back will be available on www.sebgroup.com.

Further information is available from

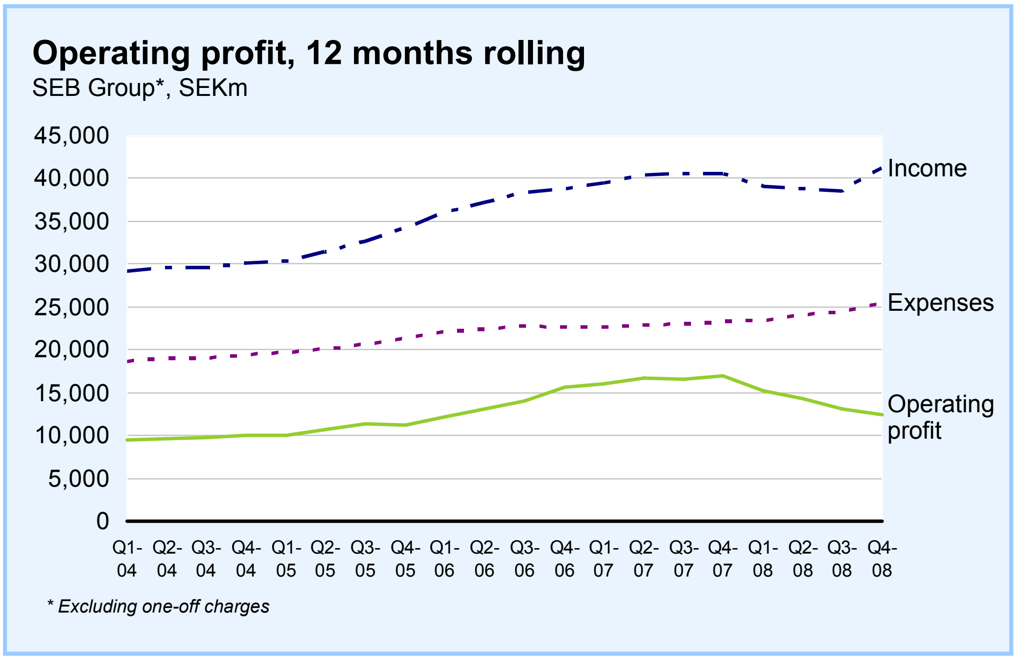
Jan Erik Back, Chief Financial Officer
Tel: +46 8 22 19 00
Ulf Grunnesjö, Head of Investor Relations
Tel. + 46 8 763 85 01, +46 70 763 85 01
Annika Halldin, Senior Financial Information Officer
Tel. +46 8 763 85 60, +46 70 379 00 60

Skandinaviska Enskilda Banken AB (publ)
SE-106 40 Stockholm, Sweden
Telephone: +46 771 62 10 00
www.sebgroup.com.
Corporate organisation number: 502032-9081

The SEB Group

Income statement – SEB Group

Condensed SEK m	Q4 2008	Q3 2008	%	Q4 2007	%	Jan - Dec 2008	 2007	 %
Net interest income	5 513	4 553	*21*	4 375	*26*	18 710	15 998	*17*
Net fee and commission income	3 790	3 754	*1*	4 129	*-8*	15 254	17 051	*-11*
Net financial income	1 723	247		420		2 970	3 239	*-8*
Net life insurance income	516	504	*2*	766	*-33*	2 375	2 933	*-19*
Net other income	1 172	163		345		1 831	1 219	*50*
Total operating income	**12 714**	**9 221**	***38***	**10 035**	***27***	**41 140**	**40 440**	***2***
Staff costs	-4 597	-3 752	*23*	-3 787	*21*	-16 241	-14 921	*9*
Other expenses	-1 968	-1 820	*8*	-1 782	*10*	-7 642	-6 919	*10*
Depreciation of assets	- 400	- 398	*1*	- 359	*11*	-1 524	-1 354	*13*
Total operating expenses	**-6 965**	**-5 970**	***17***	**-5 928**	***17***	**-25 407**	**-23 194**	***10***
Gains less losses from tangible and intangible assets	2			787	*-100*	6	788	*-99*
Net credit losses incl. changes in value of seized assets	-1 723	- 725	*138*	- 313		-3 268	-1 016	
Operating profit	**4 028**	**2 526**	***59***	**4 581**	***-12***	**12 471**	**17 018**	***-27***
Income tax expense	- 519	- 641	*-19*	- 824	*-37*	-2 421	-3 376	*-28*
Net profit from continuing operations	**3 509**	**1 885**	***86***	**3 757**	***-7***	**10 050**	**13 642**	***-26***
Discontinued operations	- 2	1						
Net profit	**3 507**	**1 886**	***86***	**3 757**	***-7***	**10 050**	**13 642**	***-26***
Attributable to minority interests	1	4	*-75*	5	*-80*	9	24	*-63*
Attributable to equity holders *	**3 506**	**1 882**	***86***	**3 752**	***-7***	**10 041**	**13 618**	***-26***
* Basic earnings per share, SEK	5.12	2.75		5.49		14.66	19.97	
Diluted earnings per share, SEK	5.12	2.74		5.48		14.65	19.88	



