

CONTINUED STRONG MOMENTUM ON ALL MARKETS

Stable net profit for first quarter 2007 compared with fourth quarter 2006

- Net profit for the period amounted to SEK 2,910m (2,913)
- Earnings per share amounted to SEK 5.65 (5.65)
- The return on equity amounted to 18.9 percent (19.8)
- The cost/income ratio improved to 0.51 (0.52)
- Net interest income increased by 5 percent to SEK 4,501m (4,303)
- Operating profit amounted to SEK 3,807m (3,887)
- Loan losses amounted to SEK 49m (-72).
- The tier 1 capital ratio, according to new capital adequacy rules, amounted to 6.8 percent (6.5 percent according to previous framework on December 31, 2006).

Net profit for the period increased by 28 percent compared with first quarter 2006

- Net profit for the period increased by 28 percent to SEK 2,910m (2,270)
- Earnings per share increased to SEK 5.65 (4.41)
- The return on equity increased to 18.9 percent (16.6)
- The cost/income ratio improved to 0.51 (0.56)
- Net interest income increased by 28 percent to SEK 4,501m (3,506)
- Operating profit increased by 34 percent to SEK 3,807m (2,843)
- Loan losses were unchanged at SEK 49m (50).

The CEO comments on the first quarter

“2007 has begun positively for Swedbank. Net interest income increased for the fourth consecutive quarter at the same time that net commissions remained strong. Swedish Banking, Baltic Banking and Swedbank Markets all developed positively, which is helping to generate stable profits.

Concerns of an overheating economy in the Baltics during the first quarter have contributed to greater awareness among decision-makers and the public. This has led to signs of a slowdown in lending growth in the region. Our judgement of the development in the Baltics is continued positive.

Preparations to complete the acquisition of TAS-Kommerzbank are proceeding according to plan with respect to both government approvals and operational preparations. We expect the acquisition to be finalized during the third quarter this year.

Through an agreement whereby it will take over approximately SEK 170bn in assets from the insurance company Folksam, Swedbank Robur has strengthened its position as one of the leading fund managers in the Nordic region. Swedbank Robur's strong performance, which recently received recognition from Morningstar, among others, has been an important factor in winning new business.

During the year we will continue our journey to become a service leader. Several exciting new initiatives are under way, particularly in the savings area, which will benefit our customers.”

Financial summary for the group

SEKm	Q1 2007	Q4 2006	Change %	Q1 2006	Change %	Full-year 2006
Net interest income	4,501	4,303	5	3,506	28	15,977
Net commission income	2,289	2,309	-1	2,098	9	8,869
Net gains and losses on financial items at fair value	530	908	-42	531	0	2,738
Other income	473	392	21	408	16	1,613
Total income	7,793	7,912	-2	6,543	19	29,197
Staff costs	-2,322	-2,180	7	-2,104	10	-8,560
Other expenses	-1,615	-1,917	-16	-1,546	4	-6,579
Total expenses	-3,937	-4,097	-4	-3,650	8	-15,139
Profit before loan losses	3,856	3,815	1	2,893	33	14,058
Loan losses, net	-49	72		-50	-2	205
Operating profit	3,807	3,887	-2	2,843	34	14,263
Tax expense	-851	-928	-8	-539	58	-3,211
Profit for the period	2,956	2,959	0	2,304	28	11,052
Profit for the period attributable to the shareholders of Swedbank AB	2,910	2,913	0	2,270	28	10,880

Key ratios	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
Return on equity, %	18.9	19.8	16.6	19.3
Earnings per share, SEK ¹⁾	5.65	5.65	4.41	21.11
Equity per share, SEK ²⁾	122.84	116.37	108.66	116.37
C/I ratio before loan losses	0.51	0.52	0.56	0.52
Tier 1 capital ratio, %	6.8	6.5	6.5	6.5
Capital adequacy ratio, %	10.0	9.8	9.7	9.8
Loan loss ratio, net, %	0.02	-0.02	0.02	-0.02
Share of impaired loans, %	0.07	0.07	0.09	0.07
Total provision ratio for impaired loans, %	199	195	188	195

1-2) A specification of numbers of shares is found on page 33.

Key ratios are based on profit and shareholders' equity allocated to shareholders of Swedbank.

Balance sheet data SEKbn	March 31 2007	Dec 31 2006	Change %	March 31 2006	Change %
Loans to the public	1,013	946	7	868	17
Deposits and borrowings from the public	416	400	4	349	19
Shareholders' equity	63	60	6	56	13
Total assets	1,483	1,353	10	1,266	17
Risk weighted assets, old principles	774	727	7	632	22
Risk weighted assets, new principles	601				
Risk weighted assets, transition principles	713				

Group profit trend, Q1 2007 vs. Q4 2006

Stable net profit

- Net profit for the period amounted to SEK 2,910m (2,913)
- Earnings per share were unchanged at SEK 5.65
- The return on equity was 18.9 percent (19.8)
- Operating profit amounted to SEK 3,807m (3,887)
- Income amounted to SEK 7,793m (7,912)
- Net interest income increased by 5 percent to SEK 4,501m (4,303)
- Net commission income amounted to SEK 2,289m (2,309)
- Net gains and losses on items at fair value decreased to SEK 530m (908)
- Expenses decreased by 4 percent to SEK 3,937m (4,097)
- The cost/income ratio improved to 0.51 (0.52)
- Loan losses amounted to SEK 49m (-72)
- The effective tax rate decreased to 22 percent (24).

Stable income level

Income decreased slightly to SEK 7,793m (7,912) mainly through lower net gains and losses on financial items.

Net interest income increased by 5 percent to SEK 4,501m (4,303). Net interest income from the lending portfolio increased by SEK 25m despite continued margin pressure. Net interest income from savings operations increased by SEK 183m due to both volume increases and improved interest margins. Net interest income from other operations decreased by SEK 10m.

Net commission income was stable at SEK 2,289m (2,309). Equity-related commissions increased, while payment commissions decreased slightly on a seasonal basis.

Net gains and losses on financial items at fair value decreased to SEK 530m (908). Trading income was very high in the fourth quarter 2006.

Net insurance amounted to SEK 79m (80).

The **share of the profit or loss in associates** increased to SEK 119m (-26). The improvement is mainly due to higher profit in associated companies within Swedish Banking. Also, the fourth quarter 2006 was charged with write downs in the Swedish Central Securities Depository (VPC), which affected profit negatively.

Other income decreased to SEK 275m (338), partly due to slightly lower income from administrative services for Swedish savings banks. The fourth quarter also included income from UC (a Swedish credit information agency).

Lower expenses

Group **expenses** decreased by 4 percent or SEK 160m to SEK 3,939m (4,097).

Staff costs increased by 7 percent to SEK 2,322m (2,180). Profit-based staff costs increased by SEK 88m mainly through reversed provisions for the profit-sharing scheme in the Swedish operations in the fourth quarter 2006. Baltic Banking's staff costs rose due to an increase in the number of employees and salaries.

Other general administrative expenses decreased by 15 percent to SEK 1,615m (1,917) mainly due to lower expenses to change to the Swedbank name and seasonal variations.

Low loan loss level

Loan losses amounted to a net of SEK 49m (-72). Credit quality remains very strong. Loan losses and claims are specified in Notes 3 and 4.

Lower tax expense

Profit before tax amounted to SEK 3,807m (3,887) and the **tax expense** was SEK 851m (928), giving an effective tax rate of 22 percent (24).

Group profit trend, Q1 2007 vs. Q1 2006

Quarterly profit increased 28 percent

- Net profit for the period increased by 28 percent to SEK 2,910m (2,270)
- Earnings per share increased to SEK 5.65 (4.41)
- The return on equity increased to 18.9 percent (16.6)
- Operating profit increased by 34 percent to SEK 3,807m (2,843)
- Income increased by 19 percent to SEK 7,793m (6,543)
- Net interest income increased by 28 percent to SEK 4,501m (3,506)
- Net commission income increased by 9 percent to SEK 2,289m (2,098)
- Net gains and losses on financial items at fair value was unchanged at SEK 530m (531)
- Expenses increased by 8 percent to SEK 3,937m (3,650)
- The cost/income ratio improved to 0.51 (0.56)
- Loan losses remained low at SEK 49m (50).
- The effective tax rate increased to 22 percent (19).

Income increased

Income increased by 19 percent to SEK 7,793m (6,543) mainly through higher net interest income.

Net interest income increased by 28 percent to SEK 4,501m (3,506). Net interest income from the lending portfolio increased by SEK 269m despite continued margin pressure. Net interest income from savings operations increased by SEK 576m due to both volume increases and improved interest margins. Net interest income from other operations increased by SEK 150m.

Net commission income increased by 9 percent to SEK 2,289m (2,098). This is mainly due to higher

equity-related income as well as commissions from payments and corporate finance.

Net gains and losses on financial items at fair value remained stable at SEK 530m (531).

Net insurance increased to SEK 79m (17) mainly through an improved product range and higher sales in both the Swedish and Baltic operations. In the first quarter 2006, allocations to actuarial reserves in Latvia affected income negatively.

The **share of the profit or loss in associates** amounted to SEK 119m (137). The main reason for the decline was the capital gain from the sale of real estate reported in Bankgirocentralen in the first quarter 2006.

Other income increased by 8 percent to SEK 275m (254) mainly due to operational leasing.

Increased expenses

Expenses increased by 8 percent to SEK 3,937m (3,650). The increase was mainly due to the expansive Baltic banking operations.

Staff costs increased by SEK 218m or 10 percent to SEK 2,22m (2,104). Of the increase, SEK 123m was due to the Baltic Banking and SEK 43m to First Securities within Swedbank Markets.

Other general administrative expenses increased by SEK 69m or 4 percent to SEK 1,615m (1,546). Of the increase, SEK 46m was due to the Baltic Banking.

Low loan losses

Loan losses amounted to a net of SEK 49m (50).

Higher tax rate

Profit before tax amounted to SEK 3,807m (2,843) and the **tax expense** was SEK 851m (539), giving an effective tax rate of 22 percent (19). The lower tax rate in the first quarter 2006 is mainly due to the reversal of tax from previous years.

Interest rate risk

An increase in all market interest rates of one percentage point as of March 31, 2007 would have reduced the value of the group's assets and liabilities, including derivatives, by SEK 1,744m (1,623). This calculation includes the portion of the bank's deposits that have been assigned a duration of between 2 and 3 years. The decrease in the value of positions in Swedish kronor would have been SEK 1,542m (1,608). Positions in foreign currency would have decreased in value by SEK 202m (15). Comparative figures refer to December 31, 2006.

An interest rate increase of one percentage point would have reduced the group's net gain and losses on items at fair value by SEK 180m (207) as of March 31, 2007.

New capital adequacy rules – Basel II

On February 1, 2007 new rules apply in Sweden for capital adequacy and large exposures, Basel II.

According to the new rules, the capital requirement will be more closely linked to the institution's risk profile. In addition to the capital requirement for credit risks and market risks, a capital requirement is introduced for operational risks as well. Due to the scope of these changes, they are being implemented gradually over a three-year period through 2009. For Swedbank the capital requirement gradually decreases, since the new capital adequacy rules better reflect the low risk in the credit portfolio. The full effect from the new rules will not be seen until 2010.

The capital adequacy ratio, which is calculated for the financial companies group, was 10.0 percent as of March 31, 2007 according to the new rules (9.8 as of December 31, 2006 according to the old rules), of which the tier 1 capital ratio was 6.8 percent (6.5 on December 31, 2006 according to the old rules). The tier 1 capital ratio includes profit for the period after deducting the estimated dividend.

