

This is Sparbanken Sverige

Sparbanken Sverige is one of Sweden's largest banks and focuses primarily on savings, loans and payment services to private individuals, local businesses, municipalities, nationwide organizations and a number of large corporations in Sweden.

Sparbanken Sverige cooperates with 87 independent savings banks and two partly owned savings banks. Together, they have the country's largest distribution network for financial services.

Key ratios, the Group	New accounting standard		Old accounting standard			
	1996	1995	1995	1994	1993	1992
Income						
Operating income, SEK M	5,302	4,423	4,306	4,064	- 3,665	- 11,660
Investment margin, %	1.99	2.06	2.35	2.06	2.26 *	2.52 *
Interest margin, %	1.75	1.75	2.00	1.80	2.00 *	2.08 *
I/E ratio before loan losses	1.86	1.84	1.79	1.96	1.98	1.74
I/E ratio after loan losses	1.54	1.44	1.41	1.34	0.82	0.58
Return on equity, %	20.4	17.5	16.4	19.3	- 26.7	- 70.3
Return on total capital, %	1.08	0.90	0.91	0.82	- 0.73	- 2.26
Operating income per share, SEK	13.72	11.45	11.15	10.52	- 13.17	- 41.91
Earnings per share, SEK	13.92	11.91	11.91	13.81	- 11.88	- 11.29
Income before loan losses per employee, SEK thousand	738	676	664	760	714	544
Capital						
Capital adequacy ratio, %	13.0	13.9	13.9	12.7	9.3	9.3
Primary capital ratio, %	7.0	7.4	7.4	6.9	4.7	5.7
Equity/assets ratio, %	4.0	4.2	4.3	3.7	2.3	3.1
Credit quality						
Loan loss ratio, %	0.4	0.6	0.6	0.9	2.7	4.3
Share of doubtful claims, %	1.5	2.2	2.2	3.2	4.1	4.8
Provision ratio for doubtful claims, %	52	57	57	59	61	53
Other						
Number of employees	9,130	9,661		9,901	10,639	11,945
Number of branches	597	607		624	660	700

* not recalculated for repurchase and resale agreements.

Five-year summary for the Group

Income statement

Income statement according to new accounting standard 1996

SEK M	1996	1995
Interest income	42,736	45,787
Leasing income	1,031	1,105
Interest expenses	- 32,622	- 35,741
Dividends received	103	62
Commission income	3,292	2,599
Commission expenses	- 615	- 497
Net income from financial operations	1,145	1,209
Other operating income	780	859
Total income	15,850	15,383
Overhead expenses	- 7,678	- 7,528
Depreciation and writedowns of tangible and intangible fixed assets	- 1,219	- 1,216
Total expenses	8,897	8,744
Income before loan losses	6,953	6,639
Loan losses, net, and the change in the value of property taken over	- 1,651	- 2,216
Operating income	5,302	4,423
Appropriations	5	- 31
Taxes	- 1,435	- 1,080
Net income	3,872	3,312

Income statement according to old accounting standard

SEK M	1995	1994	1993	1992
Income	14,787	16,042	16,331	16,138
Expenses	- 8,265	- 8,188	- 8,265	- 9,289
Income before loan losses	6,522	7,854	8,066	6,849
Loan losses	- 2,216	- 3,790	- 11,731	- 18,509
Operating income	4,306	4,064	- 3,665	- 11,660
Appropriations	86	- 127	97	4,958
Taxes	- 1,080	- 96	263	3,562
Net income	3,312	3,841	- 3,305	- 3,140

Explanation of differences in the income statement for 1995

According to the old accounting standard, income was reduced by the depreciation of leasing assets of SEK 825 M. According to the new standard, this is reported as "Depreciation and writedowns of tangible and intangible fixed assets" under expenses. Expenses previously included commission expenses of SEK 378 M, which, according to the new standard, instead is deducted from income under the heading "Commission expenses."

Appropriations in the old accounting standard included a "Change in value adjustment reserve for investment portfolio" of SEK 115 M and "Share of income of associated companies" of SEK 2 M. According to the new standard, the change in value is reported as "Net income from financial operations" under income.

In addition, headings have been changed for items under total income and total expenses.

	Income	Expenses	Loan losses	Appropriations	Taxes	Net income
Old standard	14,787	- 8,265	- 2,216	86	- 1,080	3,312
Depreciation of leasing assets	+ 825	- 825				
Commission expenses	- 378	+ 378				
Value adjustment of investment portfolio, etc.	+ 117			- 117		
Other	+ 32	- 32				
New standard	15,383	- 8,744	- 2,216	- 31	- 1,080	3,312

Balance sheet

Balance sheet according to new accounting standard 1996

SEK M	1996	1995
Assets		
Lending to the general public	381,187	381,599
Lending to credit institutions	53,858	28,250
Interest-bearing securities		
Treasury discount notes	11,481	15,249
Bonds and other interest-bearing securities	17,548	9,819
Shares and participations	4,423	3,685
Other assets	33,953	42,102
Total assets	502,450	480,704
Liabilities, allocations and stockholders' equity		
Deposits from the general public	146,121	147,983
Loans from credit institutions	70,393	57,478
Securities issued, etc.	212,343	203,307
Subordinated loans	17,242	17,910
Other liabilities	36,302	33,720
Stockholders' equity	20,049	20,306
Total liabilities, allocations and stockholders' equity	502,450	480,704

Balance sheet according to old accounting standard

SEK M	1995	1994	1993	1992
Assets				
Swedish and foreign banks	26,987	20,161	29,979	32,460
Lending	384,792	394,140	421,504	423,913
Interest-bearing securities	28,215	40,447	30,091	23,282
Other	27,360	25,269	24,494	24,589
Total assets	467,354	480,017	506,068	504,244
Liabilities and stockholders' equity				
Deposits	141,484	144,086	144,077	142,239
Funding	220,977	226,698	265,100	250,449
Other liabilities	84,587	91,507	85,088	95,933
Stockholders' equity	20,306	17,726	11,803	15,623
Total liabilities, allocations and stockholders' equity	467,354	480,017	506,068	504,244

Explanation of differences in the balance sheet for 1995

When the balance sheet for 1995 is prepared according to the new accounting standard, total assets increase by SEK 13,350 M. The increase is due to the introduction of transaction day accounting for financial instruments and gross accounting for positive and negative values for derivative instruments. In addition, headings have been changed for items in the balance sheet.

1996 Highlights

- Sparbanken Sverige's income was its best ever.
 - A Government-mandated compulsory deposit guarantee was introduced, financed by fees paid by banks.
 - Nippon Investors Service raised the Bank's rating to AA-.
-
- Sparbanken's strong local presence received special attention on "Savings Bank Day," on March 23.
 - A major new customer offer was a success: the number of telephone banking customers tripled and the use of bank cards rose substantially.
 - Cash card operations were begun in Halmstad and Uppsala.
 - Sparbankskort consolidated its position as Sweden's largest bank card.
 - Sparbanken Sverige began to offer stock trading on the Internet.
 - Traditional banking services via the Internet were begun by Sparbanken Sverige.
 - Robur substantially increased its market shares and strengthened its position as the leading fund manager in Sweden.
 - Spintab increased its share of the Swedish mortgage lending market for households.
 - SparLiv/SparFond became Sweden's leader in new pension and life insurance policies.
 - Sparbanken Sverige became the leading asset manager for the country's municipalities.
 - ISO 9002 quality certification was received for Swedbank Markets' securities service.
 - The savings bank foundations sold an additional 23 million shares to Swedish and international institutional investors.
 - Fastighets AB Tornet was distributed to the stockholders and listed on the Stockholm Stock Exchange.
 - The ownership interest in Aktia Sparbank Ab in Finland was increased to 25 percent.
 - Sparbanken Sverige acquired 12.5 percent of the Estonian savings bank AS Eesti Hoiupank.
 - Sparbanken Sverige acquired 3.4 percent of the shares of Denmark's Bikuben Girobank A/S.
 - Sparbanken Sverige acquired 4.98 percent of the shares of Föreningsbanken.
 - A decision was made to coordinate operations in Eskilstuna together with Rekarne Sparbank.
 - Training activities were increased to strengthen business skills and sales techniques.
 - A profit-sharing system was introduced for

1996 was a very positive year for Sparbanken Sverige. The Bank Group reported its best operating income ever due to, among other things, a stronger market position and the fine efforts of employees of the branches and other parts of the Bank.

From this position of strength, Sparbanken Sverige has further improved its opportunities for aggressive structural measures in the Swedish banking market along with major marketing efforts.

Greatly improved operating income and better market positions

Sparbanken Sverige's operating income for 1996 amounted to SEK 5,302 M, an improvement of 20 percent or SEK 879 M compared with 1995. The return on equity in 1996 amounted to 20.4 percent and earnings per share (after estimated tax) to SEK 13.92.

The improved operating income is due in large part to higher commission income. Net commissions rose by 27 percent or SEK 575 M to SEK 2,677 M. A significant portion of this amount is management fees earned by Robur and commission income from payment services.

Other important reasons for the favorable earnings are falling interest rates and lower loan losses. Total loan losses, net, including the change in value of property taken over, amounted to SEK 1,651 M, a decrease of 25 percent or SEK 565 M compared with 1995. At the same time the Group's problem loans, net, declined during the year by SEK 2.9 billion or 31 percent compared with 1995 and amounted to SEK 6.4 billion on December 31, 1996.

During the year the Sparbanken Sverige Group further consolidated its market-leading position in the retail market. The use of Sparbanken Sverige's day-to-day services, including Sparbankskort, Sparbanksgiro and

telephone banking, increased substantially during the year. Thanks to the new customer offer launched in 1996, whereby household customers were offered a higher interest rate on their salary accounts if they combine them with the three products, Sparbankskort, Sparbanksgiro and "Sparbanken Direct Personal Assistance" telephone banking, the number of such salary accounts amounted to 335,000 at year-end. This customer offer is a good expression of the Bank's aim to offer more to customers who use the Bank more efficiently.

During the year Sparbankskort consolidated its position as Sweden's most widely used bank card. The number of Sparbankskort rose by 12 percent to nearly 1.4 million at year-end. The number of card purchases also rose, as did the number of



Reinhold Geijer, President and Group CEO.

redemptions of card transactions.

Market shares increased significantly for Robur and SparLiv/SparFond in 1996. Robur, which now has a total market share of approximately 28 percent, has thereby further strengthened its position as the leading fund manager in the country. SparLiv/SparFond substantially increased their sales of pension and life insurance policies during the year and were the market leader with approximately an 18 percent share in terms of new life insurance policies.

Spintab was able to raise its volume and defended its large market share through commendable work at our branches. During the year lending as a whole increased in the Group. This is the result of the Bank's efforts to encourage customers to place all their loans in the Group in accordance with the principle that the more business customers do with the Group, the more they can be offered in return. Salary account customers who have all their loans over a certain minimum in the Group are offered free loan protection, i.e. life insurance whereby the loan will not have to be repaid if the borrower dies. At year-end 1996 a total of 158,000 such policies had been issued.

Sparbanken Sverige was also able to defend its positions in the municipal and county council market despite tougher competition and substantial pressure on prices. Historically the Bank has been very strong in this market, and in spite of price competition from other players it managed to consolidate its position. This gives it a good foundation from which to take advantage of the opportunities that have arisen in connection with the rapid development of financial support systems in the form of electronic commerce in the public sector.

In addition, Sparbanken Sverige during the year initiated an aggressive campaign in the corporate area through a detailed corporate strategy and major marketing activities for local businesses. This campaign started well during the late fall. The goal is to improve profitability in this area in 1997 and to strengthen the Bank's position in the

corporate market.

Value-added created for the Bank's stakeholders

In light of the current market and competitive situation, it is more important than ever that the Bank can provide greater value-added to its stakeholders, i.e. stockholders, customers, employees and society as a whole.

Value-added for stockholders comes in the form of appreciation in value and a good dividend on the money they have invested, thereby making it a good long-term investment.

Here is worth mentioning the distribution during the year of the shares in Fastighets AB Tornet to the stockholders and the very successful listing of the company on the Stockholm Stock Exchange. This has been beneficial for the Bank and its stockholders, which was confirmed when a leading Swedish business magazine named Tornet the best spin-off on the stock exchange in 1996.

The appreciation in the value of stockholders' investments has been significant since the Bank was publicly listed in June 1995. The price of the Sparbanken Sverige and Tornet shares together has risen by nearly 180 percent from June 1995 to the end of February 1997.

The dividend has also created value-added for the Bank's owners. For 1995, the dividend was SEK 3.50 and for 1996 the Board of Directors is recommending a dividend of SEK 5.50 per share.

Value-added for customers is created through a combination of components, including competitive products and services, reasonable prices, expertise, accessibility, appreciation in value with regard to investments and the pleasant treatment they receive from the Bank's employees.

Results from market surveys taken by the Bank consistently show a positive trend in customers' attitudes toward and opinions of the Bank.

In tight competition the Bank has also im-

proved its market shares in savings and pension and life insurance, which can be seen as further confirmation that it has created value-added for its customers.

For the Bank's employees, value-added is created, aside from monetary compensation, through opportunities for personal development, a pleasant working environment and pride in the results they have achieved. The Bank also regularly measures the attitudes and opinions of its employees, which show consistent improvement.

Lastly, for society in general, the Bank creates and strengthens value-added by contributing in various ways to its overall positive development.

The savings banks have historically played a significant role in Swedish social development by promoting savings. One important area has been savings among children and young people through schools.

Sparbanken Sverige feels that in the knowledge society of the future it will be even more important to raise students' awareness in various ways of the importance of saving money. In the past the Bank has been active in this respect and in the future it will continue to contribute to and actively participate in educational projects for children and young people.

It should be noted here that in June 1996 Sparbanken Sverige adopted a special environmental policy and in December the Bank signed the United Nations' Statement by Banks on the Environment and Sustainable Development (UNEP). This confirms that Sparbanken Sverige is committed to working toward sustainable ecological development, to taking environmental factors into account in evaluating risks and to working to maintain good communication and openness on environmental issues.

Another example is the Bank's cooperation with four charitable organizations, the Red Cross, Save the Children, the Lutheran aid society and Amnesty International. In this way, the Bank

contributes to the positive objectives that these four organizations represent.

Sparbanken Sverige's priority issues

In its operations, the Bank is setting its priorities and focusing on the following areas which it considers to be of strategic importance to its further development:

- **The maintenance and strengthening of the Bank's market position**

A distinguishing element of the Bank's marketing strategy is to use its decentralized operations and local presence to offer customers the Group's complete range of products and service. Sparbanken Sverige should be a "global-local" bank, combining local banking with global expertise. This creates opportunities for the Group to improve its overall market positions through satisfied customers and higher sales.

The independent savings banks are important partners for Sparbanken Sverige and account for approximately 25 percent of sales in Sparbanken Sverige's major product areas. Sparbanken Sverige has as its aim to strengthen the business relationship with the independent savings banks.

Sparbanken Sverige and Folksam have long maintained a close cooperation and together own the two insurance companies SparLiv and SparFond. Sparbanken Sverige and Folksam's customer bases largely overlap. The further development of this alliance is natural and imperative considering the major business opportunities that exist in their joint savings products. The potential is particularly significant against the background of the increase in individual pension savings in the country. Sparbanken Sverige feels that opportunities in this area will increase significantly in the future as Swedes no longer can rely totally on the social safety net and instead have to secure their futures with a combination of individual and collective savings.

Sparbanken Sverige is striving to strengthen its market position in the Nordic countries and Baltic region. This will be

accomplished through part-ownership arrangements, alliances and cooperations, not in competition with the savings bank systems in each country. The basic strategy in this area, starting from a shared IT platform, is mainly to capitalize on economies of scale for our product companies – for example, Spintab and Robur – and in the areas of payment services, equities and the capital market.

An extensive cooperation of this type has been established in Finland through Sparbanken Sverige's 25-percent ownership interest in Aktia Sparbank Ab. For the same reason, Sparbanken Sverige has indicated its interest in the Baltic region by acquiring shares representing 12.5 percent of Houipank, Estonia's third largest bank.

In addition, Sparbanken Sverige has long participated in a Nordic banking cooperation with BG Bank in Denmark, Sparebanken Nor in Norway and Aktia Sparbank in Finland within the framework of the Norden Banking Group.

Through this cooperation, we can offer our corporate and private customers access to the entire Nordic market for various types of transactions.

- **More time for the customer**

In a market with increasing competition, a focus on customer interaction is vitally important to Sparbanken Sverige's continued development. It is essential to prioritize advisory services and sales activities and to reduce traditional transaction processing. For this reason it is decisive to be able to motivate employees and help them to develop their sales and business skills.

To facilitate such a change, customers must have the opportunity to interact with the Bank in several alternative ways through the use of new technology. Examples include Sparbanken via the Internet and the new Sparbankskort cash card.

- **Skills and leadership development**

Sparbanken Sverige sees skills and leadership development as fundamental to its success in the market and its competitive

strength. The skills of our employees are the most important competitive advantage the Bank has to meet customers' demands for service and advice. Sparbanken Sverige therefore invests considerable resources in this regard.

One example is the offer to employees to use personal computers to improve their skills in this area. Also, the Bank is offering training programs in business skills and management and leadership development, which are expected to involve over 3,000 employees in 1997.

- **Continued focus on efficiency and profitability**

In 1995 Sparbanken Sverige began a rationalization and efficiency improvement program which has led to, among other things, a reduction in the Group's cost level of SEK 800 M in fixed prices from year-end 1994 to year-end 1996 for comparable units. It is gratifying now to be able to note that this cost objective has essentially been reached.

It will be necessary to maintain a focus on raising efficiency in the future as well. The Bank's goal is to continue to reduce costs for comparable operations from year to year in fixed prices.

The importance of improving efficiency should be seen against the background of recent years' needs for aggressive investments in information technology, employee skills development and increased marketing communications, all of which are priority areas in the ever-increasing competition for customers and market share.

By investing in technical development, we are paving the way for further increases in value-added for the customer. At the same time, we are strengthening customer relationships through active advisory and sales activities and various forms of full-service customer offers, such as the Bank's Eken program.

Merger with Föreningsbanken

On February 17, 1997 the boards of directors of Föreningsbanken and Sparbanken Sverige

unanimously agreed to propose that Föreningsbanken and Sparbanken Sverige merge. The merger is proposed in order to aggressively meet future demands from customers for efficient, decentralized, nationwide banking operations with a high level of service. The boards feel that a merger of Sparbanken Sverige and Föreningsbanken will have long-term positive effects for both banks' customers, employees and stockholders, as well as for Sweden as a nation. This merger is a logical, necessary step to creating a bank with the resources and efficiency for the next century.

The merger will alleviate the risk that both banks gradually will be forced to withdraw from their local presence, which has always been a cornerstone in their strategies and cultures. By coordinating resources and the best of both banks, the merger will make it possible to maintain a local branch presence, at the same time. Efforts can be made in distribution systems, Internet banking and customer base of approximately five million private individuals makes the new bank a powerful



Business concept

Sparbanken Sverige shall be the best bank for private individuals, local businesses, municipalities, nationwide organizations and a number of large corporations.

The Group's services shall be of high quality and its operations shall be long-term with a requirement for good profitability.

Sparbanken Sverige shall combine a local presence close to customers and personal customer service with the financial resources and expertise of a large bank.

Marketing strategy

Because of its large customer base and geographic proximity to its customers, Sparbanken Sverige holds a special place in the Swedish financial market. In a future with ever-increasing competition between banks, Sparbanken Sverige will continue to improve efficiency in its operations and allow most decisions to be made at the local level. The goal to have at least 95 percent of all business decisions taken by the local savings banks has already been attained.

The decentralization of operations to local financial marketplaces with a collective range of the Group's products shall lead to more satisfied customers, lower costs and greater expertise.

Cost efficiency is improved through standardization and automation, which will lead to greater accessibility at the same time that employees are freed up to devote more time to sales and individual advisory services for customers.

Services shall be priced based on the value-added provided to customers.

Vision 2005

Sparbanken Sverige's assumptions regarding the future include the following:

The number of branches will be no fewer, but will work differently than branches do today. Savings bank branches of the future will be more flexible sales and service offices and will be located where the most people can utilize the Bank's services. The processing of cash will have decreased substantially in favor of automatic and electronic transactions. Efficiency in the Bank will have greatly improved. Administrative tasks will have decreased and employees at branch offices will be able to

spend more time on customer contacts, advisory services and active sales. Thanks to new technology and new work routines, the customers and the Bank will be able to interact more efficiently. With business volume twice the current level, the number of employees would be the same. Should business volume remain unchanged, the number of employees would perhaps be only half what it is today.

The number of full-service banks with nationwide branch networks will have declined in the Swedish financial market and Sparbanken Sverige will have comprehensive cooperations with savings banks in the Nordic and Baltic regions and close alliances with banks in Europe, the U.S. and Asia.

Value-added for stakeholders

Sparbanken Sverige shall provide value-added to its various stakeholders: stockholders, customers, employees and the society in which we operate. Value-added to stockholders is created in the form of appreciation in the value of the company's share and a good dividend. Sparbanken Sverige's share shall be a good long-term investment and the Bank shall be competitive and have an established name in the stock market.

The value-added for customers will come from the positive development of their relationship with the Bank, which will consist of several different components, such as our employees' skills, demeanor and attitudes and the Bank's accessibility, competitive services and reasonable pricing.

Value-added for the Bank's employees shall consist, aside from their salaries and the profit-sharing system recently implemented, of opportunities for personal development in their work, a pleasant working environment and pride in the results they have achieved.

Value-added for stockholders can be measured with the help of key financial ratios. Value-added for customers and employees are measured by periodic surveys of market and human capital, i.e. customer and employee attitudes and opinions.

Value-added for the fourth stakeholder group, society as whole, is more difficult to measure, but may consist, for example, of the Bank's contributions to the positive forces in

society in a general sense. Society's continued prosperity requires active efforts on the part of companies such as ours.

Ever since it was founded in the early 19th century, Sparbanken has maintained as its objective to promote savings and responsible management of personal finances. This is achieved through measures to stimulate savings such as educational programs and savings in schools and by offering banking services to all categories of people. Sparbanken, for example, still publishes a magazine, "Lyckoslanten," for students attending schools in Sweden.

Another area that is important to Sparbanken's role in society is our environmental responsibility and responsibility for prudent management of available resources. This applies to both the way we use finite resources in our own operations and to promoting environmentally sustainable development in society in our dialogue with customers and suppliers.

Sparbanken's Sverige's role as a savings bank is just as important today as it always has been.

Ethics

Sparbanken's Sverige has adopted ethical guidelines that apply to all employees of the Group. The purpose of the guidelines is to maintain confidence in the Group as a lender, asset manager, adviser, issuer and trader in the eyes of society, the public and the

market.

All employees, directors and others who work for the Group are subject to the banking confidentiality rules of the Swedish Banking Act.

An employee of the Sparbanken Sverige Group may not engage in activities that could harm the Bank's credibility in the eyes of the public or in any other way damage the Bank.

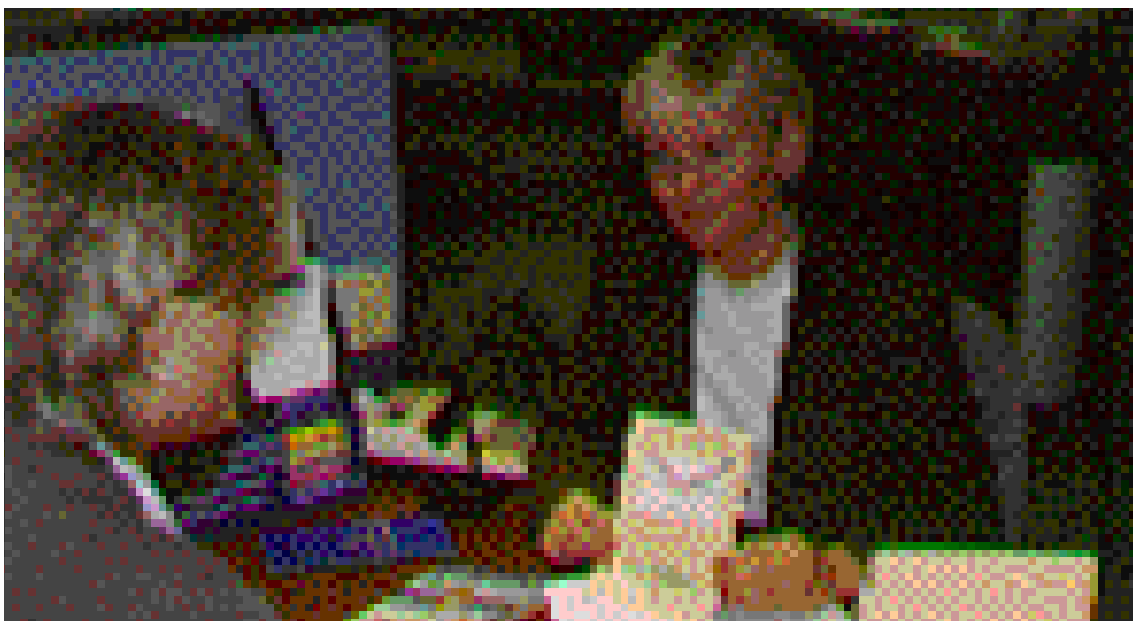
Women and finances

For ten years Sparbanken has conducted information activities targeted specifically to women in the form of meetings and individual advisory services. Hundreds of thousands of women have participated in these seminars, which have primarily taken place at the local level and aimed at strengthening business contacts with female customers and bringing in new customers.

Institute of Personal Finance

The Institute is part of Sparbanken's objective to be the best bank for Swedish households. Households are able to receive help to understand how various laws and regulations affect their day-to-day financial situation.

The Institute continuously analyzes the consequences for households of legal changes and new proposals affecting personal finance. In the same way, it also analyzes the consequences of trends in wages, taxes, prices and interest rates. The



Administrative duties in the Bank have been reduced, leaving branch employees more time for customer contacts, advisory services and active sales.

Owners

Financial objectives

The return on equity should exceed the average for listed Swedish banks over one business cycle.

The loan loss level in Sparbanken Sverige should not exceed 0.5 percent over one business cycle.

In the long term, the dividend to the stockholders should amount to between 30 and 50 percent of income after standard tax. The level of the dividend is determined on the basis of, among other things, the Group's requirement of primary capital and the market's required rate of return. Over time, steady dividend growth is strived for equivalent to no less than the rate of inflation.

The Group's capital adequacy ratio should amount to at least 11 percent, of which primary capital in the long term should fall in the range of 6.5 to 8.5 percent, with a target

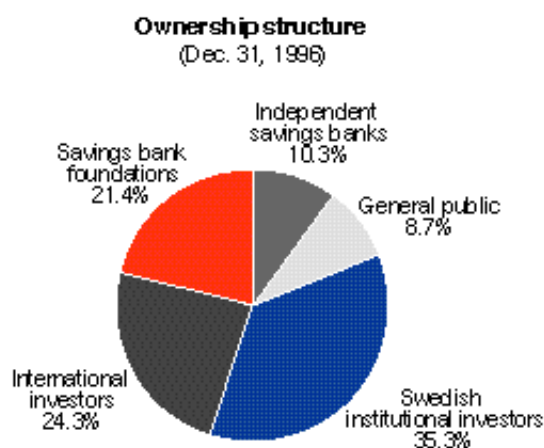
of 7.5 percent.

The Sparbanken Sverige share

The number of shares in Sparbanken Sverige amounts to 278,180,702. The par value of the share is SEK 20. The capital stock of Sparbanken Sverige amounts SEK 5,563,614,040. There is only one class of share and all shares have equal voting rights and equal right to share in the Bank's assets and profit. Sparbanken Sverige's shares are non-restricted and there are no restrictions with regard to voting rights in the Bank's articles of association.