Key figures - SEB Group

	Q4	Q3	Q4	Jan - Dec	
	2008	2008	2007	2008	2007
Return on equity, %	17.6	10.0	20.2	13.1	19.3
Return on total assets, %	0.57	0.32	0.67	0.42	0.63
Return on risk-weighted assets, %	1.45	0.83	1.78	1.13	1.68
Basic earnings per share, SEK	5.12	2.75	5.49	14.66	19.97
Weighted average number of shares, millions*	685	685	683	685	682
Diluted earnings per share, SEK	5.12	2.74	5.48	14.65	19.88
Weighted average number of diluted shares, millions**	687	686	685	686	685
Net worth per share, SEK	134.10	125.82	127.44	134.10	127.44
Average equity, SEK billion	79.8	75.2	74.4	76.4	70.6
Cost/income ratio	0.55	0.65	0.59	0.62	0.57
Credit loss level, %	0.63	0.27	0.13	0.30	0.11
Reserve ratio for impaired loans, %	66.3	72.1	76.1	66.3	76.1
Level of impaired loans, %	0.35	0.23	0.18	0.35	0.18
Basel II (Legal reporting with transitional floor) :***					
Total capital ratio, incl net profit, %	10.62	10.42	11.04	10.62	11.04
Tier 1 capital ratio, incl net profit, %	8.36	8.15	8.63	8.36	8.63
Risk-weighted assets, SEK billion	986	937	842	986	842
Basel II (without transitional floor):					
Total capital ratio, incl net profit, %	12.81	12.68	12.62	12.81	12.62
Tier 1 capital ratio, incl net profit, %	10.08	9.91	9.87	10.08	9.87
Risk-weighted assets, SEK billion	818	770	737	818	737
Basel I:					
Total capital ratio, incl net profit, %	9.29	9.34	10.42	9.29	10.42
Tier 1 capital ratio, incl net profit, %	7,32	7.30	8.15	7,32	8.15
Risk-weighted assets, SEK billion	1 127	1 045	892	1 127	892
Number of full time equivalents****	21 131	21 428	19 794	21 291	19 506
Assets under custody, SEK billion	3 891	4 437	5 314	3 891	5 314
Assets under management, SEK billion	1 201	1 244	1 370	1 201	1 370

* Issued number of shares was 687,156,631 at year-end 2007. SEB then owned 3.7 million Class A shares for the employee stock option programme. During 2008 1.5 million net of these shares have been sold as employee stock options have been exercised. Thus, as of 31 December SEB owned 2.2 million Class A-shares with a market value of SEK 133m.

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

*** 90 per cent of RWA in Basel I for 2008 and 95 per cent of RWA in Basel I for 2007.

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

Income statement on quarterly basis - SEB Group

SEK m	2008:4	2008:3	2008:2	2008:1	2007:4
Net interest income	5 513	4 553	4 421	4 223	4 375
Net fee and commission income	3 790	3 754	3 909	3 801	4 129
Net financial income	1 723	247	1 161	- 161	420
Net life insurance income	516	504	642	713	766
Net other income	1 172	163	270	226	345
Total operating income	**12 714**	**9 221**	**10 403**	**8 802**	**10 035**
Staff costs	-4 597	-3 752	-3 993	-3 899	-3 787
Other expenses	-1 968	-1 820	-2 098	-1 756	-1 782
Depreciation of assets	- 400	- 398	- 354	- 372	- 359
Total operating expenses	**-6 965**	**-5 970**	**-6 445**	**-6 027**	**-5 928**
Gains less losses from tangible and intangible assets	2		1	3	787
Net credit losses incl. changes in value of seized assets	-1 723	- 725	- 452	- 368	- 313
Operating profit	**4 028**	**2 526**	**3 507**	**2 410**	**4 581**
Income tax expense	- 519	- 641	- 699	- 562	- 824
Net profit from continuing operations	**3 509**	**1 885**	**2 808**	**1 848**	**3 757**
Discontinued operations	- 2	1	1		
Net profit	**3 507**	**1 886**	**2 809**	**1 848**	**3 757**
Attributable to minority interests	1	4	3	1	5
Attributable to equity holders*	**3 506**	**1 882**	**2 806**	**1 847**	**3 752**
* Basic earnings per share, SEK	5.12	2.75	4.10	2.70	5.49
Diluted earnings per share, SEK	5.12	2.74	4.09	2.69	5.48

Income statement, by Division - SEB Group

Jan-Dec 2008, SEK m	Merchant Banking	Retail Banking	Wealth Management	Life*	Other incl eliminations	SEB Group
Net interest income	7 414	10 750	891	- 36	- 309	18 710
Net fee and commission income	5 248	5 641	3 681		684	15 254
Net financial income	3 625	397	67		-1 119	2 970
Net life insurance income				3 296	- 921	2 375
Net other income	541	244	48		998	1 831
Total operating income	**16 828**	**17 032**	**4 687**	**3 260**	**- 667**	**41 140**
Staff costs	-3 890	-4 632	-1 427	-1 105	-5 187	-16 241
Other expenses	-3 594	-5 449	-1 132	- 523	3 056	-7 642
Depreciation of assets	- 95	- 311	- 100	- 569	- 449	-1 524
Total operating expenses	**-7 579**	**-10 392**	**-2 659**	**-2 197**	**-2 580**	**-25 407**
Gains less losses from tangible and intangible assets	5	2			- 1	6
Net credit losses**	- 904	-2 380	- 17		33	-3 268
Operating profit	**8 350**	**4 262**	**2 011**	**1 063**	**-3 215**	**12 471**

* Business result in Life amounted to SEK 2,052m (3,075), of which change in surplus values was net SEK 989m (1,273).
** 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