A specification of capital adequacy and a summary of the new rules are provided on page 23.

Lending

The Group's lending to the public increased during the quarter by 5 percent to SEK 962bn (919) at the end of the period. Since the corresponding period of the previous year lending has increased by 17 percent.

A specification of lending is provided on page 28.

Savings and investments

Customers' total savings and investments in Swedbank increased by 5 percent to SEK 880bn (838) during the quarter. Since the corresponding period of 2006 savings have increased by 14 percent.

Customers' deposits, excluding repurchase agreements (repos), increased by 6 percent or SEK 21bn to SEK 398bn (377). Since March 31, 2006 deposits have increased by 20 percent.

A specification of savings and investments is provided on page 28.

Annual General Meeting and dividend

Swedbank's Annual General Meeting 2007 will be held in Stockholm on April 27.

The Board of Directors proposes that the Annual General Meeting approve a cash dividend of SEK 8.25 per share (7.50), which is equivalent to SEK 4,252m and a payout ratio of 39 percent. The proposed record day for the 2006 dividend is May 3, 2007. The last day for trading in the bank's share with the right to the dividend is April 27, 2007. If the Annual General Meeting resolves to adopt the Board's recommendation, the dividend is expected to be paid by VPC (the Swedish Central Securities Depository) on May 8, 2007.

Accounting policies

The interim report has been prepared in accordance with IAS 34.

As previously, the parent company prepares its accounts according to the Annual Accounts Act for Credit Institutions and Securities Companies, the directives of the Financial Supervisory Authority and recommendation RR 32:06 of the Swedish Financial

Accounting Standards Council (replaced by the Financial Reporting Council as of April 1, 2007).

The accounting principles applied in the interim report are the same as those applied in the preparation of the annual report for 2006, apart from that interest income and expenses related to trading assets and liabilities are now recognized in net interest income also in the consolidated income statement. Previously they were recognized in net gain and losses on items at fair value in the consolidated income statement. Comparative figures for 2006 and 2005 have been restated.

During the first quarter 2007 certain financial transactions were made to hedge the exposure to variations in future cash flows. They are recognized as cash flow hedges, which means that the change in the value of hedging instruments is recognized directly in shareholders' equity. The group uses the option to irreversibly value separate portfolios of lending and deposits at fair value, since they, together with derivatives, essentially eliminate the portfolio's aggregate interest rate risk. As of 2007 the parent company has also chosen to use the valuation option. Comparative figures have been restated, why the opening balance of equity 2006 has been adjusted.

Rating

March, 2007	S&P		Moody's			Fitch	
	Short	Long	Short	Long	BFSR *	Short	Long
Swedbank	A-1	A+	P-1	Aa1	B	F1	A+
Swedbank Hypotek	A-1		P-1	Aa1		F1+	AA-
Hansabank			P-1	Aa2	C+	F1	A

* Bank Financial Strength Ratings

During the quarter Moody's raised the long-term ratings for Swedbank and Swedbank Mortgage from Aa3 to Aa1.

Swedbank's share

SWED A	March 31 2006	Dec 31 2006
Share price, SEK	244.50	248.50
No. of shares in issue	515,373,412	515,373,412
Market capitalization, SEKm	126,009	128,070

Swedbank's share, ticker symbol SWED A, is listed on the OMX Nordic Exchange.

Events after March 31, 2007

Sale of Norwegian primary capital certificates

In mid-April 2007 Swedbank sold its remaining holding of primary capital certificates in Norwegian savings banks. The sale has no impact on profit.

Covered bonds

Swedbank Mortgage has applied for permission from the Financial Supervisory Authority to issue covered bonds. A preliminary assessment by Moody's indicates that Swedbank Mortgage has good prospects of receiving the highest credit rating, AAA, on its covered bonds.

Cooperation agreement with Folksam

At the end of April 2007, the cooperation agreement with Folksam, that is described on page 17, was signed.

Branch in Shanghai

In April, the Chinese authorities approved Swedbank's application to upgrade the representative office in Shanghai to a branch.

Business area report

Q1 2007 SEKm	Swedish Banking	Baltic Banking Operations	Baltic Banking Investment	Swedbank Markets	Asset Management and Insurance	Shared Services and New operations	Eliminations	Group
Net interest income	2,950	1,324	-104	399	19	-79	-8	4,501
Net commission income	1,082	432		364	399	12		2,289
Net gains and losses on financial items at fair value	134	209		233	1	-55	8	530
Share of the profit or loss in associates	92	1		5		21		119
Other income	150	69		10	55	796	-726	354
Total income	4,408	2,035	-104	1,011	474	695	-726	7,793
Staff costs	-974	-355		-167	-70	-372	6	-1,932
Profit-based staff costs	-62	-120		-178	-6	-24		-390
IT expenses	-220	-67		-61	-32	-202	242	-340
Other expenses	-923	-234		-108	-74	-253	478	-1,114
Depreciation/amortization	-25	-44	-25	-3	-1	-63		-161
Total expenses	-2,204	-820	-25	-517	-183	-914	726	-3,937
Profit before loan losses	2,204	1,215	-129	494	291	-219		3,856
Loan losses, net	67	-120		0		4		-49
Operating profit	2,271	1,095	-129	494	291	-215		3,807
Tax expense	-636	-100	6	-138	-69	86		-851
Profit for the period	1,635	995	-123	356	222	-129		2,956
Profit for the period attributable to:								
Shareholders of Swedbank AB	1,632	995	-123	313	222	-129		2,910
Minority interest	3			43				46
Return on allocated equity, %	25.5	31.1		31.8	51.2	neg.		18.9
C/I ratio before loan losses	0.50	0.40		0.51	0.39	1.32		0.51
Full-time employees	6,326	8,874		691	275	1,715		17,881

Business area accounting policies

The business area report is based on Swedbank's accounting policies, organization and internal accounts. Comparative figures have been restated accordingly to smaller organization changes.

The business operations of Baltic Banking are separated in the business area report from the effects of Swedbank's acquisition and ownership of Hansabank in the consolidated group accounting. This facilitates a clearer analysis of how the business operations of Baltic Banking are developing. Comments on Baltic Banking in this report refer to business operations, unless otherwise indicated.

Market-based compensation is applied between business areas, while all expenses for IT, other shared service and group staff are transferred at full cost-based internal prices to the business areas. Executive management expenses are not distributed.

The group's equity allocated to shareholders is distributed to each business area based on capital adequacy rules and estimated capital requirements.

Return on equity for the business areas is based on operating profit less estimated tax and minority interests in relation to allocated equity.

Swedish Banking

Swedish Banking is Swedbank's dominant business area, comprising a network of 472 branches organized in 41 local banks in five regions. The cooperation with the savings and partly owned banks adds another 264 branches. The branch network is complemented by 172 in-store banking locations and the agreement with ICA Banken allows customers to withdraw cash at 1,400 ICA supermarkets. The bank branches or special business units within the regions have the responsibility for Swedish customers, with the exception of financial institutions. Of the business area's 6,300 full-time employees, around 4,900 are placed in the five regions.

The business area also comprises the Telephone bank and the Internet bank as well as the subsidiaries Swedbank Mortgage, Swedbank Finans and Swedbank Babs, whose products are sold through Swedbank and the cooperating savings banks' distribution network. The subsidiaries Swedbank Fastighetsbyrå (real estate

brokerage), Swedbank Juristbyrå (legal services) and Swedbank Företagsförmedling (company sales) operate according to franchise concepts.

The Customer and Product Offerings unit produces and coordinates offerings for various customer groups and is responsible for the development and launch of new products based on customer needs.

Swedish Banking also includes the private banking operations of the subsidiary Swedbank Luxembourg, whose customers are predominantly Swedish expatriates, as well as the jointly owned card company EnterCard, with operations in Sweden, Norway and Denmark. Swedbank Robur, which specializes in mutual fund and asset management, pensions and insurance, is reported separately from Swedish Banking in the business area report.

Profit trend

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	2,950	2,949	2,936	2,850	2,752
Net commission income	1,082	1,120	1,010	1,049	1,073
Net gains and losses on financial items at fair value	134	141	14	212	47
Share of the profit or loss of associates	92	23	42	42	123
Other income	150	184	189	144	149
Total income	4,408	4,417	4,191	4,297	4,144
Staff costs	-974	-1,022	-949	-988	-939
Profit-based staff costs	-62	11	-60	-58	-70
IT expenses	-220	-221	-197	-209	-214
Other expenses	-923	-1,064	-847	-918	-910
Depreciation/amortization	-25	-54	-24	-28	-23
Total expenses	-2,204	-2,350	-2,077	-2,201	-2,156
Profit before loan losses	2,204	2,067	2,114	2,096	1,988
Loan losses, net	67	158	144	191	6
Operating profit	2,271	2,225	2,258	2,287	1,994
Tax expense	-636	-603	-633	-641	-558
Profit for the period	1,635	1,622	1,625	1,646	1,436
Profit for the period attributable to:					
Shareholders of Swedbank AB	1,632	1,628	1,624	1,644	1,435
Minority interest	3	-6	1	2	1
Allocated equity	25,600	29,894	29,428	27,519	26,723
Return on allocated equity, %	25.5	21.8	22.1	23.9	21.5
Income items					
Income from external customers	3,937	3,882	3,815	3,816	3,627
Income from transactions with other segments	471	535	376	481	517
Business volumes, SEK billion					
Lending	782	762	745	724	701
Deposits	278	271	263	248	235
Mutual funds & insurance	266	256	244	235	251
Other investment volume	21	19	17	18	17
Investments in associates	2	2	2	2	2
Risk-weighted volume, old principles	556	537	525	500	480
Total assets	928	843	826	801	759
Total liabilities	902	813	797	774	731
Full-time employees	6,326	6,293	6,279	6,209	6,254

Swedish economy remains strong

Sweden's economy had continued high growth during the first quarter. Construction, IT and certain industrial areas had difficulty recruiting qualified labour to meet higher demand. Disposable household income grew, in part after tax cuts at the start of the year. Jobs increased quickly. Consumer optimism was high.

The Riksbank raised interest rates by 25 bp to 3.25 percent on February 21. On average the repo rate was 3.11 during the first quarter, compared with 1.78 percent in the first quarter 2006 and 2.69 percent in the fourth quarter 2006.

Stockholmsbörsen's OMX S Index increased by 6 percent during the first quarter 2007.

Organizational changes and acquisitions

As part of the continued commitment to private banking and asset management services in Swedish Banking, responsibility for local trading desks with around 50 brokers was transferred from Swedbank Markets to Swedish Banking at year-end 2006. Comparative figures have been restated so that the trading desks are included in Swedish Banking in 2006 as well.

During the first quarter 2007 Swedbank acquired the remaining 60 percent of the shares in Söderhamns Sparbank from Sparbanksstiftelsen Söderhamn, a savings bank foundation. The purchase price amounted to SEK 117m. At the time of acquisition the new subsidiary's reported assets amounted to SEK 1,160m and reported liabilities to SEK 1,039m. The difference between the purchase price and acquired shareholders' equity according to the subsidiary's accounts has been allocated in large part to assets that will be depreciated through profit or loss. The intent is to merge Söderhamns Sparbank with Swedbank and consolidate its operations in the northern region within Swedish Banking. Söderhamns Sparbank has two branches and 25 employees.

Agreement to sell CEK AB

Together with the other owners of the card processing company CEK AB, Swedbank agreed during the quarter to sell its shareholding to EDB Business Partner. The transaction requires the approval of competition authorities and is expected to be completed during the second quarter 2007. The sale generates a capital gain of slightly over SEK 40m.