Dividend

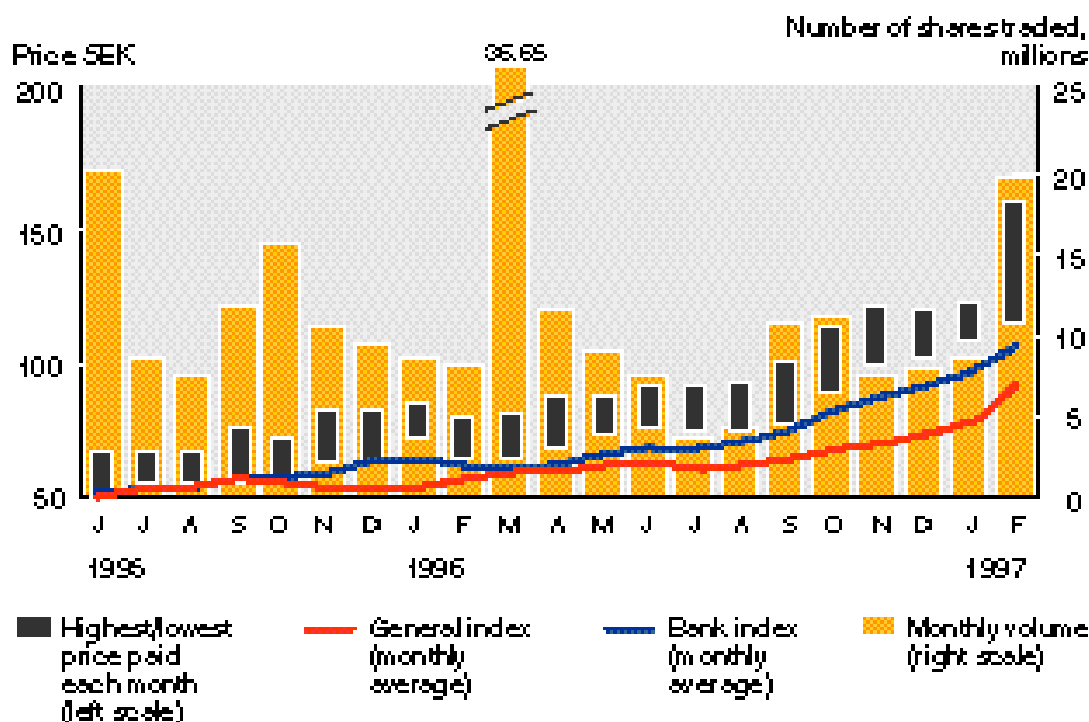
The Bank's Board of Directors is recommending a cash dividend of SEK 5.50 per share for 1996, or a total of SEK 1,530 M, which represents 40 percent of the Group's



Stockholders December 31, 1996

	%
Savings bank foundations	21.4
Independent savings banks	10.3
AMF	5.7
Fourth National Pension Insurance Fund	3.7
SPP	3.4
Sparinstitutens pensionskassa	2.4
Förbundsdepån	2.1
Folksam	2.0
SEB funds	1.8
Trygg-Hansa	1.8
Sparbanken equity funds	1.4
Other Swedish institutional investors	11.0
International investors	24.3
of which, managed by	
Chase Manhattan Bank	3.9
JP Morgan	2.0
Royal Bank of Scotland	1.9
General public	8.7
Total	100.0

Share performance (June 8, 1995-February 28, 1997)



Changes in the capital stock

Year	Transaction	Par value per share, SEK	Price, %	Added number of shares	Accumulated number of shares	Capital Stock SEK M
1990					4,880,000	2,440
1990	New share issue	500	100	1,000,000	5,880,000	2,940
1991	New share issue	500	120	960,000	6,840,000	3,420
1991	New share issue	500	100	1,200,000	8,040,000	4,020
1992	Split, 5:1	100		32,160,000	40,200,000	4,020
1992	New share issue	100	100	10,000,000	50,200,000	5,020
1993	Split 10:1	10		451,800,000	502,000,000	5,020
1994	New share issue	10	573	38,000,000	540,000,000	5,400
1995	New share issue/ reduction	10	650/630 ¹⁾	- 261,819,298	278,180,702	2,782
1995	Stock dividend	20	-	0	278,180,702	5,564
1996	-	20	-	0	278,180,702	5,564

¹⁾ Prices refer to the conversion of four different classes of preferred stock in the spring of 1995 and are connected with the subsequent new share issue and reduction.

Data per share

SEK	New accounting standard		Old accounting standard		
	1996	1995	1994	1993	1992
Operating income per share	13.72	11.45	10.52	- 13.17	- 41.91
Earnings per share	13.92	11.91	13.81	- 11.88	- 11.29
Equity per share	72.07	73.00	77.07	61.47	81.37
Cash dividend per share, 1996					
according to the Board of Directors' proposal	5.50	3.50	2.50 ¹⁾		
Price at year-end	116.50	84.50	50.75		
Yield, %	4.70	4.10	4.90		
P/E	8.49	7.38	4.82		
Price/equity per share, %	162	116	66		

¹⁾ Distributed among the current number of shares.

Where customers and Sparbanken Sverige meet

Sparbanken Sverige has a broad base of customers and focuses its operations on private individuals of various ages, businesses, county councils, municipalities and municipal companies, and nationwide and local organizations. The basis for these operations is our proximity to customers through 597 branches and local ties with 129 local boards whose representation reflects the local market.

This, together with our cooperation with independent savings banks and their branches, allows us to offer customers a broad-based, multi-faceted, nationwide range of banking services. The expertise available at the branches meets with the requirements customers essentially have, at the same time that most decisions are made at the local level.

The "global-local" bank

To meet customers' needs for specific

business solutions, the local branches have access to the specialized expertise in the business areas at the central level, which is shared as needed. The "global-local" bank is a combination of local presence and global expertise.

To meet the needs of customers who wish to conduct their banking business regardless of the time of day or place, the branch network has been complemented by the Sparbanken Direct telephone bank. Without assistance from Bank employees, customers can find out their balances, the status of transactions and fund contributions and transfer funds between accounts. Telephone banking with personal assistance can also provide nearly the same wide range of services that is offered at the branches. Personal assistance is available daily from 6:00 a.m. to 12:00 midnight. The telephone bank currently has 1.2 million customers, of whom around 250,000 use personal assistance.



Photo: Nils Agdler

New technology is increasingly used to make the Bank more accessible for customers. Banking services via the Internet have been in use since December and telephone banking with personal assistance is being used by a growing number of customers as a complement to the Bank branches.

Sparbanken via the Internet

In December Sparbanken became accessible on the Internet. In other words, a new means of reaching the Bank was made available via PC at home, the office or practically anywhere. Initially customers were able to check their balances and transactions, make transfers between accounts and pay bills. Since the beginning of 1996 they have also been able to trade equities over the Internet with Swedbank's new Net Trade system. Additional services will be introduced in 1997.

To further increase accessibility and freedom of choice for customers, the local branches are gradually adapting

Change in the way branches work

One of Sparbanken Sverige's basic strategies is to enhance and expand its relationship with customers. This will lead to added sales of products and services to meet their needs. Changing the way branch employees work so that they can devote more time to sales and advisory services is therefore a high priority.

An important element in this is offering private customers self-service alternatives for day-to-day services, such as payment of bills through Sparbanksgiro and Sparbanken via the Internet, cash and payment processing with cards, and information and transfers through Sparbanken Direct or Sparbanken Direct Personal Assistance telephone banking.

Prices are set based on the value-added each service provides to the customer and to create an incentive for the customer to utilize the Bank better and thereby receive more in return. This was the reason behind the launch of the Eken customer concept. Those who become Eken customers pay only for the services they use, but receive a discount that increases as they utilize more services.

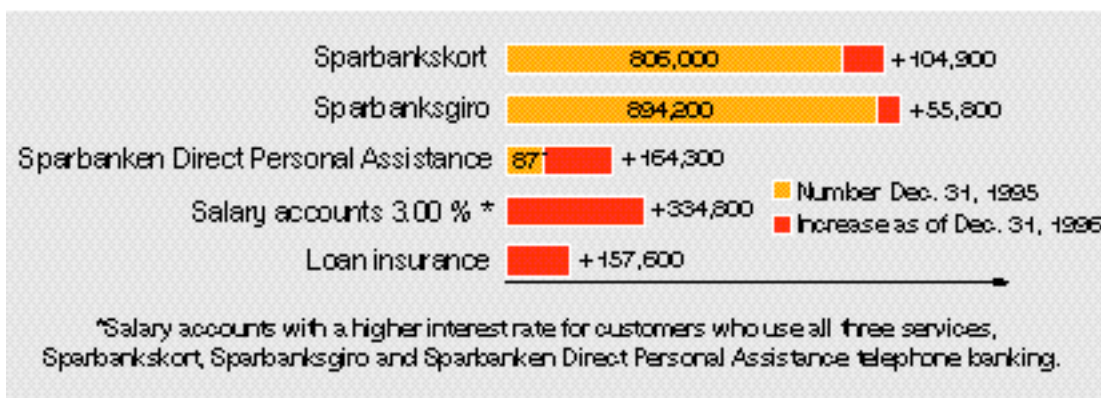
Over one million Sparbanken Sverige customers have become Eken customers to date.

Another example of the same strategy is the special offer to household customers that was launched in the winter of 1995-1996 and which was a major element of the sales work of the branches in 1996. Customers were offered a higher interest rate on their transaction accounts when they combined them with the three products, Sparbankskort, Sparbanksgiro and Sparbanken Direct Personal Assistance telephone banking. Customers also received a discount on the price of using the three services. During the year 335,000 transaction accounts with the higher interest rate were opened. The number of customers who utilize telephone banking with personal assistance increased substantially, as did the number who use the Sparbankskort.

In 1997 a similar offer of services will be targeted to Sparbanken Sverige corporate customers.

In addition, efforts are continuously being made to simplify routines and reduce internal administration, and thereby create more time for sales. Examples include in the area of Savings and Investments, where

Customer offer



Savings and investments

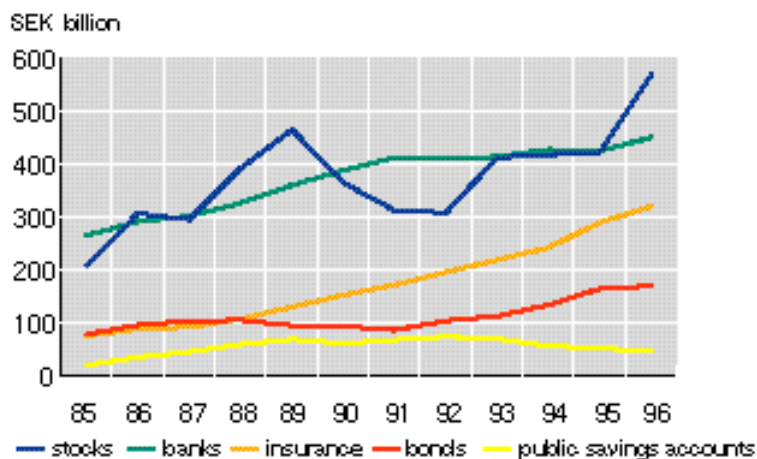
The willingness of Swedish households to save has changed dramatically in a short time. Households' savings quota, expressed as savings as a ratio of their disposable income, has increased from minus five percent to plus eight percent since 1989. Low inflation and high real interest rates in combination with a reduction in compensation from the social security system are the most important factors behind the change in behavior. The need for increased private and individual pension savings opens considerable business opportunities for Sparbanken Sverige and cooperating savings banks.

Sparbanken Sverige's subsidiary Robur, which is the largest fund manager in Sweden, further strengthened its market position during the year. Robur's funds contain Swedish and international stocks as well as participations in interest-bearing securities.

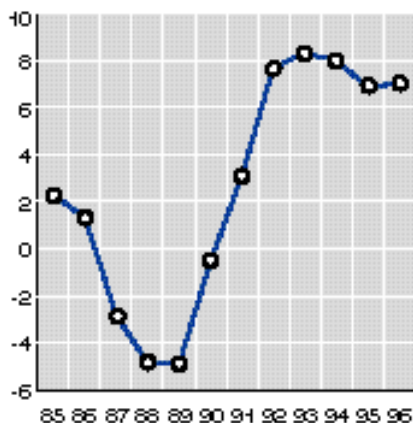
Private market bonds are bonds adapted specially to the household market in terms of the way they are marketed and sold and their denominations. Sparbanken Sverige's subsidiary Spintab, together with the Bank, is Sweden's largest issuer of private market bonds. Its market share increased slightly in 1996.

Insurance savings via banks have expanded greatly in recent years, and banks are dominating in new pension and life

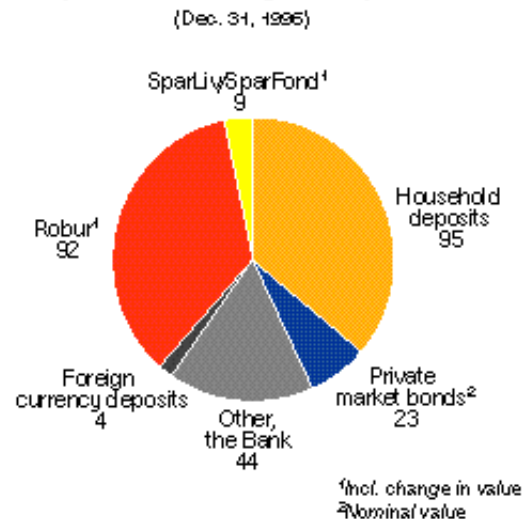
Savings of the Swedish population 1985–1996



Swedish households' savings quota 1985–1996

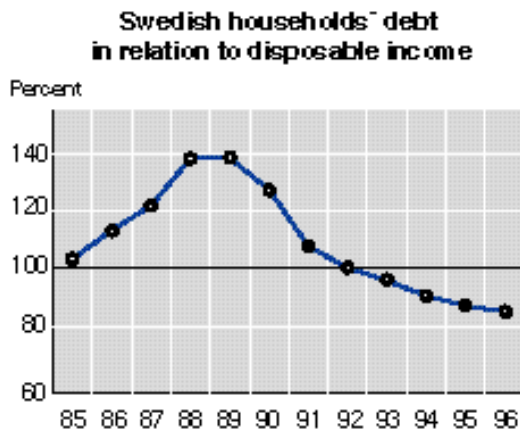


Savings and investments in the Sparbanken Sverige Group, SEK billion



Lending

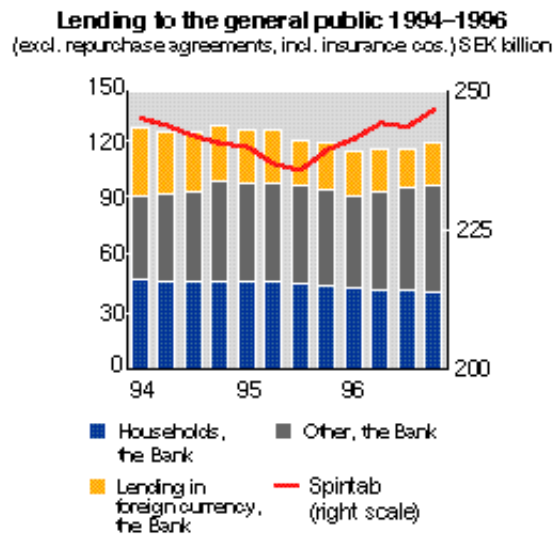
The Swedish credit market has stagnated since 1992. A drop in housing construction, lower municipal investments and the large cash reserves of Swedish companies have reduced demand for new loans. In addition, prepayments of loans previously granted to Swedish households have reduced the outstanding loan volume of banks and mortgage institutions. The level of debt maintained by Swedish households is now back to where it was before the huge credit expansion of the mid-1980s, when the credit market was deregulated and households increased their borrowing to facilitate investments and consumption. There are indications that the decrease in debt among Swedish households has largely come to an end and that loan demand therefore may increase slightly in the years ahead.



Increased lending

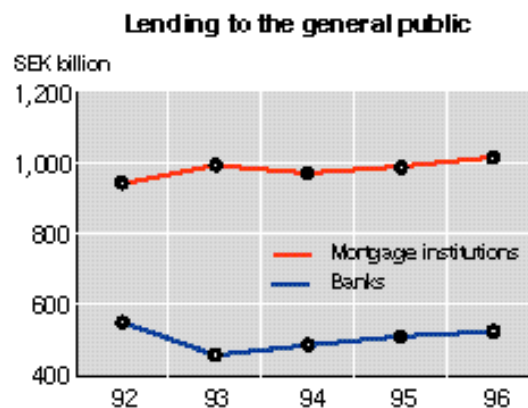
The Sparbanken Sverige Group's total lending to the general public and credit institutions amounted to SEK 382 billion at year-end 1996. This does not include lending to the National Debt Office or to banks. Lending to businesses – primarily in manufacturing, agriculture and forest products – rose by SEK 3 billion. Lending to municipalities rose by SEK 1 billion and to

households by SEK 2 billion during the year. Mortgage lending by Spintab increased by slightly more than SEK 7 billion. The large part of the increase came from the household market and a significant extent were loans that customers chose to transfer



from the Bank to Spintab due to lower long-term interest rates.

The Group's lending to real estate management operations decreased in 1996 by approximately SEK 6 billion due to, among other things, the distribution of Fastighets AB Tornet and the continued liquidation of problem loans.



Lending increased by slightly more than SEK 6 billion during the fourth quarter of 1996.

Payments

Because of the huge number of transactions between the Bank's customers and between the Bank and its customers, there are great opportunities for efficiency improvements and cost savings by replacing manual routines with automatic payments and making it possible for customers to handle transactions themselves.

Sparbankskort

Sparbankskort is Sweden's most widely used bank card, with nearly 1.4 million currently in use, of which slightly more than 400,000 are held by customers of the independent savings banks. Three versions of Sparbankskort are offered: a national card (just under 600,000), an international card linked to Visa (slightly more than 700,000) and a new addition last year, Sparbankskort Maestro, for young people age 16 and over.

Customers are charged an annual fee for the right to pay with their cards and retailers pay a transaction fee each time the card is used.

Sparbankskort Cash

In 1996 Sparbanken Sverige began a pilot project using cash cards, also called smart cards, for inexpensive purchases at newsstands and service businesses. In order to create a widely accepted technology for this type of card, a pilot project is being conducted together with Nordbanken.

During the spring of 1997 S-E-Banken is also adopting the shared technology. The system is from the company Proton and is also used in the Netherlands, Switzerland, Canada, Brazil and Australia, in addition to its home market of Belgium.

Babs

Babs is the market leader in redemptions of charge card transactions from retailers and other service providers. In 1996 the number of transaction redemptions amounted to 84 million, an increase of 24 percent compared with 1995. Through Babs, Sparbanken offers

redemptions and guaranteed payment for more cards than any other redemption company.

Sparbanksgiro

Sparbanksgiro is one of Sweden's most widely used payment systems, with 1.4 million affiliated customers, including those of the independent savings banks. In 1996 a total of SEK 78 billion was processed through 73 million payments.

Demand for payments with Internet technology has grown strongly, because of which Sparbanken is investing in the development of a payment solution via the Internet. During the fall of 1996 Sparbanken implemented pilot installations and in 1997 we can offer this service to all Sparbanken's customers.

Autogiro

For many people, Autogiro is the simplest, most convenient way to pay their bills. A total of 1.1 million of Sparbanken's private customers have joined Autogiro, an increase of 8.9 percent compared with 1995.

Salary payments

Sparbanken offers a full-service system for salary payments to all companies, organizations and public agencies. The system is called SUS - Sparbankens utbetalningssystem ("Sparbanken's payment system"). With nearly one out of every two Swedish wage-earners as customers of Sparbanken, SUS has naturally developed into one of the largest and most flexible salary payments systems in the market.

In 1996 Sparbanken Sverige handled approximately SEK 100 billion in salary payments to 1.1 million wage-earners.

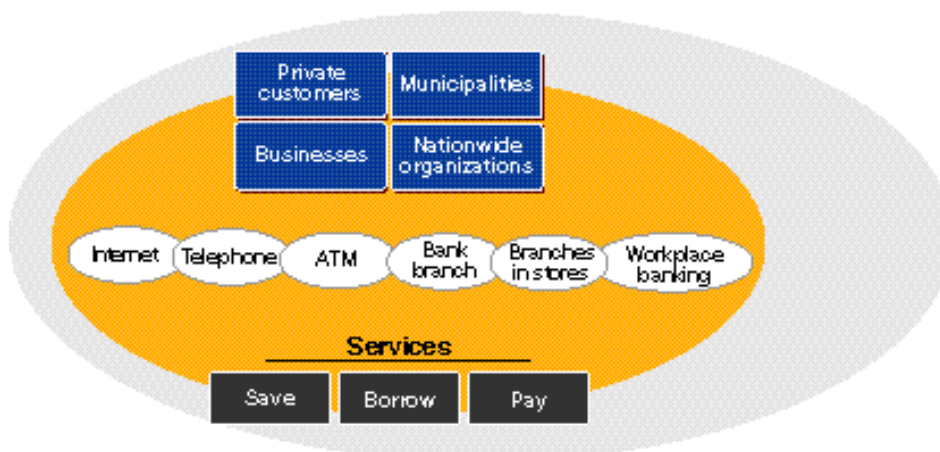
Business payments

More and more of Sparbanken's corporate customers are switching to electronic payments. During the year Sparbanken's offer to corporations was expanded. The new corporate package encourages customers to use electronic payment services. Customers can make domestic as well as international payments via a PC, along with salary and tax payments.

Electronic information on payments and

payment flows is another area in which Sparbanken devoted development resources in 1996. Companies, via their PCs, can receive updated information on balances and transactions and make transfers between accounts. The next step is to offer corporate customers a complete electronic banking system that allows them to handle all their payment transactions via

Sparbankens' interaction with the customer



Retail market										
	Market shares, percent					Volumes, SEK billion				
	1996	1995	1994	1993	1992	1996	1995	1994	1993	1992
Sparbanken Sverige	22	23	24	25	26	95	94	98	96	100
Deposits, SEK	23	23	25	25	26	40	44	47	50	58
Bank lending, SEK	31	31	31	31	31	139	131	132	133	130
Mortgage financing via Spintab	26	23	22	–	–	2	1	1	–	–
Individual pension savings	19	18	17	14	–	23	23	16	7	–
Retail market bonds	47 *	46	42	41	42	1,920	1,763	1,697	1,525	1,460
Credit/charge cards (thousands)	28	27	25	26	27	92	65	52	52	34
Fund management	18	8				9	4	3	1	1
Life and pension insurance										
* preliminary										

Corporate market										
	Market shares, percent					Volumes, SEK billion				
	1996	1995	1994	1993	1992	1996 *	1995 *	1994	1993	1992
Sparbanken Sverige	10	12	13	12	12	22	18	21	16	16
Bank deposits, SEK	17	18	20	19	19	51	56	59	52	63
Bank lending, SEK	16	15	14	14	16	10	11	11	17	30
Bank lending, foreign currency	6	7	7	9	10	2	3	3	3	4
Leasing via finance companies	12	15	17	21	27	2	2	1	2	2
Installment purchases via finance companies										
*Source: As of January 1996 the Bank of Sweden's monthly statistics, "non-financial companies." Prior to that Statistics Sweden's figures on gross loans.										

Municipality market*										
	Market shares, percent					Volumes, SEK billion				
	1996	1995	1994	1993	1992	1996	1995	1994	1993	1992
Sparbanken Sverige	36	39	43	41	36	7	7	9	9	6
Bank deposits	28	30	38	38	33	7	7	6	5	6
Bank lending	46	35	35	36	36	7	7	7	9	10
Mortgage lending (Spintab)	45	41	32	40	31	3	2	3	2	2
Municipal commercial paper**										
* Not including municipally owned companies.										
** Outstanding amount on December 31.										

Sparbanken both in Sweden and abroad.

Customer base summary

The Eken offer

- Eken advice, free annual review of the customer's financial situation.
- Eken report, quarterly reports on developments in personal finance.
- Eken discount, 30-percent discount on the price of day-to-day services such as Sparbankskort, Sparbanksgiro and Sparbanken Direct Personal Assistance.
- Eken news, quarterly information on important events and political decisions that impact personal finance.

Conditions for the Eken offer

The customer must meet two of the following criteria:

- Wages are deposited in a Sparbanken salary account.
- Regular savings or SEK 50,000 in total savings

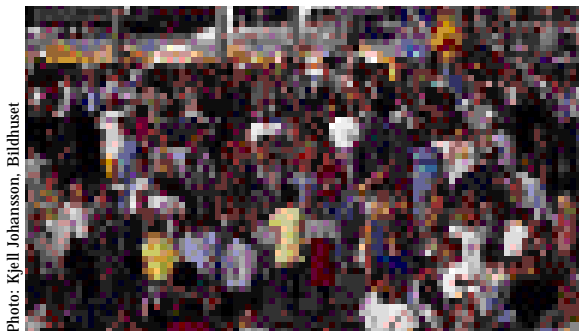


Photo: Kjell Johansson, Bildhuset



Photo: Felix Oppenheim



Photo: Johan Wingborg



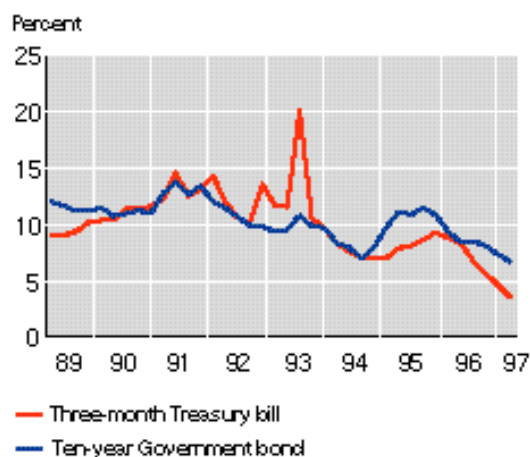
Photo: Bengt-Olof

Sparbanken Sverige has a broad customer base that can be divided into four sectors: private individuals, municipalities and county councils, businesses and nationwide organizations.

The Swedish economy

1996 was a mediocre year for the economy. GNP growth declined considerably due to, among other reasons, a lower rate of increase in exports and capital expenditures.

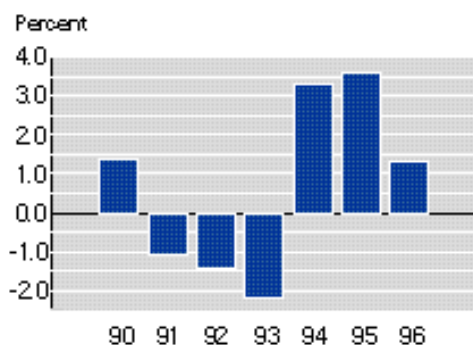
Interest rates 1989–1997



Continued cutbacks in the public sector resulted in a further decline in public spending. Toward the end of the year, however, the rate of growth began to rise again. The economy never really picked up speed, however. GNP growth in 1996 is estimated at just under 1.5 percent. Consumer spending gradually increased and now appears to be the main driving force behind growth.

In several respects, confidence in the economy has become stronger. Public finances improved at a rapid rate, inflation was low and a large surplus was generated in the balance of current payments. Sweden has regained a portion of the economic position it lost during the severe recession at the

GNP 1990–1996

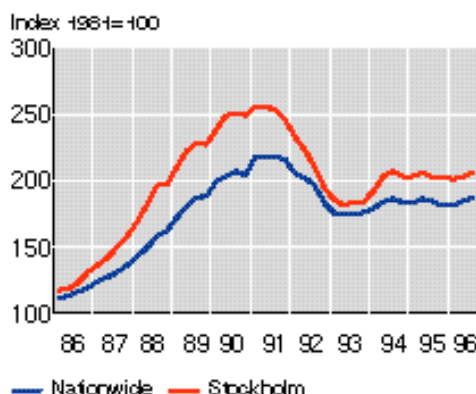


beginning of the 1990s, which has led to a stronger Swedish krona and significantly lower interest rates. Thus, Sweden finds itself in a positive cycle. The stronger krona and falling rates contributed to lower inflation than expected. As inflation expectations declined, the Riksbank was able to reduce its repo rate from 8.9 percent at the beginning of the year to 4.1 percent at year-end. Slightly higher growth than expected, lower financing costs for the national debt and the continued effects of Government cutbacks helped to substantially reduce the Government's funding requirements.

Bond rates continued to fall. The downward trend was accentuated during the latter part of the year. The interest rate difference relative to Germany fell to less than one percentage point, the lowest level during the entire 1990s.

The yield curve, which was virtually flat at

Real estate price index 1986–1996

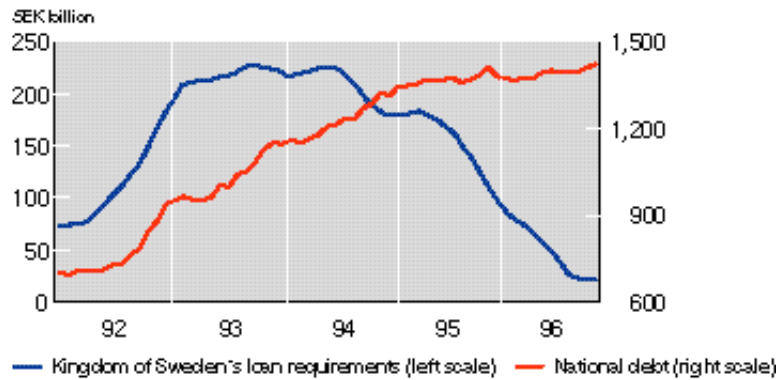


the beginning of the year, began to point in a positive direction when the decline in short-term interest rates was greater than the corresponding decline in long-term rates.

Labor market developments disappoint

In 1996 the labor market situation deteriorated compared with the previous year. This dashed hopes that a strong economy during the second half of 1996 would brighten the picture. Open unemployment and the number of people in state-sponsored labor market programs both rose. In total, unemployment averaged 12.6

National debt and budget deficit 1992–1996



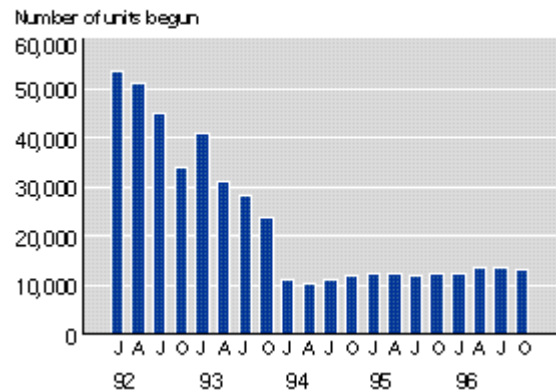
percent of the workforce. Although a slight improvement is likely in coming years, the goal of reducing unemployment by half by the year 2000 will be difficult to achieve. Measures are needed in a number of areas to create new jobs to permanently alleviate the situation.

Consumer spending beginning to rise

Several factors contributed to the gradual rise in consumer spending during the year. Disposable household income climbed in 1996 as a result of the combination of low inflation and relatively high wage increases. Real wages rose more than spending power declined from the fiscal measures taken during the year. Another positive factor for households with debts was the substantial decline in interest rates. It should be emphasized, however, that far from all households improved their financial situation in 1996. Households dependent on subsidies saw their income shrink even further. The financial wealth of the household sector increased substantially in 1996, partly because of substantially higher stock prices and a weak rise in housing prices. At the same time their financial debt remained more or less unchanged. Thus, household finances improved considerably overall. An important reason for the increase in spending is that households are in need of upgrading capital goods, among other things. Household savings are expected to remain at a high level, however, due to uncertainty about the labor market and future social insurance and pension systems.