	Q4	Q3		Q4		Jan- Dec		
SEK m	**2008**	**2008**	*%*	**2007**	*%*	**2008**	**2007**	*%*
Net interest income	2 613	1 738	*50*	1 498	*74*	7 414	5 610	*32*
Net fee and commission income	1 163	1 374	*- 15*	1 361	*- 15*	5 248	5 945	*- 12*
Net financial income	1 813	757	*139*	249		3 625	2 613	*39*
Net other income	342	83		194	*76*	541	839	*- 36*
Total operating income	**5 931**	**3 952**	***50***	**3 302**	***80***	**16 828**	**15 007**	***12***
Staff costs	- 954	- 867	*10*	-1 055	*- 10*	-3 890	-4 246	*- 8*
Other expenses	- 918	- 830	*11*	- 868	*6*	-3 594	-3 489	*3*
Depreciation of assets	- 30	- 22	*36*	- 26	*15*	- 95	- 85	*12*
Total operating expenses	**-1 902**	**-1 719**	***11***	**-1 949**	***- 2***	**-7 579**	**-7 820**	***- 3***
Profit before credit losses etc	**4 029**	**2 233**	***80***	**1 353**	***198***	**9 249**	**7 187**	***29***
Gains less losses on assets	1	1		2	*- 50*	5	2	*150*
Net credit losses	- 593	- 255	*133*	- 69		- 904	- 326	*177*
Operating profit	**3 437**	**1 979**	***74***	**1 286**	***167***	**8 350**	**6 863**	***22***
Cost/Income ratio	0,32	0,43		0,59		0,45	0,52	
Business equity, SEK bn	27,0	27,0		26,4		27,0	26,4	
Return on equity, %	36,7	21,1		14,0		22,3	18,7	
Number of full time equivalents	2 698	2 719		2 672		2 721	2 566	

- Income and operating profit the highest to date
- Strong business volumes and customer demand
- Higher credit loss provisions reflect a few specific cases; in general asset quality remains stable

Comments on 2008

Merchant Banking recorded its highest ever operating profit. Despite tumultuous financial markets and challenging economic conditions, clients remained active. Together with market share gains and weakened competitors, this supported strong income generation, up by 12 per cent from 2007, to SEK 16.8bn. Revenues were particularly strong in the second half of the year, driven by financing activities, high FX revenues and improved fixed income performance. Lower investment banking activity reduced income at Nordic sites; nevertheless, double digit growth in commercial banking activities was recorded in each of these markets.

Costs were 3 per cent lower than 2007 and declined considerably in the second half. Operating profit increased by 22 per cent, to SEK 8,350m.

In line with revised accounting guidelines, the division re-classified a number of holdings in the fixed income investment portfolio. As a result, valuation losses decreased to SEK 131m in the latter half of the year, compared with SEK 938m during the first six months.

Credit loss provisions rose, albeit from a very low level. Average risk classes in the credit portfolios improved during the year and asset quality remained good. However, the weaker economic outlook justifies a continued conservative approach to loss provisioning.

Within Trading and Capital Markets, all major business units performed well. Within Equities, volume remained low and commissions were down, although declines were less than for the market as a whole as SEB Enskilda increased its Nordic market share to 9.2 per cent (7.5).

FX units performed particularly well, with highly active customers and favourable conditions for market making.

Corporate banking profits increased throughout 2008 as volume and revenue growth in lending gradually offset lower advisory and acquisition finance income. Growth in interest income in this area primarily reflects increased bilateral financing of core blue chip corporate clients. Reduced activities of international banks within SEB's main markets ensured strong demand and allowed for more appropriate pricing of credit.

Profits were stable in Global Transaction Services. Further inflow of new customers, particularly subsidiaries of existing cash management clients, offset negative effects from lower asset valuations. At year-end, assets under custody were SEK 3,891bn.

During the fourth quarter, SEB received a range of top rankings for cash and treasury management, trade finance, custody and equities, reconfirming its leading position in these areas.

Retail Banking

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

Profit and loss account

	Q4	Q3		Q4		Jan- Dec		
SEK m	**2008**	**2008**	%	**2007**	%	**2008**	**2007**	%
Net interest income	2 851	2 755	*3*	2 549	*12*	10 750	9 698	*11*
Net fee and commission income	1 408	1 372	*3*	1 637	*- 14*	5 641	6 219	*- 9*
Net financial income	116	84	*38*	170	*- 32*	397	482	*- 18*
Net other income	110	26		64	*72*	244	159	*53*
Total operating income	**4 485**	**4 237**	***6***	**4 420**	***1***	**17 032**	**16 558**	***3***
Staff costs	-1 162	-1 148	*1*	-1 085	*7*	-4 632	-4 235	*9*
Other expenses	-1 471	-1 326	*11*	-1 414	*4*	-5 449	-5 286	*3*
Depreciation of assets	- 82	- 76	*8*	- 78	*5*	- 311	- 318	*- 2*
Total operating expenses	**-2 715**	**-2 550**	***6***	**-2 577**	***5***	**-10 392**	**-9 839**	***6***
Profit before credit losses etc	**1 770**	**1 687**	***5***	**1 843**	***- 4***	**6 640**	**6 719**	***- 1***
Gains less losses on assets	2			2		2	4	***- 50***
Net credit losses	-1 113	- 516	*116*	- 286		-2 380	- 715	
Operating profit	**659**	**1 171**	***- 44***	**1 559**	***- 58***	**4 262**	**6 008**	***- 29***
Cost/Income ratio	0,61	0,60		0,58		0,61	0,59	
Business equity, SEK bn	25,3	25,3		24,8		25,3	24,8	
Return on equity, %	7,3	14,0		19,3		12,7	18,8	
Number of full time equivalents	8 951	9 139		8 925		9 084	8 802	

- Despite a turbulent year operating income increased; profit before losses in line with 2007
- Higher deposit and lending volumes, 16 000 new SME clients
- Deteriorated economic conditions resulted in increased provisioning, particularly in the Baltic countries

Comments on 2008

Net interest income developed strongly and increased gradually quarter by quarter. Deposit and lending volumes increased throughout the year, to some extent as a result of exchange rate changes. Net fee and commission income recovered slightly in the fourth quarter, but decreased by 9 per cent on a twelve months basis. Full year result before losses was in line with 2007. Provisions for credit losses increased throughout the year, and the development accelerated in the sharpening economic slowdown during the fourth quarter.