High level of activity

The quarter was characterized by a high level of activity and further increase in business volumes. The change to the new Swedbank name and goal to be a service leader by being accessible, uncomplicated and proactive has been received positively by Swedish customers.

Higher lending volumes

Lending increased by SEK 20bn during the quarter, of which SEK 1bn through the acquisition of Söderhamns Sparbank. This compares with a lending increase of SEK 13bn during the first quarter and SEK 17bn during the fourth quarter 2006.

Total lending volume amounted to SEK 782bn as of March 31, 2007, an increase of 12 percent in one year.

Mortgage lending to retail customers increased by SEK 10bn during the quarter, compared with SEK 7bn during the first quarter and SEK 12bn during the fourth quarter 2006. In one year mortgage lending to private individuals has increased by 12 percent to SEK 390bn.

Bank lending to corporate customers increased by SEK 6bn during the quarter, compared with SEK 9bn during the first quarter and SEK 4bn during the fourth quarter 2006. In one year bank lending to corporate customers has increased by SEK 19 percent to SEK 181bn.

Higher savings and investment volumes

Savings and investment volumes, excluding holdings in customers' brokerage accounts, increased by SEK 19bn during the first quarter, of which SEK 1bn through the acquisition of Söderhamns Sparbank. This compares with a volume increase of SEK 17bn in the first quarter and SEK 22bn in the fourth quarter 2006.

Total savings and investment volume amounted to SEK 565bn at the end of a quarter, an increase of 12 percent in one year.

Of the volume increase during the first quarter, household deposits accounted for SEK 7.1bn (7.3 first quarter 2006), corporate lending for SEK -0.3bn (-6.1), mutual fund and insurance volumes for SEK 10bn (15) and index-linked bonds for SEK 1.7bn (1.8). The increase in fund and insurance volumes was due to higher market values of invested assets. For funds sold by Swedish Banking withdrawals exceeded contributions by SEK 1.5bn during the first quarter (0.9 in net inflow during Q1 2006).

Increased payment volumes

Swedbank has 3.4 million (3.3) bank cards in issue as of March 31. During the quarter the number of card purchases increased by 18 percent and the number of card transactions cleared rose 17 percent year-to-year.

Higher market shares *

The market share for household mortgage lending increased to 38 percent (28) for new sales during the quarter. The corresponding market share for the balance of outstanding mortgages was 31 percent (31). The market share for lending (outstanding balance) to corporate customers in Sweden increased to 19 percent (18) at the end of the quarter.

The market share for new household deposits was 30 percent (24) during the quarter, compared with a market share for outstanding deposits of 26 percent (26) at the end of the quarter. The market share for net mutual fund sales was negative (10), while the market share for the total outstanding fund assets was 26 percent. The market share for listed equity-linked bonds was 30 percent (31). Swedbank's market share for new household savings sold through the internal sales organization in Sweden increased to 21 percent (15).

* Market shares Q1 2007 refer to February 2007.

Lower utilized equity

Average allocated equity was SEK 25,600m for the quarter, compared with SEK 26,723m for the first quarter 2006 and SEK 29,894 for the fourth quarter 2006. Lower capital allocation in 2007 is due to the lower capital requirement in the new internal risk classification methods. Capital requirements are significantly lower for household exposures according to the IRB method.

Profit trend Q1 2007 vs. Q4 2006

Net profit for the period amounted to SEK 1,632m (1,628). The return on equity improved to 25.5 percent (21.8). The cost/income ratio improved to 0.50 (0.53).

Income was in line with the previous quarter at SEK 4,408m (4,417).

Net interest income was unchanged at SEK 2,950m (2,949). Further increases in deposit and lending volumes positively affected net interest income by SEK 64m. The lending margin decreased by 3 bp to 0.92 percent, which negatively affected net interest income by SEK 58m. In terms of deposits, the interest margin improved by 5 bp to 1.25 percent mainly due to a higher repo rate, which positively affected net interest income by SEK 32m. Hedge and other effects were SEK 36m lower.

Net commission income decreased by SEK 38m to SEK 1,082m mainly due to seasonally lower payment commissions and a one-time settlement of interbank compensation during the fourth quarter.

Net gains and losses on financial items at fair value decreased by SEK 7m to SEK 134m.

The share of profit or loss in associates increased by SEK 69m to SEK 92m due to higher profit in partly owned savings banks, EnterCard and Bankgirocentralen, BGC.

Other income decreased by SEK 34m to SEK 150m partly due to income from UC (a Swedish credit information agency) in the fourth quarter.

Expenses decreased by SEK 146m or 6 percent to SEK 2,204m.

Staff costs excluding profit-based compensation decreased by SEK 48m or 5 percent mainly due to lower staff transition costs, vacation compensation and training expenses. Profit-based compensation increased by SEK 73m to SEK 62m. In the fourth quarter SEK 78m was reversed when the allocation to the Kopparmyntet profit-sharing scheme was reduced.

Other expenses decreased by SEK 171m or 13 percent. These expenses were seasonally high in the fourth quarter.

The number of full-time positions increased by 33 to 6,326, of whom 25 were from Söderhamns Sparbank.

Recoveries exceeded loan losses by a net of SEK 67m (158).

Profit trend Q1 2007 vs. Q1 2006

Net profit for the period increased by SEK 197m or 14 percent to SEK 1,632m. The return on equity improved

to 25.5 percent (21.5). The cost/income ratio improved to 0.50 (0.52).

Income increased by SEK 264m or 6 percent to SEK 4,408m.

Net interest income increased by SEK 198m or 7 percent to SEK 2,950m. Further increases in deposit and lending volumes positively affected net interest income by SEK 317m. The lending margin decreased by 13 bp to 0.92 percent, which negatively affected net interest income by SEK 249m. In terms of deposits, the interest margin improved by 32 bp to 1.25 percent mainly due to a higher repo rate, which positively affected net interest income by SEK 222m. Hedge and other effects were SEK 92m lower.

Net commission income increased by SEK 9m or 1 percent to SEK 1,082m.

Net gains and losses on financial items at fair value increased by SEK 87m to SEK 134m mainly due to valuation effects due the fair value option in Swedbank Mortgage.

The share of profit or loss in associates decreased by SEK 31m. The decrease was essentially due to Bankgirocentralen, BGC, whose 2006 profit was affected by one-time effects from a property sale.

Other income was unchanged.

Expenses increased by SEK 48m or 2 percent to SEK 2,204m.

Staff costs excluding profit-based compensation increased by SEK 35m or 4 percent mainly due to contractual wage increases. Profit-based compensation decreased by SEK 8m.

Other expenses increased by SEK 21m or 2 percent.

The number of full-time positions increased by 72 to 6,326, of whom 25 were from Söderhamns Sparbank.

Net loan loss recoveries increased by SEK 61m to SEK 67m.

Sweden's most popular banking employer

In this year's Corporate Barometer presented by Universum Communication, Swedbank ranked as the most popular banking employer. In total, Swedbank is the fourth most popular employer in Sweden among business students.

Baltic Banking

Baltic Banking Operations is defined as the subsidiary group Hansabank, but adjusted for an allocation of a slightly lower equity to this business on the basis of estimated need for risk capital compared with the de facto equity in the subsidiary group. This also results in an adjustment of net interest income compared with what the subsidiary group reports. Hansabank has business operations in Estonia, Latvia, Lithuania and

Russia. The effects of Swedbank's ownership of Hansabank is reported in Baltic Banking Investments in the form of group goodwill, the deduction of the minority interest in profit and shareholders' equity during the periods the company was not wholly owned as well as consolidated amortization of the surplus values in the lending and deposit portfolios identified at the time of the acquisition in 2005.

Baltic Banking, Operations

Profit trend

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	1,324	1,221	1,088	962	853
Net commission income	432	426	380	378	352
Net gains and losses on financial items at fair value	209	225	178	104	116
Share of the profit or loss of associates	1	2	2	2	0
Other income	69	81	66	87	38
Total income	2,035	1,955	1,714	1,533	1,359
Staff costs	-355	-334	-279	-288	-277
Profit-based staff costs	-120	-137	-106	-87	-75
IT expenses	-67	-68	-53	-60	-50
Other expenses	-234	-283	-217	-341	-210
Depreciation/amortization	-44	-44	-43	-40	-39
Total expenses	-820	-866	-698	-816	-651
Profit before loan losses	1,215	1,089	1,016	717	708
Loan losses, net	-120	-84	-81	-79	-57
Operating profit	1,095	1,005	935	638	651
Tax expense	-100	-82	-78	-76	-54
Profit for the period	995	923	857	562	597
Profit for the period attributable to:					
Shareholders of Swedbank AB	995	925	856	561	597
Minority interest	0	-2	1	1	0
Allocated equity	12,791	11,534	10,355	9,411	8,331
Return on allocated equity, %	31.1	32.1	33.1	23.8	28.7
Income items					
Income from external customers	2,035	1,955	1,714	1,533	1,359
Business volumes, SEK billion					
Lending	150	134	122	108	98
Deposits	90	84	78	75	72
Mutual funds & insurance	15	13	11	9	9
Risk-weighted volume, old principles	146	131	121	110	101
Total assets	192	176	156	141	130
Total liabilities	179	165	146	131	120
Full-time employees	8,874	8,442	8,190	7,861	7,459

Macroeconomic development

The Baltic countries are maintaining their position as the fastest-growing region in the EU. In 2006 Estonia and Latvia both reported record-high GDP growth of 11.4 and 11.9 percent, respectively, while GDP growth was 7.5 percent in Lithuania. At the same time inflation exceeded the levels required to be admitted to EMU. In March inflation was 4.6 percent in Lithuania, 5.7 percent in Estonia and 8.5 percent in Latvia.

Devaluation rumours in Latvia in February led to a temporary weakening in the Latvian currency at the

same time that domestic interest rates substantially rose. The 30-day RIGIBOR rate rose from 3.5 percent in the fourth quarter to 9.25 percent in the first quarter.

The central bank and government in Latvia have taken a number of steps to avoid overheating the economy.

The Baltic economies face several challenges, not least due to rising labour costs. Economic development essentially remains good, though growth will slow.

The important Euribor 90-day rate passed the 4 percent level during the quarter. In one year it has risen

by 130 bp. The Euribor 90-day rate averaged 3.8 percent during the quarter, compared with 2.6 in the first quarter and 3.5 in the fourth quarter 2006.

Business volumes

Lending increased to SEK 150bn (98), an increase of 53 percent since the previous year. Lending increased by 45 percent in Estonia to SEK 60bn, by 74 percent in Latvia to SEK 46bn, by 46 percent in Lithuania to SEK 37bn and by 48 percent in Russia to SEK 7bn. Lending to private customers increased by 68 percent to SEK 62bn and corporate lending increased by 44 percent to SEK 88bn.

Deposits increased by 25 percent to SEK 90bn (72), of which by 24 percent in Estonia to SEK 39bn, by 27 percent in Latvia to SEK 21bn and by 26 percent in Lithuania to SEK 29bn.

A total of 3.1 million cards were in issue, an increase of 14 percent since the previous year.

Market shares*

The market share for outstanding bank lending increased to 45 percent (44) in Estonia and 27 percent (24) in Latvia, but decreased to 21 percent (22) in Lithuania. The market share for new loans was 41 percent in Estonia, 30 percent in Latvia and 15 percent in Lithuania. The market share for the balance of retail mortgages was 49 percent (50) in Estonia, 30 percent (28) in Latvia and 30 percent (30) in Lithuania.