Investments slowed in 1996. This was mainly due to a reduction in industrial investments from the very high rates of 1994 and 1995. Housing investments continued to develop weakly and stayed at historically low levels. A more significant rise will have to wait until prices in the second-hand market near those of new constructions. As a whole the Swedish economy is expected to continue to grow in the years ahead. Good economic prospects in the rest of the world will mean exports will continue to rise. Domestic demand is expected to further increase as well.

Housing construction 1992–1996



Inflation is gradually subsiding. At the end of 1996 there was even evidence of a negative price development. It would be an exaggeration, however, to say that Sweden is experiencing a deflationary economy as a whole. Falling interest rates, a reduction in the value-added tax on food and the stronger krona were important reasons why prices fell. Adjusted for these effects, statistics actually indicate slightly higher prices. This

Historical background

The concept behind savings banks came from in Scotland in 1810, where the first such bank was founded. The original idea, which is still very much alive, was to promote savings and investments in order to create security for individuals. The first savings banks in Sweden were established in Gothenburg in 1820 and Stockholm in 1821. In the 19th century a large number of savings banks were opened in both urban and rural areas. At their peak, in the 1930s, there were around 500 savings banks.

Savings banks were very much local finance institutions whose role was primarily to accept savings deposits from households and conduct limited lending for housing, farming and municipal needs.

In 1942 Sparbankernas Bank was formed as a central bank for the savings banks to provide clearing operations, manage surplus liquidity and give business support for equities trading, foreign currency exchange and lending to businesses.

To support the savings banks' shared operations, Sparbankernas Bank built up various specialized companies that sold their services through the savings bank branches. The most important of them are Spintab, for mortgage financing; Robur, for fund savings; Sparbankskort, for bank cards; and Sparbanken Finans, for special business financing services such as leasing and factoring.

Sparbanken Sverige AB

The number of savings banks decreased during the 1960s and 1970s as they merged into larger units. In the 1980s mergers resulted in the formation of eleven larger regional savings banks. In 1992, after converting into banking companies, these regional banks merged into Sparbankernas Bank, the name of which was changed to Sparbanken Sverige AB.

Independent savings banks

Sweden's 87 independent savings banks have retained their original form and comprise an important part of local banking in Sweden. In

addition, there are two savings banks in which Sparbanken Sverige is a part-owner. These banks have been converted to banking companies.

Through agreements, the independent and partly owned savings banks maintain close cooperations with Sparbanken Sverige, giving them access to Sparbanken Sverige's products such as Spintab mortgage loans, Robur funds and Sparbankskort. The agreements also serve as a basis for shared marketing and promotions. Sparbanken Sverige functions as a clearing bank for these savings banks, and they share a computer system. The agreements regulate the compensation paid to Sparbanken Sverige by the savings banks, along with the compensation paid to the savings banks for services they sell on Sparbanken Sverige's behalf.

Within Sparbanken Sverige's major product areas, the independent savings banks account for around one fourth of sales.



Photo: Jesper Andersson

In November 1996 residents of Halmstad and Uppsala were able to begin shopping with "electronic cash" with the CASH card.

Cooperations around the Baltic

Sparbanken Sverige's aim is to offer customers high-quality banking services, regardless of where in the Nordic countries they happen to be. This is done in part through the Nordic Banking Group cooperation and in part through direct ownership of banks in other countries.

In 1996 Sparbanken Sverige increased its interest in Aktia Sparbank Ab in Finland to 25 percent of its capital. The purpose of the acquisition is, among other things, to try help the savings banks in Finland regain market share and to offer Sparbanken Sverige's customers quality banking services in Finland.

In December 1996 Sparbanken Sverige acquired 12.5 percent of the shares in AS Eesti Houipank, the third largest bank in Estonia. Sparbanken Sverige's customers are increasing their business in Estonia, because of which it is important to offer local service. At the same time this gives Sparbanken Sverige the opportunity to follow developments in the Baltic region from up

close.

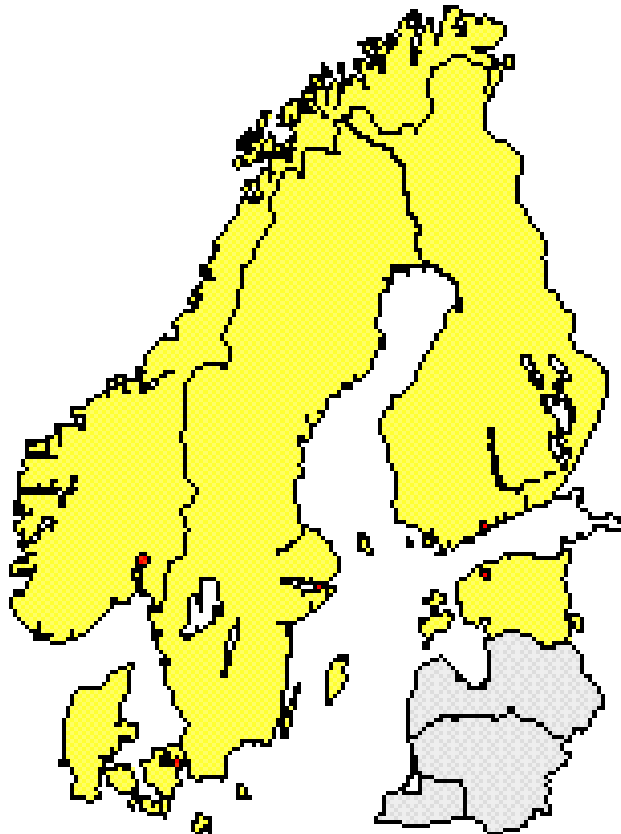
Sparbanken Sverige has long maintained an agreement on reciprocal representative offices with Bikuben Girobank in Denmark and Sparebanken Nor in Norway. The purpose of the agreement for all the parties is to provide customers with better service on a Nordic basis.

The Nordic cooperations also create a shared – and thereby stronger – base for product development and systems/IT development.

Sparbanken Sverige has acquired shares in Bikuben Girobank representing slightly more than three percent of its capital.

Cooperations in Europe

Sparbanken Sverige is a member of the World Savings Banks Institute (WSBI) and the European Savings Banks Group (ESBG). The two organizations have a joint secretariat in Brussels and represent savings banks in the European Union (EU) and other international organizations. Among their purposes is to promote business



Sparbanken Sverige and the EMU

Consequences

In the fall of 1997 the Swedish Parliament will decide whether Sweden will join the European Monetary Union (EMU). In its preparations, Sparbanken Sverige is assuming that Sweden will become a member as of January 1, 1999, regardless of whether or not it actually does.

Membership will have major consequences for the Swedish financial system and the operations of banks. This is true even if Sweden decides to remain outside the EMU or delay its entry. For Sparbanken Sverige, the following consequences would appear to be the most important:

- Currency trading will decrease.
- Equities trading will become less dependent on national borders.
- The Bank will be operating in a new, shared capital market with slightly different players and products.
- Private individuals as well as corporate customers will demand euro-denominated services.
- The Bank's refinancing will be done in part in the euro.
- The Bank will probably face international

competition in the Swedish clearing system.

- Institutions within the EMU area will probably offer mortgage loans to Swedish homeowners.
 - The Bank's administrative systems and processing routines will have to be further developed to handle dual currencies.
- These consequences entail both threats and new business opportunities for Sparbanken Sverige.

Preparations

In the financial area, Sveriges Riksbank has chief responsibility for implementing Sweden's membership in the EMU. In December 1996 the Riksbank presented a plan for how implementation would take place. The consequences should Sweden decide to remain outside the EMU were also covered. Sparbanken Sverige, like Sweden's other major banks, maintains a close cooperation with Sveriges Riksbank on this issue and is participating in various cooperative groups. A cooperation is also being undertaken within the Swedish Bankers' Association with regard to important shared issues, for which there is generally unanimity. Swedish membership in the EMU would also offer opportunities for Swedish banks to promote themselves differently in the market, because of which



If Sweden joins the EMU, the Bank's administrative systems and processing routines will have to be adapted on an interim basis to handle dual currencies, as the euro would complement the krona as a legal tender.

Sparbanken Sverige's environmental work

An important area for Sparbanken Sverige with regard to Swedish society is the Bank's environmental responsibility and responsibility for management of available resources. This applies to both the Bank's use of finite resources in its own operations and to promoting environmentally sustainable development in society in dialogues with customers and suppliers.

The environmental policy adopted by the Board of Directors has resulted in an overall environmental plan. The long-term objectives of this plan are, among others, continuous training in environmental issues and that the Bank primarily hire vendors that meet stipulated environmental requirements. Among the goals in 1997 is to hold basic training in environmental issues for all employees. In addition, certain employees will receive additional specialized training. Moreover, the Bank is integrating environmental risk assessments into its lending criteria.

In 1996 Sparbanken Sverige signed the United Nations' environmental program for banks. In doing so, the Bank pledges to promote sustainable ecological development, act prudently in environmental contexts, take into account environmental factors when evaluating risks and work to maintain good communication and openness on environmental issues. The document has been signed by around 90 internationally active banks.

In 1996 a three-year cooperative agreement was signed with NUTEK concerning a project called "The Environmentally Suitable Office." Currently the project is a collaborative effort between NUTEK, the Swedish Central Organization of Salaried Employees, the Swedish Society for Protection of Nature, Ericsson, Telia, Vasakronan and Sparbanken Sverige, and its purpose is to draft proposals for offices that are environmentally friendly, energy efficient and meet ergonomic requirements.

During the year a pilot project was implemented by the local savings bank in Nässjö. The purpose was to see what progress could be made by taking a proactive stance in environmental issues at the branch level. The results of the project point to environmental improvements as well as reduced overhead.

Based on the 13 most important threats as identified by the National Environmental Protection Agency, the following work, among other efforts, has been initiated:

With regard to the greenhouse effect, acidification, overfertilization and ozone depletion, the bank will take inventory of its energy sources in order to reduce energy use.

Increased card payments and other electronic banking services lead not only to an improved service level, but also less personal transportation.

Environmental considerations will be taken into account in the refurbishment, new construction and demolition of Sparbanken Sverige's properties. When using and

Our employees

Sparbanken Sverige's human resources policy expresses the values that guide human resource work. The focus of the policy is to create conditions for a learning organization, wherein a decentralized organizational structure, delegated decision-making authority and individual responsibility are fundamental concepts.

Managers' responsibilities for operations are a cornerstone of the Bank's organization model. Operative responsibility also includes responsibility for personnel.

The policy also states that "our profitability and long-term survival are based on the skills demonstrated by employees in their interaction with customers." An important responsibility for the manager is to ensure that employees maintain a high level of expertise, i.e. know-how, desire and ability. The role of the human resources unit is to advise and support the Bank's managers on issues of skills and business development.

Conditions in the banking market are changing ever more rapidly, in part as a result of developments in information technology. Because of this, operations have to be adapted quickly and employees have to be willing to accept change. Among the responsibilities of the human resources unit is to implement various operational changes at the request of the Executive Management.

Human resources unit

- *Skills and business development* serves as internal consultants on organizational change, management/leadership issues and special training efforts.

- *Human resources administration* provides information on collective agreement issues and handles salary administration and personnel reporting.

- *Training* produces training and development programs on request. Training is also responsible for the implementation of certain major development/training programs.

The training efforts in 1996 were

concentrated primarily on the employees of the local savings banks to help them strengthen their business skills in the private market and understand and focus on customer needs. The goal of the training investments is to get employees to focus on sales by being more active in their contacts with customers. The training programs offered included the Business Program for Private Customers 1 and 2, The Manager as Businessman and Marketing in the Savings Bank.

For the business market, a program entitled Business Program Corporate 1, which offers broad-based professional marketing training, was held. A follow-up course, Business Program Corporate 2, has been developed and pilot-tested. Two new programs in management and leadership, The Manager as Businessman and The New Manager, have been developed and held. In addition, new groups were started during the year to attend the course Personal Leadership for Business Development.

Part of the Bank's management recruitment program is the Program for Development of New Managers in Sparbanken Sverige (PULS), the aim of which is to develop future leaders within the Bank. During the year a new PULS program was started. Platform 2000, the Bank's new IT structure, will require major training investments. Broad-based training was therefore started in 1996.

Tools for the future is the Bank's method to measure employees and customers' opinions of the Bank. Tools for the Future consists of a human capital survey, a market capital survey and an integrated analysis of profitability.

The cooperation with Finansförbundet within the framework of the local co-determination agreement, Handslaget ("The Handshake"), has been very satisfactory and is unprecedented in the Swedish banking industry.

Following the merger in 1992 the Bank is still working actively with job rotation, to get the right people in the right place and thereby optimize results for the Bank and

employees.

The *Personnel Changes Group* has worked on a project basis with special efforts with regard to downsizing and outplacement.

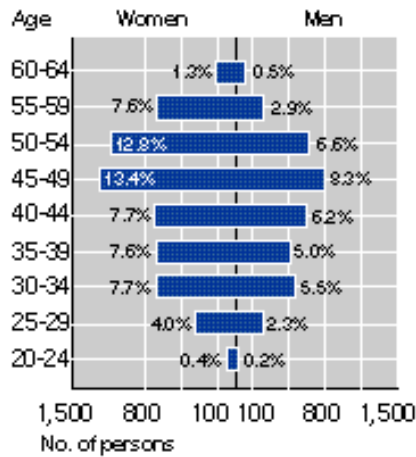
During the year a profit-sharing system called *PersonalEken* was introduced. If Sparbanken's return on equity is higher than that of four specific competing banks and if certain other conditions are met, the Bank's Board of Directors may decide to allocate up to one half of one basic amount according to the National insurance Act per full-time employee. The amount may be withdrawn no sooner than five years after its allocation. No

allocation to *PersonalEken* was made for 1996.

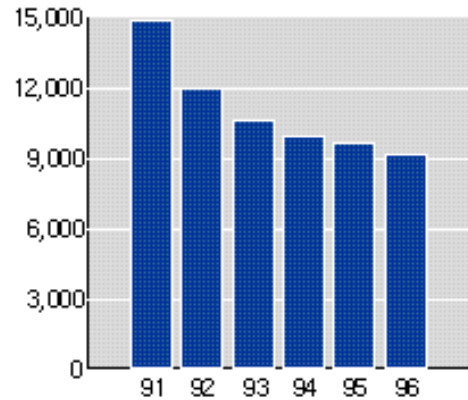
The human resources unit, in cooperation with Finansförbundet, has formulated a Central Equal Opportunity plan to establish objectives for diversity work in the Group. In accordance with the collective agreement, the Bank during the year, in collaboration with the union, sought to rectify any unwarranted salary differences on the grounds of gender for equivalent work.

The support group for incidents of threats or violence was called out to 16 robberies during the year, to debrief employees on

Group employees by age and gender
(Dec. 31, 1996)



Number of employees 1991*-1996
(full-time positions)



*Total number of employees in the banks that were merged into Sparbanken Sverige in 1992.

Photo: Mieke Stenberg



The Bank's profitability and long-term survival are based on the skills demonstrated by employees in their interaction with customers.

Board of Directors' report

The Sparbanken Sverige Group consists of Sparbanken Sverige AB (publ) and its subsidiaries and associated companies. The structure of the Group is illustrated in the diagram below.

Notes 21 and 22 of the balance sheet specify the holdings of shares in subsidiaries and associated companies. On pages 1-3 is a summary of the Group's financial development, with key ratios and income statements and balance sheets for the past five years.

Important events in 1996

Fastighets AB Tornet is distributed to the stockholders

The shares in the Group's collateral management company, Tornet, were

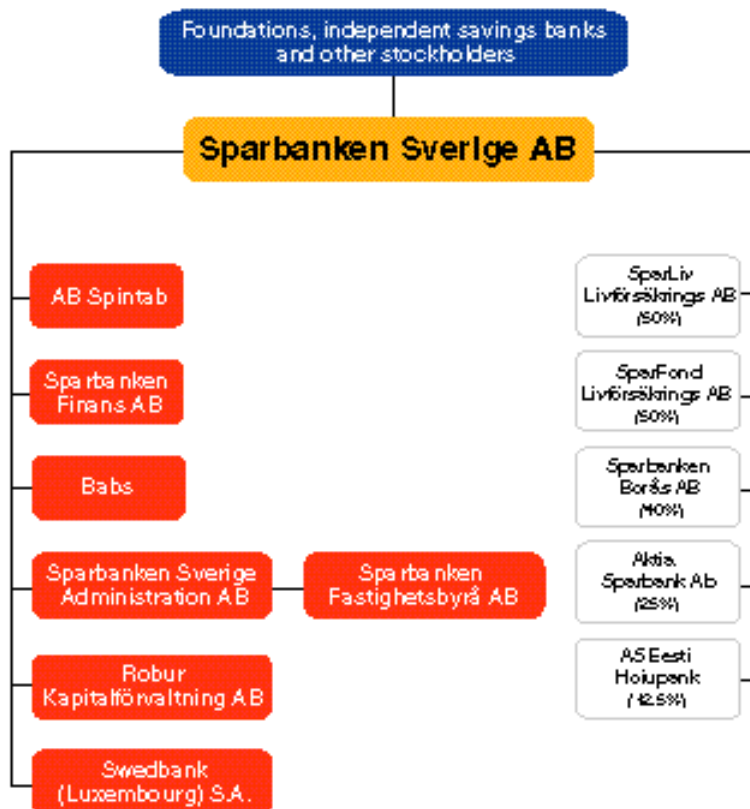
distributed to Sparbanken Sverige's stockholders during the second quarter of 1996 and were listed on the Stockholm Stock Exchange on May 7. The distribution and capitalization of Fastighets AB Tornet resulted in a decrease in the Group's primary capital of SEK 3,143 M.

Interest in Aktia Sparbank Ab in Finland raised to 25 percent

Sparbanken Sverige AB during the year acquired an additional 7.1 million shares in Aktia Sparbank Ab through a non-public issue. Its ownership interest thereby rose from 7.5 to 25 percent.

Capital stock in Spintab increased by SEK 3 billion

In 1996 Sparbanken Sverige AB acquired an additional six million shares in a new issue in the wholly owned subsidiary AB Spintab for



a value of SEK 3,000 M. The new issue was an element in Spintab's capital strategy, according to which restricted equity should not fall below 11 percent of risk-weighted assets.

Acquisition of 12.5 percent of AS Eesti Hoiupank

In December 1996 Sparbanken Sverige acquired 12.5 percent of the savings bank Eesti Hoiupank, the third largest bank in Estonia. Sparbanken Sverige AB thereby became Eesti Hoiupank's third largest shareholder, after the European Bank for Reconstruction and Development (EBRD) and the Estonian central bank, Eesti Pank. Eesti Hoiupank is listed on the Tallin Stock Exchange and on December 31, 1996 had a total market capitalization of approximately SEK 626 M.

Card operations transferred to Parent Company

Sparbanken Sverige's card operations were transferred in June, retroactive to January 1, from the subsidiary Sparbanken Finans to the newly formed business area Sparbanken Kort within the Parent Company. The reason was that the Sparbankskort will come to play a more central role in the relationship between customers and the Bank.

Coordination of operations in Eskilstuna

Sparbanken Sverige and Rekarne Sparbank decided to coordinate their operations in Eskilstuna through a new jointly owned bank, Eskilstuna Rekarne Sparbank AB. The new bank received its charter in December 1996 and is expected to begin operation during the first quarter of 1997. Sparbanken Sverige will own 50 percent of the new bank.

Mälarstaden sold

Mälarstaden Förvaltnings AB, which managed the Bank's properties though primarily properties owned by others, was sold as of June 30, 1996. The Bank's properties are subsequently being managed within the organization.

Important events after December 31, 1996

In accordance with the press release issued on February 18, 1997, the boards of directors of Föreningsbanken AB and Sparbanken Sverige AB decided to propose that Föreningsbanken and Sparbanken Sverige merge. The proposed name of the merged bank is FöreningsSparbanken AB.

The boards feel that a merger of Föreningsbanken and Sparbanken Sverige is a logical, necessary step for creating an efficient bank rich in resources for the next century. The boards' proposal is based on a shared view of fundamental values, a business concept, a marketing focus, financial objectives and an organization. This will facilitate an aggressive strategy to develop efficient, decentralized, nationwide banking operations with a high level of service.

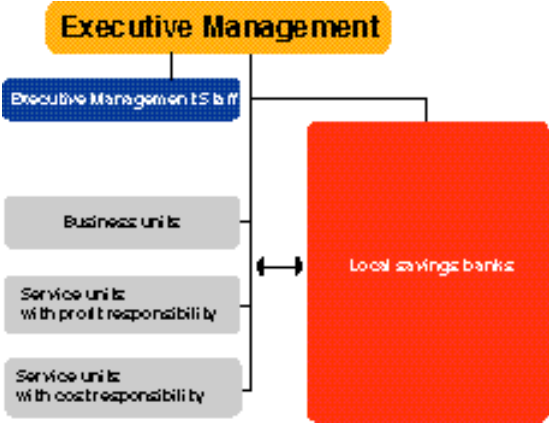
The merger is intended to be effected through an exchange of shares whereby Sparbanken Sverige will issue a public offer to the shareholders and warrant holders of Föreningsbanken, followed by a merger. A prospectus on the offer is expected to be made available on or about April 11, 1997.*

One condition for the merger between Föreningsbanken and Sparbanken Sverige is that a non-cash issue of common shares to the shareholders and warrant holders of Föreningsbanken is approved by the Annual General Meeting of Sparbanken Sverige on April 23, 1996. The merger is expected to be implemented before the end of 1997.

* The offering described in such prospectus will not be extended to persons who are residents of countries in which such offering, or the distribution of the prospectus, would violate any law or regulation or (except as required under Swedish law) require any application or registration to be made or any other action to be taken.

Sparbanken Sverige AB

The Group's traditional banking operations are carried out by the Parent Company, Sparbanken Sverige AB, which consists primarily of local savings banks and central business and service units.



Local savings banks

The Bank's 597 branches are organized in 129 local savings banks, each of which is managed by a local president and its own local board of directors appointed by the Central Board of Directors. The branches have responsibility for contacts with customers and, in addition to traditional banking services, also handle the Group's sale of other products and services such as mortgage loans, fund investments, Sparbankskort and insurance.

To support the decentralization of operations to the branches, a system has been put in place to monitor results. The emphasis for the local savings banks is on achieving results that reflect the entire Group's operations. Local savings banks' results therefore include the results of collaborations with the central business units. Each local savings bank has specific objectives for incomes and operating income per employee, commission income and other income in relation to personnel expenses and income/expense ratios both before and after loan losses.

The development of each local savings bank is also monitored from a broader perspective to ensure stable, long-term

profitability. This is done with a so-called balanced scorecard called Det Utvecklade Kontraktet ("The Developing Contract"), which measures profitability, customer opinions of the bank, employee skills, credit risk and especially quality of leadership.

One of the most important responsibilities of the local board of directors is to ensure that the local savings bank meets its stipulated goals.

Central business units

Swedbank Markets is the largest of the central business units in the Parent Company. The others are Sparbanken Företag (corporate), Sparbanken Kort (card operations) and Sparbanken Organisation. Also included are the subsidiaries Spintab, Robur, Sparbanken Finans and the associated companies SparLiv/SparFond.

Central service units

Within their respective areas of responsibility, the central service units, in cooperation with the Group's business units, ensure that stipulated objectives are met with regard to income and policy. The Group's data production and central systems development resources are combined in the largest single service unit, Spadab.

Central service units comprise a number of units with full profit responsibility, which in principle are open to competition, and a number of units which operate with cost responsibility.

The units with profit responsibility are:

- Payments
- Institute of Personal Finance
- Internal services for properties and purchasing
- Legal Services
- Group Finance
- Branch Development
- Marketing
- Human Resources Administration, Training and Skills Development

The service units with cost responsibility are:

Sparbanken Swedbank Markets

The Bank's capital market, international and large corporation operations are encompassed within Swedbank Markets.

The two main functions of its operations are to provide business support and services to the savings banks and to offer financial business solutions to businesses, institutions, organizations and municipalities. More than 550 people work at Swedbank Markets. Business support for the savings banks is provided via Swedbank Markets' branch offices in Umeå, Stockholm, Gothenburg and Malmö.

Swedbank Markets' organization comprises the Bank's international branches in London and New York and the representative office in Tokyo. The international units support the Bank's corporate customers and participate in the Group's global capital market operations.

Swedbank Capital Market & Securities is responsible for trading in equities and interest-bearing instruments. The unit is also involved with the development of new investment products and analyses of the stock, money and currency markets. The analysis unit produces long-term macroeconomic analyses and forecasts from both a Nordic and international perspective.

Within the analysis operations, continuous research is done on around 70 Swedish companies, representing 95 percent of the market capitalization of the Stockholm Stock Exchange, as well as more limited research

on other Nordic companies. Trading in Swedish equities for customers outside Sweden is also handled in London and New York.

Swedbank Foreign Exchange & Money Market is responsible for currency trading, deposits and lending in Swedish and foreign currency, demand loans, securities repurchase and resale agreements and interest hedges via the derivative market. Trading in currencies and interest-bearing instruments is also done by the branches in London and New York.

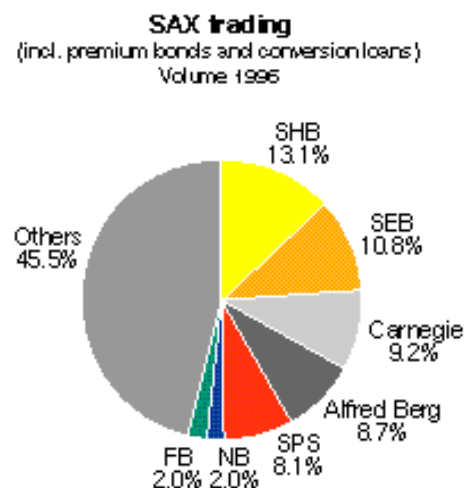
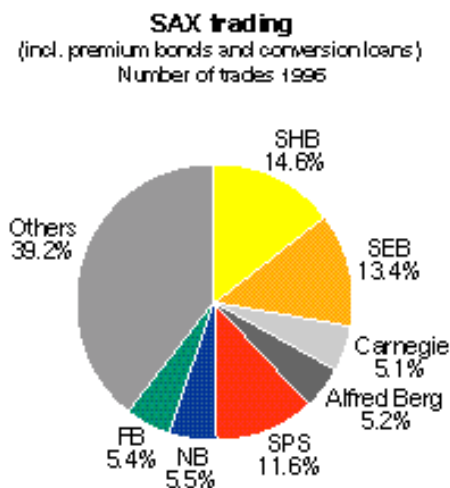
Swedbank Corporate Finance is responsible for financial advisory services and capital procurement via the risk capital market through new issues and initial public offerings. The unit also provides advisory services for mergers and acquisitions.

Swedbank Debt Financing is responsible for the interest-bearing capital market, medium-term lending, export credits and project financing.

Swedbank Asset Management is responsible for discretionary equity and fixed income investments primarily on behalf of Swedish institutions, businesses, municipalities and county councils, as well as trust accounting for large public institutions.

Swedbank Global Trade and Banking Services is responsible for development, handling and specialist support for the payment and financing of exports and imports. The unit provides custody services for Swedish and international institutions.

Swedbank Financial Institutions has overall customer responsibility for international financial institutions. The unit also produces



Sparbanken Kort

Because of the increasing importance of bank cards to the relationship between customers and the Bank, a new business area, Sparbanken Kort, was established in 1996. The card operations, whose main sales channel is Sparbanken, were transferred from Sparbanken Finans to the Bank. The Sparbanken Kort business area consists of three units: card sales, which is managed by Sparbankskort; transaction redemptions, which are handled by Babs, and business development.

Sparbankskort is the issuer of Sweden's most frequently used bank card, Sparbankskort, and a business card, Visa Business Card. Babs develops and supplies most of the payment systems that make card



payments the fastest way to get through a cashier's line.

Sparbankskort

This unit, working in close cooperation with the local and independent savings banks, provides a complete range of debit, charge and credit cards.

1996 was one of the most eventful years in Sparbankskort's 16-year history. Two completely new card products were launched during the year, Sparbankskort Maestro and Sparbankskort Cash. Sparbankskortkredit, Sweden's most inexpensive debit card with a built-in credit line, became more easily accessible for customers through Minuten ATMs and Sparbanken Direct Personal

Assistance telephone banking. Card use broke records in both July and December.

In 1996 the number of Sparbankskort rose by approximately 150,000 or 12 percent, and the card was used approximately 46 million times for store purchases, an increase of 25 percent.

As of December 1996 all Sparbankskort are manufactured of PET plastic, a more environmentally friendly product than PVC. Sparbankskort was the first in the Nordic countries to do so.

The Visa Business Card, including the Visa Business Card "Privat" version, developed well in 1996.

Card products

Sparbanken Kort's market-leading position in charge cards is best indicated by Sparbankskort, Sweden's most widely used bank card, with nearly 1.4 million cards currently in use, of which slightly more than 400,000 are held by customers of the independent savings banks. The main function of Sparbankskort is to offer savings bank customers a means of payment that works just as well in Sweden as abroad. The link with Visa makes the Sparbankskort one of the world's most widely accepted means of payment.

The new Maestro card being offered to customers from age 16 works in the ATMs of most Swedish banks and is accepted in stores and restaurants with electronic payment terminals. Sparbankskort Maestro was launched in May and approximately 40,000 are now in circulation.

The main function of Visa Business Cards is to facilitate travel, entertainment and purchases by company employees.