In Sweden, net interest income grew by 15 per cent. Mortgage loans to Swedish households, which account for approximately 40 per cent of the division's total lending volume, increased by 8 per cent during the year. The strengthened offer to small and medium-sized corporations contributed to over 10,000 net new Swedish SME clients during 2008. Furthermore, SEB was awarded "Best SME bank 2008" by the magazine Privata Affärer. Costs increased by 5 per cent during 2008, affected by higher pension costs.

For Estonia, Latvia and Lithuania the global economic slowdown combined with local imbalances led to increasingly challenging market conditions. This negative development gained momentum in the fourth quarter resulting in significantly increased provisions for credit losses. As a consequence of its more conservative lending, SEB's market share has decreased consistently since 2005. Annual credit growth, measured in local currencies, was -2, +5 and +7 per cent in Estonia, Latvia and Lithuania, respectively. These growth rates decreased during the year, especially in Lithuania. Deposit volumes remained stable in Estonia and Latvia during the fourth quarter, while deposits decreased slightly in Lithuania. Costs increased during the year as a result of currency effects, rental cost increase following the divestment of real estate and cost inflation. In relation to the full year, the rate of cost increase was significantly lower in the last quarter. The number of FTEs was reduced by more than 100 during the fourth quarter.

In Germany, securities-related income continued to be affected by lower market activity. Despite growing net interest income profitability deteriorated further.

Card reported a continued income growth of 8 per cent compared with 2007. Profit was affected by increased credit losses and decreased by 15 per cent. The cost/income ratio improved during the year.

Wealth Management

This division has two business areas - Institutional Clients and Private Banking.

Profit and loss account

	Q4	Q3		Q4		Jan- Dec		
SEK m	**2008**	**2008**	*%*	**2007**	*%*	**2008**	**2007**	*%*
Net interest income	213	237	*- 10*	245	*- 13*	891	843	*6*
Net fee and commission income	1 119	784	*43*	979	*14*	3 681	4 077	*- 10*
Net financial income	25	14	*79*	46	*- 46*	67	79	*- 15*
Net other income	10	3		40	*- 75*	48	86	*- 44*
Total operating income	**1 367**	**1 038**	***32***	**1 310**	***4***	**4 687**	**5 085**	***- 8***
Staff costs	- 347	- 330	*5*	- 355	*- 2*	-1 427	-1 340	*6*
Other expenses	- 325	- 249	*31*	- 289	*12*	-1 132	-1 040	*9*
Depreciation of assets	- 29	- 25	*16*	- 14	*107*	- 100	- 60	*67*
Total operating expenses	**- 701**	**- 604**	***16***	**- 658**	***7***	**-2 659**	**-2 440**	***9***
Profit before credit losses etc	**666**	**434**	***53***	**652**	***2***	**2 028**	**2 645**	***- 23***
Gains less losses on assets							- 1	*- 100*
Net credit losses	- 15			10		- 17	- 7	*143*
Operating profit	**651**	**434**	***50***	**662**	***- 2***	**2 011**	**2 637**	***- 24***
Cost/Income ratio	0,51	0,58		0,50		0,57	0,48	
Business equity, SEK bn	6,6	6,6		5,5		6,6	5,5	
Return on equity, %	28,4	18,9		34,7		21,9	34,5	
Number of full time equivalents	1 088	1 123		1 073		1 133	1 074	

- Operating profit down by 24 per cent, mainly due to lower asset values
- Strong net sales within both Private Banking and Institutional Clients
- Continued gain of market share in the Swedish mutual fund market

Comments on 2008

Operating income dropped by 8 per cent compared with last year, reflecting the sharp fall of global stock markets by some 40 per cent. Net sales, increased net interest income and performance fees balanced somewhat lower net fee and commission income, due to falling asset values and lower customer activity. Performance and transaction fees for 2008 amounted to SEK 655m (555), of which SEK 404m was realised in the fourth quarter.

Operating expenses during the year increased by 9 per cent, of which 6 per cent was related to the acquisition of Key Asset Management. Excluding this acquisition, costs increased by 3 per cent due to the expansion of Private Banking and Institutional Sales as well as alternative investment product development.

Operating profit decreased by 24 per cent, to SEK 2,011m.

SEB continued to capture volumes on the Swedish mutual fund market. Total net inflows amounted to SEK 6.5bn (14) for the year on a market experiencing total net flows of SEK -17.5bn (+19). Alternative investments alone attracted net inflows totalling SEK 8.6bn (6.7). During the year investment appetite shifted from equities to alternative investments and fixed income. SEB recorded the largest inflow of all into the Swedish mutual fund market during 2008 and kept its No. 1 position.

Net new assets were substantial considering the market turbulence, and amounted to SEK 33bn (55). This partly offset the impact of declining equity markets on assets under management, which decreased by 11 per cent, to SEK 1,142bn, from year-end 2007.

Investment performance deteriorated during the last part of the fourth quarter. Year-to-date performance remained unsatisfactory, with 34 per cent (49) of the portfolios and 33 per cent (54) of assets under management ahead of their respective benchmarks.

Private Banking generated net new assets of SEK 19bn (13) despite the adverse market conditions; a result of high activity and close co-operation with the Retail Banking division.