The market share for the balance of household deposits was 62 percent (63) in Estonia, 29 percent (29) in Latvia and 39 percent (39) in Lithuania.

* Market shares Q1 2007 refer to February 2007.

Profit trend Q1 2007 vs. Q4 2006

Net profit for the period amounted to SEK 995m (925). The return on equity was 31.1 percent (32.1). The cost/income ratio improved to 0.40 (0.44).

Income increased by 4 percent to SEK 2,035m (1,955).

Net interest income increased by SEK 103m or 8 percent to SEK 1,324m. Further increases in deposit and lending volumes positively affected net interest income by SEK 73m. The lending margin decreased by 3 bp to 2.45 percent, which reduced net interest income by SEK 11m. In terms of deposits, the interest margin improved by 55 bp to 1.98 percent mainly due to a higher discount rate, which positively affected net interest income by SEK 119m. Other effects were SEK 78m lower.

Net commission income amounted to SEK 432m (426).

Net gains and losses on financial items at fair value amounted to SEK 209m (225). Income from equity trading was unusually high in the fourth quarter of the previous year.

Other income decreased by SEK 12m to SEK 69m. Income in the fourth quarter 2006 was affected by a capital gain on a share sale in MasterCard.

Expenses decreased by 5 percent to SEK 820m.

Staff costs excluding profit-based compensation increased by SEK 21m or 6 percent due to an increase in the number of employees and wage increases. Profit-based compensation decreased by SEK 17m to SEK 120m.

Other expenses decreased by SEK 50m or 13 percent. These expenses were seasonally high in the fourth quarter.

The number of full-time positions increased by 432 to 8,874, of which by 123 in Estonia, 146 in Latvia, 132 in Lithuania and 31 in Russia. New employees primarily refer to branch operations.

Loan losses amounted to SEK 120m, an increase of SEK 36m. The increase was caused by a provision in Latvia for a commitment related to export financing. The quality of the credit portfolio remains high. The loan loss level was 0.35 percent (0.27).

Profit trend Q1 2007 vs. Q1 2006

Net profit for the period increased by SEK 398m or 67 percent to SEK 995m (597). The return on equity improved to 31.1 percent (28.7) and the cost/income ratio to 0.40 (0.48).

Income increased by 50 percent to SEK 2,035m (1,359).

Net interest income increased by SEK 471m or 55 percent to SEK 1,324m. Further increases in deposit and lending volumes positively affected net interest income by SEK 360m. The lending margin decreased by 16 bp to 2.45 percent, which negatively affected net interest income by SEK 33m. In terms of deposits, the interest margin improved by 97 bp to 1.98 percent mainly due to a higher discount rate, which positively affected net interest income by SEK 206m. Other effects reduced net interest income by SEK 62m.

Net commission income increased by SEK 80m to SEK 432m mainly due to higher card and payment commissions. Securities and lending commissions also increased.

Net gains and losses on financial items at fair value increased by SEK 93m to SEK 209m mainly due to higher trading income.

Other income increased by SEK 31m to SEK 69m. The increase was mainly in insurance operations, where net income was low in the previous year due to changed assumptions for reserves.

Expenses increased by SEK 26 percent to SEK 820m.

Staff costs excluding profit-based compensation increased by SEK 78m or 28 percent due to a higher number of employees and wage increases. Profit-based compensation increased by SEK 45m to SEK 120m.

Other expenses increased by SEK 46m or 15 percent mainly due to higher business volumes.

The number of full-time positions increased by 1,415 to 8,874, including 408 in Estonia, 459 in Latvia, 440 in Lithuania and 108 in Russia.

In the last year 15 new branches have been opened.

Loan losses amounted to SEK 120m, an increase of SEK 63m. The increase was mainly due to a provision in Latvia for a commitment related to export financing. The loan loss level was 0.35 percent (0.26).

Estonia

Estonia is the dominant unit in Baltic Banking with just over half the business area's profit. Estonia accounts for 40 percent (42) of lending and 43 percent (44) of deposits in the business area.

Net profit for the period increased by SEK 179m or 53 percent from the previous year to SEK 514m. The return on equity was 39.9 percent (41.8) and the cost/income ratio 0.36 (0.39).

Latvia

Latvia is the second largest unit in Baltic Banking. Latvia accounts for 31 percent (27) of lending and 23 percent (22) of deposits.

Net profit for the period increased by SEK 54m or 30 percent to SEK 232m. Before loan losses and tax, profit increased by 51 percent. The return on equity was 27.9 percent (36.5) and the cost/income ratio to 0.41 (0.43).

Lithuania

Lithuania accounts for 25 percent (26) of lending and 32 percent (32) of deposits in the business area.

Net profit for the period increased by SEK 93m or 82 percent to SEK 206m. Income increased by SEK 202m or 66 percent. The return on equity was 30.7 percent (24.4) and the cost/income ratio 0.47 (0.60).

Russia

Russia accounts for 5 percent (4) of lending and 1 percent (1) of deposits in the business area.

Net profit for the period increased by SEK 54m to SEK 47m. The return on equity was 27.9 percent (neg.) and the cost/income ratio 0.42 (0.77).

Exchange rate effects

The local currencies in Estonia, Latvia and Lithuania are pegged to the euro. The Swedish krona weakened against the euro by 3 percent during the first quarter. Of the lending increase of SEK 16bn or 12 percent expressed in SEK, SEK 5bn or 3 percentage points is due to exchange rate effects. In 12 months the krona has increased by 1 percent. In local currency the lending increase has been 54 percent in the last year.

The exchange rate effect of the translation to SEK negatively affected net profit for the period by SEK 10m or 1 percent compared with the first quarter 2006.

Baltic Banking, Operations and Investment

Profit trend

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	1,220	1,118	984	849	728
Net commission income	432	426	380	378	352
Net gains and losses on financial items at fair value	209	225	178	104	116
Share of the profit or loss of associates	1	2	2	2	0
Other income	69	81	66	87	38
Total income	1,931	1,852	1,610	1,420	1,234
Staff costs	-355	-334	-279	-288	-277
Profit-based staff costs	-120	-137	-106	-87	-75
IT expenses	-67	-68	-53	-60	-50
Other expenses	-234	-283	-217	-341	-210
Depreciation/amortization	-69	-69	-67	-66	-65
Total expenses	-845	-891	-722	-842	-677
Profit before loan losses	1,086	961	888	578	557
Loan losses, net	-120	-84	-81	-79	-57
Operating profit	966	877	807	499	500
Tax expense	-94	-73	-69	-67	-46
Profit for the period	872	804	738	432	454
Profit for the period attributable to:					
Shareholders of Swedbank AB	872	806	737	431	454
Minority interest	0	-2	1	1	0
Allocated equity	20,072	18,824	17,658	16,698	15,636
Return on allocated equity, %	17.4	17.1	16.7	10.3	11.6
Income items					
Income from external customers	1,931	1,852	1,610	1,420	1,234
Business volumes, SEK billion					
Lending	151	135	123	109	99
Deposits	90	84	78	75	72
Mutual funds & insurance	15	13	11	9	9
Risk-weighted volume, old principles	147	132	122	111	102
Total assets	204	188	168	153	143
Total liabilities	184	170	151	137	126
Full-time employees	8,874	8,442	8,190	7,861	7,459

Swedbank Markets

Swedbank Markets comprises capital market products and various types of project and corporate finance. Swedbank Markets also has customer responsibility for financial institutions. In addition to operations in Sweden, the business area includes the subsidiaries First Securities in Norway and First Securities LLC in New York, operations in the Norwegian branch, the New York branch and a representative office in Shanghai.

Swedbank Markets offers trading in securities and derivatives in the equity, fixed income and foreign

exchange markets as well as financing solutions and professional analysis and advice. The research unit issues a continuous stream of analyses of about 150 Nordic companies. For individual investors Swedbank Markets offers equity trading and broad-market products such as equity linked bonds. The sale of these products is done through the group's Swedish branch network, through savings banks and partly owned banks, and through the Internet bank and telephone bank.

Profit trend

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	399	254	263	358	-35
Net commission income	364	341	319	516	293
Net gains and losses on financial items at fair value	233	351	109	206	495
Share of the profit or loss of associates	5	0	0	0	0
Other income	10	11	9	9	12
Total income	1,011	957	700	1,089	765
Staff costs	-167	-176	-151	-139	-149
Profit-based staff costs	-178	-169	-109	-235	-132
IT expenses	-61	-63	-58	-53	-58
Other expenses	-108	-125	-102	-116	-95
Depreciation/amortization	-3	-2	-3	-3	-3
Total expenses	-517	-535	-423	-546	-437
Profit before loan losses	494	422	277	543	328
Loan losses, net	0	3	4	0	4
Operating profit	494	425	281	543	332
Tax expense	-138	-100	-78	-152	-93
Profit for the period	356	325	203	391	239
Profit for the period attributable to:					
Shareholders of Swedbank AB	313	271	181	326	206
Minority interest	43	54	22	65	33
Allocated equity	3,935	3,493	3,507	3,773	3,619
Return on allocated equity, %	31.8	31.0	20.6	34.6	22.8
Income items					
Income from external customers	934	905	646	1,050	720
Income from transactions with other segments	77	52	54	39	45
Business volumes, SEK billion					
Lending	20	16	18	14	16
Deposits	30	22	25	23	24
Mutual funds & insurance	1	1	1	1	2
Other investment volume	25	23	21	20	20
Risk-weighted volume, old principles	54	45	45	44	47
Total assets	400	320	344	333	356
Total liabilities	396	316	341	329	353
Full-time employees	691	668	667	644	629

Market conditions

In fixed income and currency trading the first quarter produced a rapid shift in expectations regarding interest rates and the value of the Swedish krona. Despite these conditions, earnings from fixed income and currency trading developed well.

During the first quarter the securities market noted a high level of activity and rising prices, which was mainly due to continued positive economic development and further growth, though at a slower pace. Turnover on the

Stockholm Stock Exchange increased by 24 percent in the first quarter 2007 compared with the corresponding period a year earlier. The number of trades increased even faster.

Positive trend in new business and market shares

During the first quarter 2007 Swedbank Markets managed to capitalize on favourable market conditions

to maintain a high level of activity throughout its operations.

Fixed income and currency trading, the largest product area, is responsible for all customer-related fixed income and currency transactions. The product range consists of everything from simple investment solutions to structured investment or financing solutions in foreign currency specifically designed for customer needs.

The market share for customer volume in the second-hand market for government and mortgage bonds increased during the first quarter to nearly 15 percent. The business area continued to consolidate its strong position in treasury bills and commercial paper with a market share exceeding 20 percent.

Activity in the credit bond market was high, and Swedbank Markets maintained a strong position as one of the two largest players in the combined Swedish and Norwegian market. Aggregate issue volume amounted to nearly SEK 17bn, corresponding to a market share of approximately 17 percent.

FX Trade is Swedbank's online currency trading service. During the first quarter of the year the number of corporate customers who use FX Trade increased by nearly 30 percent to over 600. The increase in customers has led to an even more substantial increase in volume.

Swedbank Markets has advanced to second place in Prospera's customer survey of the derivatives market.

In addition to its responsibility for institutional equity trading, Swedbank Markets' **equity operations** play an important role in providing business support to Swedbank's branch network. This business is built on Nordic research, coupled with competent risk management. Swedbank's share of trading on the Stockholm Stock Exchange increased to 4.3 percent during the quarter from 4.0 percent in the corresponding year-earlier period. The market share for trading in warrants increased from 9.2 to 14.8 percent and for market making index options from 15 to 20 percent.