The Sparbankskort CASH card was introduced on a pilot basis in Uppsala and Halmstad in November 1996. On December 31 approximately 14,000 Sparbanken cash cards were in use.

Sparbanken also offers a debit card linked to MasterCard.

Babs

Babs is the market leader in redemptions of

charge card transactions from retailers and other service providers. In 1996 the number of transaction redemptions amounted to 84 million, an increase of 24 percent compared with 1995. Through Babs, Sparbanken offers redemptions and guaranteed payment for more cards than any other redemption company.

Services are provided for Sparbanken's own charge card operations and external card issuers. The majority of card transactions are processed through various types of store terminals, which are sold or leased to the sales locations.

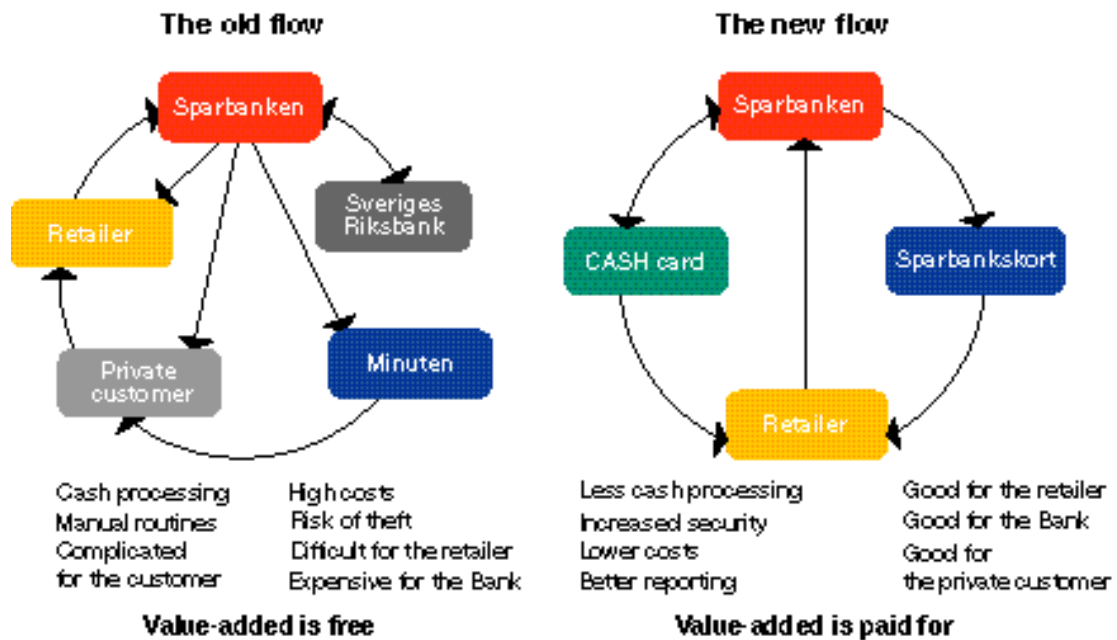
Babs helps to improve card processing for retailers by offering efficient, competitive

solutions for card payments, thereby supporting the savings banks' emphasis on self-service and card use. Because sales and customer service are provided by the savings banks, operations remain close to the customers.

Slightly more than 20,000 retailers are linked to Babs' redemption system.

Business development

The business development unit enhances existing charge card products and develops new payment products in order to provide Sparbanken's customers better accessibility to cashless payments in accordance with Sparbanken's self-service strategy. Simplified



IT operations

Central systems

During the spring of 1996 major changes were made in central systems to improve and raise the efficiency in loan and collateral processing for both Sparbanken Sverige and the independent savings banks.

A new system for administration of salary payments was introduced which allows for customized solutions for businesses, municipalities and county councils.

Internet

During the year the Internet made its major breakthrough as a new way of accessing the Bank's services. This applies to retrieving information on the Bank's various products and services and conducting various types of banking business directly from a PC in the home or office. An example of information services is Sparbanken Fastighetsbyrå's real estate service, where customers can go on-line to view available properties and use Spintab's housing expense calculator. Robur and SparLiv/SparFond also have home pages to showcase their products and services. In May the savings banks were one of the first companies to introduce equity trading via the Internet, under the name Net Trade. During the fall of 1996 the Bank also introduced Sparbanken over the Internet, where customers can review their accounts, transfer funds or issue payments via postal or bankgiro. In 1997 new functions will gradually be added.

Cards

During the fall a pilot project was started in cooperation with Nordbanken to test electronic cash card systems using smart card technology on a large scale. In the future this technology will make it possible

to add new applications to cards such as electronic bank identification, charge card services, credit and so on.

New technical platform

In 1996 the Bank decided on a new technical platform, Platform 2000, which will carry its information technology systems into the next century and involve the modernization of communication networks, workplace equipment and parts of the central systems. Platform 2000 is based on open standards and creates greater flexibility for the Bank's various business operations. SPARWAN is based on the same standard as the Internet (TCP/IP), which ensures that it can be expanded and modified as needed. An infranet called Kanal-1 was created to simplify the Bank's internal information flows and make shared information and handbooks available. Various types of routines, such as customer complaints and purchasing, are based on Kanal-1, which is revolutionizing internal information processing in the Bank.

Awards

The magazine Corporate Computing named Sparbanken Sverige the 1996 IT user of the year within the financial sector for its use of Internet technology. Sparbanken Sverige was also named "best on the Internet" by the magazine Datavärlden in January 1997 for the aggressive way the Bank is using Internet technology both internally and externally.

Year 2000 and EMU

In 1996 Sparbanken prepared and planned for the system changes that will have to be made come the year 2000. Preparations for the EMU have also begun, since the savings banks' IT systems will be affected by the advent of the euro and use of dual currencies

Subsidiaries

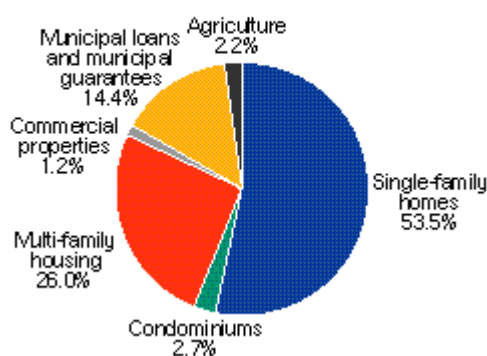
Spintab

AB Spintab, a wholly owned subsidiary of Sparbanken Sverige, is the savings banks' mortgage institution for the long-term financing of residential housing, municipal investments and family-owned farms. Spintab is one of the largest mortgage institutions in the country, with approximately one-fourth of the total market. In the retail market, Spintab's position is even stronger and its share is 31 percent. Over half of Spintab's loan portfolio consists of mortgages for residences owned by the households who

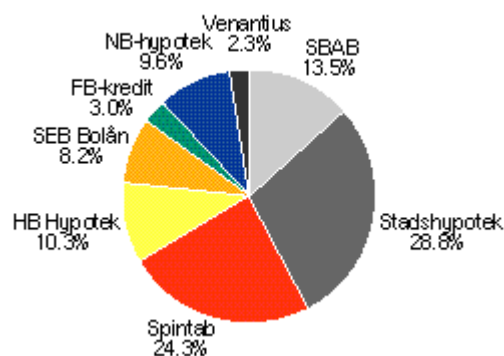
live in them. Spintab grants loans only against collateral in the form of real estate, condominiums or guarantees by the government, municipalities, banks, insurance companies or other credit market companies. Loans are normally granted for up to 75 percent of the market value of a property. Sales and customer contacts on Spintab's behalf are handled by the branches of Sparbanken Sverige and the independent savings banks. In 1996 Spintab conducted marketing campaigns to increase the number of full-service customers and attract new

SEK M	New accounting standard		Old accounting standard		
	1996	1995	1994	1993	1992
Income					
Operating income before loan losses	3,301	3,031	2,600	2,712	2,890
Loan losses	- 605	- 756	- 958	- 1,307	- 1,681
Operating income	2,696	2,275	1,642	1,405	1,209
Interest margin, %	1.0	1.0	0.9	0.8	1.0
Investment margin, %	1.5	1.4	1.2	1.1	1.3
Return on equity, %	16.9	17.1	14.1	12.8	13.7
Capital					
Lending, SEK-billion	246.6	239.4	240.5	242.5	233.7
Stockholders' equity	13,419	10,419	8,782	8,130	7,565
Total assets, SEK billion	255.4	252.9	248.0	255.9	254.4
Capital adequacy ratio, %	18.7	17.5	15.2	14.3	12.3
Primary capital ratio, %	11.7	9.5	7.9	7.2	7.0
Other					
Average number of employees	300	334	367	355	341
Number of loans, thousands	751	762	775	791	766

Spintab's loan portfolio
(Dec. 31, 1996)



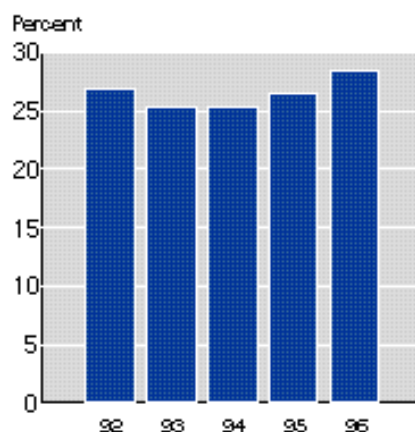
Swedish mortgage institutions' market shares
(June 30, 1996)



Robur

Robur Kapitalförvaltning AB, a wholly owned subsidiary of Sparbanken Sverige, is the savings banks' fund management company. Robur manages a wide range of mutual funds and fixed interest funds that invest in both the Swedish and international capital markets. Robur is Sweden's largest fund management company, with a market share of 28 percent. Sales and customer contacts on Robur's behalf are handled by the branches of Sparbanken Sverige and the independent savings banks.

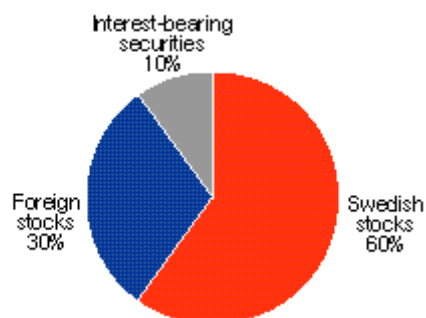
Robur's market share
as of December 31, 1992-1996



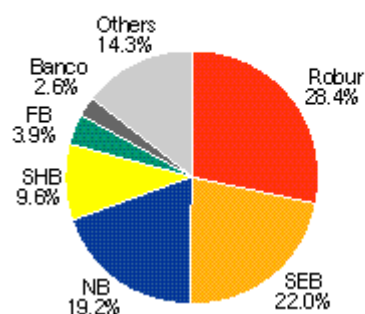
Robur five-year summary

SEK M	1996	1995	1994	1993	1992
Income					
Income including net financial items	467	390	359	278	170
Expenses and depreciation	- 124	- 109	- 112	- 118	- 104
Operating income	343	281	247	160	66
Assets under management					
Fund assets, SEK billion	92.4	65.0	52.3	51.6	37.6
Other					
Average number of employees	68	59	57	48	47

Fund assets
(Dec. 31, 1996)



Market shares by total fund assets
(Dec. 31, 1996)



Sparbanken Finans

Sparbanken Finans, the savings banks' finance company, is a wholly owned subsidiary of Sparbanken Sverige and supplements the traditional range of bank services provided by the savings banks. Its range of services is offered primarily by local and independent savings banks, though also through retailers and brokers, organizations and its own sales force.

Sparbanken Finans supports the Bank's focus on corporations

Operations are divided into three business areas: Corporate Customers, Customer

Collections and Retail.

The Corporate Customers business area offers a complete range of services such as leasing, installment payments, car leasing, fleet financing with various added services, supplier financing and factoring.

Customer Collections provides debt collection services to companies and private individuals.

The Retail business area markets sales-supporting customer financing solutions. Services range from affinity charge cards that can be linked to either Visa or MasterCard to installment payment plans for boats, cars and recreational vehicles. The operations of

Sparbanken Finans five-year summary

SEK M	New accounting standard		Old accounting standard		
	1996	1995	1994	1993	1992
Income					
Operating income before	264	484	418	512	315
Loan losses	8	28	17	-172	-153
Operating income	272	512	435	340	162
Return on equity, % *	22.6	50.9	52.5	42.7	24.9
I/E ratio before loan losses	2.2	1.9	1.9	2.0	1.7
Capital					
Stockholders' equity	869	867	581	580	513
Total assets	5,357	6,011	5,934	6,847	8,430
Capital adequacy ratio, %	17.9	17.1	13.0	12.4	9.2
Other					
Average number of employees	252	359	364	368	298

* after standard tax



Photo: K. Opgenhafften, Pica, Pressfoto

The Corporate Customer Business Area of Sparbanken Finans offers a complete range of finance company services such as leasing, installment plans, fleet financing with various added services and supplier financing and factoring.

Sparbanken Sverige Administration AB

Sparbanken Sverige Administration AB, a wholly owned subsidiary of Sparbanken Sverige, is a holding company for operations that are not directly related to banking. The operating companies are Sparbanken Fastighetsbyrå AB and Skepparholmen Hotell och Konferens AB. During the year the wholly owned real estate management company Mälarstaden Förvaltning AB was sold. Sparbanken Fastighetsbyrå is the holding company's largest subsidiary and is one of Sweden's leading real estate brokers.

Swedbank Luxembourg S. A.

Swedbank (Luxembourg) S.A., a wholly owned subsidiary of Sparbanken Sverige, specializes in banking services for Swedes living abroad and other expatriate Nordic citizens, particularly with regard to savings, investments and asset management. The Bank also provides administrative services for Robur International SICAV. Operating income for 1996 amounted to SEK 13 M.

Sparbanken Fastighetsbyrå five-year summary

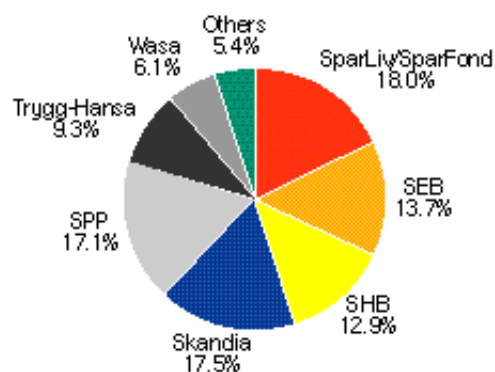
SEK M	1996	1995	1994	1993	1992
Income					
Commission income	284	253	246	216	207
Operating income	5	- 17	- 6	- 33	- 47
Other					
Number of brokered sales	15,530	14,564	14,528	13,014	13,202
Average number of employees	441	444	423	407	612

Associated companies and other companies

SparLiv/SparFond

SparLiv and SparFond are Sparbanken Sverige's 50-percent owned insurance companies for the savings banks' pension and life insurance products. The two companies' other 50-percent owner is the insurance company Folksam. SparLiv and SparFond market their insurance policies through the branches of Sparbanken Sverige and the independent savings banks. SparLiv sells group life, capital and pension insurance, while SparFond offers insurance savings in equity funds, primarily managed by Robur.

Market shares by new premiums for life and pension insurance 1996



SparLiv/SparFond five-year summary

SEK M	SparLiv					SparFond				
	1996	1995	1994	1993	1992	1996	1995	1994	1993	1992
Premium income	2,027	728	520	471	493	1,137	434	847	157	60
Operating income ¹⁾	567 ²⁾	185	15	181	43	-3	17	-6	17	-6
Number of new policies	240,000 ³⁾	45,300	44,200	37,000	60,200	21,000	8,500	12,025	5,800	3,500
Managed capital	5,318	2,058	1,531	1,164	847	3,208	1,561	1,056	279	79

¹⁾ SparLiv's profits are set aside for its policyholders.

²⁾ 1996 income also includes unrealized exchange gains.

³⁾ Includes loan insurance.

Sparbanken Borås AB

Sparbanken Borås AB is a banking company 40-percent owned by Sparbanken Sverige and 60-percent by Sparbankstiftelsen Borås. In 1995 it took over the operations previously conducted by Borås Sparbank. With 15 branches in Sjuhäradsbygden in southwestern Sweden, it is one of the leading banks in its region. Operating income in 1996 amounted to SEK 40 M.

AS Eesti Hoiupank

Eesti Hoiupank is Estonia's third largest

bank and the country's market leader in the household sector. It operates on a nationwide basis

and has approximately 200 branches and 1,300 employees. Eesti Hoiupank is 12.5-percent owned by Sparbanken Sverige.

Aktia Sparbank Ab

Aktia Sparbank Ab, the largest savings bank in Finland, was created in 1991 and 1992 when Helsingfors Sparbank merged with a number of coastal savings banks in southern Finland. It was converted to a banking company in 1993 and currently has slightly more than 60

branches in Finland's bilingual coastal area.

SEK M	Note	Group		The Bank	
		1996	1995	1996	1995
Interest income	1	42,736	45,787	19,023	21,236
Leasing income	1, 2	1,031	1,105	-	-
Interest expenses	1	- 32,622	- 35,741	- 12,785	- 14,889
Dividends received	3	103	62	266	72
Commission income	4	3,292	2,599	2,171	1,720
Commission expenses	5	- 615	- 497	- 271	- 198
Net income from financial operations	6	1,145	1,209	1,137	1,846
Other operating income	7	780	859	749	778
Total income		15,850	15,383	10,290	10,565
Personnel expenses	8	- 4,222	- 4,401	- 3,739	- 3,829
Other general administrative expenses	9	- 3,304	- 2,982	- 2,936	- 2,661
Total general administrative expenses			- 7,526	- 7,383	- 6,675
					- 6,490
Depreciation and write-downs of tangible and intangible assets	10	- 1,219	- 1,216	- 195	- 307
Other operating expenses	11	- 152	- 145	- 111	- 86
Total expenses		- 8,897	- 8,744	- 6,981	- 6,883
Income before loan losses		6,953	6,639	3,309	3,682
Loan losses, net	12	- 1,546	- 654	- 950	31
Change in the value of property taken over	13	- 105	- 1,562	3	- 447
Operating income		5,302	4,423	2,362	3,266
Appropriations	14	5	- 31	2,166	- 1,743
Tax on income for the year	15	- 1,427	- 1,069	- 1,073	- 223
Other taxes		- 8	- 11	-	-
Net income		3,872	3,312	3,455	1,300
Net interest income		10,361	10,326	6,238	6,347
Of which, charge for deposit guarantee		- 228	-	- 228	-

SEK M	Note	Group		The Bank	
		96-12-31	95-12-31	96-12-31	95-12-31
Assets					
Cash and balances with central banks		2,831	2,838	2,831	2,834
Treasury bills, etc.	16	11,481	15,249	11,349	12,957
Lending to credit institutions	12, 17	53,858	28,250	59,124	41,358
Lending to the general public	12, 18	381,187	381,599	131,410	136,263
Bonds and other interest-bearing securities	19	17,548	9,819	36,087	32,705
Shares and participations	20	3,794	2,823	3,322	2,785
Shares and participations in associated companies ²¹		617	416	610	420
Shares and participations in Group companies	22	12	446	12,257	9,856
Intangible fixed assets	23	1,558	1,732	3	2
Tangible assets	24	6,925	7,223	4,349	4,271
Other assets	25, 26	16,263	22,155	16,392	16,282
Prepaid expenses and accrued income	27	6,376	8,154	3,154	5,503
Total assets		502,450	480,704	280,888	265,236
Assets pledged for Group liabilities					
Assets pledged for Group liabilities	37	38,121	24,406	37,690	23,140
Other pledged collateral	37	4,402	4,512	4,397	4,512
Liabilities, allocations and stockholders' equity					
Liabilities, allocations and stockholders' equity					
Loans from credit institutions	28	70,393	57,478	73,959	59,929
Deposits and funding from the general public	29	146,121	147,983	144,684	147,714
Securities issued, etc.	30	212,343	203,307	12,236	11,878
Other liabilities	26, 31	25,539	20,928	22,103	17,633
Accrued expenses and prepaid income	32	9,547	12,089	2,348	3,901
Allocations	33	1,215	702	486	411
Subordinated liabilities	34	17,242	17,910	8,942	8,538
Minority interests		1	1	-	-
Untaxed reserves	35	-	-	1,405	269
Capital stock	36	5,564	5,564	5,564	5,564
Other reserves	36	7,683	5,828	3,071	2,638
Retained earnings	36	2,930	5,602	2,635	5,461
Net income	36	3,872	3,312	3,455	1,300
Total liabilities, allocations and stockholders' equity		502,450	480,704	280,888	265,236
Contingent liabilities	37	6,742	7,680	7,727	8,337
Guarantees	37	1,630,375	1,307,889	1,587,922	1,239,831

Notes not directly related to the income statement or balance sheet.

Note 38 – Capital adequacy analysis

Note 39 – Disclosure of financial income and expenses as well as commission income and expenses for insurance

and reinsurance attributable to the Bank and with regard to other companies in the Group, and informa-

tion on subordinated assets

Note 40 – Summary of material differences between generally accepted accounting principles in Sweden and

Financial analysis

Income

The Group's operating income for 1996 was the highest ever and amounted to SEK 5,302 M, an increase of 20 percent or SEK 879 M compared with 1995. The most important reasons for the improvement in operating income were increased commission income and lower loan losses.

The return on equity in 1996 was 20.4 percent (17.5).

Stable net interest income

The Group's net interest income amounted to SEK 10,361 M (10,326), an increase of SEK 35 M compared with 1995. Expenses associated with the recently adopted compulsory deposit guarantee amounted to SEK 228 M, because of which net interest income excluding the compulsory deposit guarantee rose by SEK 263 M or slightly more than two percent. Net interest income of the subsidiary Spintab rose by SEK 276 M, which is primarily due to a decrease in expenses for unsettled loans. The capitalization of Fastighets AB Tornet prior to its distribution to the stockholders is estimated to have affected net interest income negatively in 1996 by more than SEK

100 M.

Dividends received

The increase in dividends received is primarily due to the increase in the Bank's holding of shares in Svensk Exportkredit.

Higher net commission income

Net commission income rose by 27 percent or SEK 575 M to SEK 2,677 M. Of the net commission income, SEK 443 M was management fees earned by Robur. Sales commissions to the Bank from the funds managed by Robur amounted to SEK 320 M.

Commission income from payment services amounted to SEK 994 M (845), of which the large part of the increase compared with 1995 is attributable to card operations. Also included, among other things, is the price customers pay to utilize services as part of the Eken offer and various service packages.

Securities trading also developed well, with commission incomes rising substantially. Commissions from insurance operations in SparLiv/SparFond rose by 36 percent in 1996 to SEK 38 M.

Net income from financial transactions

Quarterly income trend, the Group					
SEK M	Q 4, 1996	Q 3, 1996	Q 2, 1996	Q 1, 1996	Q 4, 1995
Interest income	9,953	10,449	10,974	11,360	10,608
Leasing income	245	255	268	263	267
Interest expenses	- 7,298	- 7,918	- 8,379	- 9,027	- 8,121
Commissions, net	744	629	695	609	670
Financial operations, net	256	297	127	465	456
Other income	227	180	286	190	214
Total income	4,127	3,892	3,971	3,860	4,094
Personnel expenses	1,061	1,044	1,081	1,036	1,180
Other expenses	1,235	1,100	1,178	1,162	1,178
Total expenses	2,296	2,144	2,259	2,198	2,358
Income before loan losses	1,831	1,748	1,712	1,662	1,736
Loan losses, incl. change in value	- 346	- 400	- 445	- 460	- 416
Operating income	1,485	1,348	1,267	1,202	1,320
Net interest income	2,740	2,578	2,654	2,389	2,576
Of which, charge for deposit guarantee	57	57	58	56	-

Income from financial transactions amounted to SEK 1,145 M (1,209), of which slightly more than SEK 500 M was realized. The large part of the income is due to appreciation in the value of the holding of interest-bearing securities owing to falling interest rates. Net income for 1996 includes SEK 146 M due to the effect of the change in accounting principles with regard to the holding of interest-bearing securities at year-end 1995. Since the amount was not considered significant, the effect of the change was carried over to income for 1996 rather than adjusted against stockholders' equity at the beginning of the year.

Other operating income
The Group's other operating income primarily consists of the sale of EDP services to independent savings banks and income from external tenants in Group properties.

Expenses under control
Expenses increased by just under two percent or SEK 153 M to SEK 8,897 M compared with 1995. The increase in expenses due to the acquisition of Robur, including the amortization of goodwill, amounted to SEK 251 M, because of which expenses for comparable operations decreased by slightly more than one percent relative to 1995.

Personnel expenses decreased by four percent compared with 1995. The number of employees decreased by 531 in 1996 to 9,130 as of December 31, 1996.

Other expenses rose primarily due to rising computer and marketing investments.

Loan losses, the Group						
SEK M	Corporate		Private		Total	
	1996	1995	1996	1995	1996	1995
The Bank*	855	1,185	201	302	1,056	1,487
Spintab	540	682	65	74	605	756
Sparbanken						
Finans	0	-18	-8	-10	-8	-28
Swedbank						
Luxembourg	-2	0	0	1	-2	1
Total	1,393	1,849	258	367	1,651	2,216

* Including Group adjustment.

Loan losses by size, the Group				
SEK M	1996		1995	
	Number	Amount	Number	Amount
<50	>100	1,308	>100	1,974
50-500	3	343	3	242
500-1,000	0	0	0	0
Total		1,651		2,216

Loan losses, the Group		
SEK M	1996	1995
New provisions	2,282	2,410
Established, net	1,707	3,466
Recoveries	-2,338	-3,660
Total	1,651	2,216

Loan losses by industry, the Group					
SEK M	1996	%	1995	%	
Households	252	15	367	17	
Real estate management	893	54	2,136	96	
Retail, hotels, restaurants	54	3	108	5	
Construction	19	1	15	1	
Manufacturing	45	3	19	1	
Transportation	104	6	74	3	
Other	284	18	-503	-23	
Total	1,651	100	2,216	100	

Depreciation and write-downs
This item includes the depreciation of leasing assets, which was previously reported as a deduction from net interest income.

The amortization of goodwill relates to the acquisition of Robur.

Loan losses

Loan losses, net, including the change in value of property taken over, amounted to SEK 1,651 M, a decrease of 25 percent or SEK 565 M compared with 1995. The loan loss ratio was 0.4 percent (0.6).

Appropriations

In 1996 all subsidiary earnings were passed on to the Bank in order to facilitate a collective allocation to untaxed reserves. During the year SEK 1,128 M (263) was allocated to the tax accrual reserve.

Taxes

The tax deductions claimed by the Bank for the tax years 1992 and 1993 for loan losses stemming from receivables taken over from foreign subsidiaries were not accepted by the county administrative court. The decision has been appealed to the administrative court of appeal. If the Bank were to win the

case, it would reduce its future reported tax expense by approximately SEK 230 M.

Group assets

The Group's total assets amounted to SEK 502 billion (481) at year-end 1996. The increase is primarily attributable to lending to credit institutions as well as bonds and other interest-bearing securities. Lending to foreign banks increased substantially during the year owing to securities purchased under resale agreements.

In light of the trend in interest rates in 1996 and the anticipated future trend, the Bank decided in December to increase its holding of financial fixed assets and at the same time reduce its strategic holding of financial current assets.

In December, securities that were previously classified as financial current assets were therefore transferred to financial fixed assets. This was done at market value. After the transfer, the assets are reported at their accrued acquisition value, which is based on the value when they were transferred.

When transferred, the instruments had a market value of SEK 2,063 M. Market value exceeded accrued acquisition value by SEK 133 M, which is included in unrealized net income from financial operations. An amount corresponding to the difference between the instruments' book value and accrued acquisition value calculated on the basis of their original acquisition value has been taken into account in stockholders' equity when determining the size of the reserve for unrealized gains.

Lending

The Group's total lending to the general public and credit institutions amounted to SEK 382 billion at year-end 1996. This amount does not include lending to the National Debt Office or to banks. Lending to businesses - primarily in manufacturing,

SEK M	1996
Residential properties, incl. condominiums	227,060
Other real estate	28,695
Municipalities, county councils, etc.	54,338
Credit institutions ¹⁾	1,619
Chattel mortgages	8,878
Guarantees	7,697
Unsecured	26,509
Other ²⁾	26,717
Total	381,513
¹⁾ Incl. resale agreements - Credit institutions	496
²⁾ Incl. resale agreements - Others	10,801

SEK M	1996	%	1995	%
Households	184,529	48	182,379	48
Real estate management	104,517	27	110,112	29
Credit institutions, excl. banks ¹⁾	1,619	1	2,022	1
Retail, hotels, restaurants	8,942	2	8,443	2
Construction	7,877	2	8,629	2
Manufacturing	6,539	2	4,626	1
Transportation	3,486	1	2,982	1
Forest products and agriculture	7,651	2	6,676	2
Municipalities	14,502	4	13,451	3
Other ²⁾	41,851	11	43,087	11
Total	381,513	100	382,407	100
¹⁾ Incl. resale agreements - Credit institutions	496		632	
²⁾ Incl. resale agreements - Others	10,801		13,796	

agriculture and forest products - rose by SEK 3 billion. Lending to municipalities rose by SEK 1 billion and to households by SEK 2 billion during the year. Mortgage lending by Spintab increased by slightly more than SEK 7 billion. The large part of the increase came from the household market and a significant portion were loans that customers chose to transfer from the Bank to Spintab due to lower long-term interest rates.