Institutional Clients continued to show strong sales in Sweden during the fourth quarter, but noticed outflows in some other markets due to clients shifting their investment strategy. The business area has gained substantial market shares in core markets, such as the Swedish mutual fund market and institutional business.

Wealth Management continued to implement SEB Way throughout the division and intensified the programme during the year, with focus on improving sales.

Life

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

Profit and loss account

	Q4	Q3		Q4		Jan- Dec		
SEK m	**2008**	**2008**	*%*	**2007**	*%*	**2008**	**2007**	*%*
Net interest income	- 4	- 3	*33*	- 7	*- 43*	- 36	- 28	*29*
Net life insurance income	739	720	*3*	1 031	*- 28*	3 296	3 958	*- 17*
Total operating income	**735**	**717**	***3***	**1 024**	***- 28***	**3 260**	**3 930**	***- 17***
Staff costs	- 292	- 266	*10*	- 284	*3*	-1 105	-1 050	*5*
Other expenses	- 117	- 126	*- 7*	- 121	*- 3*	- 523	- 530	*- 1*
Depreciation of assets	- 115	- 149	*- 23*	- 144	*- 20*	- 569	- 548	*4*
Total operating expenses	**- 524**	**- 541**	***- 3***	**- 549**	***- 5***	**-2 197**	**-2 128**	***3***
Operating profit	**211**	**176**	***20***	**475**	***- 56***	**1 063**	**1 802**	***- 41***
Change in surplus values, net	380	132	*188*	431	*- 12*	989	1 273	*- 22*
Business result	**591**	**308**	***92***	**906**	***- 35***	**2 052**	**3 075**	***- 33***
Cost/Income ratio	0,71	0,75		0,54		0,67	0,54	
Business equity, SEK bn	7,5	7,5		7,5		7,5	7,5	
Return on equity, %								
based on operating profit	9,9	8,3		22,3		12,5	21,1	
based on business result	27,7	14,5		42,5		24,1	36,1	
Number of full time equivalents	1 226	1 250		1 218		1 233	1 201	

- Lower operating profit reflecting difficult markets conditions and guarantee provisions
- Total premium income increased 10 per cent
- Positive sales development despite financial turbulence and increasingly competitive markets.

Comments on 2008

Operating profit decreased by 41 per cent compared with last year. Unit-linked income decreased, mainly as a result of falling equity values and customers' increased risk awareness. Customers increasingly reallocated from equity exposures to fixed income alternatives. The traditional insurance portfolios in Denmark and Sweden have also been negatively affected by the deteriorating value of equities and fixed income investments. Falling long-term interest rates during the second half of the year affected the insurance liabilities negatively. The market value-related effects mainly represented unrealised losses, recoverable in a more normal market or, in the case of bonds, if held to maturity. The results for risk products, such as sickness insurance and care products, were higher than last year.

A provision of SEK 353m, of which SEK 218m in the fourth quarter, has been made to cover potential future guarantees related to the traditional life portfolio transferred from Nya Liv in 2007. The provision is mainly market value-related and recoverable if future investment returns are adequate to meet guaranteed bonus levels over time.

Operating expenses increased due to higher sales and investments in new markets. The number of staff remained stable during the past year, except for additions in the Baltic countries and Ukraine. A reduction of staff was made during the fourth quarter.

Unit-linked insurance remains the major product group, representing 75 per cent (80) of total sales. The share of corporate pension decreased to 69 per cent (72) as a result of strong growth in the demand for Portfolio Bond and endowment policies in Sweden.

Total sales, weighted volume, rose by 10 per cent compared with last year. The share of regular premium contracts remained stable around 80 per cent. Price pressure continues to be an issue in the corporate markets in Sweden and Denmark, which combined with a higher volume of investment related products had a negative effect on margins. The sales margin dropped to 18.7 per cent compared with 23.7 per cent in 2007.

In Sweden, sales increased by 8 per cent. In Denmark, sales rose by 10 per cent while premium income increased by 9 per cent. Sales in the Baltic countries were 20 per cent lower than last year, while sales of the Portfolio Bond product in Sweden through SEB Life & Pension International increased by 68 per cent.

Total premium income increased by 10 per cent, to SEK 28.9bn compared with SEK 26.4bn in 2007. The total value of unit-linked funds decreased by 15 per cent, to SEK 115bn compared with SEK 136bn at year-end 2007. Total assets under management (net assets) decreased by 13 per cent, to SEK 354bn.

Result by geography 2008

SEB offers universal banking services in Sweden, Germany and the Baltic countries - Estonia, Latvia and Lithuania. It also has a local presence in the other Nordic countries, Poland, Ukraine and Russia and a global presence through its international network in another 10 countries.

- Credit market turbulence and worsened economic conditions affected results in all markets
- 65 per cent of operating profit was generated in Sweden*
- Operating profit in the Baltic countries was negatively affected by increased provisions for credit losses

Comments on 2008

The extreme disruption in the global financial markets and the sharp deterioration of the real economy during 2008 adversely affected SEB's operations in all markets. However, underlying business was strong in most areas.

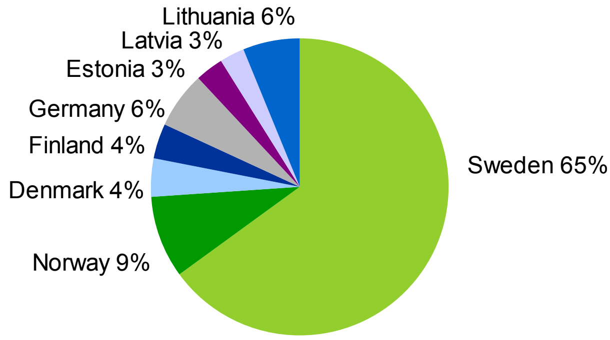
In Sweden, operating income rose mainly due to improved net interest income. This was to a large extent the result of a substantial volume growth, supported by currency effects. Operating expenses increased, largely due to higher costs for redundancy and pensions. For the first time in many years, Sweden accounted for the major part, or 65 per cent, of SEB's operating profit.