During the period Swedbank Markets consolidated and improved its ranking among institutional customers.

Swedbank is one of the market's two largest issuers of structured products. The product category mainly consists of various forms of equity linked bonds, SPAX. The sales increase for structured products has continued in early 2007, with issue volume of slightly over SEK 4bn, a gain of approximately 24 percent compared with the first quarter 2006. Swedbank's outstanding volume of structured products amounts to SEK 25.4bn. The increase mainly arose in January and February, after which jittery markets slowed the rate of growth. A focus on corporate customers and a streamlined product range during the fourth quarter 2006 and first quarter 2007 produced a significantly higher sales rate. Swedbank has concentrated on active

indexes, a method that creates more efficient exposure to the markets we offer our customers.

Project & Corporate Finance offers qualified advice to businesses on the debt and equity markets. The product area was established in 2004 and profit has developed well since the start. The positive earnings trend continued during the first quarter, and the level of activity was continuous high within principally Corporate Finance and acquisition finance.

The business area **Group Transaction Services**, which consists of custody, global payment and trade finance operations, reported higher volumes in all areas on a year-to-year basis. Due to favourable market conditions with large acquired volumes as well as higher transaction volumes, gross custody revenue increased. Global Payment operations continue to be successful in international incoming payments and secured a number of new customers during the first quarter. Trade Finance's volumes substantially increased during the first quarter compared with the corresponding period of the previous year. On the export side China/Hong Kong and Russia were the primary markets.

First Securities is a leading brokerage in the Norwegian market. The Norwegian stock market was turbulent during the period. First Securities was successful in both equities and corporate finance.

Profit trend Q1 2007 vs. Q4 2006

Net profit for the period increased by SEK 42m or 15 percent to SEK 313m. The return on equity improved to 31.8 percent (31.0) and the cost/income ratio to 0.51 (0.56). The largest profit improvement was in fixed income and foreign currency trading.

Income increased by SEK 54m or 6 percent to SEK 1,011m, of which income in Norway's First Securities increased by SEK 11m or 3 percent to SEK 329m.

Expenses decreased by SEK 18m or 3 percent to SEK 517m. First Securities' expenses were largely unchanged at SEK 197m (194).

Profit trend Q1 2007 vs. Q1 2006

Net profit for the period increased by SEK 107m or 52 percent to SEK 313m. The return on equity improved to 31.8 percent (22.8) and the cost/income ratio to 0.51 (0.57).

Income increased by SEK 246m or 32 percent to SEK 1,011m. Fixed income and foreign currency trading accounted for the majority of the increase. Income for First Securities increased by SEK 89m or 37 percent.

Contractual wage increases, higher profit-based compensation tied to the increase in income and costs for new offices in Shanghai and New York contributed to the expense increase of SEK 80m or 18 percent to SEK 517m. Expenses for First Securities increased by SEK 46m or 30 percent.

Asset Management and Insurance

Asset Management and Insurance comprises the Swedbank Robur Group and its operations in fund

management, institutional and discretionary asset management, insurance and individual pension savings.

Profit trend

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	19	10	10	5	8
Net commission income	399	395	416	408	382
Net gains and losses on financial items at fair value	1	2	2	-5	3
Share of the profit or loss of associates	0	0	0	0	0
Other income	55	59	48	58	27
Total income	474	466	476	466	420
Staff costs	-70	-66	-64	-69	-62
Profit-based staff costs	-6	-6	-12	-12	-11
IT expenses	-32	-38	-32	-29	-20
Other expenses	-74	-74	-56	-65	-59
Depreciation/amortization	-1	0	-1	0	-1
Total expenses	-183	-184	-165	-175	-153
Profit before loan losses	291	282	311	291	267
Loan losses	0	0	0	0	0
Operating profit	291	282	311	291	267
Tax expense	-69	-70	-74	-69	-61
Profit for the period	222	212	237	222	206
Allocated equity	1,735	1,671	1,671	1,672	1,670
Return on allocated equity, %	51.2	50.7	56.7	53.1	49.3
Income items					
Income from external customers	1,005	988	941	946	956
Income from transactions with other segments	-531	-522	-465	-480	-536
Business volumes, SEK billion					
Mutual funds & insurance	415	398	377	360	385
Other investment volume	23	26	25	24	26
Risk-weighted volume, old principles	1	1	0	0	0
Total assets	77	71	67	64	68
Total liabilities	75	69	65	62	66
Full-time employees	275	281	269	262	262

Fund savings, volumes and flows

Gross contributions to Swedbank Robur's own mutual funds and those it markets amounted to SEK 28.6bn (27.7) during the first quarter 2007, and withdrawals amounted to SEK 30.4bn (22.7). Thus, the net outflow to Swedbank Robur's own and brokered funds during the quarter was SEK 1.8bn, against a net inflow of SEK 5.0bn during the corresponding period of the previous year. Of net contributions, SEK 0.3bn (3.8) was from premium pension investments and SEK 1.0bn (1.7) from unit-linked insurance in Swedbank Insurance.

Swedbank Robur's assets under management as of March 31, 2007 amounted to SEK 415bn (398). The change is due to an appreciation in the value of fund assets of SEK 18.8bn, mainly from rising stock prices during the year. The institutional asset management operations managed SEK 61bn (63), of which SEK 39bn (37) was invested in Swedbank Robur funds.

SEKbn	March 31 2007	Dec 31 2006	March 31 2006
Assets under management	415	398	385
<i>of which:</i>			
<i>Swedish equities, %</i>	34.0	33.3	31.7
<i>foreign equities, %</i>	37.7	37.7	38.7
<i>interest-bearing securities, %</i>	28.3	29.0	29.6
Number of customers (thousands)	2,784	2,779	2,798
Unit-linked insurance			
Assets under management	69.2	64.8	61.3
<i>of which in Robur funds</i>	67.9	63.5	60.3
Number of policies (thousands)	847	821	759
Discretionary asset management			
Assets under management	61	63	58
<i>of which in Robur funds</i>	39	37	32

Unit-linked insurance

Sales (premiums paid) of unit-linked insurance during the first quarter amounted to SEK 3.3bn (3.7).

Swedbank Insurance's assets under management amounted to SEK 69.2bn (64.8) on March 31. Swedbank Försäkring had 847,000 (759,000) policies as of March 31, in addition to around 1 million group life insurance policies.

Market shares

Swedbank Robur's share of net mutual fund contributions was 0 percent (10) during the first quarter 2007.

Its market share for assets under management in the fund market was 26 percent (27) on December 31, 2006.

The market share for new unit linked insurance policies was 11 percent (11) as of December 31, 2006.

For Swedish private customers' pension savings Swedbank Robur was the market leader with a market share of 14 percent. For corporate customers' pension savings, the market share remained low, but growing, at 5 percent.

Fund management results

The majority of Swedbank Robur's funds generated a positive return during the period. Swedish equity funds increased in value by between 6 and 8 percent, while the return on the "Alleman" (public savings) funds was 6 percent.

Balanced funds increased between 2 and 4 percent, while Swedish fixed income funds appreciated in value by 0.5-1.0 percent.

The Forestry, Finance and Small Cap European funds had the highest returns relative to their indexes. Among equity funds, 84 percent outperformed their comparative indexes. Among balanced funds, 21 percent outperformed their indexes, and among fixed income funds 32 percent outperformed theirs.

Morningstar's average rating on Swedbank Robur's funds as of March 31 was 3.30 (3.22).

Cooperation agreement with Folksam

During the first quarter a declaration of intent was signed with Folksam, as a result of which Swedbank Robur will

manage insurance and fund portfolios with an aggregate value of SEK 170bn for Folksam. It also means that Swedbank Robur in early 2008 will acquire Folksam Fond AB, a fund management company with 22 funds and SEK 27bn in assets under management.

Swedbank and Folksam will establish a joint venture to administer Swedbank's life and pension insurance business.

Swedbank will reinsure its group life business with Folksam, which will also provide individual risk insurance products.

Other important events

During the period three new funds were launched: Protect 90, a fund with a guaranteed return; BRICT, a fund focused on emerging markets; and Momentum, a fund that invests in markets with strong performance.

Swedbank Insurance was selected as one of five providers of unit linked insurance in an ITP procurement.

Swedbank Robur has entered into agreements with Nordnet and Avanza to distribute Swedbank Robur's funds.

Profit trend Q1 2007 vs. Q4 2006

Net profit for the period increased by SEK 10m or 5 percent to SEK 222m. The cost/income ratio was 0.39 (0.39).

Income increased by SEK 8m or 2 percent to SEK 474m mainly due to a higher asset volume.

Expenses decreased by SEK 1m to SEK 183m.

Profit trend Q1 2007 vs. Q1 2006

Net profit for the period increased by SEK 16m or 7 percent. The cost/income ratio was 0.39 (0.36).

Income increased by SEK 54m or 13 percent to SEK 474m mainly due to a higher asset volume.

Expenses increased by SEK 30m or 20 percent to SEK 183m mainly due to the expansion of the pension and insurance business.

The number of full-time positions increased by 13 to 275.

Shared Services and New Operations

The business area includes IT and other service functions; Treasury; group staffs; the group's own insurance company, Sparia; the international branches in Norway, Finland and Denmark; the representative offices in Tokyo and Kiev; and the primary capital

certificates in the Norwegian savings bank Nord-Norge. During 2006 the shareholding in SpareBank 1 Gruppen and the primary capital certificates in the Norwegian savings banks Midt-Norge and Rogaland were sold.

Profit trend

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	-79	-21	-51	-33	53
Net commission income	12	26	-16	1	-1
Net gains and losses on financial items at fair value	-55	189	206	270	-130
Share of the profit or loss of associates	21	-51	9	14	14
Other income	796	788	732	818	768
Total income	695	931	880	1,070	704
Staff costs	-372	-296	-339	-309	-385
Profit-based staff costs	-24	-1	-14	-20	-4
IT expenses	-202	-200	-156	-229	-203
Other expenses	-253	-283	-227	-285	-296
Depreciation/amortization	-63	-68	-60	-59	-63
Total expenses	-914	-848	-796	-902	-951
Profit before loan losses	-219	83	84	168	-247
Loan losses, net	4	-5	0	4	-3
Operating profit	-215	78	84	172	-250
Tax expense	86	-82	48	-9	219
Profit for the period	-129	-4	132	163	-31
Allocated equity	10,299	5,188	4,648	4,958	7,170
Return on allocated equity, %	neg.	neg.	11.4	13.2	neg.
Income items					
Income from external customers	228	391	312	367	76
Income from transactions with other segments	467	540	568	703	628
Business volumes, SEK billion					
Lending	9	6	5	5	4
Risk-weighted volume, old principles	16	12	9	8	3
Total assets	278	236	251	210	172
Total liabilities	267	230	245	204	166
Full-time employees	1,715	1,715	1,706	1,688	1,691

Nordic branches

Swedbank's branch office in Norway was established in 1998. The money and capital market operations as well as business with financial institutions are part of Swedbank Markets. The branch has historically served Swedish corporate customers with operations in Norway as well as a select number of Norwegian corporate customers. The customer base and credit portfolio have increased substantially in the last two years. As of 2007 greater attention is also being paid to the retail market, which is being cultivated together with EnterCard and First Securities.

Swedbank's branch office in Denmark was established in spring 2005. In autumn 2006 a second branch was opened. The plan is to establish a third branch in 2007. The branches target both retail and corporate customers. The market share among Öresund commuters is estimated at 30 percent.