The Group's lending to real estate management operations decreased in 1996 by approximately SEK 6 billion due, among

SEK M	1996		1995	
	Number	Amount	Number	Amount
<50	>100	7,505	>100	12,740
50-500	43	4,185	70	7,792
500-1,000	1	708	0	0
> 1,000	0	0	0	0
Total		12,398		20,532

SEK M	1996		1995	
	Gross	Net	Gross	Net
The Bank	6,955	2,953	14,250	5,576
Spintab	4,872	3,119	5,303	3,130
Sparbanken Finans	154	85	266	139
Swedbank				
Luxembourg	34	24	41	29
Other*	383	217	672	443
Total	12,398	6,398	20,532	9,317

* Loans guaranteed by the Bank in Swedbank Luxembourg, etc.

SEK M	Gross	Provi- sions	Shares of net loans,	
			Net	%
Households	2,155	1,263	892	0
Real estate management	6,695	2,607	4,088	4
Retail, hotels, restaurants	558	281	277	3
Construction	166	78	88	1
Manufacturing	241	89	152	2
Transportation	140	61	79	2
Forest products and agriculture	138	54	84	1
Other	2,305	1,567	738	1
Total	12,398	6,000	6,398	2

other things, to the distribution of Fastighets AB Tornet and the continued liquidation of problem loans.

Lending increased by slightly more than SEK 6 billion during the fourth quarter of 1996.

Problem loans

The Sparbanken Sverige Group's problem loans, net, declined during the year by SEK 2,919 M or 31 percent compared with 1995 and amounted to SEK 6,398 M (9,317) on December 31, 1996. The share of doubtful claims, net, decreased to 1.5 percent (2.2) of the Group's lending.

Property taken over

The book value of property taken over to protect claims decreased substantially to SEK 279 M (1,394) at year-end. A large part of the decline is due to a decrease in shares and participations taken over as a result of, among other things, the distribution of the shares in Fastighets AB Tornet.

Properties used in operations

The book value of the Group's properties used in operations amounted to SEK 4,089 M (4,202) at year-end 1996. The decrease is due to the sale of properties during the year.

Among those sold was the former regional office in Umeå. The Group intends to continue to review its holdings of properties used in operations.

Liabilities

The Group's liabilities increased by SEK 22 billion, of which loans from credit institutions accounted for SEK 13 billion and securities issued for SEK 9 billion. The increase in loans from credit institutions relates to repurchase agreements with foreign banks.

Funding and deposits from the general public

During the year deposits from the general public remained largely unchanged, while other savings forms increased. Deposits in transaction accounts increased during the year as a result of the Bank's offer of a higher interest rate for private customers who combined their transaction accounts with the Sparbankskort, Sparbanksgiro and Sparbanken Direct Personal Assistance telephone banking.

Securities issued

Securities issued by the Group amounted to SEK 212 billion (203) on December 31, 1996 and consist in large part of bonds issued by the subsidiary Spintab. The increase in bonds issued is due to higher demand for long-term fixed-rate mortgages as a result of the relatively low interest rates.

Capital base and capital adequacy

The calculation of the capital base and capital adequacy (Note 38) is based on the so-called financial companies group, not the group definition in accordance with the Annual Report Act. The financial companies group

includes financial companies in which the ownership interest exceeds 20 percent. Insurance companies are not included in the financial companies group. The Sparbanken Sverige financial companies group includes the Sparbanken Sverige Group, though not the Sparia insurance group. It also includes Sparbanken Borås AB and Aktia Sparbank Ab in Finland in their entirety.

The capitalization of Fastighets AB Tornet in 1996 resulted in a decrease in the Group's primary capital of approximately SEK 3 billion, which negatively affected the capital adequacy ratio. The capital adequacy ratio for the financial companies group amounted to 13.0 percent (13.9) on December 31, 1996, of which the primary capital ratio was 7.0 percent (7.4). As of 1996, the capital adequacy requirement applies to market risks as well as credit risks.

The share of market risks of the total capital adequacy ratio was 0.3 percentage points. Volume growth and lower provisions increased the risk-weighted amount, as did the addition of market risks and shares in Sparbanken Aktia Ab.

Liquidity

Sparbanken Sverige's deposits from households are approximately double the volume of loans to the same group. This is the main reason for the Group's good

liquidity. On December 31, 1996 surplus liquidity amounted to approximately SEK 50 billion.

A large part of household deposits and account-based deposits from the general public are placed in transaction accounts with balances that vary continually during the month. Of the Group's surplus liquidity, approximately SEK 30 billion was invested in the Group's strategic portfolios. These mainly contain mortgage and government bonds in SEK which may be hypothecated with Sveriges Riksbank and serve as a stable liquidity reserve for the Bank. The investments are regarded as long-term. Approximately two-thirds are classified as fixed assets and the rest as current assets.

A large part of the Bank's strategic portfolios is invested in Spintab bonds, which are eliminated in the consolidated balance sheet. Consequently, the Group's strategic portfolios amount to only about SEK 15 billion, of which half is classified as financial fixed assets.

The remaining share of the Bank's surplus deposits, which usually fluctuate during the month, are invested short-term by the Bank's trading operations in interest-bearing securities and as short-term loans to banks and the general public.

Interest rate risks

Effect on the value of assets and liabilities in SEK, including derivatives, if market interest rates rise by one percentage point									
SEK M	< 3 mos.	3-12 mos.	1- 2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	5-10 yrs.	>10 yrs.	Total
Financial fixed assets and related derivatives	- 3	- 17	- 39	- 80	- 103	- 94	- 1	0	- 337
Financial current assets valued at fair value	- 25	- 54	- 40	- 54	36	18	- 6	- 34	- 159
The Bank's other assets, liabilities and related derivatives	- 18	- 20	- 42	22	- 22	- 5	- 7	9	- 83
Total, the Bank	- 46	- 91	- 121	- 112	- 89	- 81	- 14	- 25	- 579
Spintab	8	- 4	8	- 47	- 46	- 84	- 42	0	- 207
Group	- 38	- 95	- 113	- 159	- 135	- 165	- 56	- 25	- 786
Financial current assets valued at fair value in the Group	- 21	- 46	- 30	- 46	50	18	- 3	- 34	- 112

**The most important items in the consolidated balance sheet as per December 31, 1996,
SEK billion**

ASSETS	SEK	Foreign currency	Total
Lending to households	184.1	0.4	184.5
Other lending to the general public	173.9	22.8	196.7
Total lending to the general public	358.0	23.2	381.2
<i>of which</i>			
<i>loans by the Bank</i>	108.7	22.7	131.4
<i>of which</i>			
<i>lending to households</i>	40.4	0.4	40.8
<i>resale agreements</i>	10.2	0.6	10.8
<i>lending by Spintab</i>	246.6	0.0	246.6
Lending to Swedish banks and other credit institutions	12.4	1.5	13.9
Lending to foreign banks	31.6	8.4	40.0
Total lending to banks and other credit institutions	44.0	9.9	53.9
<i>of which, resale agreements</i>	34.4	0.0	34.4
Interest-bearing securities	25.2	3.8	29.0
<i>of which</i>			
<i>financial fixed assets</i>	8.5	0.0	8.5
<i>financial current assets</i>	16.7	3.8	20.5
<i>of which</i>			
<i>trading portfolio</i>	9.4	3.8	13.2
<i>(elimination of the Bank's holding of Spintab bonds – 18.6)</i>			
Other	32.1	6.3	38.4
<i>of which</i>			
<i>trading portfolio, shares</i>	2.1	0.0	2.1
<i>buildings and land</i>	4.0	0.1	4.1
<i>cash</i>	2.4	0.1	2.5
<i>accrued interest</i>	5.0	0.6	5.6
Total assets	459.3	43.2	502.5
LIABILITIES	SEK	Foreign currency	Total
Deposits from households	94.6	0.0	94.6
<i>of which</i>			
<i>savings accounts</i>	66.5	0.0	66.5
Other deposits from the general public	46.9	4.6	51.5
Total funding and deposits from the general public	141.5	4.6	146.1
<i>of which</i>			
<i>repurchase agreements</i>	2.2	0.0	2.2
Loans from Swedish banks and credit institutions	25.2	4.1	29.3
Loans from foreign banks	22.2	18.9	41.1
Total loans from credit institutions	47.4	23.0	70.4
<i>of which</i>			
<i>repurchase agreements</i>	23.7	0.0	23.7
Securities issued and subordinated loans	168.1	61.5	229.6
<i>of which</i>			
<i>subordinated loans</i>	3.0	14.2	17.2
<i>(elimination of the Bank's holding of Spintab bonds – 18.1)</i>			
Other	29.7	6.7	36.4
<i>of which</i>			
<i>accrued interest</i>	5.7	1.3	7.0
Stockholders' equity, including net income for the year	20.0	0.0	20.0
Total liabilities, allocations and stockholders' equity	406.7	95.8	502.5

Interest rate risks arise in the Group when interest fixing periods on assets and liabilities do not coincide. Interest rate risks in the Group may not exceed the limits stipulated by the Board of Directors.

The Group's interest rate risks primarily arise because the Bank's surplus liquidity is invested in securities with fixed interest rates in the Bank's strategic portfolios.

Furthermore, a small share of the Bank's fixed-rate lending is financed with deposits that carry variable interest rates. In the subsidiary Spintab, non-refinanced fixed-rate lending occurs within a stipulated limit which does not exceed the company's stockholders' equity. This also creates a certain interest rate risk. In the Bank's trading operations, interest rate risks arise as a result of positions that are taken to benefit from short-term fluctuations in interest rates.

Because of these interest rate risks, the Bank's net interest income is affected when interest rates fluctuate. In addition, the value of the Group's assets and liabilities with fixed interest rates are affected as well. To the extent that financial instruments are classified as current assets which are valued at market value, changes in value have a direct impact on the Bank's earnings. Otherwise, the Bank's net interest income is affected indirectly over the remaining interest fixing period of the instruments.

The Group's interest rate risk exposure at year-end was such that if market interest rates had risen by one percentage point, the value of the Group's assets and liabilities in SEK would have fallen by SEK 786 M, of which SEK 112 M relates to financial current assets reported at market value in the balance sheet. In the theoretical event that such an increase had fully impacted the Group's deposits and lending with variable interest rates, the Group's net interest income would have decreased by an estimated SEK 170 M.

Interest rate risks in foreign currency are taken exclusively by the Bank's trading

operations. At year-end the Group's interest rate exposure in foreign currency was such that the market value of these positions would decline by approximately SEK 25 M if market interest rates in each currency changed by one percentage point in an unfavorable direction.

Currency risk exposure

Approximately 9 percent of the Group's assets and approximately 19 percent of its liabilities were denominated in foreign currency at year-end. The currency risk in the residual portion of the liabilities is largely eliminated through forward contracts and combined interest rate and current swaps. The largest net exposure in a single currency amounted to a value of SEK 90 M. The Group's assets and liabilities in foreign currency have arisen in part because the Bank and the subsidiary Spintab have raised loans in foreign currency that are converted to SEK through currency swaps when it has been more beneficial than domestic funding. Another reason is that the Bank accepts deposits and grants loans in foreign currency. The currency risks that this can generate are managed by the Bank's trading operations, which, when it considers it advantageous, can take positions in individual currencies within stipulated limits.

Slightly over half of the Bank's assets and liabilities in foreign currency at year-end were denominated in USD. Other currencies of significance to the Bank's operations are DEM, GBP and JPY. On the asset side, DEM and GBP, which are about the same size, followed by USD, are the largest currencies. At year-end the two former currencies together accounted for a share of approximately 25 percent. Among liabilities, DEM and JPY are about equal in size and at year-end together accounted for a share of approximately 25 percent.

Risk control

Credit risks

The Bank's Central Board of Directors, which appoints the Board's Credit and Capital Market Committee, is ultimately responsible for the Group's lending. The Board also appoints the boards of directors of the local savings banks.

When Sparbanken Sverige was formed, a new credit approval procedure and loan policy were drawn up to conform to the Bank's marketing strategy. The aim is to make more than 95 percent of the business decisions at the local level concerning mainly households, residential financing, municipalities and local companies. This target has been attained.

Credit approval procedure

The local savings banks are organized in three categories depending on business volume, customer base and expertise. Depending on the category, a local savings bank is able to grant loans up to SEK 5, 10 and 25 M. Loans in excess of these amounts up to SEK 100 M are decided by the Central Credit Committee, while loans in excess of SEK 100 M are decided by the Board's Credit and Capital Market Committee. Special approval procedures apply for subsidiaries.

With regard to day-to-day management, each local savings bank has responsibility for its respective portion of the Group's loan portfolio. This means that local savings banks are currently responsible for 66 percent of the Bank's total loan portfolio and, through integrated credit processing systems, have customer responsibility for a large part of Spintab's portfolio.

Credit policy

Sparbanken Sverige's credit policy is to strive for long-term business relationships based on customer benefits and sustainable profitability. The purpose and understanding of a loan arrangement should be decisive to whether or not it is granted. Furthermore, a diverse spread of risks is sought within the

Bank's market segments.

The objective is to create a well-balanced loan portfolio with a satisfactory yield in relation to normal credit risks. Over a normal business cycle, the loan loss level in the Group should not exceed 0.5 percent.

Monitoring and analysis

The Central Staff Unit is responsible for coordinating the credit organization and the credit instructions. The Credit Staff Unit is responsible for the preparation and processing of credit matters that are decided by the Central Credit Committee and by the Board of Directors and its Credit and Capital Market Committee.

An overriding principle is that all credit decisions in Sparbanken Sverige are made by at least two persons or, in the case of small loans, by one person with the support of an EDP-based evaluation system. All corporate loan exposure over a certain level is subject to internal rating, in which exposures are classified on the basis of an assessment of the borrower's solvency and the quality of the collateral.

The Central Staff Unit's responsibility also includes instructions and routines relating to risk control and monitoring. Among other things, the Unit prepares reports and analyses relating to new lending, lending by industry, collateral and risk class. It also monitors existing and new problem loans. The managements and boards of the local savings banks are responsible for local monitoring.

In addition, the Central Staff Unit is responsible for ongoing analyses and monitoring of changes in the loan portfolio locally and centrally. It is also involved with quality control and support activities as well as the development of routines and skills within the credit area.

Financial risks

The Bank's Board of Directors is ultimately responsible for how the Group manages

financial risks. It decides on the overall objectives for capital adequacy, liquidity and limits for the Group's exposure for various market risks. The Board appoints a Finance Committee of its own members. The Finance Committee prepares issues regarding the monitoring of the Group's market risks, i.e. interest, currency and share price risks, that are decided by the Board of Directors. The Committee also prepares issues regarding the planning and control of the Group's liquidity and financing with its own and external capital. The Board of Directors also appoints the Bank's Finance Sub-Committee and Trading Sub-Committee.

The Finance Sub-Committee distributes and monitors risk mandates within the limits set by the Board of Directors to Group Treasury, which manages the Bank's strategic portfolios and in-house bank; Swedbank Markets, which is responsible for the Bank's trading operations; and Spintab, the Group's mortgage institution.

The Trading Sub-Committee distributes risk mandates between the various trading departments within Swedbank Markets' area of responsibility.

Spintab's Board of Directors sets risk limits for the company and its Finance Committee monitors Spintab's financial risks on a day-to-day basis.

Policy for financial risks

Financial risks within the Group must be carefully considered and calculated.

Market risks must be of such a size that they are limited in relation to the Group's stockholders' equity and capital base. The Group must maintain sound liquidity.

Monitoring and analysis

A special analysis unit within Group Treasury compiles and reports the Group's financial risks on a continuous basis to the Finance Committee and Finance Sub-Committee. Within the risk-taking units, special risk management functions are responsible for continuous monitoring and

analysis.

Derivatives

Derivatives are used in the Group by Swedbank Markets, Group Treasury and certain subsidiaries. In Swedbank Markets,

Income analysis		Effect on operating income, SEK M
		Change
Net interest income: Market interest rate	+ 1%-point	- 170
Net interest income: Market interest rate	-1%-point	- 100
Net income from financial operations: Market interest rate	+/- 1 %-point	-/+ 112
Problem loans	+/- SEK 1 billion	-/+ 60
Net commissions	+/- 1%	+/- 27
Personnel changes	+/- 100 employees	-/+ 40
Salary changes	+/- 1%	-/+ 37
Loan loss level	+/- 0.1% point	-/+ 390

¹Cost of capital 6.0 percent.

Capital adequacy analysis		Effect on capital adequacy ratio, % points
		Change SEK billion
Risk-weighted amount	+/- 10	-/+ 0.5
Operating income	+/- 1	+/- 0.3
Capital base	+/- 1	+/- 0.4

derivatives are used to meet customer needs and to cover and take market positions. In other units, derivatives are used primarily to reduce interest and currency risks.

Note 26 shows all of the Group's derivative

Ratings February 1997		
	Sparbanken Sverige	Spintab
S&P		
Short-term	A2	A2
Long-term	-	-
Moody's		
Short-term	P-1	P-1
Long-term	A2	Aa3
Bank Financial Strength	C	-
Bankwatch		
Short-term	TBW-1	TBW-1
Issuer	C	B/C
Long-term	-	AA-
Fitch		
Short-term	F-1	F-1+
Long-term	A+	AA-
Nippon	AA-	-

Accounting principles

The annual report has been prepared in accordance with the Annual Report Act for Credit Institutions and Securities Firms (1995:1559) and the regulations of the Swedish Financial Supervisory Authority.

As of January 1, 1996, new accounting legislation applies for credit institutions. The regulations of the Swedish Financial Supervisory Authority have been amended as well. The headings used in the income statements and balance sheets for 1995 have been changed in accordance with the new standard.

Important changes as a consequence of the new rules

- Reclassification of the previous trading and investment portfolios to financial current assets and fixed assets.
- Valuation at fair value of transferable securities that are classified as current assets.
- Valuation at fair value of derivatives not covered by hedging accounting.
- Clarified requirements regarding hedging accounting.
- Gross accounting of positive and negative values of derivative instruments.
- Transaction-day accounting of transactions in the money and bond markets.
- Comprehensive restructuring of income statements and balance sheets.

Consolidated accounting

The consolidated accounts have been prepared in accordance with Recommendation RR 01:91 of the Swedish Accounting Standards Board.

The consolidated accounts comprise Sparbanken Sverige and those companies in which the Bank directly or indirectly holds more than 50 percent of the voting rights of the shares. These companies are reported in the consolidated accounts in accordance with

the purchase accounting method. In addition, the consolidated accounts comprise associated companies, which are companies in which the Bank directly or indirectly holds more than 20 percent of the voting rights of the shares and where the ownership interest is an element in a long-term association between the Bank and the company. Associated companies are consolidated in accordance with the equity method, with the exception of the associated company SparLiv, a mutual insurance company whose profits are therefore distributed among its policyholders.

Dormant companies and other companies of insignificant size are not consolidated. Companies taken over to protect claims have not been consolidated since they are of little significance or are expected to be liquidated within the near future.

The difference between accrued acquisition value in the Bank's holding of securities issued by subsidiaries and the corresponding liability in the respective subsidiary is amortized over the remaining fixed interest period of the loan.

Foreign subsidiaries and associated companies
Shares in foreign subsidiaries and associated companies that are refinanced in the same currency are valued at their acquisition price in the Parent Company.

In the Group, subsidiaries and associated companies are translated in accordance with the current method. This means that assets and liabilities are translated to SEK at the closing day rate, while the income statement is translated at the average rate for the fiscal year. Translation differences that arise from the use of the current method directly affect restricted and non-restricted equity. As a result, any translation differences attributable to the financing in foreign currency of the investment in subsidiaries' shares is also transferred directly to stockholders' equity, taking into account deferred tax.

Assets and liabilities in foreign currency

Assets and liabilities in foreign currency are valued at the average rate on the closing date. This means unrealized exchange gains and losses are also included in operating income. Outstanding forward contracts are valued at their final market price.

Fixed assets and current assets
Assets classified as fixed are intended to be held for the long term and consumed in operations. Other assets are classified as current.

Fixed assets are valued at acquisition value, while current assets consisting of transferable securities and derivatives are valued at fair value. Other current assets are valued according to the lower of acquisition value and market value principle. An exception is made from the stated valuation principles for current assets reported in accordance with accounting for hedging, which are valued at acquisition value.

Lending and provisions for loan losses

Claims are reported at the maximum value at which they are expected to be received. In the balance sheet, claims are reported net after the deduction of write-downs for both established and anticipated loan losses. On the liability side, anticipated loan losses are reported with regard to guarantees and other contingent liabilities. Operating income is charged with established and anticipated losses less restored provisions and recoveries as well as with the net cost of discharging guarantees and other contingent liabilities.

Provisions for loan losses as a rule are based on an individual assessment of loans and guarantees. For homogenous groups of claims with limited value and similar credit risks, collective valuations have been used.

Provisions are made for anticipated losses if the solvency of the borrower is not expected to improve sufficiently within two years and the value of the collateral does not cover both the principal and accrued interest by a safe margin. Accrued interest on doubtful claims is not reported as income.

Property taken over to protect claims or are used as collateral for doubtful claims

Property taken over to protect claims is valued at the lower of acquisition value and net sales value. The sales value of properties is determined based on the location method, cash flow method or a combination of the two. The method selected is the one that best reflects the sales value on the closing date. The cash flow method is used for properties that generate rental income, in which case payment flows and future residual values are forecast for the specific calculation period. The yield requirements used are long-term.

Changes in value and realized gains and losses with regard to properties taken over are reported in the income statement under "Change in the value of property taken over."

Property used as collateral for doubtful claims is valued at fair value. By fair value is meant the price that presumably would be obtained in a market that permits sales in due course and where reasonable time is given for negotiations.

Financial instruments

The holding of financial instruments is divided into financial fixed assets and financial current assets. Securities which are intended to be held until maturity or for the long term are classified as financial fixed assets. Other securities as well as derivatives are classified as financial current assets.

Financial fixed assets are valued at their accrued acquisition value.

The transfer of financial current assets to financial fixed assets is done at market value

at the time of transfer.

Financial current assets consisting of transferable securities and derivatives are valued at fair value. The gain that arises when book value exceeds acquisition value is allocated to a reserve for unrealized gains. The reserve is reported under restricted stockholders' equity after taking into account deferred tax. Other financial current assets are valued at the lower of accrued acquisition value and fair value. The fair value of financial instruments with a low turnover is determined by applying a conservative valuation.

Derivatives with a positive value are reported under "Other assets" and those with a negative value under "Other liabilities." Realized and unrealized exchange rate gains and losses on financial current assets are reported under "Net income from financial operations." Realized gains and losses on financial fixed assets are reported under "Other operating income" and "Other operating expenses," respectively. Amortized premiums and discounts are reported as interest.

Repurchase transactions

Were in substance the repurchase is irrevocable, the asset is still reported on the selling party's balance sheet and the proceeds obtained are reported as a liability. The security sold is reported as a pledged asset on the balance sheet. The receiving party does not report the security on its balance sheet. The proceeds it pays are instead reported as a loan receivable from the selling party. The difference between the proceeds based on the spot rate and forward rate is amortized over the maturity as interest.

Stock loans

Stock loans to others remain on the balance sheet as securities, while stocks on loan from others are not reported as assets. Stocks on loan to others are valued in the same way as

other security holdings of the same category. In cases where stocks on loan from others are sold, an amount corresponding to the security's fair value is taken up as a liability.

Accounting for hedges

To protect certain assets and liabilities or payment flows stipulated by contract against interest, market or currency risks, these positions are matched against positions with corresponding flows and maturities. Hedging accounting is applied for positions that are individually or collectively identified and which have an effective hedge, i.e. a high correlation when values change. The effectiveness of the hedge is evaluated regularly throughout the maturity of the hedge.

The Group primarily applies deferred hedging accounting, i.e. hedging accounting with valuations at acquisition value. The hedged and the protected position are reported in the income statements and balance sheets without taking into account unrealized changes in value.

If hedging accounting is suspended because the protected position is realized although the hedged position remains on the balance sheet at acquisition value, the capital gain or loss is accrued over the remaining maturity of the hedged position.

Leasing assets

Leasing assets are reported under "Tangible assets" at acquisition value less scheduled depreciation and, when applicable, less write-downs owing to the lessee's solvency problems. Scheduled depreciation is based on acquisition value and is calculated with the annuity method over the contracted period. Scheduled depreciation is taken down to nil or to the guaranteed residual value. Residual value is determined in view of the estimated market value of the asset at the end of the contracted period. Leasing income is accrued with regard to the period during which income is generated.

Funding

Premiums and discounts that arise in the issue of fixed interest rate financial instruments of the subsidiary Spintab are entered as income in such a way that a constant effective yield is obtained over their term corresponding to the market rate of interest on the date of acquisition. Accrued premiums and discounts are included in the value of the financial instruments.

Price differences realized through repurchases of the company's own financial instruments in order to reduce the interest rate exposure in funding and lending are amortized over the remaining interest fixing period of the repurchased instruments. The accrued price differences are reported under "Accrued income and prepaid expenses" and "Accrued expenses and prepaid income," respectively.

Depreciation

Goodwill is amortized according to schedule by 10 percent. Refurbishment of rented

premises is capitalized and depreciated according to schedule by 5 percent.

Equipment and fixed assets in buildings used in operations are depreciated according to schedule by 20 percent of acquisition value.

Real estate, with the exception of properties taken over to protect claims, is depreciated at the highest amount allowable for tax purposes.

Pension obligations

The Group's pension obligations have been covered through insurance, allocations to pension funds and allocations in the balance sheet under "Provision for pensions."

A computed pension expense relating to pension obligations which are covered by pension funds or the provision for pensions account is reported as an operating expense. The computed pension premium is restored as an appropriation under "Settlement of pensions," where settlement is made against

Definitions

Capital adequacy ratio

Capital base in relation to the risk-weighted amount.

Capital base

The capital base is the sum of primary and supplementary capital less deductions in accordance with chapter 2 § 7 of the legislation on capital adequacy. By primary capital is meant taxed equity less goodwill and 72 percent of the untaxed reserves in the Parent Company. By supplementary capital is meant fixed-term subordinated loans (less a certain reduction if their remaining maturity is less than five years) as well as reserves and undated capital contributions approved by the Swedish Financial Supervisory Authority.

Doubtful claims

Claims which are overdue by more than 60 days and loans for which other circumstances cause uncertainty as to their value and for which the value of their collateral does not cover both principal and accrued interest by a safe margin.

Duration

The average weighted maturity in years of payment flows calculated at present value.

Earnings per share

Income after appropriations and estimated taxes divided by the number of shares. For the years 1992-1995, the dividend on preferred shares was treated as interest and affected income.

Equity ratio

Stockholders' equity carried forward as a percentage of total assets at year-end.

I/E ratio

Total incomes in relation to total expenses, both of which are adjusted for scheduled depreciation of leasing assets. The I/E ratio is calculated excluding and including loan losses.

Income before loan losses per employee

Income before loan losses per employee in relation to the average number of employees.

Interest fixing period

Contracted period during which interest on an asset or liability is fixed.

Interest margin

The difference between average interest on total assets after deducting scheduled depreciation of leasing assets and average interest on total liabilities.

Investment margin

Net interest income in relation to average total assets.

Loan losses

Established losses and provisions for anticipated losses during the period less restored provisions and recoveries related to loan claims as well as the net cost for the year of discharging guarantees and other contingent liabilities.

Loan loss level

Loan losses and changes in the value of property taken over in relation to the balance brought forward as well as property taken over and loan guaranteees.

Maturity

Time remaining until a liability or asset falls due for payment.

Number of employees

The number of full-time positions at year-end is calculated as the number of employees in relation to hours worked excluding long-term absences.

Operating income per share

Operating income after standard tax divided by the number of shares carried forward.

P/E ratio

Share price at year-end in relation to operating income per share.

Primary capital ratio

Primary capital in relation to the risk-weighted amount.

Problem loans, gross

Doubtful loans for which interest is not entered as income until payment is made and claims with interest concessions.

Problem loans, net

Problem loans, gross, less provisions made for anticipated loan losses.

Provision ratio for doubtful claims

Provisions for anticipated loan losses in relation to doubtful claims, gross.

Return on stockholders' equity

Net income in relation to average stockholders' equity. Average stockholders' equity is adjusted for new issues and dividends, and includes minority interests. For the years 1992-1994, standard tax is used.

Return on total capital

Operating income in relation to the average of total assets at the beginning and end of the year.

Risk-weighted amount

The total of risk-weighted values of all assets and off-balance-sheet items. The capital adequacy regulations of the Swedish Banking Act stipulate the percentage of the book value of the assets for which capital must be provided. The percentage reflects the degree of credit risk and market risk that is deemed to exist and may be 0, 20, 50 or 100 percent depending on the counterparty or collateral in the individual transaction.

Share of doubtful claims

Doubtful claims, net, in relation to total lending.

Standard tax

Standard tax rate of 28 percent (1992-1993: 30 percent).

Total lending

Lending to the general public excluding the National Debt Office and to credit institutions excluding banks.