In Denmark and Norway, SEB's corporate banking business developed well. In both countries, however, lower activities within investment banking led to decreased income compared with last year. SEB's life insurance business in Denmark was negatively affected by lower values. In Finland, Merchant Banking reported strong growth both in terms of business volumes and operating profit. Wealth Management performed well in relative terms.

In the Baltic region, income rose in Lithuania, while it decreased in Estonia and Latvia.

Operating profit in all three countries was negatively affected by increased provisions for credit losses, reflecting the deteriorating macroeconomic climate. The level of impaired loans in the Baltic countries was net 1.3 per cent and gross 3.1 per cent; in Estonia 2.5 per cent, in Latvia 3.2 per cent and in Lithuania 3.4 per cent. Expenses rose due to high inflation rates and increased costs for premises following the property sales in the three countries at the end of 2007.

Operating profit* January-December 2008



Excluding the provision for Lehman Brother's bankruptcy filing, operating profit of SEB in Germany increased in 2008. Commission income within Merchant Banking increased as did sales of consumer lending, mortgages and insurance. Net credit losses in Germany were lower than in 2007.

The integration of the recently acquired Factorial Bank in Ukraine proceeded according to plan. 24 new branches were opened during the year.

Distribution by country Jan - Dec	Total operating income			Total operating expenses			Operating profit		
SEK m	**2008**	**2007**	**%**	**2008**	**2007**	**%**	**2008**	**2007**	**%**
Sweden	22 507	20 489	*10*	-13 675	-12 265	*11*	8 344	8 145	*2*
Norway	2 902	2 942	*-1*	-1 464	-1 546	*-5*	1 172	1 302	*-10*
Denmark	2 232	2 823	*-21*	-1 407	-1 555	*-10*	556	1 232	*-55*
Finland	1 234	1 177	*5*	- 669	- 589	*14*	554	579	*-4*
Germany	5 956	6 148	*-3*	-4 967	-4 810	*3*	754	996	*-24*
Estonia	1 536	1 660	*-7*	- 715	- 649	*10*	309	1 090	*-72*
Latvia	1 637	1 649	*-1*	- 734	- 602	*22*	391	1 192	*-67*
Lithuania	2 498	2 386	*5*	-1 030	- 876	*18*	717	1 621	*-56*
Other countries and eliminations	638	1 166	*-45*	- 746	- 302	*147*	- 326	861	*-138*
Total	**41 140**	**40 440**	***2***	**-25 407**	**-23 194**	***10***	**12 471**	**17 018**	***-27***

* Adjusted for centralisation of CPM portfolios from U.S. to Sweden, which effects operating income and profit with SEK 1.8 bn in Q4 2008.

The SEB Group

Net fee and commission income – SEB Group

SEK m	Q4 2008	Q3 2008	%	Q4 2007	%	Jan - Dec 2008	Jan - Dec 2007	%
Issue of securities	27	47	*- 43*	61	*- 56*	172	335	*- 49*
Secondary market	444	654	*- 32*	859	*- 48*	2 769	3 751	*- 26*
Custody and mutual funds	1 931	1 623	*19*	1 763	*10*	7 022	7 165	*- 2*
Securities commissions	**2 402**	**2 324**	***3***	**2 683**	***- 10***	**9 963**	**11 251**	***- 11***
Payments	494	447	*11*	463	*7*	1 844	1 808	*2*
Card fees	1 094	1 066	*3*	1 087	*1*	4 300	4 093	*5*
Payment commissions	**1 588**	**1 513**	***5***	**1 550**	***2***	**6 144**	**5 901**	***4***
Advisory	327	329	*- 1*	316	*3*	1 118	1 473	*- 24*
Lending	291	258	*13*	294	*- 1*	1 004	1 055	*- 5*
Deposits	26	25	*4*	23	*13*	98	89	*10*
Guarantees	85	78	*9*	66	*29*	301	264	*14*
Derivatives	197	175	*13*	92	*114*	601	363	*66*
Other	124	168	*- 26*	235	*- 47*	648	1 004	*- 35*
Other commissions	**1 050**	**1 033**	***2***	**1 026**	***2***	**3 770**	**4 248**	*- 11*
Fee and commission income	**5 040**	**4 870**	***3***	**5 259**	***- 4***	**19 877**	**21 400**	***- 7***
Securities commissions	- 228	- 226	*1*	- 195	*17*	- 970	- 902	*8*
Payment commissions	- 641	- 593	*8*	- 619	*4*	-2 450	-2 373	*3*
Other commissions	- 381	- 297	*28*	- 316	*21*	-1 203	-1 074	*12*
Fee and commission expense	**-1 250**	**-1 116**	***12***	**-1 130**	***11***	**-4 623**	**-4 349**	***6***
Securities commissions, net	2 174	2 098	*4*	2 488	*- 13*	8 993	10 349	*- 13*
Payment commissions, net	947	920	*3*	931	*2*	3 694	3 528	*5*
Other commissions, net	669	736	*- 9*	710	*- 6*	2 567	3 174	*- 19*
Net fee and commission income	**3 790**	**3 754**	***1***	**4 129**	***- 8***	**15 254**	**17 051**	***- 11***