Swedbank's branch in Finland was founded in autumn 2005. Its focus is on Swedish corporate

customers with operations in Finland, Finnish corporate customers with business in the Baltics and Russia as well as a select number of other Finnish corporate customers.

Lending by the Nordic branches amounted to SEK 9bn as of March 31, an increase of SEK 5bn in one year. The number of full-time positions was 37 (31).

Ukraine

In December 2006 Swedbank opened a new representative office in Kiev. The office offers advisory services to corporate customers in the Nordic and Baltic countries as well as Russia.

In February Swedbank signed an agreement to acquire the Ukrainian bank TAS-Kommerzbank (TAS). Based in Kiev, TAS is Ukraine's thirteenth largest bank based on total loans and one of the fastest growing in the retail segment. The bank has over 170 branches, 2,300 employees, over 100,000 retail customers and 9,000 corporate customers.

The purchase price amounts to USD 735m, including an equity contribution of USD 50m to be paid to TAS when the transaction closes. According to unaudited IFRS management accounts as of December 31, 2006, TAS had total assets of USD 1,142m, loans of USD 834m and deposits of USD 675m. TAS' equity, including the equity contribution, was USD 177m. Profit for 2006 amounted to USD 10m, reflecting the investment in TAS' branch network expansion. An additional payment of up to USD 250m is payable in three years, subject to the financial performance of the bank.

The acquisition of TAS is in line with Swedbank's strategy to expand its operations in Eastern Europe, where it is the market leader in the Baltic countries and has developing operations in Russia. Swedbank intends to capitalize on its experience in the Baltic markets to drive the expansion in Ukraine, the second largest country in Eastern Europe with a population of 47 million. Real GDP growth in 2006 was 7 percent, and growth is expected to remain high over the next few years. This strong expected economic growth, coupled with low banking penetration, offers an opportunity for Swedbank to establish and develop a meaningful profit contributor.

The transaction is expected to be completed during the third quarter 2007.

Shared Services

Shared Services comprises slightly over 1,300 full-time positions and is responsible for IT, back office and other shared support functions in Sweden.

The purchasing process previously introduced in Sweden was implemented in the Baltic countries during the report period. Since the start of the year Swedbank therefore uses uniform routines and coordinates all group purchases.

Shared Services is continuing to improve the efficiency of the bank's processes using structured methodologies. The work is being done in cooperation with Swedish Banking, Baltic Banking and Swedbank Markets. A number of shared projects are also being conducted with the Baltic operations in the areas of IT operations, management and development in order to further improve efficiencies.

Group staffs

The priority duties for the group staffs during the period included preparations for the announced acquisition of TAS Kommerzbank in Ukraine, implementation of the new capital adequacy rules and work with the money laundering directive.

Profit trend Q1 2007 vs. Q4 2006

Net profit for the period amounted to SEK -129m (-4). The decrease was mainly due to lower income in Group Treasury, including the internal bank.

Total income decreased by SEK 236m or 25 percent to SEK 695m. For the Nordic branches income was unchanged. Income from holding of primary capital certificates from Norwegian savings banks was SEK 37m lower. Income from Group Treasury, including the internal bank, decreased by SEK 245m. The share of profit in associates improved by SEK 72m due to a write-down in VPC during the fourth quarter 2006.

The large part on the business area's income refers to services sold internally by Shared Services and group functions to other operating areas, primarily Swedish Banking.

Expenses increased by SEK 66m or 8 percent to SEK 914m. Profit-based compensation increased by SEK 23m, since previous provisions to the Kopparmyntet profit-sharing scheme were reversed during the fourth quarter 2006. Other staff costs increased by SEK 76m mainly as a result of lower social insurance charges and pension costs in the fourth quarter.

Profit trend Q1 2007 vs. Q1 2006

Net profit for the period decreased by SEK 98m to SEK -129m. The decrease was mainly due to lower income in Group Treasury, including the internal bank.

Total income decreased by SEK 9m or 1 percent to SEK 695m. For the Nordic branches income increased by SEK 19m mainly through higher business volumes. Income from the holding of primary capital certificates in Norwegian savings banks was SEK 92m higher. Income from Group Treasury, including the internal bank, decreased by SEK 89m. The share in the profit of VPC increased by SEK 7m.

Expenses decreased by SEK 37m or 4 percent to SEK 914m. Staff costs increased by SEK 7m or 2 percent. Other expenses decreased by SEK 44m or 8 percent.

Eliminations

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Net interest income	-8	-7	-3	0	0
Net commission income	0	1	0	1	-1
Net gains and losses on financial items at fair value	8	0	4	-1	0
Share of the profit or loss of associates	0	0	0	0	0
Other income	-726	-705	-694	-764	-723
Total income	-726	-711	-693	-764	-724
Staff costs	6	16	10	2	0
Profit-based staff costs	0	0	0	0	0
IT expenses	242	232	204	269	249
Other expenses	478	463	479	493	475
Depreciation/amortization	0	0	0	0	0
Total expenses	726	711	693	764	724
Income items					
Income from external customers	-242	-106	-160	-21	-70
Income from transactions with other segments	-484	-605	-533	-743	-654
Business volumes, SEK billion					
Mutual funds & insurance	-264	-257	-245	-236	-253
Other investment volume	-20	-18	-16	-16	-16
Total assets	-404	-305	-315	-287	-233
Total liabilities	-404	-305	-315	-287	-233

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Income statement, Group

SEKm	Q1 2007	Q4 2006	%	Q1 2006	%	Full-year 2006
<i>Interest income</i>	14,751	13,389	10	10,447	41	47,165
<i>Interest expenses</i>	-10,250	-9,086	13	-6,941	48	-31,188
Net interest income	4,501	4,303	5	3,506	28	15,977
<i>Commission income</i>	2,998	2,977	1	2,683	12	11,465
<i>Commissions expenses</i>	-709	-668	6	-585	21	-2,596
Net commission income (Note 1)	2,289	2,309	-1	2,098	9	8,869
Net gains and losses on financial items at fair value (Note 2)	530	908	-42	531	0	2,738
<i>Insurance premiums</i>	369	417	-12	308	20	1,353
<i>Insurance provisions</i>	-290	-337	-14	-291	0	-1,089
Net insurance	79	80	-1	17	365	264
Share of the profit or loss of associates	119	-26	0	137		
Other income	275	338	-19	254	8	1,127
Total income	7,793	7,912	-2	6,543	19	29,197
Staff costs	-1,932	-1,878	3	-1,812	7	-7,253
Profit-based staff costs	-390	-302	29	-292	34	-1,307
Other general administrative expenses	-1,454	-1,724	-16	-1,391	5	-5,920
Total general administrative expenses	-3,776	-3,904	-3	-3,495	8	-14,480
Depreciation/amortization and impairments of tangible and intangible fixed assets	-161	-193	-17	-155	4	-659
Total expenses	-3,937	-4,097	-4	-3,650	8	-15,139
Profit before loan losses	3,856	3,815	1	2,893	33	14,058
Loan losses, net (Note 3)	-49	72		-50		
Operating profit	3,807	3,887	-2	2,843	34	14,263
Tax expense	-851	-928	-8	-539	58	-3,211
Profit for the period	2,956	2,959	0	2,304	28	11,052
<i>Profit for the period attributable to:</i>						
Shareholders of Swedbank AB	2,910	2,913	0	2,270	28	10,880
Minority interest	46	46	0	34	35	172
Earnings per share, SEK	5.65	5.65		4.41		21.11

See page 33 for number of shares.

Income statement, quarterly, Group

SEKm	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005
Net interest income	4,501	4,303	4,139	4,029	3,506	3,953	3,881	3,810
Net commission income	2,289	2,309	2,109	2,353	2,098	1,896	1,910	1,834
Net gains and losses on financial items at fair value	530	908	513	786	531	765	768	1003
Net insurance	79	80	67	100	17	67	38	18
Share of the profit or loss of associates	119	-26	53	58	137	48	124	57
Other income	275	338	283	252	254	268	1,677	1069
Total income	7,793	7,912	7,164	7,578	6,543	6,997	8,398	7,791
Staff costs	-1,932	-1,878	-1,772	-1,791	-1,812	-1,731	-1,700	-1,709
Profit-based staff costs	-390	-302	-301	-412	-292	-378	-349	-444
Other general administrative expenses	-1,454	-1,724	-1,262	-1,543	-1,391	-1,447	-1,182	-1,416
Total general administrative expenses	-3,776	-3,904	-3,335	-3,746	-3,495	-3,556	-3,231	-3,569
Depreciation/amortization and impairments of tangible and intangible fixed assets	-161	-193	-155	-156	-155	-161	-133	-173
Total expenses	-3,937	-4,097	-3,490	-3,902	-3,650	-3,717	-3,364	-3,742
Profit before loan losses	3,856	3,815	3,674	3,676	2,893	3,280	5,034	4,049
Loan losses, net	-49	72	67	116	-50	-1	-97	-97
Operating profit	3,807	3,887	3,741	3,792	2,843	3,279	4,937	3,952
Tax expense	-851	-928	-806	-938	-539	-675	-817	-736
Profit for the period	2,956	2,959	2,935	2,854	2,304	2,604	4,120	3,216
<i>Profit for the period attributable to:</i>								
Shareholders of Swedbank AB	2,910	2,913	2,911	2,786	2,270	2,570	4,037	3,184
Minority interest	46	46	24	68	34	34	83	32

Capital adequacy

New capital adequacy rules ("Basel II")

On February 1, 2007 Sweden introduced new capital adequacy rules, Basel II. The rules are based on the so-called Basel Accord and are being introduced throughout the EU according to the provisions of the EU's Banking Directive and Capital Requirements Directive. According to the new rules, the capital requirement will be more closely linked to the institutes risk profile. One of the changes is that the minimum capital adequacy requirement for credit risks may now be based on Swedbank's internal risk measurement according to the Internal Ratings-Based Approach ("IRB"), contingent on the permission of the Financial Supervisory Authority. Another important change is that a capital adequacy requirement for operational risks has been added to the existing capital adequacy requirement for credit risks and market risks.

The transition to rules that are based to a greater extent on internal risk measurement entails substantial changes in the minimum capital requirement for the majority of institutions. As a result, capital floors apply during a three-year period through 2009. According to these transitional arrangements, the minimum capital requirement in 2007 may not fall below 95 percent of the capital requirement calculated according to the older rules, with the exception of certain adjustments. In 2008 the floor will be lowered to 90 percent and in 2009 to 80 percent of the capital requirement calculated according to the older rules.

Swedbank has obtained permission from the Swedish FSA to apply IRB

The method will be rolled out in the Swedbank Banking Group during a three-year period. As of 2007 the method is applied in the Swedish business, including the branch offices in New York and Oslo, and with the exception of Swedbank Finans, the EnterCard group and certain exposure classes such as the Swedish State and Swedish municipalities, where the method is considered less suitable. In the table in the following side, Swedbank's capital adequacy as per March 31 is shown according to the new rules, with comparable figures and historical figures according to older rules.