Yield

Note 1 – Net interest income

Group	1996			1995		
	Monthly average	Interest	Interest rate,%	Monthly average	Interest	Interest rate,%
SEK M						
<i>Interest income</i>						
Credit institutions	60,731	3,433	5.65	36,965	2,595	7.02
Lending to the public	377,812	37,431	9.91	378,119	40,926	10.82
Interest-bearing securities	30,837	1,825	5.92	37,297	2,237	6.00
Other	51,155	47		49,877	29	
Total interest income	520,535	42,736	8.21	502,258	45,787	9.12
Leasing income		1,031			1,105	
Total interest income incl. leasing income	520,535	43,767	8.41	502,258	46,892	9.34
<i>Interest expenses</i>						
Credit institutions	73,583	4,270	5.80	61,973	4,380	7.07
Deposits and funding from the general public	152,798	6,729	4.40	147,218	8,183	5.56
Securities issued	209,381	19,805	9.46	209,329	20,866	9.97
Subordinated loans	17,480	1,542	8.82	17,782	1,780	10.01
Other	48,299	276		45,674	532	
Total	501,541	32,622	6.50	481,976	35,741	7.42
Depreciation of leasing assets		784			825	
Total interest expenses incl. depreciation of leasing assets	501,541	33,406	6.66	481,976	36,566	7.59
Stockholders' equity	18,994			20,282		
Total net interest income excl. depreciation of leasing assets		11,145			11,151	
Total net interest income incl. depreciation of leasing assets		10,361			10,326	
Interest margin			1.75			1.75
Investment margin	520,535		1.99	502,258		2.06

The Bank	1996			1995		
	Monthly average	Interest	Interest rate,%	Monthly average	Interest	Interest rate,%
SEK M						
<i>Interest income</i>						
Credit institutions	69,714	3,912	5.61	45,199	3,425	7.58
Lending to the public	130,987	11,318	8.64	135,771	13,789	10.16
Interest-bearing securities	49,755	3,712	7.46	51,454	3,938	7.65
Other	49,431	81		45,980	84	
Total	299,887	19,023	6.34	278,404	21,236	7.63
<i>Interest expenses</i>						
Credit institutions	77,392	4,409	5.70	61,802	4,655	7.53
Deposits and funding from the general public	151,672	6,682	4.41	146,524	8,123	5.54
Securities issued	14,053	900	6.40	13,428	892	6.64
Subordinated loans	8,320	616	7.40	8,690	762	8.77
Other	34,997	178		33,276	457	
Total	286,434	12,785	4.46	263,720	14,889	5.65
Stockholders' equity	13,453			14,684		
Total net interest income		6,238			6,347	
Interest margin			1.88			1.98
Investment margin	299,887		2.08	278,404		2.28

Monthly averages are calculated as an average of the balances at the beginning and end of each month of the year. The average interest rate during the year on the Bank's loans to and deposits from the general public were 8.64% (10.16%) and 4.41% (5.54%), respectively.

Note 2 – Leasing income

SEK M	Group		The Bank	
	1996	1995	1996	1995
Leasing income	1,031	1,105	–	–
Scheduled depreciation	– 784	–825	–	–
Net leasing income	247	280	–	–

Note 3 – Dividends received

SEK M	Group		The Bank	
	1996	1995	1996	1995
Shares and participations	103	62	102	62
Shares in Group companies	–	–	164	10
Total	103	62	266	72

Note 4 – Commission income

SEK M	Group		The Bank	
	1996	1995	1996	1995
Payment processing commissions	994	845	736	457
Lending commissions	155	154	123	122
Deposit commissions	105	88	105	88
Guarantee commissions	63	59	63	59
Securities commissions				
Brokerage	338	265	339	266
Fund savings	322	250	319	250
Trust services	516	121	47	36
Other securities commissions	80	125	84	129
Other commissions				
Advice commissions	59	77	59	77
Insurance commissions	38	28	38	28
Real estate brokerage commissions	284	253	–	–
Other	338	334	258	208
Total	3,292	2,599	2,171	1,720

Note 5 – Commission expenses

SEK M	Group		The Bank	
	1996	1995	1996	1995
Payment processing commissions	289	166	179	103
Securities commissions	70	105	57	71
Other commissions	256	226	35	24
Total	615	497	271	198

Note 6 – Net income from financial operations

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Realized gains/losses</i>				
Shares/participations	390	132	388	129
Interest-bearing securities	508	837	509	841
Other financial instruments**	– 394	115	– 417	110
Total	504	1,084	480	1,080
<i>Unrealized changes in value</i>				
Shares/participations	424	– 30	405	– 28
Interest-bearing securities	589	194	845	823
Other financial instruments**	– 451	44	– 664	44
Total	562	208	586	839
Change in exchange rates	79	– 83	71	– 73
Total	1,145*	1,209	1,137	1,846

* Income includes a surplus value of SEK 146 M in the investment portfolio at year-end 1995.

** Income from derivative trading is reported in other financial instruments and is an integrated part of the income under shares and interest-bearing securities.

Note 7 – Other operating income

SEK M	Group		The Bank	
	1996	1995	1996	1995
Income from real estate operations	208	201	230	219
Net operating income, other properties taken over	16	23	–	–
Capital gains, fixed assets	47	41	36	36
EDP services	192	170	246	255
Other operating income	317	424	237	268
Total	780	859	749	778

Note 8 – Personnel expenses

SEK M	Group		The Bank	
	1996	1995	1996	1995
Wages, salaries and other remuneration	2,726	2,705	2,406	2,336
Pension expenses				
Calculated expenses	45	113	42	109
Premiums paid	240	374	215	346
Social insurance charges	979	972	866	846
Training expenses	64	62	59	53
Other personnel expenses	168	175	151	139
Total	4,222	4,401	3,739	3,829

Wages, salaries and remuneration to the Board, President and Executive Vice Presidents	44	45	31	32
to other employees in Sweden	2,610	2,578	2,328	2,255
to other employees outside Sweden	69	82	47	49
Bonuses and comparable remuneration to the Board, President and Executive Vice Presidents	3	–	–	–
Total	2,726	2,705	2,406	2,336

Number of hours worked (thousands)	16,672	17,083	14,868	14,840
------------------------------------	--------	--------	--------	--------

Average number of employees in the Group calculated based on 1,570 hours per employee		
	1996	1995
Sparbanken Sverige	9,470	9,452
Spintab	300	334
Sparbanken Finans	252	359
Robur Kapitalförvaltning	68	59
Tornet	–	16
Sparbanken Sverige Administration AB	482	612
Swedbank Luxembourg	47	49
Total	10,619	10,881
of whom outside Sweden		
Luxembourg	55	60
Great Britain	27	29
USA	26	29
Japan	2	2
Total	110	120

Number of employees in the Group on December 31 calculated based on the number of employees excluding long-term absentees related to hours worked expressed as full-time positions

	9,130	9,661
--	-------	-------

The average number of employees by gender: Group, 59% women and 41% men; the Bank, 61% women and 39% men.

Average number of employees in %	Women	Men
Sverige	59	41
Luxembourg	47	53
Great Britain	32	68
USA	29	71
Japan	50	50

Information on remuneration paid to senior executives, SEK thousands

Directors' fees and remuneration

Annual remuneration to the Board of Directors approved by the Annual General Meeting	2,500
of which, to the Chairman	1,050
Remuneration paid to the President	3,390
A contracted pension is paid to the Chairman.	

No remuneration is paid to Members of the Board with employment agreements with the Bank. All external Directors' fees to the Chairman and members of the Executive Management are paid to the Bank.

Board Members and Deputy Members with the exception of the Chairman and employees of the Bank receive, in addition to the annual remuneration, SEK 6,000 per full-day meeting and SEK 3,000 per half-day meeting.

Pensions	Group	The Bank
SEK thousands	1996	1996
The year's expenses for pensions or similar benefits to the Board, President and Executive Vice Presidents	21,694	18,223

Commitments with regard to pensions or similar benefits to the Board, President and Executive Vice Presidents have been secured through pension funds and pension insurance.

Pension commitments

As President, Reinhold Geijer has the right to retire at age 56. His pension, amounting to 75% of his salary, is earned gradually over the years leading up to retirement and is fully vested at age 56. The Bank is charged annually for this expense at the same rate at which his pension is earned.

For other members of the Executive Management: From age 60, 70% of salary.

Notice of termination

On notice of termination from the Bank, salary is paid during the

term of notice, which is 12 months. To this is added severance pay for 24 months. Settlement is made if the individual obtains new employment before age 55.

Loans to senior executives in the Group

	Group	The Bank
SEK thousands	1996	1996
President, Deputy President and Executive Vice Presidents	22,697	16,357
Members of the Board of Directors and Deputy Members	35,244	19,765

The Group has not pledged assets, other collateral or committed to contingent liabilities on behalf of any of the senior executives

Note 9 – Other general administrative expenses

	Group		The Bank	
SEK M	1996	1995	1996	1995
Expenses for premises	320	275	298	264
Rents	442	421	395	380
Telecommunications, postage	523	500	448	423
Consulting and outside services	462	419	400	356
EDP expenses	344	249	269	189
Travel, entertainment	118	104	101	86
Office supplies	157	140	145	126
Advertising, public relations, marketing	376	349	242	230
Rentals, leasing of equipment	105	94	171	198
Security transport, alarm system	116	110	116	110
Other overhead expenses	341	321	351	299
Total	3,304	2,982	2,936	2,661

Note 10 – Depreciation and write-downs of tangible and intangible assets

	Group		The Bank	
SEK M	1996	1995	1996	1995
<i>Depreciation</i>				
Equipment	198	299	131	243
Real estate	71	70	64	64
Leasing assets	784	825	–	–
Goodwill	175	22	–	–
<i>Write-downs</i>				
Leasing assets	–9 *	–	–	–
Total	1,219	1,216	195	307

* of which, SEK 6 M relates to the restoration of a previously made write-down.

With regard to depreciation principles, see "Accounting Principles".

Note 11 – Other operating expenses

	Group		The Bank	
SEK M	1996	1995	1996	1995
Capital losses, fixed assets	43	26	41	26
Other	109	119	70	60
Total	152	145	111	86

Note 12 – Loan losses, net

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Claims assessed individually</i>				
The year's write-down for established loan losses	7,025	8,554	5,751	6,640
Restored provisions previously made for anticipated loan losses	- 5,654	- 6,884	- 4,864	- 5,749
The year's provisions for anticipated loan losses	2,237	2,377	1,386	970
Recoveries from previous years' established loan losses	- 398	- 1,104	- 198	- 600
Recovered provisions for anticipated loan losses	- 1,649	- 2,280	- 1,193	- 1,446
The year's net expense for individually assessed loan losses	1,561	663	882	- 185
<i>Claims assessed collectively</i>				
The year's established loan losses	138	163	129	148
Recoveries from previous years' established loan losses	- 13	- 61	- 3	- 3
Allocations/withdrawals from loan loss reserve	- 143	- 154	- 46	- 74
The year's net expense for collectively assessed claims	- 18	- 52	80	71
<i>Contingent liabilities</i>				
The year's net expense for discharged guarantees and other contingent liabilities	3	43	- 12	83
Net loan loss expense for the year	1,546	654	950	- 31

Of the year's write-downs in the Group and the Bank, SEK 192 M relates to credit institutions. Other write-downs and all restorations and recoveries relate to the general public.

Problem loans

Group SEK M	Households		Businesses		Total	
	1996	1995	1996	1995	1996	1995
Unsettled claims for which even accrued interest has been entered as income	647	859	669	1,155	1,316	2,014
<i>Problem loans</i>						
Doubtful claims	792	1,295	4,797	7,088	5,589	8,383
Claims with interest concessions	131	181	678	753	809	934
Total net problem loans	923	1,476	5,475	7,841	6,398	9,317
Provisions	1,230	2,121	4,770	9,094	6,000	11,215
Total gross problem loans	2,153	3,597	10,245	16,935	12,398	20,532
Provision ratio, doubtful claims, %	60.8	62.1	49.9	56.2	51.8	57.2
Loss of interest on problem loans*	161	466	907	2,298	1,068	2,764
Current yield on problem loans during the fiscal period, SEK M					585	758
Yield on average gross book value relating to problem loans, %					3.46	2.75
Average interest rate on claims in SEK which do not constitute problem loans, %					9.28	11.23

The Bank SEK M	Households		Businesses		Total	
	1996	1995	1996	1995	1996	1995
Unsettled claims for which interest has been entered as income	63	19	49	52	112	71
<i>Problem loans</i>						
Doubtful claims	697	1,114	1,786	3,863	2,483	4,977
Claims with interest concessions	131	181	339	418	470	599
Total net problem loans	828	1,295	2,125	4,281	2,953	5,576
Provisions	919	1,689	3,083	6,985	4,002	8,674
Total gross problem loans	1,747	2,984	5,208	11,266	6,955	14,250
Provision ratio, doubtful claims %	56.9	60.3	63.3	64.4	61.7	63.5
Loss of interest on problem loans*	133	384	548	1,824	681	2,208
Current yield on problem loans during the fiscal period, SEK M					217	378
Yield on average gross book value relating to problem loans, %					1.95	1.82
Average interest rate on claims in SEK which do not constitute problem loans, %					7.22	11.28

* The loss of interest has been calculated as the difference between the interest payments which were received on problem loans and the interest income which would have been reported had the loans not constituted problem loans.

Note 13 – Change in the value of property taken over

SEK M	Group		The Bank	
	1996	1995	1996	1995
Realized change in value				
Real estate	- 1	2	- 2	2
Other property	- 56	- 229	53	- 212
Total	- 57	- 227	51	- 210
Unrealized change in value				
Real estate	- 2	- 36	- 2	- 36
Other property	- 46	- 1,299	- 46	- 201
Total	- 48	- 1,335	- 48	- 237
Total	- 105	- 1,562	3	- 447

Property taken over

SEK M	Group		The Bank	
	1996	1995	1996	1995
Book value				
Buildings and land	57	119	47	93
Condominiums	4	5	4	4
Shares and other participations	212	838	212	474
Other property taken over	6	432	6	31
Total	279	1,394	269	602

Yield (net operating income) on property taken over

1996	Group		The Bank	
	SEK M	%	SEK M	%
Reported yield during the year on other property taken over				
	16	7.3	-	-

The yield (net operating income) on buildings and land, condominiums and shares and other participations amounted to SEK 0 M in 1996.

Property taken over for the protection of claims

Group		Book value	Actual value	Book value/sq.m. lettable area	Yield
Property category	Number	SEK M	SEK M	SEK	%
<i>Sweden</i>					
Multi-family housing	4	10	10	6,490	8.7
Office and commercial properties	2	10	10	2,145	9.7
Industrial and commercial properties	7	19	30	878	5.3
Single-family homes	31	15	17	–	–
Other properties	10	3	3	–	–
Total	54	57	70		

None of the properties are located in Stockholm, Göteborg or Malmö.

Note 14 – Appropriations

SEK M	Group		The Bank	
	1996	1995	1996	1995
Allocation/withdrawal				
untaxed reserves	–	–	– 1,136	– 262
Group contributions, net	–	– 134	3,300	– 1,491
Stockholders' contribution	–	–	–	– 91
Settlement of pensions	5	103	2	101
Total	5	– 31	2,166	– 1,743

The SEK 134 M reported in the Group in 1995 relates to funds contributed to companies which were not included in the consolidated accounts.

The Bank		1996		1995	
SEK M		1996		1995	
Allocations/withdrawals					
depreciation		– 8		1	
Tax allocation reserve		– 1,128		– 263	
Total		– 1,136		– 262	

The Bank	Paid		Received	
	1996	1995	1996	1995
Group contributions				
Bankkortsadministrativ				
ButiksService AB	–	–	27	–
Robur Kapitalförvaltning AB	–	–	342	–
Sparbanken Finans AB	–	–	263	105
AB Spintab	–	–	2,697	–
Fastighets AB Tornet	–	– 1,354	–	–
Sparbanken Sverige				
Administration AB	– 9	– 119	3	–
Sparia Försäkringsbolag AB	– 23	–	–	–
Nordic Aircraft Management AB	–	– 123	–	–
Total	– 32	– 1,596	3,332	105

SEK M	Group		The Bank	
	1996	1995	1996	1995
Stockholders' contributions				
Tornet	–	–	–	– 91
Total	–	–	–	– 91

SEK M	Group		The Bank	
	1996	1995	1996	1995
Settlement of pensions				
Calculated pension				
expenses	45	113	42	109
Pensions paid	– 10	– 12	– 10	– 12
Payroll tax and tax on yield	– 44	– 62	– 44	– 60
Allowance from pension funds	35	87	35	87
Provisions to pension funds	– 21	– 23	– 21	– 23
Total	5	103	2	101

Note 15 – Tax on income for the year

SEK M	Group		The Bank	
	1996	1995	1996	1995
Tax related to previous years	45	– 3	45	–
Estimated income tax for the year	– 965	– 714	– 949	– 223
Deferred tax	– 507	– 352	– 169	–
Total	– 1,427	– 1,069	– 1,073	– 223

Note 16 – Treasuries etc.

Group SEK M	Fair value		Book value		Accrued acquisition value		Nominal amount	
	1996	1995	1996	1995	1996	1995	1996	1995
<i>Treasuries</i>								
<i>Current assets</i>								
Swedish Government								
Treasury bills	1,766	5,596	1,766	5,575	1,759	5,573	1,805	5,854
Bonds	2,610	7,456	2,326	7,102	2,138	7,086	2,366	6,923
Sveriges Riksbank								
Commercial paper	5,377	811	5,377	811	5,377	810	5,382	812
Swedish municipalities								
Bonds	–	2	–	2	–	2	–	2
Commercial paper	835	353	835	353	835	353	841	359
Foreign governments								
Bonds	1,135	1,363	1,135	1,360	1,134	1,358	1,141	1,377
Total	11,723	15,581	11,439	15,203	11,243	15,182	11,535	15,327
<i>Fixed assets</i>								
Swedish municipalities								
Bonds	48	48	42	46	42	46	42	46
Total	48	48	42	46	42	46	42	46
Total	11,771	15,629	11,481	15,249	11,285	15,228	11,577	15,373
of which								
in foreign currency								
			1,503	943				

The Bank SEK M	Fair value		Book value		Accrued acquisition value		Nominal amount	
	1996	1995	1996	1995	1996	1995	1996	1995
<i>Treasuries</i>								
<i>Current assets</i>								
Swedish Government								
Treasury bills	1,636	5,596	1,636	5,575	1,629	5,573	1,674	5,854
Bonds	2,608	5,053	2,324	4,810	2,136	4,793	2,364	4,773
Sveriges Riksbank								
Commercial paper	5,377	811	5,377	811	5,377	810	5,382	812
Swedish municipalities								
Bonds	–	2	–	2	–	2	–	2
Commercial paper	835	353	835	353	835	353	841	359
Foreign governments								
Bonds	1,135	1,363	1,135	1,360	1,134	1,358	1,141	1,377
Total	11,591	13,178	11,307	12,911	11,111	12,889	11,402	13,177
<i>Fixed assets</i>								
Swedish municipalities								
Bonds	48	48	42	46	42	46	42	46
Total	48	48	42	46	42	46	42	46
Total	11,639	13,226	11,349	12,957	11,153	12,935	11,444	13,223
of which								
in foreign currency								
			1,503	943				

Summary of maturities SEK M	Group 1996	The Bank 1996
Remaining maturity payable on demand	–	–
≤ 1 year	8,744	8,614
> 1 year – 5 years	974	974
> 5 years – 10 years	641	639
> 10 years	1,122	1,122
Total	11,481	11,349

Average remaining maturity 2.0 years 2.1 years

Book value in the Group in 1996 is SEK 96 M less than nominal value.

SEK M	Discounting instrument	Coupon instrument	Total
Surplus value	–	67	67
Discounted value	– 67	– 96	– 163
Total	– 67	– 29	– 96

Book value in the Bank in 1996 is SEK 95 M less than nominal value.

SEK M	Discounting instrument	Coupon instrument	Total
Surplus value	–	67	67
Discounted value	– 66	– 96	– 162
Total	– 66	– 29	– 95

Note 17 – Lending to credit institutions

Fixed assets SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Swedish banks</i>				
Sveriges Riksbank	144	–	144	–
Checks in course of collection	613	484	613	484
Banking companies	9,744	6,392	9,733	6,388
Savings banks	1,770	2,241	1,770	2,241
Total	12,271	9,117	12,260	9,113
<i>Other Swedish credit institutions</i>				
Mortgage institutions	20	1	995	7,859
Other credit market companies	1,759	1,633	5,188	5,641
Brokerage/securities firms	–	632	–	632
Other	0	401	–	382
Provision for anticipated loan losses	– 160	– 330	– 160	– 330
Total	1,619	2,337	6,023	14,184
<i>Foreign banks</i>				
Foreign banks	39,973	16,886	40,846	18,151
Provision for anticipated loan losses	– 5	– 90	– 5	– 90
Total	39,968	16,796	40,841	18,061
Total	53,858	28,250	59,124	41,358
Of which				
in foreign currency	9,861	9,706	11,027	11,188
Group companies	–	–	5,295	–
associated companies	1,062	–	1,062	–
Subordinated loans				
SEK M	Group		The Bank	
	1996		1996	
Group companies	–		120	
Associated companies	130		130	
Other	22		22	
Total	152		272	
Summary of maturities*				
SEK M	Group		The Bank	
	1996		1996	
Remaining maturity payable on demand	7,897		6,308	
≤ 3 months	36,410		43,066	
> 3 months – 1 year	8,544		8,566	
> 1 year – 5 years	1,007		1,159	
> 5 years	–		25	
Total	53,858		59,124	
Average remaining maturity				
	0.3 years		0.3 years	

Note 18 – Lending to the general public

Fixed assets SEK M	Group		The Bank	
	1996	1995	1996	1995
SEK**	363,230	364,832	112,144	117,756
Foreign currency	23,792	27,514	23,103	26,759
Provision for anticipated loan losses*	– 5,835	– 10,747	– 3,837	– 8,252
Total	381,187	381,599	131,410	136,263
Of which				
Group companies subordinated loans	65		140	
other	160		160	
* of which, in foreign currency	– 551	– 1,007	– 374	– 763
**Public savings				
accounts, gross	– 11,449	– 13,195	– 11,449	– 13,195
of which, claim on the National Debt Office	11,981	13,653	11,981	13,653
Netto	532	458	532	458
Summary of maturities*				
SEK M	Group		The Bank	
	1996		1996	
Remaining maturity payable on demand	5,152		4,973	
≤ 3 months	71,429		32,959	
> 3 months – 1 year	81,974		26,616	
> 1 year – 5 years	175,614		38,869	
> 5 years	47,018		27,993	
Total	381,187		131,410	
Average remaining maturity				
	2.7 years		3.7 years	

* The Bank always retains the right to terminate loans for repayment within one year according to chap. 2 § 19 of the Swedish Banking Act.

Note 19 – Bonds and other interest-bearing securities

Group	Fair value		Book value		Accrued acquisition value		Nominal amount	
	1996	1995	1996	1995	1996	1995	1996	1995
SEK M								
<i>Issued by other than public agencies</i>								
<i>Current assets</i>								
Swedish mortgage institutions								
Bonds	4,455	4,649	4,455	4,809	4,249	4,771	4,023	4,762
Commercial paper	2,138	889	2,138	883	2,131	882	2,164	902
Other Swedish issuers								
Non-financial companies								
Bonds	685	987	685	987	683	984	680	1,225
Commercial paper	605	97	605	97	605	96	614	99
Financial companies								
Bonds	959	928	940	915	940	915	972	997
Commercial paper	49	146	49	146	49	146	50	147
Other issuers outside Sweden								
Bonds	200	508	200	507	200	508	200	510
Total	9,091	8,204	9,072	8,344	8,857	8,302	8,703	8,642
<i>Fixed assets</i>								
Swedish mortgage institutions								
Bonds	7,798	457	7,496	459	7,496	459	6,965	460
Other Swedish issuers								
Non-financial companies								
Bonds	39	44	37	43	37	43	37	43
Commercial paper	892	973	889	973	889	973	899	993
Other financial companies								
Bonds	54	–	54	–	54	–	51	–
Total	8,783	1,474	8,476	1,475	8,476	1,475	7,952	1,496
Total	17,874	9,678	17,548	9,819	17,333	9,777	16,655	10,138
of which								
in foreign currency			2,287	2,430				
listed			16,011					
associated companies			296					

The Bank	Fair value		Book value		Accrued acquisition value		Nominal amount	
	1996	1995	1996	1995	1996	1995	1996	1995
SEK M								
<i>Issued by other than public agencies</i>								
<i>Current assets</i>								
Swedish mortgage institutions								
Bonds	13,547	21,994	13,515	21,878	13,052	21,821	12,735	21,633
Commercial paper	2,377	3,457	2,377	3,455	2,370	3,454	2,403	3,528
Other Swedish issuers								
Non-financial companies								
Bonds	685	987	685	987	683	984	680	1,225
Commercial paper	597	97	597	97	597	96	606	99
Financial companies								
Bonds	959	913	940	901	940	899	972	981
Commercial paper	49	146	49	146	49	146	50	147
Other issuers outside Sweden								
Bonds	200	508	200	507	200	508	200	510
Total	18,414	28,102	18,363	27,971	17,891	27,908	17,646	28,123
<i>Fixed assets</i>								
Swedish mortgage institutions								
Bonds	17,584	3,763	16,744	3,718	16,744	3,718	16,063	3,672
Other Swedish issuers								
Non-financial companies								
Bonds	39	44	37	43	37	43	37	43
Commercial paper	892	973	889	973	889	973	899	993
Other financial companies								
Bonds	54	–	54	–	54	–	51	–
Total	18,569	4,780	17,724	4,734	17,724	4,734	17,050	4,708
Total	36,983	32,882	36,087	32,705	35,615	32,642	34,696	32,831
of which								
in foreign currency			3,691	3,210				
Group companies			18,318					
associated companies			296					
listed			31,994					

Book value in the Group in 1996 exceeds nominal value by SEK 893 M.

SEK M	Discounting instrument	Coupon instrument	Total
Surplus value		1,037	1,037
Discounted value	– 81	– 63	– 144
Total	– 81	974	893

Summary of maturities	Group	The Bank
SEK M	1996	1996
Remaining maturity		
≤ 1 year	5,549	9,695
> 1 year – 5 years	11,215	21,937
> 5 years – 10 years	784	4,455
Total	17,548	36,087

Average remaining maturity 2.5 years 2.8 years

Book value in the Bank in 1996 exceeds nominal value by SEK 1,391 M

SEK M	Discounting instrument	Coupon instrument	Total
Surplus value	–	1,543	1,543
Discounted value	– 76	– 76	– 152
Total	– 76	1,467	1,391

Note 20 – Shares and participations

Group	Number	Book value	Share of voting rights
SEK M		1996	1996
<i>Current assets in Sweden</i>			
Trading stock*		2,071.7	
<i>Credit institutions</i>			
Föreningsbanken AB*	13,000,000	445.3	4.98
<i>Other</i>			
Fund participations		450.6	
Shares for protection of claims		200.9	
Condominiums for protection of claims		3.7	
Total		3,172.2	
<i>Fixed assets in Sweden</i>			
<i>Other</i>			
Upplysningscentralen UC AB	1,500	0.2	15.0
Bankgirocentralen BGC AB	5,100	0.5	11.0
Värdepapperscentralen VPC AB	13,600	0.2	2.3
AB Svensk Exportkredit	62,200	259.8	8.9
Stockholms Fondbörs AB	61,404	1.2	4.1
Penningmarknadsinformation PMI AB	75	0.5	9.0
OM Gruppen AB*	16,200	0.4	0.0
Other**		2.3	
Condominiums		34.2	
Total		299.3	
<i>Fixed assets outside Sweden</i>			
<i>Credit institutions</i>			
Bikuben Girobank A/S*, DKK	985,270	264.2	3.4
AS Eesti Hoiupank*, EEK	2,062,500	58.8	12.5
Total		323.0	
Total		3,794.5	

The Bank	Number	Book value	Share of voting rights
SEK M		1996	1996
<i>Current assets in Sweden</i>			
Trading stock*		2,053.3	
<i>Credit institutions</i>			
Föreningsbanken AB*	13,000,000	445.3	4.98
<i>Other</i>			
Shares for protection of claims		200.3	
Condominiums for protection of claims		3.7	
Total		2,702.6	
<i>Fixed assets in Sweden</i>			
<i>Other</i>			
Upplysningscentralen UC AB	1,500	0.2	15.0
Bankgirocentralen BGC AB	5,100	0.5	11.0
Värdepapperscentralen VPC AB	13,600	0.2	2.3
AB Svensk Exportkredit	62,200	259.8	8.9
Stockholms Fondbörs AB	61,404	1.2	4.1
Penningmarknadsinformation PMI AB	75	0.5	9.0
OM Gruppen AB*	16,200	0.4	0.0
Other**		2.2	
Condominiums		31.6	
Total		296.6	
<i>Fixed assets outside Sweden</i>			
<i>Credit institutions</i>			
Bikuben Girobank A/S*, DKK	985,270	264.2	3.4
AS Eesti Hoiupank*, EEK	2,062,500	58.8	12.5
Total		323.0	
Total		3,322.2	

The market value of the shares in Föreningsbanken AB was 445.3 SEK M at yearend.

The market value of the shares in OM Gruppen AB was SEK 3.3 M at yearend.

The market value of the shares in Bikuben Girobank A/S was SEK 315.0 M at yearend.

The market value of the shares in AS Eesti Hoiupank was SEK 78.4 M at yearend.

* These companies are listed; the others are not. All holdings in the trading stock are listed.

** A specification can be obtained from Sparbanken, Group Accounting.

The share of the voting rights in each company corresponds to the share of their equity.

