



FSB Q2, 2005

Jan Lidén, CEO



Q2 Highlights

- Stable, profitable development in Swedish operations
- Continued strong growth in both volumes and profits in Hansabank
- Strengthened performance in savings and deposits



Group results, Q1-2, 2005

- Operating profit rose by 33 percent to SEK 6,752 M (5,073)
- Profit for the period rose by 33 percent to SEK 5,242 M (3,933)
- The return on shareholders' equity rose to 23.3 percent (19.1)
- Shareholders' earnings per share rose by 37 percent to SEK 10.22 (7.45)
- Total income rose by 15 percent to SEK 14,023 M (12,171)
- Costs rose by 3 percent to SEK 7,075 M (6,836)
- Loan losses decreased by 25 percent to SEK 196 M (262)



Group P&L

| SEK M | Q1-2, 2005 | Q1-2, 2004 | Change % |
|---|-------------------|-------------------|-----------------|
| Net interest income | 7,967 | 7,181 | 11 |
| Net commissions | 3,364 | 3,035 | 11 |
| Net gains and losses on financial items at fair value | 1,120 | 1,227 | - 9 |
| Other income | 1,572 | 728 | |
| Total income | 14,023 | 12,171 | 15 |
| Staff costs | - 3,406 | - 3,326 | 2 |
| Profit-based staff costs | - 627 | - 500 | 25 |
| Other expenses | - 3,042 | - 3,010 | 1 |
| Total expenses | - 7,075 | - 6,836 | 3 |
| Profit before loan losses | 6,948 | 5,335 | 30 |
| Loan losses | - 196 | - 262 | - 25 |
| Operating profit | 6,752 | 5,073 | 33 |
| <i>- excl. items affecting comparability</i> | <i>6,267</i> | <i>5,675</i> | <i>10</i> |



Quarterly profit trend

| SEK M | Q2, 2005 | Q1, 2005 | Q4, 2004 | Q3, 2004 | Q2, 2004 |
|---|----------------|----------------|----------------|----------------|----------------|
| Net interest income | 4,028 | 3,939 | 4,039 | 3,979 | 3,722 |
| Net commissions | 1,834 | 1,530 | 1,554 | 1,533 | 1,531 |
| Net profit on financial items at fair value | 678 | 442 | 413 | 167 | 460 |
| Other income | 1,144 | 428 | 391 | 436 | 394 |
| Total income | 7,684 | 6,339 | 6,397 | 6,115 | 6,107 |
| Staff costs | - 1,709 | - 1,697 | - 1,561 | - 1,682 | - 1,651 |
| Profit-based staff costs | - 444 | - 183 | - 222 | - 300 | - 213 |
| Other expenses | - 1,589 | - 1,453 | - 1,593 | - 1,417 | - 1,526 |
| Total expenses | - 3,742 | - 3,333 | - 3,376 | - 3,399 | - 3,390 |
| Profit before loan losses | 3,942 | 3,006 | 3,021 | 2,716 | 2,717 |
| Loan losses | - 97 | - 99 | - 99 | - 133 | - 120 |
| Operating profit | 3,845 | 2,907 | 2,922 | 2,583 | 2,597 |
| Taxes | - 706 | - 571 | - 687 | - 592 | - 532 |
| Profit from continuing operations | 3,139 | 2,336 | 2,235 | 1,991 | 2,065 |
| Profit from discontinued operations after tax | | | 14 | 1,362 | 164 |
| Profit for the period | 3,139 | 2,336 | 2,249 | 3,353 | 2,229 |
| Attributable to shareholders | 3,107 | 2,135 | 2,063 | 3,161 | 2,039 |



Items affecting comparability

| 2005 | | | | |
|---|--|------------|--------------|------------------|
| SEK M | | Q2 | Q1 | Acc. Q1-2 |
| Capital gain on sale of shares in EnterCard | | 810 | | 810 |
| Profit-based staff costs | | - 444 | - 183 | - 627 |
| <i>of which allocation to Kopparmyntet</i> | | - 261 | - 87 | - 348 |
| Costs for personnel changes | | - 79 | - 58 | - 137 |
| Profit effect IAS 39 | | 444 | - 5 | 439 |
| Total | | 731 | - 246 | 485 |

| 2004 | | | | |
|--|--|--------------|--------------|------------------|
| SEK M | | Q2 | Q1 | Acc. Q1-2 |
| Profit-based staff costs | | - 213 | - 287 | - 500 |
| <i>of which allocation to Kopparmyntet</i> | | - 90 | - 131 | - 221 |
| Costs for personnel changes | | - 89 | - 13 | - 102 |
| Total | | - 302 | - 300 | - 602 |