Swedbank Banking Group	According to			
	March 31	March 31	March 31	Dec 31
SEKm	2007	2007	2006	2006
Primary capital	48,100	49,080	41,191	47,497
Supplementary capital	24,721	25,701	24,324	26,067
Less shares, etc.	-1,869	-2,130	-3,965	-2,634
Capital base	70,952	72,651	61,550	70,930
Risk-weighted assets	601,463	774,046	632,045	726,712
Capital requirement for credit risks, older rules	14,298	60,001	48,945	56,657
Capital requirement for credit risks, IRB	29,684			
Capital requirement for settlement risks	2	2	2	5
Capital requirement for market risks	1,464	1,921	1,617	1,475
<i>whereof risks in the trading book outside VaR</i>	1,236	1,693	1,354	1,277
<i>whereof currency risks outside VaR</i>			97	
<i>whereof risks where VaR models are applied</i>	228	228	166	198
Capital requirement for operational risks	2,669			
Capital requirement	48,117	61,924	50,564	58,137
Supplement during transition period	8,885			
Capital requirement including supplement	57,002			
Tier 1 capital ratio, % excluding supplement	8.0	6.3	6.5	6.5
Capital adequacy ratio, % excluding supplement	11.8	9.4	9.7	9.8
Capital base in relation to capital requirement excluding supplement	1.47	1.17	1.22	1.22
Tier 1 capital ratio, % including supplement	6.8			
Capital adequacy ratio, % including supplement	10.0			
Capital base in relation to capital requirement including supplement	1.24			

As of March 31, 2007 the Swedbank Banking Group included the Swedbank Group, EnterCard Holding AB, Eskilstuna Rekarne Sparbank AB, Färs och Frosta Sparbank AB, FöreningsSparbanken Sjuhärad AB, Bergslagens Sparbank AB, Vimmerby Sparbank AB and Bankernas Depå AB. The Group's insurance companies are not included according to the capital adequacy rules for banking groups.

Capital base

As indicated in the table above, the tier 1 capital and capital base are lower when calculated according to the new capital adequacy rules. This is primarily because of a deduction from the capital base for the amount by which the expected loss exceeds the provisions in the accounts, for the part of the portfolio calculated according to IRB. Half of this deduction is in tier 1 capital.

These expected losses are calculated according to current laws and regulations and with information from Swedbank's internal risk classification system. Swedbank's calculations are characterized by a principle of precaution, so that risks are overestimated rather than underestimated. In addition, the Swedish FSA's instructions have built additional safety margins in the risk classification system. As a result, expected losses according to the new capital adequacy rules exceed the bank's best estimate of loss levels and required provisions.

Capital requirement for credit risks according to older rules

In 2007 the 2006 capital adequacy rules are applied to exposures where IRB is not applied.

Capital requirements for credit risks according to IRB

As indicated in the table above, the capital requirement for the part of the portfolio calculated according to IRB decreased by 35 percent, from SEK 45 703m to SEK 29 684m as compared to older rules. The household portfolio represents the main decrease, while the effect is mixed in the corporate portfolio, where the capital requirement increases significantly for certain credits while at the same time it decreases significantly for others. At portfolio level the capital requirement also decreases in the corporate segment, albeit less than in the household segment.

Credit risks, IRB, as per March 31 2007	Exposure after credit risk protection	Average risk weight	Capital requirement
SEKm			
Total	1,213,891	30.6%	29,684
whereof institutional exposures	269,253	11.3%	2,443
whereof corporate exposures	409,783	69.3%	22,710
whereof retail exposures	489,835	7.1%	2,784
whereof equity exposures	6,952	131.1%	729
whereof other non credit-obligation asset exposures	38,068	33.4%	1,018

Market risks

Swedbank has obtained permission from the Swedish FSA to calculate the capital requirement for general interest rate risk in the trading book in Swedbank AB and in the Hansabank Group with its own Value at Risk model. The permission also comprises general and specific share price risk in Swedbank AB as well as currency risk in Swedbank AB and in the Hansabank Group.

Capital requirement for other market risks therefore relates to specific interest rate risk, share price risk in the Hansabank Group, market risks in First Securities' trading book and currency exposures outside Swedbank AB and the Hansabank Group. Counterparty risks in the trading book were previously reported as market risks, but are now reported as credit risk according to the new capital adequacy rules.

Operational risk

Swedbank has chosen the standardized method when calculating operational risk. According to the Swedish FSA, Swedbank meets the qualitative requirements to apply this method.

Income statement, Parent company

SEKm	Q1 2007	Q4 2006	%	Q1 2006	%	Full-year 2006
Interest income	8,314	7,330	13	5,293	57	24,972
Interest expenses	-6,390	-5,512	16	-3,781	69	-17,885
Net interest income	1,924	1,818	6	1,512	27	7,087
Dividends received	253	1,338	-81	170	49	1,836
Commission income	1,392	1,503	-7	1,544	-10	6,202
Commission expenses	-247	-308	-20	-328	-25	-1,404
Net commission income (Note 1)	1,145	1,195	-4	1,216	-6	4,798
Net gains and losses on financial items at fair value (Note 2)	113	622	-82	348	-68	1,546
Other income	270	351	-23	222	22	1,047
Total income	3,705	5,324	-30	3,468	7	16,314
General administrative expenses						
- Staff costs	-1,544	-1,425	8	-1,520	2	-5,954
- Other expenses	-994	-1,185	-16	-1,004	-1	-4,090
Total general administrative expenses	-2,538	-2,610	-3	-2,524	1	-10,044
Depreciation/amortization and impairments of tangible and intangible fixed assets	-64	-65	-2	-67	-4	-268
Amortization of goodwill	-30	-30	0	-30	0	-119
Total expenses	-2,632	-2,705	-3	-2,621	0	-10,431
Profit before loan losses	1,073	2,619	-59	847	27	5,883
Loan losses, net (Note 3)	42	128	-67	12		479
Impairment of financial fixed assets		-4				-4
Operating profit	1,115	2,743	-59	859	30	6,358
Appropriations	-4	135		-4	0	138
Tax expense	-263	-739	-64	-141	87	-1,461
Profit for the period	848	2,139	-60	714	19	5,035

Balance sheet

SEKm	Group			Parent company		
	March 31 2007	Dec 31 2006	March 31 2006	March 31 2007	Dec 31 2006	March 31 2006
Assets						
Loans to credit institutions	181,871	161,097	159,104	365,982	322,643	269,818
Loans to the public	1,012,859	946,319	868,187	311,326	273,669	264,358
Interest-bearing securities	125,025	99,600	89,792	129,601	105,960	102,126
Shares and participating interests	80,602	72,589	72,260	45,609	42,733	46,177
- for which customers bear the investment risk	69,437	65,008	61,722			
Derivatives	27,526	23,864	26,970	22,124	22,934	21,560
Other assets	54,878	49,520	49,315	19,459	14,692	19,075
Total assets	1,482,761	1,352,989	1,265,628	894,101	782,631	723,114
Liabilities and equity						
Amounts owed to credit institutions	153,426	130,642	128,024	233,748	174,727	171,102
Deposits and borrowings from the public	415,572	400,035	349,106	327,067	315,490	277,202
Debt securities in issue, etc	632,432	561,208	536,605	177,294	145,581	129,985
Financial liabilities for which customers bear the investment risk	69,757	65,289	61,850			
Derivatives	27,153	31,607	26,003	23,619	25,144	23,053
Other liabilities and provisions	86,318	69,506	75,152	59,992	50,008	53,998
Subordinated liabilities	34,603	34,425	32,727	32,000	32,140	28,533
Untaxed reserves				3,226	3,226	
Equity	63,500	60,277	56,161	37,155	36,315	35,883
- <i>Minority</i>	192	303	162			
- <i>Shareholders</i>	63,308	59,974	55,999	37,155	36,315	35,883
Total liabilities and equity	1,482,761	1,352,989	1,265,628	894,101	782,631	723,114
Assets pledged for own liabilities				109,091	91,792	84,658
Other assets pledged				16,867	11,817	14,095
Contingent liabilities				28,722	39,991	37,480
Commitments				112,988	106,489	88,592

Cash flow statements

SEKm	Group			Parent company		
	March 31 2007	Dec 31 2006	March 31 2006	March 31 2007	Dec 31 2006	March 31 2006
Cash and cash equivalents at beginning of period *)	83,032	89,514	89,514	76,779	96,074	96,074
Operating activities	-21,370	5,575	-58,747	28,244	6,949	-58,955
Investing activities	-406	-275	1,076	-164	-17	1,264
Financing activities	51,902	12,220	52,074	12,378	5,829	38,396
Cash flow for the period	30,126	17,520	-5,597	40,458	12,761	-19,295
Exchange rate differences on cash and cash equivalents	678	88	-885			
Cash and cash equivalents in acquired entities	5		0			
Cash and cash equivalents at end of period *)	113,841	107,122	83,032	117,237	108,835	76,779
*) of which, securities pledged for OMX						
- at beginning of period	4,384	2,729	2,729	4,384	2,729	2,729
- at end of period	2,718	1,915	4,384	2,718	1,915	4,384

Turnover of own debt instruments

The Swedbank Group issues and repurchases its own debt instruments. This turnover is intended for the Group's securities operations and as a component in financing its operations.

Turnover for Interest-bearing securities, bonds and commercial papers during the period was as follows:

Issued (sold) SEK 46bn (56)
Redeemed (bought) SEK -22bn (-37)

Statement of changes in equity, Group

SEKm	Minority interest	Shareholders' equity	Total equity
Opening balance January 1, 2006	232	53,637	53,869
Currency translation from foreign operations	1	73	74
Deferred tax		19	19
Net income for the period recognized directly in equity	1	92	93
Profit for the period reported via income statement	34	2,270	2,304
Total profit for the period	35	2,362	2,397
Dividend	-105	0	-105
Closing balance December 31, 2006	162	55,999	56,161
Opening balance January 1, 2006	232	53,637	53,869
Currency translation of foreign operations	-11	-541	-552
Deferred tax		-137	-137
Net income for the period recognized directly in equity	-11	-678	-689
Profit for the period reported via income statement	172	10,880	11,052
Total profit for the period	161	10,202	10,363
New share issue	20		20
Dividend	-107	-3,865	-3,972
Acquisition from minority	-3		-3
Closing balance December 31, 2006	303	59,974	60,277
Opening balance January 1, 2007	303	59,974	60,277
Cash flow hedge accounting		-28	-28
Deferred tax considering cash flow hedge accounting		3	3
Currency translation of foreign operations	11	313	324
Deferred tax considering currency translation of foreign operations		136	136
Net income for the period recognized directly in equity	11	424	435
Profit for the period reported via income statement	46	2,910	2,956
Total profit for the period	57	3,334	3,391
Dividend	-168		-168
Closing balance March 31, 2007	192	63,308	63,500

Statement of changes in equity, Parent company

SEKm	Restricted equity	Non-restricted equity	Total equity
Closing balance December 31, 2005	17,312	17,702	35,014
Change in accounting policy relating to FFFS 2006:16		155	155
Adjusted opening balance January 1, 2006	17,312	17,857	35,169
Profit for the period		714	714
Closing balance March 31, 2006	17,312	18,571	35,883
Closing balance December 31, 2005	17,312	17,702	35,014
Change in accounting policy relating to FFFS 2006:16		155	155
Adjusted opening balance January 1, 2006	17,312	17,857	35,169
Dividend		-3,865	-3,865
Reduction of the share capital	-299	299	0
Stock dividend	299	-299	0
Group contribution net		-24	-24
Profit for the period		5,035	5,035
Closing balance December 31, 2006	17,312	19,003	36,315
Opening balance January 1, 2007	17,312	19,003	36,315
Cash flow hedge accounting		-11	-11
Deferred tax		3	3
Net income for the period recognized directly in equity		-8	-8
Profit for the period		848	848
Total profit for the period		840	840
Closing balance March 31, 2007	17,312	19,843	37,155