Note 21 – Shares and participations in associated companies

Group	Number	Book value	Share of voting rights
SEK M		1996	1996
<i>Fixed assets in Sweden</i>			
<i>Credit institutions</i>			
Sparbanken Borås AB	400,000	200.0	40
Share of income according to equity method		6.9	
<i>Other</i>			
SparFond Livförsäkrings AB	75,000	94.0	50
Share of income according to equity method		- 10.0	
SparLiv Livförsäkrings AB	75,000	125.6	50
Sambox Väst AB	167	0.2	33
Other		0.0	
Total		416.7	
<i>Fixed assets outside Sweden</i>			
<i>Credit institution</i>			
Aktia Sparbank Ab. FIM	8,600,000	190.5	25
Share of income according to equity method		9.7	
Total		200.2	
Total		616.9	

The Bank	Number	Book value	Share of voting rights
SEK M		1996	1996
<i>Fixed assets in Sweden</i>			
<i>Credit institutions</i>			
Sparbanken Borås AB	400,000	200.0	40
<i>Other</i>			
SparFond Livförsäkrings AB	75,000	94.0	50
SparLiv Livförsäkrings AB	75,000	125.6	50
Sambox Väst AB	167	0.2	33
Other		0.0	
Total		419.8	
<i>Fixed assets outside Sweden</i>			
<i>Credit institution</i>			
Aktia Sparbank Ab. FIM	8,600,000	190.5	25
Total		190.5	
Total		610.3	

All shares are unlisted.

The share of the voting rights in each company corresponds to the share of their equity.

Information on the registered addresses and identification numbers can be found in the list of addresses.

Note 22 – Shares and participations in Group companies

Group	Number	Book value	Share of voting rights
SEK M		1996	1996
<i>Current assets</i>			
<i>For protection of claims</i>			
Brålanda Esslingetorp AB	500	0.0	100
Etigrafen AB	510	11.0	100
Fastighets AB Rikken	100	0.9	100
Vastgoed Queens BV in liquidation, NLG	40	0.0	100
Connecta SA in liquidation, FRF	219,695	0.0	100
Lak Leasing AB	500	0.0	100
Total		11.9	

The Bank	Number	Book value	Share of voting rights
SEK M		1996	1996
<i>Current assets</i>			
<i>For protection of claims</i>			
Brålanda Esslingetorp AB	500	0.0	100
Etigrafen AB	510	11.0	100
Fastighets AB Rikken	100	0.9	100
Vastgoed Queens BV in liquidation, NLG	40	0.0	100
Connecta SA in liquidation, FRF	219,695	0.0	100
Lak Leasing AB	500	0.0	100
Total		11.9	
<i>Fixed assets in Sweden</i>			
<i>Credit institutions</i>			
AB Spintab	18,000,000	9,427.6	100
Sparbanken Finans AB	345,000	415.1	100
<i>Other</i>			
Robur Kapitalförvaltning AB	10,000,000	1,946.2	100
Sparbanken Sverige Administration AB	10,000	1.0	100
Sparia Försäkringsbolag AB	30,000	30.0	100
Bankkortsadministrativ ButiksService AB	100	0.1	100
Sparbankskort Administration AB	10,000	0.1	100
Total		11,820.1	
<i>Fixed assets outside Sweden</i>			
<i>Credit institutions</i>			
Swedbank (Luxembourg) S.A. LUF	300,000	420.1	100
<i>Other</i>			
<i>Other</i>			
Swedbank Securities Inc. USD	100	4.9	100
Total		425.0	
Total		12,257.0	

All shares are unlisted.

The share of the voting rights in each company corresponds to the share of their equity.

Information on the registered addresses and identification numbers can be found in the list of addresses.

Note 23 – Intangible fixed assets

SEK M	Group		The Bank	
	1996	1995	1996	1995
Goodwill	1,555	1,730	–	–
Refurbishment of leased premises	3	2	3	2
Total	1,558	1,732	3	2

SEK M	Group		The Bank	
	1996	1995	1996	1995
Acquisition value	1,755	1,754	3	2
of which, due	1	1,754	1	2
Accumulated amortizations	– 197	– 22	0	0
of which, amortization during the year	– 175	– 22	0	0
Total	1,558	1,732	3	2

With regard to amortization principles, see "Accounting Principles."

Note 24 – Tangible assets

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Current assets</i>				
Properties taken over to protect claim	57	119	47	93
Total	57	119	47	93
<i>Fixed assets</i>				
Equipment	434	417	342	259
Leasing assets	2,345	2,485	–	–
Properties used in the Group's operations	4,089	4,202	3,960	3,919
Total	6,868	7,104	4,302	4,178
Total	6,925	7,223	4,349	4,271

Specification of tangible fixed assets

	Equipment				Leasing assets		Properties used in Group operations			
	Group		The Bank		Group		Group		The Bank	
	1996	1995	1996	1995	1996	1995	1996	1995	1996	1995
Acquisition value	1,986	1,777	1,610	1,394	3,866	4,133	3,936	4,031	3,788	3,695
of which, assets due	255	128	231	120	1,269	1,714	26	225	167	225
of which, deductible assets	46	210	15	9	1,536	1,691	121	55	74	49
Accumulated depreciation	1,552	1,360	1,268	1,135	1,489	1,610	417	399	398	346
of which, depreciation for the year	198	299	131	243	784	825	71	70	64	64
Accumulated write-downs	–	–	–	–	32	38	–	–	–	–
of which, write-downs for the year	–	–	–	–	– 6	–	–	–	–	–
Accumulated revaluations	–	–	–	–	–	–	570	570	570	570
Net	434	417	342	259	2,345	2,485	4,089	4,202	3,960	3,919
Tax assessment values							2,787 *	3,392 *	2,787	3,238

* Tax assessment values are not available for foreign assets booked at SEK 128 M (137)

With regard to depreciation principles, see "Accounting Principles."

Note 25 – Other assets

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Current assets</i>				
Other assets, protection of claims	6	432	6	31
Securities settlement claims*	512	3,199	512	3,199
Derivatives*	12,622	9,668	11,640	9,668
Other assets**	3,123	8,866	902	3,281
Provision for anticipated loan losses	0	–10	0	–2
Receivables from Group companies	–	–	3,332	105
Total	16,263	22,155	16,392	16,282
Of which				
in foreign currency	4,697	724	3,717	376

** Booked in the balance sheet according to current netting rules.

Gross securities settlement claims

Gross derivatives

5,696

13,790

5,696

12,808

** Repossessed leasing assets amounted to SEK 1 M (3).

Note 26 – Derivatives

Group. 1996	Interest-rate related			Foreign exchange-related			Equity related		
	Actual value	Book value	Nominal value	Actual value	Book value	Nominal value	Actual value	Book value	Nominal value
SEK M									
Derivatives with positive values or nil value									
<i>Current assets</i>									
<i>Derivatives reported under Other assets</i>									
Options held	25	25	4,160	125	125	16,136	100	100	2,617
Forward contracts with positive value	1,874	1,874	534,783	2,916	2,916	166,922	7	7	337
Swaps with positive value	6,251	6,251	72,794	983	983	19,716	–	–	–
Swaps with positive value, reported as hedges	1,252	607	11,706	3,041	846	23,422	–	–	–
Other derivatives with positive value	56	56	8,367	0	0	900	–	–	–
Total	9,458	8,813	631,810	7,065	4,870	227,096	107	107	2,954
of which, cleared	1,175	1,175	356,314	–	–	–	74	74	1,879
<i>Derivatives not reported in the balance sheet</i>									
Forward contracts with positive value	109	–	98	118	–	1,005	–	–	–
Swaps with positive value	–	–	34	–	–	–	–	–	–
Total	109	–	132	118	–	1,005	–	–	–
Derivatives with negative values									
<i>Derivatives reported under Other liabilities</i>									
Options issued	55	55	4,803	115	115	15,388	222	222	1,503
Forward contracts with negative value	1,962	1,962	526,352	2,781	2,781	150,178	188	188	1,561
Swaps with negative value	7,285	7,285	77,691	294	294	7,297	–	–	–
Swaps with negative value, reported as hedges	1,587	693	30,336	5,574	1,893	29,329	–	–	–
Other derivatives with negative value	46	46	11,817	1	1	1,261	–	–	–
Total	10,935	10,041	650,999	8,765	5,084	203,453	410	410	3,064
of which, cleared	1,174	1,174	375,311	–	–	–	252	252	2,086
<i>Derivatives not reported in the balance sheet</i>									
Forward contracts with positive value	–	–	–	88	–	98	–	–	–
Swaps with negative value	22	–	1,188	–	–	–	–	–	–
Total	22	–	1,188	88	–	98	–	–	–

The unrealized gain on positive derivatives deferred due to hedging accounting is SEK 3,067 M.
The unrealized loss on negative derivatives deferred due to hedging accounting is SEK 4,685 M.

The Bank. 1996	Interest-rate related			Foreign exchange-related			Equity-related		
	Actual value	Book value	Nominal value	Actual value	Book value	Nominal value	Actual value	Book value	Nominal value
SEK M									
Derivatives with positive values or nil value									
<i>Current assets</i>									
<i>Derivatives reported under Other assets</i>									
Options held	25	25	4,160	125	125	16,136	100	100	2,617
Forward contracts with positive value	1,874	1,874	534,783	2,916	2,916	166,922	7	7	337
Swaps with positive value	6,307	6,307	73,826	983	983	19,716	–	–	–
Swaps with positive value, reported as hedges	458,	300	8,088	446	115	7,325	–	–	–
Other derivatives with positive value	56	56	8,367	0	0	900	–	–	–
Total	8,720	8,562	629,224	4,470	4,139	210,999	107	107	2,954
of which, cleared	1,175	1,175	356,314	–	–	–	74	74	1,879
<i>Derivatives not reported in the balance sheet</i>									
Swaps with positive value	–	–	34	–	–	–	–	–	–
Total	–	–	34	–	–	–	–	–	–
<i>Derivatives reported under Other liabilities</i>									
Options issued	55	55	4,803	115	115	15,388	222	222	1,503
Forward contracts with negative value	1,962	1,962	526,352	2,781	2,781	150,178	188	188	1,561
Swaps with negative value	7,670	7,670	82,959	294	294	7,297	–	–	–
Swaps with negative value, reported as hedges	1,000	425	20,518	129	129	70	–	–	–
Other derivatives with negative value	46	46	11,817	1	1	1,261	–	–	–
Total	10,733	10,158	646,449	3,320	3,320	174,194	410	410	3,064
of which, cleared	1,174	1,174	375,311	–	–	–	252	252	2,086
<i>Derivatives not reported in the balance sheet</i>									
Swaps with negative value	22	–	1,188	–	–	–	–	–	–
Total	22	–	1,188	–	–	–	–	–	–

The unrealized gain on positive derivatives deferred due to hedging accounting is SEK 489 M.

The unrealized loss on negative derivatives deferred due to hedging accounting is SEK 597 M.

The Group and the Bank use derivatives in the normal course of business and for the purpose of hedging certain positions with regard to price fluctuations in equities, interest rates and currencies. The above specification is made in accordance with the directives of the Swedish Financial Supervisory Authority and includes all derivatives in the Group. With regard to derivatives used in trading operations, book value and fair value are equivalent. The differences above between book value and fair value are matched by offsetting differences in the part of the Group's operations where hedging accounting is applied.

Note 27 – Prepaid expenses and accrued income

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Current assets</i>				
Prepaid expenses	434	607	163	185
Accrued interest	5,598	7,105	2,762	4,915
Accrued income	344	442	229	403
Total	6,376	8,154	3,154	5,503
Of which				
in foreign currency	760	1,694	652	1,690

Note 28 – Loans from credit institutions

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Swedish banks</i>				
Liabilities in the course				
of clearing	3,854	4,575	3,854	4,574
Sveriges Riksbank	2,230	–	2,230	–
Banking companies	10,679	6,395	10,227	5,932
Savings banks	9,323	6,572	9,323	6,572
Total	26,086	17,542	25,634	17,078
<i>Other Swedish credit institutions</i>				
Mortgage institutions	768	4,446	2,826	5,879
Other credit market companies	2,243	1,347	2,284	1,047
Brokerage/securities firms	172	920	172	920
Other	–	564	–	564
Secured loans on Group's own properties	0	57	0	57
Total	3,183	7,334	5,282	8,467
Foreign banks	41,124	32,602	43,043	34,384
Total	70,393	57,478	73,959	59,929
Of which				
in foreign currency	22,960	28,379	23,412	29,304
Group companies	–	–	4,262	–
associated companies	646	–	646	–

Summary of maturities	Group	The Bank
SEK M	1996	1996
Remaining maturity		
payable on demand	14,726	16,325
≤ 3 months	40,214	42,959
> 3 months – 1 year	14,855	14,602
> 1 year – 5 years	492	1
> 5 years	106	72
Total	70,393	73,959

Average remaining maturity	0.3 years	0.2 years
----------------------------	-----------	-----------

Note 29 – Funding and deposits from the general public

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Deposits in SEK</i>				
Households				
transaction accounts	20,383	15,764	20,383	15,764
other accounts	66,482	70,014	66,386	69,943
Businesses/Non-profits				
transaction accounts	4,193	4,326	4,193	4,326
other accounts	4,666	3,782	3,846	3,840
Money market accounts	29,387	24,859	29,387	24,859
Special/fixed-interest accounts	7,819	8,648	7,819	8,648
Insurance companies	3,903	4,458	3,911	4,458
Other	4,587	10,151	4,579	10,443
Total	141,420	142,002	140,504	142,281
<i>Deposits in foreign currency</i>				
Total	4,440	5,665	4,169	5,421
Total	145,860	147,667	144,673	147,702
<i>Funding in SEK</i>				
Total	61	105	11	12
<i>Funding in foreign currency</i>				
Total	200	211	0	0
Total	261	316	11	12
Total	146,121	147,983	144,684	147,714
Of which				
Group companies	–		179	

Deposits Summary of maturities SEK M	Group	The Bank
	1996	1996
Remaining maturity		
payable on demand	136,429	135,270
≤ 3 months	8,837	8,812
> 3 months – 1 year	328	325
> 1 year – 5 years	32	32
> 5 years	234	234
Total	145,860	144,673

Average remaining maturity 0.0 years 0.0 years

Funding Summary of maturities SEK M	Group	The Bank
	1996	1996
Remaining maturity		
payable on demand	–	–
≤ 3 months	22	–
> 3 months – 1 year	31	–
> 1 year – 5 years	192	2
> 5 years	16	9
Total	261	11

Average remaining maturity 2.1 years 7.4 years

Note 30 – Securities issued, etc.

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Promissory notes issued</i>				
Commercial paper	2,480	11,171	1,568	4,109
Eurocommercial paper	–	124	–	125
Certificates in foreign currency	4,877	821	4,877	1,506
Certificates in SEK	12,170	12,974	–	–
Bond loans	190,560	174,543	3,848	3,609
Other	2,256	3,674	1,943	2,529
Total	212,343	203,307	12,236	11,878
Of which				
in foreign currency	47,306	42,505	9,749	10,360
Group companies	–	–	6	–

SEK M	Group		The Bank	
	1996	1995	1996	1995
Summary of maturities				
Remaining maturity payable on demand	–	–	–	–
≤ 1 year	80,122	–	7,626	–
> 1 year – 5 years	118,952	–	4,513	–
> 5 year – 10 years	13,269	–	97	–
Total	212,343	–	12,236	–

Average remaining maturity	2.1 years	1.1 years
----------------------------	-----------	-----------

Note 31 – Other liabilities

SEK M	Group		The Bank	
	1996	1995	1996	1995
Own tax liabilities	979	346	949	332
Securities payment liabilities*	418	894	418	894
Derivatives*	14,368	9,782	12,720	206
Preliminary tax, interest	1,144	1,522	1,144	1,522
Due to Group companies	–	34	15	559
Other	8,630	8,350	6,857	14,120
Total	25,539	20,928	22,103	17,633
Of which				
in foreign currency	5,335	162	3,467	83

Booked in the balance sheet according to current netting rules.

Gross securities settlement claims	5,603	5,603
Gross derivatives	15,535	13,888

Note 32 – Accrued expenses and prepaid income

SEK M	Group		The Bank	
	1996	1995	1996	1995
Accrued interest	6,939	8,805	1,622	3,180
Accrued wages and salaries	287	226	267	212
Accrued social insurance charges	142	155	124	139
Accrued expenses and prepaid income	2,179	2,903	335	370
Total	9,547	12,089	2,348	3,901
Of which				
in foreign currency	1,254	2,627	533	2,039

Note 33 – Allocations

SEK M	Group		The Bank	
	1996	1995	1996	1995
Provisions for pensions	17	42	16	39
Provisions for taxes				
deferred tax	847	333	169	–
other	157	175	–	–
Other allocations	194	152	301	372
Total	1,215	702	486	411

The Bank's and Group's pension commitments are covered by insurance, through pension funds or through provisions in the balance sheet to a "Provision for pensions" reserve.

Other allocations consist of provisions for guarantees of SEK 135 M (152) in the Group and SEK 301 M (372) in the Bank.

Note 34 – Subordinated loans

SEK M	Group		The Bank	
	1996	1995	1996	1995
Subordinated loans	7,956	9,614	3,960	5,115
Undated subordinated loans	9,095	8,058	4,982	3,423
Other	191	238	–	–
Total	17,242	17,910	8,942	8,538
Of which				
in foreign currency	14,227	13,661	7,402	6,497

Expenses for subordinated loans are reported in Note 1.

Requirements call for a specification of individual subordinated loans if they exceed 10 percent of all subordinated loans. The Groups' subordinated loans amount to SEK 17.2 billion. No loan in the Group exceeds 10 percent of the subordinated loans in the Group.

The Bank's subordinated loans amount to SEK 8.9 billion. The subordinated loans consist of fixed-term and undated subordinated loans. By subordinated loans are meant loans that, in event of the borrower's liquidation or bankruptcy, give the lender the right to payment from the borrower's assets junior to other receivables.

Type	Nominal amount in original currency	Book value in SEK M	Interest rate	Prepayment right for Sparbanken Sverige AB
Undated subordinated loan	USD 150 billion	1,024	6 mos. LIBOR + 1.75% (the first five years)	Oct. 20, 1998
Undated subordinated loan	USD 150 billion	1,001	7.5% (the first ten years)	Nov. 01, 2006

The loan conditions are approved by the Swedish Financial Supervisory Authority. No other single loan accounts for more than 10 percent of the sum total of the subordinated loans.

Specification of subordinated loans

Fixe-term subordinated loans

Maturity	Right to prepayment for Sparbanken Sverige AB	Currency	Nominal amount	Book value in SEK M	Coupon interest rate (%)
1982/1997		SEK	0	0	12.10%
1985/1997		USD	70	481	Variable
1990/1997		SEK	50	50	14.32%
1991/1997		SEK	50	50	12.20%
1992/1997		SEK	1	1	11.60%
1988/1998		SEK	100	100	11.60%
1991/1998		SEK	25	25	11.95%
1991/1998		SEK	25	25	11.95%
1991/1998		SEK	26	26	11.95%
1984/1999		SEK	2	2	11.90%
1989/1999		SEK	350	350	Variable
1989/1999		SEK	50	50	11.65%
1985/2000		SEK	5	5	11.95%
1985/2000		SEK	5	5	11.95%
1990/2000	1997	DEM	50	221	Variable
1990/2000	1997	DEM	50	221	Variable
1986/2001		SEK	5	5	12.25%
1990/2001		SEK	30	30	Variable
1990/2001		SEK	30	30	Variable
1990/2001		SEK	200	200	13.30%
1991/2001		SEK	50	50	11.94%
1991/2001		SEK	5	3	¹⁾
1991/2001		SEK	8	6	¹⁾
1992/2002		XEU	4	34	Variable
1992/2002	1997	XEU	35	299	Variable
1992/2002		USD	20	136	9.05%
1992/2002	1997	USD	100	686	Variable
1992/2002	1997	JPY	3,126	185	6.36%
1992/2002	1997	USD	23	158	Variable
1994/2010		SEK	1,664	415	¹⁾
1989/2019		SEK	111	111	11.00%
Total				3,960	

Undated subordinated loans

Maturity	Right to prepayment for Sparbanken Sverige AB	Currency	Nominal amount	Book value in SEK M	Coupon interest rate (%)
1993/undated	1998	USD	150	1,024	Variable
1993/undated	1998	USD	50	342	Variable
1993/undated	1999	JPY	10,000	581	5.00%
1995/undated	2002	JPY	10,000	583	3.60%
1995/undated	2002	USD	125	858	Variable
1996/undated	2011	JPY	10,000	593	4.35%
1996/undated	2006	USD	150	1,001	7.50%
Total				4,982	

¹⁾ Zero-coupon bond

Note 35 – Untaxed reserves

Change in untaxed reserves

	Balance brought forward	With- drawal	Allo- cation	Balance carried forward
SEK M	1996	1996	1996	1996
The Bank				
Accumulated accelerated depreciation equipment	–	–	8	8
real estate	6	0	–	6
Allocation to tax allocation reserve	263 *	–	1,128	1,391
Total	269	0	1,136	1,405

* Allocated 1995

Note 36 – Stockholders' equity

	Group		The Bank	
SEK M	1996	1995	1996	1995
<i>Restricted equity</i>				
Capital stock *	5,564	5,564	5,564	5,564
Legal reserve	5,417	4,817	2,638	2,638
Reserve for unrealized gains	415	–	433	–
Other reserves	1,851	1,011	–	–
Total, other reserves	7,683	5,828	3,071	2,638
<i>Non-restricted equity</i>				
Retained earnings	2,930	5,602	2,635	5,461
Net income	3,872	3,312	3,455	1,300
Total	20,049	20,306	14,725	14,963

* 278,180,702 shares at a par value of SEK 20

Change in stockholders' equity

Group. SEK M	Capital stock	Other reserves/ restricted reserve	Non- restricted reserves	Net income	Total
Balance brought forward	5,564	5,828	5,602	3,312	20,306
Transfer between restricted and non-restricted equity		1,855	1,457	– 3,312	0
Dividend			– 974		– 974
Dividend from subsidiary			– 3,143		– 3,143
Translation difference			– 12		– 12
Net income				3,872	3,872
Balance carried forward	5,564	7,683	2,930	3,872	20,049

The Bank. SEK M	Capital stock	Legal reserve	Reserve for unrealized gains	Retained earnings	Net income	Total
Balance brought forward	5,564	2,638	–	5,461	1,300	14,963
Income distribution according to decision of AGM				1,300	– 1,300	0
Dividend				– 974		– 974
Dividend from subsidiary				– 2,719		– 2,719
Transfer between restricted and non-restricted equity			433	– 433		0
Net income					3,455	3,455
Balance carried forward	5,564	2,638	433	2,635	3,455	14,725

Distribution of reserve for unrealized gains as of December 31

SEK M	Group	The Bank
<i>Balance sheet item</i>		
Treasury bonds	218	218
Bonds	255	440
Shares and participations	338	325
Other assets	3,166	3,166
Other liabilities	– 3,562	– 3,716
Total	415	433

Note 37 – Assets pledged, contingent liabilities and commitments

SEK M	Group		The Bank	
	1996	1995	1996	1995
<i>Assets pledged for own liabilities</i>				
Real estate mortgages, nominal amount	0	174	0	174
Government securities and bonds pledged for liabilities, credit institutions	22,864	8,644	22,864	8,644
Government securities and bonds pledged for deposits from the general public	2,198	3,863	2,194	3,863
Other pledges	–	15	–	–
Government securities and bonds pledged with Sveriges Riksbank	12,632	10,459	12,632	10,459
Loans pledged for certain outstanding bonds	427	1,251	–	–
Total assets pledged for own liabilities	38,121	24,406	37,690	23,140
<i>Other collateral pledged</i>				
Shares pledged for stock loans	2,891	2,135	2,891	2,135
Government securities and bonds pledged for other liabilities	1,511	2,377	1,506	2,377
Total other collateral pledged	4,402	4,512	4,397	4,512
Total assets pledged	42,523	28,918	42,087	27,652
Collateral is stated at book value unless otherwise indicated.				
<i>Contingent liabilities, nominal amount</i>				
Loan guarantees	1,277	2,212	1,779	2,893
Other guarantees	4,749	4,830	4,719	4,806
Accepted and endorsed notes	252	235	252	235
Letters of credit granted but not utilized	422	393	422	393
Other contingent liabilities	42	10	555	10
Total	6,742	7,680	7,727	8,337
<i>Provision for anticipated loan losses</i>	– 135	– 152	– 301	– 372
<i>Commitments, nominal amount</i>				
Commercial paper and certificate programs	2,430	1,693	2,430	1,693
Other interest-, equity- or foreign exchange-related contracts	1,568,825	1,257,560	1,535,016	1,197,946
Loans granted but not utilized	13,960	8,454	7,697	3,816
Overdraft facilities granted but not utilized	31,480	32,365	29,099	28,559
Other commitments	13,680	7,817	13,680	7,817
Total	1,630,375	1,307,889	1,587,922	1,239,831

Note 38 – Capital adequacy analysis

I. Calculation of total capital base

SEK M	Financial companies group		The Bank	
	1996	1995	1996	1995
Primary capital (net)	17,749	17,622	14,197	14,179
Supplementary capital	15,971	16,309	7,726	7,210
Settlement, equities, etc.	-605	-587	-605	-587
Total,	33,115	33,344	21,318	20,802

II. Calculation of risk-weighted amount with regard to credit risks

Financial companies group	Total investments		Risk-weighted amount		Total investments	Risk-weighted amount
	1996	1995	1996	1995		
On-balance-sheet item, SEK M						
Group A –0%	114,772		0		99,933	0
Group B –20%	45,394		9,079		38,617	7,723
Group C –50%	224,955		112,477		219,928	109,964
Group D –100%	116,451		116,451		111,230	111,230

Off-balance-sheet items	Nominal amount		Converted amount		Risk-weighted amount	
	1996	1995	1996	1995	1996	1995
Group A –0%	5,916		1,583		0	0
Group B –20%	340,721		7,487		1,497	3,105
Group C –50%	75,763		2,720		1,360	1,389
Group D –100%	13,605		7,476		7,476	5,667
Total					248,340	239,078

The Bank	Total investments		Risk-weighted amount		Total investments	Risk-weighted amount
	1996	1995	1996	1995		
On-balance-sheet items, SEK M						
Group A –0%	108,185		0		108,411	0
Group B –20%	43,272		8,654		38,019	7,604
Group C –50%	24,869		12,435		27,652	13,825
Group D –100%	86,420		86,420		79,813	79,813

Off-balance-sheet items	Nominal amount		Converted amount		Risk-weighted amount	
	1996	1995	1996	1995	1996	1995
Group A –0%	7,051		1,602		0	0
Group B –20%	290,588		3,926		785	2,370
Group C –50%	72,484		2,159		1,080	1,102
Group D –100%	12,974		7,142		7,142	6,287
Total					116,516	111,001

III. Calculation of risk-weighted amount with regard to market risks

SEK M	Financial companies group		The Bank	
	1996	1995	1996	1995
Risk-weighted amount for interest risks	2,736		2,736	
of which, specific risks	1,030		1,030	
of which, general risks	1,706		1,706	
Risk-weighted amount for stock price risks	1,626		1,626	
of which, specific risks	1,057		1,057	
of which, general risks	569		569	
Risk-weighted amount for liquidation risks	1		1	
Risk-weighted amount for counterparty risks and other risks	2,329		2,329	
Risk-weighted amount for currency risks	223		448	
Total	6,915		7,140	

IV. Calculation of total capital adequacy ratio

SEK M	Financial companies group		The Bank	
	1996	1995	1996	1995
Total capital base	33,115	33,344	21,318	20,802
Total risk-weighted amount for credit risks and market risks	255,255	239,078	123,656	111,001
Capital adequacy ratio, percent	13.0	13.9	17.2	18.7
Primary capital ratio, percent	7.0	7.4	11.5	12.8

Note 39 – Disclosure of financial income and expenses and commission income and expenses for insurance and reinsurance attributable to the Bank and with regard to other companies within the Group, etc. (SEK M) as well as information on subordinated assets

Received from other Group companies:	
Financial income	2,682
Commission income for insurance and reinsurance	–
Paid to other Group companies:	
Financial expenses	315
Premium expenses for insurance and reinsurance	19

Subordinated assets

The total volume of assets which the Bank may own in accordance with chap. 2 § 15 of the Swedish Banking Act amounts to 30 percent of the capital base. Thus, the limit for such assets is SEK 6,395 M. Assets of this type amounted to SEK 5 M in 1996.

Note 40 – Summary of material differences between generally accepted accounting principles in Sweden and the U.S.

Securities

Securities in part include a trading portfolio and in part securities that are held as protection against interest rate risks in fixed interest rate funding. The securities that are held as protection against interest rate risks are valued at accrued acquisition value, while the trading portfolio is valued at market value.

According to U.S. GAAP, a holding of securities is reported as either a fixed asset, a trading portfolio or an asset held for resale. Interest-bearing securities that are intended to be held until maturity are reported at accrued acquisition value. Securities, including derivatives, that are traded on an ongoing basis are reported at market value, with changes in market value included in reported income. Other securities are reported in the balance sheet at market value, with the change in market value during the time they are held reported separately in stockholders' equity without inclusion in reported income. Not until these securities are sold is their realized gain or loss included in reported income.

Repurchase of own bonds

Price differences that are realized from the repurchase of Sparbanken Sverige's own bonds are amortized over the remaining interest-fixing period of the repurchased securities. According to U.S. GAAP, such differences are recognized in their entirety when they arise.

Interest income compensation from loan prepayments

Interest income compensation received when loans are prepaid is amortized over the remaining interest fixing period of the loans. According to U.S. GAAP, such interest income compensation is recognized in its entirety when it arises.

Reporting of gain on sale of subsidiary

In 1994 90% of the shares in the subsidiary Robur was sold to independent savings banks with the right to repurchase the shares not later than 1997. In 1995 these shares were repurchased. According to U.S. GAAP, the gain reported on the sale is not included in stockholders' equity, since the risks and opportunities associated with the transferred operations in essence were not transferred to the buyers.