Net financial income – SEB Group

SEK m	Q4 2008	Q3 2008	%	Q4 2007	%	Jan - Dec 2008	Jan - Dec 2007	%
Equity instruments and related derivatives	420	489	*-14*	157	*168*	1 386	520	*167*
Debt instruments and related derivatives	54	- 503	*-111*	- 477	*- 111*	-1 505	- 101	
Capital market related	**474**	**- 14**		**- 320**		**- 119**	**419**	***-128***
Currency-related	1 228	270		740	*66*	3 077	2 820	*9*
Other financial instruments	21	- 9				12		
Net financial income	**1 723**	**247**		**420**		**2 970**	**3 239**	***-8***

Net credit losses - Group

SEK m	Q4 2008	Q3 2008	%	Q4 2007	%	Jan - Dec 2008	Jan - Dec 2007	%
Provisions:								
Net collective provisions	- 884	- 318	*178*	15		-1 303	- 390	
Specific provisions	- 788	- 331	*138*	- 231		-1 718	- 653	*163*
Reversal of specific provisions no longer required	142	71	*100*	163	*-13*	336	405	*-17*
Net provisions for contingent liabilities	- 36	- 23	*57*	- 24	*50*	- 56	8	
Net provisions	**-1 566**	**- 601**	***161***	**- 77**		**-2 741**	**- 630**	
Write-offs:								
Total write-offs	- 464	- 265	*75*	- 562	*-17*	-1 428	-1 395	*2*
Reversal of specific provisions utilized for write-offs	210	71	*196*	242	*-13*	699	711	*-2*
Write-offs not previously provided for	- 254	- 194	*31*	- 320	*-21*	- 729	- 684	*7*
Recovered from previous write-offs	117	79	*48*	85	*38*	239	293	*-18*
Net write-offs	**- 137**	**- 115**	***19***	**- 235**	***-42***	**- 490**	**- 391**	***25***
Net credit losses	**-1 703**	**- 716**	***138***	**- 312**		**-3 231**	**-1 021**	
Change in value of seized assets	**- 20**	**- 9**	***122***	**- 1**		**- 37**	**5**	
Net credit losses incl change in value	**-1 723**	**- 725**	***138***	**- 313**		**-3 268**	**-1 016**	

Balance sheet – SEB Group

Condensed SEK m	31 December 2008	31 December 2007
Cash and cash balances with central banks	44 852	96 871
Loans to credit institutions	266 363	263 012
Loans to the public	1 296 777	1 067 341
Financial assets at fair value *	635 454	661 223
Available-for-sale financial assets *	163 115	170 137
Held-to-maturity investments *	1 997	1 798
Investments in associates	1 129	1 257
Tangible and intangible assets	29 511	24 697
Other assets	71 504	58 126
Total assets	**2 510 702**	**2 344 462**
Deposits by credit institutions	429 425	421 348
Deposits and borrowing from the public	841 034	750 481
Liabilities to policyholders	211 070	225 916
Debt securities	525 219	510 564
Financial liabilities at fair value	295 533	216 390
Other liabilities	71 565	97 519
Provisions	1 897	1 536
Subordinated liabilities	51 230	43 989
Total equity	83 729	76 719
Total liabilities and equity	**2 510 702**	**2 344 462**
* Of which bonds and other interest bearing securities inclusive derivatives.	628 675	608 016

Memorandum items – SEB Group

SEK m	31 December 2008	31 December 2007
Collateral and comparable security pledged for own liabilities	375 227	308 342
Other pledged assets and comparable collateral	152 142	207 363
Contingent liabilities	86 675	66 984
Commitments	416 533	394 128

Statement of changes in equity – SEB Group

SEK m	Minority interests	Reserve for cash flow hedges	Reserve for afs financial assets	Share capital	Restricted reserves	Retained earnings	Total
Jan-Dec 2008							
Opening balance	191	160	- 438	6 872	29 757	40 177	**76 719**
Change in market value		1 623	-2 573				**- 950**
Recognised in income statement		- 16	- 51				**- 67**
Translation difference					151		**151**
Net income recognised directly in equity		1 607	-2 624		151		**- 866**
Net profit	9					10 041	**10 050**
Total recognised income	9	1 607	-2 624		151	10 041	**9 184**
Dividend to shareholders						-4 451	**-4 451**
Swap hedging of employee stock option programme						27	**27**
Eliminations of repurchased shares for employee stock option programme*						183	**183**
Other changes	- 8				2 949	- 874	**2 067**
Closing balance	**192**	**1 767**	**-3 062**	**6 872**	**32 857**	**45 103**	**83 729**
Jan-Dec 2007							
Opening balance	130	380	392	6 872	30 203	29 290	**67 267**
Change in market value		- 206	- 614				**- 820**
Recognised in income statement		- 14	- 216				**- 230**
Translation difference					98		**98**
Net income recognised directly in equity		- 220	- 830		98		**- 952**
Net profit	24					13 618	**13 642**
Total recognised income	24	- 220	- 830		98	13 618	**12 690**
Dividend to shareholders						-4 079	**-4 079**
Swap hedging of employee stock option programme						- 428	**- 428**
Eliminations of repurchased shares for employee stock option programme*						897	**897**
Other changes	37				- 544	879	**372**
Closing balance	**191**	**160**	**- 438**	**6 872**	**29 757**	**40 177**	**76 719**

* As of 31 December 2007 SEB owned 3.7 million Class A shares for the employee stock option programme. The acquisition cost for these shares is deducted from shareholders' equity. During 2008 1.5 million net of these shares have been sold as employee stock options have been exercised. Thus, as of 31 December SEB owned 2.2 million Class A-shares with a market value of SEK 133m for hedging of the long-term incentive programmes.