Lending, Group

SEKbn	March 31 2007	Dec 31 2006	%	March 31 2006	%
Private individuals	497.4	479.9	4	427.7	16
<i>of which Swedbank Mortgage AB</i>	389.5	379.2	3	347.0	12
Real estate management	195.7	190.9	3	169.1	16
Retail, hotels, restaurants	36.7	34.1	8	30.7	20
Construction	13.8	12.9	7	11.7	18
Manufacturing	31.8	30.1	6	26.4	20
Transportation	18.0	16.5	9	13.6	33
Forestry and agriculture	46.5	45.3	3	42.2	10
Other service businesses	38.5	36.5	5	26.1	47
Other business lending	68.0	58.8	16	58.0	17
Municipalities	15.1	13.9	8	14.0	7
Total lending to the public	961.5	918.9	5	819.5	17
<i>of which Baltic Banking Operations</i>	149.5	133.6	12	97.6	53
Credit institutions incl. Nat'l Debt Office	90.3	78.4	15	70.5	28
Repurchase agreements (repos)	142.9	110.1	30	137.3	4
Total lending	1,194.7	1,107.4	8	1,027.3	16

Savings and investments, Group

SEKbn	March 31 2007	Dec 31 2006	%	March 31 2006	%
Deposits from the public					
Households	234.4	223.4	5	196.0	20
Other deposits from the public	163.7	153.3	7	134.5	22
Total deposits from the public	398.1	376.7	6	330.5	20
<i>of which Baltic Banking Operations</i>	89.7	84.4	6	71.8	25
Discretionary asset management *	22.5	25.8	-13	25.7	-12
Fund assets under management	432.9	411.2	5	394.5	10
<i>of which unit-linked insurance in own companies</i>	67.9	63.5	7	60.3	13
Retail bonds, interest-bearing	1.1	1.1	-2	1.1	0
Retail bonds, equity linked	25.4	23.3	9	19.8	28
Total savings and investments	880.0	838.1	5	771.6	14

* excluding investments in Robur's funds

Notes

Note 1. Net commission income

Group SEKm	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
Commission income				
Payment processing	1,033	1,068	910	4,010
Lending	148	138	129	605
Brokerage	289	226	301	989
Asset management	972	953	914	3,719
Other securities	24	43	24	119
Other	532	549	405	2,023
Total	2,998	2,977	2,683	11,465
Commission expenses				
Payment processing	-370	-362	-308	-1,376
Securities	-70	-65	-54	-240
Other	-269	-241	-223	-980
Total	-709	-668	-585	-2,596
Total net commission income	2,289	2,309	2,098	8,869
Parent company SEKm	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
Commission income				
Payment processing	451	533	645	2,591
Lending	80	71	72	346
Brokerage	126	125	142	460
Asset management	452	451	437	1,726
Other securities	23	33	22	100
Other	260	290	226	979
Total	1,392	1,503	1,544	6,202
Commission expenses				
Payment processing	-121	-174	-250	-991
Securities	-44	-40	-36	-154
Other	-82	-94	-42	-259
Total	-247	-308	-328	-1,404
Total net commission income	1,145	1,195	1,216	4,798

Note 2. Net gains and losses on financial items at fair value

Group SEKm	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
Trading, derivatives and fair value option				
Shares/participating interests	225	399	166	1,241
- Of which change in value	193	393	153	935
- Of which dividend	32	6	13	306
Interest-bearing instruments	-50	64	346	733
- Of which change in value	-50	64	346	733
Other financial instruments	-51	-67	-3	-74
- Of which change in value	-51	-67	-3	-74
Total	124	396	509	1,900
Interest income compensation, claims valued at cost				
	6	7	22	51
Changes in exchange rates	400	505	0	787
Total net gains and losses on financial items at fair value	530	908	531	2,738
Parent company SEKm	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
Capital gains/losses				
Shares/participating interests	-196	412	326	1082
Interest-bearing securities	47	325	40	652
Other financial instruments	0	0	0	0
Total	-149	737	366	1734
Unrealized changes in value				
Shares/participating interests	281	-177	-221	-392
Interest-bearing securities	-190	-150	440	347
Other financial instruments		-124	-130	-397
Total	91	-451	89	-442
Changes in exchange rates	171	336	-107	254
Total net gains and losses on financial items at fair value	113	622	348	1,546

Note 3. Loan losses, net and change in the value of property taken over

Group SEKm	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
<i>Loans assessed individually</i>				
The period's write-off for established loan losses	-58	-163	-161	-493
Reversal of previous provisions for anticipated loan losses reported in the period's accounts as established losses	39	44	77	207
The period's provisions for anticipated loan losses	-106	-55	-65	-222
Recoveries from previous years' established loan losses	23	31	46	225
Recovered provisions no longer necessary for anticipated loan losses	61	95	50	264
Net expense for the period	-41	-48	-53	-19
<i>Collective provisions for loans assessed individually</i>				
Allocations/withdrawals from collective provisions	7	130	29	319
<i>Collectively valued homogeneous groups of loans with limited value and similar credit risk</i>				
The period's write-off for established loan losses	-16	-15	-15	-61
Recoveries from previous years' established loan losses	7	2	2	9
Allocations to/withdrawals from loan loss reserve	-13	1	5	-17
The period's net expense for collectively valued homogenous claims	-22	-12	-8	-69
<i>Contingent liabilities</i>				
The period's net expense for discharged guarantees and other contingent liabilities	-6	2	-18	-5
The period's net loan loss expense	-62	72	-50	226
Change in the value of property taken over	13	0	0	-21
Total loan losses, net and change in value of property taken over	-49	72	-50	205
Parent company SEKm	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
<i>Loans assessed individually</i>				
The period's write-off for established loan losses	-41	-120	-134	-398
Reversal of previous provisions for anticipated loan losses reported in the period's accounts as established losses	30	37	60	171
The period's provisions for anticipated loan losses	-24	-44	-18	-118
Recoveries from previous years' established loan losses	5	12	16	124
Recovered provisions no longer necessary for anticipated loan losses	35	39	14	148
Net expense for the period	5	-76	-62	-73
<i>Collective provisions for loans assessed individually</i>				
Allocations/withdrawals from collective provisions	50	189	85	590
<i>Collectively valued homogeneous groups of loans with limited value and similar credit risk</i>				
The period's write-off for established loan losses	-8	-10	-12	-43
Recoveries from previous years' established loan losses	0	0	0	0
Allocations to/withdrawals from loan loss reserve	-5	9	6	7
The period's net expense for collectively valued homogenous claims	-13	-1	-6	-36
<i>Contingent liabilities</i>				
The period's net expense for discharged guarantees and other contingent liabilities	-13	17	-5	20
The period's net loan loss expense	29	129	12	501
Change in the value of property taken over	13	-1	0	-22
Total loan losses, net and change in value of property taken over	42	128	12	479

Note 4. Loans to credit institutions and loans to the public

SEKm	Group			Parent company		
	March 31 2007	Dec 31 2006	March 31 2006	March 31 2007	Dec 31 2006	March 31 2006
Book value (before recognized provisions)	1,197,962	1,110,595	1,030,983	678,945	598,037	536,557
Specific provisions for individually assessed claims	-696	-681	-856	-380	-423	-573
Provisions for collectively valued homogeneous groups of claims with limited value and similar credit risk	-134	-124	-146	-72	-67	-68
Collective provisions for individually assessed claims	-2,402	-2,374	-2,690	-1,185	-1,235	-1,740
Total provisions	-3,232	-3,179	-3,692	-1,637	-1,725	-2,381
Book value	1,194,730	1,107,416	1,027,291	677,608	596,312	534,176
Book value of impaired loans	791	825	967	263	323	448
Property taken over to protect claims:						
- Buildings and land	0	1	1	0	0	0
- Shares and participating interests	50	40	12	46	36	7
- Other	2	2	2	0	0	0
Total	52	43	15	46	36	7
Impaired loans as % of total lending	0.07	0.07	0.09	0.04	0.05	0.08
Total provision ratio for impaired loans, % *	199	195	188	229	212	219
Provision ratio for individually identified impaired loans, %	51	50	51	63	60	59

* Total provision, i.e., all provisions for claims in relation to impaired loans, gross.

Credit risks

Group Sector/branch March 31, 2007 SEKm	Book value before provisions	Specific provisions for individually assessed claims	Collective provisions for individually assessed claims	Provisions for collectively assessed homogeneous groups	Book value of loans after provisions	Book value of impaired loans
Private individuals	497,781	45	242	134	497,360	182
Real estate management	196,101	62	281		195,758	61
Retail, hotels, restaurants	37,222	89	416		36,717	109
Construction	13,954	42	78		13,834	39
Manufacturing	32,281	146	367		31,768	109
Transportation	18,102	11	91		18,000	24
Forestry and agriculture	46,618	23	72		46,523	67
Other service businesses	38,605	17	120		38,468	54
Other corporate lending	69,002	235	735		68,032	146
Municipalities, excl. municipal corporates	15,057				15,057	
Lending	964,723	670	2,402	134	961,517	791
Credit institutions incl. Nat'l Debt Office	90,309	26			90,283	0
Repurchase agreements - credit institutions incl. Nat'l Debt Office	99,724				99,724	
Repurchase agreements - public	43,206				43,206	
Total lending to credit institutions and the public	1,197,962	696	2,402	134	1,194,730	791

Derivatives

The group trades in derivatives in the normal course of business and to hedge certain positions with regard to the value of equities, interest rates and foreign currencies.

March 31, 2007			
Group, SEKm	Interest related	Currency related	Equity related, etc.
Derivatives with positive book values	14,978	8,298	5,046
Derivatives with negative book values	16,362	6,288	5,300
Nominal amount	6,372,659	915,187	64,052

Derivatives at a value of SEK 797m have, as a consequence of netting agreements, been recognized net in the balance sheet.

Number of shares in issue

Number of shares in issue	Q1 2007	Q4 2006	Q1 2006	Full-year 2006
1) Average number of shares outstanding	515,373,412	515,373,412	515,373,412	515,373,412
2) Average number of shares outstanding after dilution				515,373,412
3) Number of shares outstanding	515,373,412	515,373,412	515,373,412	515,373,412
4) Number of shares outstanding after dilution				515,373,412

Number of employees

Number of full-time employees	March 31 2007	Dec 31 2006	March 31 2006
Swedish Banking	6,326	6,293	6,254
Baltic Banking	8,874	8,442	7,459
<i>Estonia</i>	3,064	2,941	2,656
<i>Latvia</i>	2,387	2,241	1,928
<i>Lithuania</i>	3,159	3,027	2,719
<i>Russia</i>	264	233	156
Swedbank Markets	691	668	629
Asset Management and Insurance	275	281	262
Shared Services and new operations	1,715	1,715	1,691
Total	17,881	17,399	16,295

Stockholm, April 25, 2007

Jan Lidén

President and Chief Executive Officer

This report is published in Swedish and English. In the event of any inconsistencies between these language versions the Swedish version shall prevail.

Review report

Introduction

We have reviewed the interim report for the period January 1, 2007 to March 31, 2007 for Swedbank AB (publ). The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information for Swedbank AB (publ) is not, in all material aspects, in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and IAS 34.

Stockholm, April 25, 2007

Deloitte AB

Jan Palmqvist
Authorized Public Accountant

Publication of financial information

The Group's financial reports can be found on <http://www.swedbank.se/ir>.

Swedbank will announce results on the following dates in 2007:

Interim report second quarter 2007, August 7

Interim report third quarter 2007, October 24.

Annual General Meeting 2007

The Annual General Meeting 2007 will be held in Stockholm on April 27.

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