The application of the above U.S. GAAP would have had the following effect on the income and stockholders' equity of the Sparbanken Sverige Group:

SEK M	1996	1995
Net income according to Swedish GAAP	3,872	3,312
Reporting of securities	– 444	97
Repurchase of own bonds	– 265	89
Interest income compensation	547	20
Reporting of gain on sale of subsidiary	177	8
Deferred tax on the above adjustments	45	– 58
Estimated income according to U.S. GAAP	3,932	3,468

SEK M	1996	1995
Stockholders' equity according to GAAP	20,049	20,306
Reporting of securities	304	259
Repurchase of own bonds	132	397
Interest income compensation	772	225
Reporting of gain on sale of subsidiary	– 1,555	– 1,732
Deferred tax on the above adjustments	– 338	– 247
Estimated stockholders equity according to U.S. GAAP	19,364	19,208

The application of U.S. GAAP would not have significantly affected the reported balance sheet items in the Sparbanken Sverige Group, with the exception of goodwill, which would be omitted.

Note 41 – Disclosure of fair value

Comparison between book and fair value of the Group's assets and liabilities.

Assets SEK billion	1996		
	Book value	Fair value	Difference
Assets not reported at fair value in the balance sheet			
<i>Financial instruments</i>			
<i>Interest-bearing</i>			
<i>Treasury bills, etc.</i>			
Current assets – reported as hedges	0.9	1.2	0.3
<i>Bonds and interest-bearing securities</i>			
Current assets - reported as hedges	0.4	0.4	0.0
Fixed assets	8.5	8.8	0.3
<i>Other assets</i>			
Current assets - reported as hedges	1.4	4.5	3.1
<i>Shares/participations</i>			
Fixed assets	1.2	1.3	0.1
<i>Lending</i>			
Lending to credit institutions	53.9	53.9	0.0
Lending to the general public	381.2	396.4–400.7	15.2–19.5
<i>Real estate</i>			
Tangible assets	4.1	5.1	1.0
<i>Income carried forward discontinued hedging accounting</i>			
Prepaid expenses and accrued income	0.2	0.0	– 0.2
Assets reported at fair value in the balance sheet			
Current assets	45.7	45.7	0.0
Other	5.0	5.0	0.0
Total	502.5	522.3–526.6	19.8–24.1
Liabilities			
			1996
SEK M	Book value	Fair value	Difference
Liabilities not reported at fair value in the balance sheet			
<i>Financial instruments</i>			
<i>Interest-bearing</i>			
Securities issued	212.3	223.8	11.5
<i>Other liabilities</i>			
Reported as hedges	2.6	7.3	4.7
Other valued at acquisition value	18.5	18.5	0.0
Subordinated loans	17.2	18.8	1.6
<i>Deposits and funding</i>			
Loans from credit institutions	70.4	70.4	0.0
Deposits from the general public	146.1	146.1	0.0
<i>Income carried forward discontinued hedging accounting</i>			
Accrued expenses and prepaid income	1.4	0.0	– 1.4
Liabilities reported at fair value in the balance sheet			
Current assets with negative value	12.9	12.9	0.0
Other	1.1	1.1	0.0
Total	482.5	498.9	16.4

In accordance with the provisions of the Swedish Financial Supervisory Authority, credit institutions are obligated to report a comparison of book and fair value of balance sheet items.

The table compares book and fair values of asset and liability items that are not booked at fair value. An indication is made on which line on the balance sheet each item belongs.

The book value of current assets reported in the balance sheet at fair value is indicated in the table in two lump sums, one for assets and one for liabilities.

A special calculation of the fair value of shares that constitute fixed assets but are not publicly listed has not been considered significant. The same judgment was made in the case of the items intangible assets, allocations and equipment. In the table, the fair value of these items has therefore been equated with book value. The book value of these items is indicated in the table in two lump sums, one for assets and one for liabilities.

Financial instruments

In the table, financial instruments are divided into the categories fixed assets and current assets reported as hedges.

Accounting for hedges is applied when current assets are held to offset market risks in assets and liabilities reported at acquisition value in the balance sheet. Current assets accounted for as hedges are reported in the balance sheet at (accrued) acquisition value. If the hedging is effective, the decline in the value of the protected item is compensated by a corresponding increase in the value of the protecting position, and vice versa. To the extent the fair value of the hedged instrument deviates from the book value, this deviation is offset by an equivalent deviation but in the opposite direction between the book value and fair value of the protected position.

Financial instruments that constitute current assets and are not accounted for as hedges are reported in the balance sheet at fair value. Fair value of other financial instruments (assets or liabilities) is calculated in the same way as the value of these current assets. This means that to the extent listed market prices exist for assets and liabilities, fair value is calculated on the basis of the median price when the market closed as of December 31, 1996. For OTC instruments, the calculation of fair value is based on prices for comparable listed instruments.

Deposits and lending

Variable rate deposits and lending are valued at nominal amounts. The fair value of deposits and lending with fixed interest rates has been calculated by discounting future contracted cash flows during the fixed interest period. The calculation therefore does not include an estimation of the value that future, non-contracted margins on deposits and lending represent.

When calculating the fair value of the Bank's fixed interest rate deposits, discounting has been done with the Bank's estimated

financing expense. This corresponds to the interest rates in the deposit market for maturities up to one year and by interest rates on Spintab's so-called benchmark bonds for longer maturities.

Fair value of the Group's fixed interest rate lending has been stated in the form of an interval. The lower amount in the interval is calculated by discounting the loan portfolio's contracted cash flow with new lending rates for different maturities that were applied at the end of 1996. The higher amount is calculated by discounting the loan portfolio's contracted cash flow with the Group's funding rate for various maturities.

According to the instructions of the Swedish Financial Supervisory Authority, the discount rate selected in part reflects each loan's interest fixing period and in part the market's valuation of the credit risk in the individual loans. The discount rate should also reflect a potential buyer's cost to administer the loans and his or her required return on invested risk capital. In Sparbanken's opinion, too many subjective considerations come into play to determine such an interest level. Since there is practically no trading in loan portfolios in Sweden, it is also likely that opinions of the correct level will differ among different experts. Therefore, instead of stating an fair value figure, the Bank has chosen to use the above-mentioned interval, which is based on easily explained, fairly objective discount rates.

Buildings and land

Fair value of buildings and land is based to an overwhelming extent on internal appraisals. Market value has been estimated with the support of a net capitalization method. This method is based on the properties' standardized net operating income divided by a required return.

In the valuation, the required return of the properties is estimated as follows: downtown Stockholm, 6.25 percent; central Stockholm, 7.0 percent; downtown Malmö and Gothenburg, 7.5 percent; and an average for the rest of the country, 9.0 percent.

To the extent that the current net operating income due to current rental contracts deviates from the standardized net operating income, this has been taken into account in the calculation.

Income carried forward realized through discontinued hedging accounting

If accounting for hedges is discontinued when the protecting position is realized at the same time that the protected position remains on the balance sheet and is reported at acquisition value, the capital gain or loss is amortized over the remaining maturity of the protected position.

Realized gains that have not been entered as income are reported in the balance sheet as prepaid income and realized losses that have not been entered as expenses are reported as prepaid expenses. Since these items do not represent an actual receivable from, or liability to, an outside party, the fair value of

Note 42 – Interest fixing periods

The Group's interest-bearing assets and liabilities including interest-related derivatives distributed by interest fixing periods

	<= 3 mos.	3 mos.–1 yrs.	1–2 yrs.	2–3 yrs.	3–4 yrs.	4–5 yrs.	5–10 yrs.	>10 yrs.	Total
<i>Assets, nominal value, SEK M</i>									
Financial fixed assets	946	488	478	742	3,202	2,136	1	0	7,993
Financial current assets	11,229	5,200	1,565	828	1,972	458	611	1,206	23,069
Lending	188,684	77,096	72,268	39,441	29,658	22,240	5,657	1	435,045
Total assets	200,859	82,784	74,311	41,011	34,832	24,834	6,269	1,207	466,107
<i>Liabilities, nominal value, SEK M</i>									
Deposits and funding from credit institutions	– 50,632	– 16,254	– 413	0	0	0	0	0	– 67,299
Deposits from the general public	– 140,097	– 334	– 27	– 190	0	0	0	0	– 140,648
Securities issued	– 33,325	– 59,079	– 61,781	– 29,879	– 24,569	– 15,797	– 6,499	– 2,377	– 233,306
Total liabilities	– 224,054	– 75,667	– 62,221	– 30,069	– 24,569	– 15,797	– 6,499	– 2,377	– 441,253
Net	– 23,195	7,117	12,090	10,942	10,263	9,037	– 230	– 1,170	24,854
Derivatives, nominal value, net*	4,911	6,997	– 6,554	– 1,392	– 3,312	– 2,612	1,438	945	421
Net, including derivatives	– 18,284	14,114	5,536	9,550	6,951	6,425	1,208	– 225	25,275

* For options, delta-weighted nominal amounts are stated.

SEK M

The following amounts are at the disposal of the Annual General Meeting:

net income for the year	3,455
<u>earnings brought forward</u>	<u>2,635</u>
Total available for distribution	6,090

The Board of Directors recommends:

dividend to stockholders:	
cash	1,530
<u>to be carried forward</u>	<u>4,560</u>

The Group's non-restricted earnings amount to SEK 6,082 M. No allocations to restricted reserves in Group companies are recommended.

Board of Directors

Following the Annual General Meeting of 1996, the Board of Directors consists of the following members: Göran Ahlström, Ronald Bergman, Göran Collert, Bo Forslund, Reinhold Geijer, Kurt Lodenius, Per Molin, Per-Göran Nyberg, Hans Olsson, Marianne Qvick Stoltz, Madeleine Ramel, Bengt Rosén, Nils Stormby, Håkan Tidlund and Monica Ulfhielm.

In addition, the Board of Directors includes the following employee representatives: Kaisa Bratt and Lillemor Smedenvall.

The Board of Directors has elected Göran Collert as Chairman, Nils Stormby as First Deputy Chairman and Bo Forslund as Second Deputy Chairman.

Stockholm, March 6, 1997

Göran Collert

Nils Stormby

Bo Forslund

Göran Ahlström

Reinhold Geijer

Ronald Bergman

Kurt Lodenius

Per Molin

Per-Göran Nyberg

Hans Olsson

Marianne Qvick Stoltz

Madeleine Ramel

Bengt Rosén

Håkan Tidlund

Monica Ulfhielm

Kaisa Bratt

Lillemor Smedenvall

We have examined the annual report, the consolidated financial statements, the accounting records and the administration by the Board of Directors and the President for 1996. Assistance has been provided by the Bank's internal audit department.

The examination has been carried out in accordance with generally accepted auditing standards.

The Bank

The annual report has been prepared in accordance with the Annual Report Act for Credit Institutions and Securities Firms.

We recommend

that the income statement and the balance sheet be adopted, that earnings be distributed in accordance with the recommendation in the Board of Directors' Report, and that the members of the Board of Directors be discharged from liability for the fiscal year.

Group

The consolidated financial statements have been prepared in accordance with the Annual Report Act for Credit Institutions and Securities Firms.

We recommend

that the consolidated income statement and the consolidated balance sheet be adopted.

Stockholm, March 7, 1997

Per Nilsson

Christian Westrup

Ulf Egenäs

Authorized Public Accountant

Torbjörn Hanson

Authorized Public Accountant
Accountant

Olle Gunnarsson

Authorized Pub

appointed by th

Swedish

Financial Supervisory
Authority

Directors	Company Secretary	Auditors
Elected by the Annual General Meeting	Olov Lydén	Ulf Egenäs Authorized Public Accountant, Deloitte & Touche AB.
Göran Collert		
Nils Stormby	Deputy Directors	Olle Gunnarsson Authorized Public Accountant, Öhrlings, Coopers & Lybrand AB. Appointed by the Swedish Financial Supervisory Authority.
Bo Forslund	Elected by the Annual General Meeting	Torbjörn Hanson Authorized Public Accountant, Ernst & Young AB.
Göran Ahlström	Lars-Erik Kvist	Per Nilson President of Varbergs Sparbank.
Ronald Bergman	Employee representatives	Christian Westrup B.LL.
Reinhold Geijer	Björn Nykvist	Deputy Auditors
Kurt Lodenius	Carina Raderman	Olof Cederberg Authorized Public Accountant, Ernst & Young AB.
Per Molin		Jan Larsson Authorized Public Accountant, Deloitte & Touche AB.
Per-Göran Nyberg		Valdemar Löwhagen President of Sparbanken i Lidköping.
Hans Olsson		Jan Åkesson President of Sparbanken i Enköping.
Marianne Qvick Stoltz		
Madeleine Ramel		
Bengt Rosén		
Håkan Tidlund		
Monica Ulfhielm		
Employee representatives		
Kaisa Bratt		
Lillemor Snedervall		

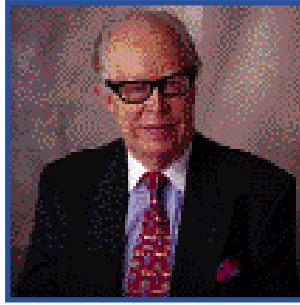
Nominating Committee for
the Annual General Meeting
of 1997

Ulricehamns sparbank.

Bertil Göransson, former County
Governor
Lorentz Andersson, Municipal
Commissioner of Skellefteå
Jan-Erik Erenius, President of AMF
Pension Arbetsmarknadsförsäkringar
Pensionsförsäkringsaktiebolag
Thomas Halvorsen, President of the
Fourth National Pension Insurance
Fund
Lars Laurin, Attorney
Carl Axel Petri, former President of
the Court of Appeal
Arne Torstensson, President of



Göran Collert
Executive Chairman since 1995. Born 1937. Elected 1978. Other directorships: Chairman of AB Spintab and SparFond Livförsäkrings AB and Board Member of Fastighets AB Tornet. SparLiv Livförsäkrings AB and Nutida svenskt silver. Member of the Board of Directors' Credit and Capital Market Committee and Finance Committee. Holding: 20,000 shares.



Nils Stormby
First Deputy Chairman. Senior Research Fellow. Born 1929. Elected 1991. Other directorships: Chairman of the Savings Bank Foundation Skåne. Board Member of Ad Hoc AB, Medscand Diagnostik AB and Medscand Medical AB. Member of the Board of Directors' Credit and Capital Market Committee and Audit and Security Committee. Holding: 25,325 shares and 3 options to buy 321 shares.



Bo Forslund
Second Deputy Chairman. Former Member of the Swedish Parliament. Born 1939. Elected 1991. Other directorships: Chairman of the Savings Bank Foundation Norrland and Långsele Tvätten AB. Member of the Board of Directors' Credit and Capital Market Committee and Finance Committee. Holding: 2,000 shares and 3 options to buy 321 shares.



Göran Ahlström
President of Sydskraft AB. Born 1936. Elected 1995. Chairman of Fastighets AB Tornet and OKG AB. Other directorships: Chairman of Fastighets AB Tornet and OKG AB. Board Member of Sydskraft AB, Svensk-Danska Broförbindelsen AB, Öresundskonsortiet, PreussenElektra AG, Neste Sverige AB, the Federation of Swedish Industries and the Swedish Power Association. Member of the Board of Directors' Credit and Capital Market Committee and Audit and Security Committee.



Ronald Bergman
Chairman of Nordström & Thulin AB. Born 1931. Elected 1991. Other directorships: Board Member of Argonaut AB, Nordström & Thulin with subsidiaries in Sweden and abroad, Lloyds Register Nordic Committee, Nordisk Skibs Redarförening, the Swedish Shipowners' Association, the Baltic and International Maritime Council and Governor of the Stockholm Chamber of Commerce. Member of the Board of Directors' Finance Committee. Holding: 3



Reinhold Geijer
President of Sparbanken Sverige AB since 1995. Born 1953. Elected 1995. Other directorships: Chairman of Sparbanken Finans AB. Board Member of the Wahlgrenska Foundation, the Swedish Bankers' Association and Affärsbankernas Serviceaktiebolag. Member of the Board of Directors' Credit and Capital Market Committee and Finance Committee. Holding: 8,000 shares and 3 options to buy 321 shares.



Kurt Lodenius
Former Municipal Commissioner. Born 1936. Elected 1983. Other directorships: Chairman of Roslagens Sparbank and Sparbankernas Andra Allemansfond AB. Board Member of the Independent Savings Banks Association, Fastighetsbolaget Nica HB and Norrtelje Tidning AB. Member of the Board of Directors' Credit and Capital Market Committee. Holding: 500 shares and 6 options to buy 643 shares.



Per Molin
President of Avesta Sheffield AB. Born 1937. Elected 1995. Other directorships: Board Member of Höganäs AB, ERRCE AB, Nordstjärnan AB, ABB Service AB, the Federation of Swedish Industries, the Swedish Steel and Metals Association, the Council of the Swedish Iron Masters' Association (Steering Committee of the Nordic Steel Association) and the Industrial Council of the Swedish Academy of Engineering Sciences. Holding: -.



Per-Göran Nyberg
Former Bank Executive. Born 1936. Elected 1984. Other directorships: Chairman of the Savings Bank Foundation Alfa. Deputy Chairman of European Savings Bank Group (ESBG). Board Member of Elmia AB. Member of the Board of Directors' Credit and Capital Market Committee. Holding: -.

Holdings of shares and options refer to Directors' own holdings and those of family and closely held interests as of



Hans Olsson
Controller, the Swedish Metal Workers' Union. Born 1942. Elected 1992. Other directorships: Board Member of Bergaliden AB, Fastighets AB Storheden and M2 Fastigheter AB. Member of the Board of Directors' Credit and Capital Market Committee and Finance Committee.



Marianne Qvick Stoltz
Businesswoman. Born 1949. Elected 1994. Other directorships: Board Member of HIGAB, Aug. Magnussons Eftr. AB, Tidsforum i Göteborg AB, Göteborgs Auktionsverk, Göteborgs Pantbelåning AB, Västsvenska Handelskammarens Service AB and Företagarna Göteborgsdistriktet Servicebolag. Member of the Board of Directors' Audit and Security Committee. Holding: 2 options to buy 214 shares.



Madeleine Ramel
Born 1927. Elected 1991. Member of the Board of Directors' Audit and Security Committee. Holding: 3 options to buy 321 shares.



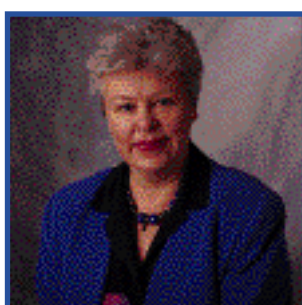
Bengt Rosén
B.L.L. Born 1936. Elected 1992. Other directorships: Board Member of Skaraborgs Läns Sparbank, Svenska Foder AB, the Lundsbrunn Spa Foundation and the Feed and Grain Trade Association. Member of the Board of Directors' Audit and Security Committee. Holding: -.



Håkan Tidlund
President of Folksam. Born 1943. Elected 1994. Other directorships: Chairman of SparLiv Livförsäkrings AB. Board Member of Folksam ömsesidig sakkförsäkring, Folksam ömsesidig livförsäkring, KP Pension & Försäkring, Kooperationens Förhandlingsorgan, SparFond Livförsäkrings AB and the Federation of Swedish Insurance Companies. Member of the Board of Directors' Credit and Capital Market Committee and Finance Committee. Holding: 6 options to



Monica Ulfhjelm
Executive. Born 1942. Elected 1992. Other directorships: Board Member of Akademiska Hus i Stockholm AB, the Royal Institute of Technology in Stockholm and Institutet för vidareutbildning av jurister och samhällsvetare. Member of the Board of Directors' Audit and Security Committee. Holding: 100 shares and 3 options to buy 321 shares.



Kaisa Bratt
Sparbanken Sverige AB. Born 1941. Elected 1992. Delegate of Sparinstitutens Pensionskassa (SPK). Holding: 3 options to buy 321 shares.



Lillenor Smedenvall
Sparbanken Sverige AB. Born 1950. Elected 1993. Other directorships: Deputy Chairman of Finansförbundet. Board Member of the Trygghetsfonden Foundation and Delegate of Sparinstitutens Pensionskassa (SPK). Holding: 3 options to buy 321 shares.



Olov Lydén
Company Secretary. Born 1948. Employed since 1982. Holding: 400 shares.

Executive Management

Reinhold Geijer

Lars-Erik Kvist

Gunnar Andersson

Sören Andersson

Lars Eklund

Gert Engman

Roger Gullqvist

Göran Gunnarsson

Håkan Källåker

Jan Lidén

Nils-Fredrik Nyblaus

Ingrid Persson

Anders Rex (from February 1,
1997)

Birgitta Schött

Bengt Skoglund



Reinhold Geijer*
President and CEO. Born 1953. Employed since 1985. Holding: 8,000 shares and 3 options to buy 321 shares.



Lars-Erik Kvist*
Deputy President. Chief Credit Officer. Born 1945. Employed since 1974. Holding: 1,400 shares and 3 options to buy 321 shares.



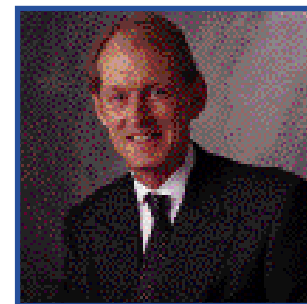
Gunnar Andersson
Head of Corporate Communications. Born 1939. Employed since 1992. Holding: 1,000 shares and 3 options to buy 321 shares.



Sören Andersson*
Head of Bank Development. Born 1945. Employed since 1969. Holding: 3 options to buy 321 shares.



Lars Eklund
Head of Savings Bank Zone Stockholm and Sparbanken Sverige Corporate Unit. Born 1945. Employed since 1989. Holding: 1,000 shares and 3 options to buy 321 shares.



Gert Engman
Head of Savings Bank Zone West. Born 1949. Employed since 1993. Holding: 3 options to buy 321 shares.



Roger Gullqvist
Responsible for Information Technology, IT. Born 1952. Employed since 1996. Holding: -



Göran Gunnarsson*
Head of Savings Bank Zone Central. Born 1943. Employed since 1984. Previously employed 1966-1978. Holding: 500 shares and 6 options to buy 642 shares.



Håkan Källåker*
Head of Swedbank Markets. Born 1949. Employed since 1990. Previously employed 1980-1989. Holding: 500 shares.

* Member of the Executive Management Working Committee.



Jan Lidén*
President of AB Spintab. Born 1949.
Employed since 1990. Holding: 3
options to buy 321 shares.



Nils-Fredrik Nyblaus*
Head of Accounting and Financial control.
Born 1951. Employed since 1991. Holding:
3 options to buy 321 shares.



Ingrid Persson
Head of Personnel. Born 1948.
Employed since 1994. Holding:
500 shares.



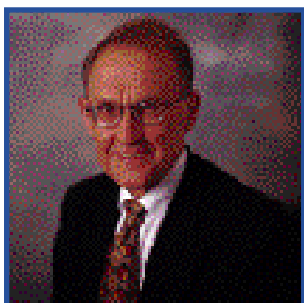
Anders Rex (from February 1, 1997)
Head of Savings Bank Zone Skåne. Born
1959. Employed since 1994. Holding: 3
options to buy 321 shares.



Birgitta Schött
Head of Savings Bank Zone North. Born
1937. Employed since 1975. Holding: 3
options to buy 321 shares.



Bengt Skoglund
Responsible for relations with Independent
savings banks. Born 1933. Employed since
1991. Previously employed 1955-1986.
Holding: 1,000 shares and 3 options to buy
321 shares.



Lars Strandberg
Responsible for the Group's restructuring
work and efficiency projects. Born 1935.
Employed since 1993. Holding: 1,000 shares
and 3 options to buy 321 shares.



Göran Theodorsson
Head of Savings Bank Zone South. Born
1948. Employed since 1969. Employed for
Spadab 1969-1980. Holding: 3 options to
buy
321 shares.



Lars-Olof Ödlund
Head of Group Finance and Credit
Support. Born 1937. Employed since
1993. Holding: 3,000 shares and 3
options to buy 321 shares.



Valdemar Svensson, Co-opted Member
Head of IT production. Born 1943.
Employed since 1988. Holding: -.



Judith Sand
Head of Internal Audit/Security. Born 1942.
Employed since 1985. Holding: 3 options to
buy 321 shares.

SWEDEN

Sparbanken Sverige AB
 Identification number 502017-7753
 Registered office: Stockholm
 Visiting address: Brunkebergstorg 8
 Mailing address: S-105 34 Stockholm
 Telephone: +46-8-790 10 00
 Fax: +46-8-796 80 92

Swedbank Markets
 Visiting address: Regeringsgatan 13
 Mailing address: S-105 34 Stockholm
 Telephone: +46-8-790 10 00
 Fax: +46-8-796 80 92

AB Spintab
 Identification number 556003-3283
 Registered office: Stockholm
 Visiting address: Regeringsgatan 13
 Mailing address: S-106 11 Stockholm
 Telephone: +46-8-790 21 00
 Fax: +46-8-10 79 70

Sparbankernas Jordbrukskredit
 AB
 Identification number 556061-5592
 See AB Spintab

Sparbanken Fastighetsbyrå AB
 Visiting address: Regeringsgatan 29
 Mailing address: S-103 27 Stockholm
 Telephone: +46-8-787 78 80
 Fax: +46-8-21 51 32

Sparbanken Finans AB
 Identification number 556131-3395
 Registered office: Stockholm
 Visiting address: Regeringsgatan 25
 Mailing address: S-105 34 Stockholm
 Telephone: +46-8-790 22 00
 Fax: +46-8-21 34 67

ML Rental AB
 Identification number 556047-9700
 See Sparbanken Finans

Robur Kapitalförvaltning AB
 Identification number 556110-3895
 Registered office: Stockholm
 Visiting address: Brunkebergstorg 8
 Mailing address: S-105 34 Stockholm
 Telephone: +46-8-790 24 00
 Fax: +46-8-796 49 85

Sparbanken Sverige
 Administration AB
 Identification number 556284-5387
 Registered office: Stockholm

Sparia Försäkrings AB
 Identification number 516401-8631
 Registered office: Stockholm

B.A.B.S. Bankkortsadministrativ
 ButiksService AB
 Identification number 556246-8867
 Registered office: Stockholm

INTERNATIONAL

Subsidiaries

Swedbank Securities Inc.
 Registered office: New York
 Swedbank Inc.
 Delaware

SPS Reinsurance S.A.
 Registered office: Luxembourg

Swedbank (Luxembourg) S.A.
 Identification number 302018-5066
 Registered office: Luxembourg
 Göran Rylander
 8-10 Avenue de la Gare
 L-1610 Luxembourg
 PO Box 1305
 L-1013 Luxembourg
 Telephone: +352-404 94 01
 Fax: +352-40 49 08/07
 Telex: 1771
 Swift: SWED LU LL

Branches

USA
 Swedbank, New York Branch
 Lennart Lundberg
 12 East 49th Street, 20th floor,
 New York, NY 10017
 Telephone: +1-212-486-8400
 Fax: +1-212-486-3220
 Telex: 49606814
 Swift: SWED US 33

United Kingdom
 Swedbank, London Branch
 Claes-Johan Geijer
 Swedbank House
 42 New Broad Street
 London EC2M 1SB
 Telephone: +44-171-256 6000
 Fax: +44-171-638 1101
 Telex: 290315
 Swift: SWED GB 2L

Nordic Service Center
 Hans Andersson
 14 Waterloo Place
 London SW1Y 4AR
 Telephone: +44-171-930 8917
 Fax: +44-171-930 1496
 Telex: 896562

Luxembourg
 Swedbank, Luxembourg Branch
 8-10 Avenue de la Gare
 L-1610 Luxembourg
 PO Box 1305
 L-1013 Luxembourg
 Telephone: +352-404 94 01
 Fax: +352-40 49 06
 Telex: 1771
 Swift: SWED LU LL

Associated companies

Sparbanken Borås AB
 Identification number 516401-9852
 Registered office: Borås

Sambox Väst AB
 Identification number 556460-4717
 Registered office: Gothenburg

SparLiv and SparFond
 Livförsäkrings AB
 Identification numbers 516401-8201,
 516401-8292
 Registered office: Stockholm
 Visiting address: Drottninggatan 29
 Mailing address: Box 16426
 S-103 27 Stockholm
 Telephone: +46-8-657 20 00
 Fax: +46-8-790 00 94

Aktia Sparbank AB
 Registered office: Helsinki

Representative offices

Denmark
 Norden Banking Group
 Ole Mølegaard
 Silkegade 8
 DK-1113 Copenhagen K
 Telephone: +45-43 30 50 20
 Fax: +45-33 15 29 34

Finland
 Aktia Sparbank AB
 Registration number: 38735
 Registered office: Helsinki
 Janina Grönholm
 Mannerheimintie 14, P.O. Box 207
 SF-00101 Helsinki
 Telephone: +358-9-60926262
 Fax: +358-9-60926356

France
 Swedbank (Luxembourg) S.A.
 Bureau de Représentation
 2229 Route des Crêtes
 F-06560 Sophia Antipolis
 Telephone: +33-9294 2323
 Fax: +33-9294 2324

Japan
 Swedbank
 Robert Stenram
 Sweden Center Bldg.
 6-11-9 Roppongi, Minato-ku
 Tokyo 106
 Telephone: +81-3-5474 6041
 Fax: +81-3-5474 6044

China
 The Industrial and Commercial
 Bank of China
 Li Lihui
 15 Cuiwei Road
 Haidian District
 100036 Beijing
 Telephone: +86-10-6821 7273
 Fax: +86-10-6821 7920
 Telex: 22770
 Swift: ICBK CN BJ

Norway
 Norden Banking Group
 Rolf Nagel Dahl
 Kirkegatan 14-18
 PO Box 1172 Sentrum
 N-0107 Oslo 1
 Telephone: +47-22 31 90 50
 Fax: +47-22 31 99 85