Cash flow statement – SEB Group

SEK m	Jan - Dec 2008	2007	%
Cash flow from the profit and loss statement	12 205	17 890	- 32
Increase (-)/decrease (+) in portfolios	- 12 646	- 32 503	- 61
Increase (+)/decrease (-) in issued short term securities	13 276	72 454	- 82
Increase (-)/decrease (+) in lending to credit institutions	38 890	- 45 995	- 185
Increase (-)/decrease (+) in lending to the public	- 162 529	- 116 298	40
Increase (+)/decrease (-) in liabilities to credit institutions	9 208	52 274	- 82
Increase (+)/decrease (-) in deposits and borrowings from the public	87 815	104 715	- 16
Increase (-)/decrease (+) in net investment contracts in insurance business	234	22 302	- 99
Change in other balance sheet items	- 2 894	10 348	- 128
Cash flow from operating activities	- 16 441	85 187	- 119
Cash flow from investment activities[1)]	- 6 050	- 2 350	157
Cash flow from financing activities	2 653	38 397	- 93
Net increase in cash and cash equivalents	**- 19 838**	**121 234**	**- 116**
Cash and cash equivalents at beginning of year	194 985	73 751	164
Net increase in cash and cash equivalents	- 19 838	121 234	- 116
Cash and cash equivalents at end of period[2)]	**175 147**	**194 985**	**- 10**

1) Including investments in subsidiaries			
Cost of acquisitions	- 1 040	- 759	37
Less cash acquired		102	- 100
Outflow on acquisition	**- 1 040**	**- 657**	**58**

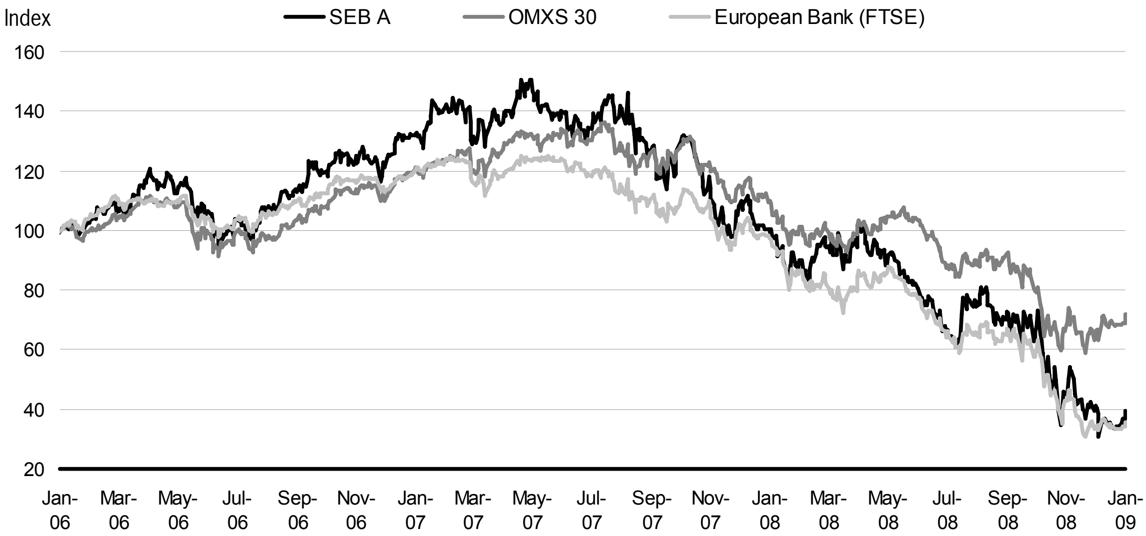
2) Cash and cash equivalents at end of period is defined as Cash and cash balances with central banks and Loans to credit institutions - payable on demand.

Impaired loans and seized assets – SEB Group

SEK m	31 December 2008	31 December 2007
Non-performing impaired loans	12 963	7 619
Performing impaired loans	948	772
Impaired loans gross*	**13 911**	**8 391**
Specific reserves	- 5 022	- 3 787
of which reserves for non-performing loans	*- 4 679*	*- 3 456*
of which reserves for performing loans	*- 343*	*- 331*
Collective reserves	- 4 197	- 2 602
Impaired loans net	**4 692**	**2 002**
Reserves for off-balance sheet items	- 251	- 209
Total reserves	**- 9 470**	**- 6 598**
Level of impaired loans	**0.35%**	**0.18%**
(Impaired loans, net in relation to lending, at end of period)		
Reserve ratio for impaired loans	**66.3%**	**76.1%**
(Specific and collective reserves in relation to impaired loans gross, per cent)		
Specific reserve ratio for impaired loans	*36.1%*	*45.1%*
Pledges taken over		
Properties	30	23
Shares	106	39
Total volume of pledges taken over	**136**	**62**

* Individually impaired loans.

The SEB share



Rating

Moody's Outlook Negative (December 2008)		Standard & Poor's Outlook Negative (October 2008)		Fitch Outlook Stable (July 2008)		DBRS Outlook Stable (July 2008)	
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

December 2008	Share of capital, per cent
Investor AB	20.7
Trygg-Stiftelsen	9.6
Alecta	5.3
Swedbank Robur Funds	3.8
AFA Försäkring	2.7
SEB Funds	1.9
4th AP-fund	1.9
AMF Pension	1.6
Wallenberg-foundations	1.5
SHB/SPP Funds	1.4
Foreign owners	18.6

Source: NCSD/SIS Ägarservice