Profit effect of IAS 39

| 2005 SEK M | Q2 | Q1 | Acc Q1-2 |
|--|------------|------------|------------|
| Net interest income | | | |
| Increase in net interest income in Spintab | | | |
| repurchase differences | 104 | 157 | 261 |
| interest income compensation | - 96 | - 102 | - 198 |
| Net profit on financial items at fair value | | | |
| Valuation of derivatives in Spintab at fair value | - 129 | - 139 | - 268 |
| Repurchased Spintab bonds | 23 | - 71 | - 48 |
| Inefficiency in hedging package | 24 | 41 | 65 |
| Valuation of assets at fair value | | | |
| shares | 209 | - 23 | 186 |
| lending | 81 | 1 | 82 |
| Interest income compensation | 228 | 131 | 359 |
| Total | 444 | - 5 | 439 |



Lending, Q1-2, 2005

- Group lending rose by 7 percent to SEK 745 bn (694)
- Spintab's household lending rose by 5 percent to SEK 316 bn (301)
- Corporate lending rose by 9 percent to 341 SEK bn (312)
- Hansabank's lending rose by 28 percent to SEK 68 bn (53).

Figures in parentheses refer to December 31, 2004



Savings and investments, Q1-2, 2005

- Funds under management increased by 15 percent to SEK 329 bn (286) – an all-time-high
- Household deposits increased by 10 percent to SEK 173 bn (157)
- Market share deposits in Sweden rose to 24 percent (10)
- The market share in Sweden for new savings net rose to 19 percent (17)

Figures in parentheses refer to December 31, 2004



Net interest income

Group, Q1-2 2005 compared to Q1-2 2004

| SEK M | Q1-2 2005 | Q1-2 2004 | Change |
|----------------------------------|--------------|--------------|------------|
| Swedish retail operations | 6,115 | 6,044 | 71 |
| Swedbank Markets | 411 | 485 | - 74 |
| International banking operations | 1,254 | 1,060 | 194 |
| Asset management and insurance | 14 | 15 | - 1 |
| Shared services and Group staffs | 74 | 31 | 43 |
| Eliminations | 99 | - 454* | 553 |
| Total | 7,967 | 7,181 | 786 |

* Effect of change of accounting principles in the reporting of net interest income from trading operations



Net interest income

Swedish retail operations

Q1-2 2005 compared to Q1-2 2004, SEK M

| | | |
|---|----------|-----------|
| Increased lending volumes | + | 230 |
| Increased deposit volumes | + | 47 |
| Lower lending margins | – | 222 |
| Lower overall interest rates | – | 114 |
| Shareholders' equity and other balance sheet items | + | 130 |
| Total | + | 71 |



Net interest income

Hansabank

Q1-2 2005 compared to Q1-2 2004, SEK M

| | | |
|--|----------|------------|
| Increased lending volumes | + | 260 |
| Decreased lending margins | - | 83 |
| Accrual of revaluation of assets in lending portfolio | - | 118 |
| Increased deposit volumes | + | 48 |
| Decreased deposit margins | - | 69 |
| Treasury, trading and other balancesheet items | + | 126 |
| Total | + | 164 |



Net commission income

| SEK M | Q2, 2005 | Q1, 2005 | Q4, 2004 | Q3, 2004 | Q2, 2004 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Payment processing | 677 | 587 | 615 | 587 | 575 |
| Lending commissions | 83 | 89 | 97 | 113 | 132 |
| Brokerage | 133 | 111 | 106 | 74 | 91 |
| Asset management | 748 | 702 | 702 | 677 | 671 |
| Insurance commissions | 102 | 96 | 94 | 95 | 97 |
| Other commissions | 91 | - 55 | - 60 | - 13 | - 35 |
| Total commissions, net | 1,834 | 1,530 | 1,554 | 1,533 | 1,531 |



Net commission income

Q1-2, 2005 compared to Q1-2, 2004, SEK M

| | |
|---------------------|--------------|
| Payment processing | + 169 |
| First Securities | + 168 |
| Asset management | + 116 |
| Brokerage | + 17 |
| Lending commissions | - 53 |
| Other commissions | - 88 |
| Total | + 329 |



Net profit on financial items at fair value

| SEK M | Q1-2, 2005 | Q1-2, 2004 | Change |
|---|--------------|--------------|--------------|
| Financial instruments classified as trading and derivatives | - 122 | 790 | - 912 |
| Other financial instruments at fair value | 870 | 67 | 803 |
| Changes in exchange rates | 372 | 370 | 2 |
| Total | 1,120 | 1,227 | - 107 |



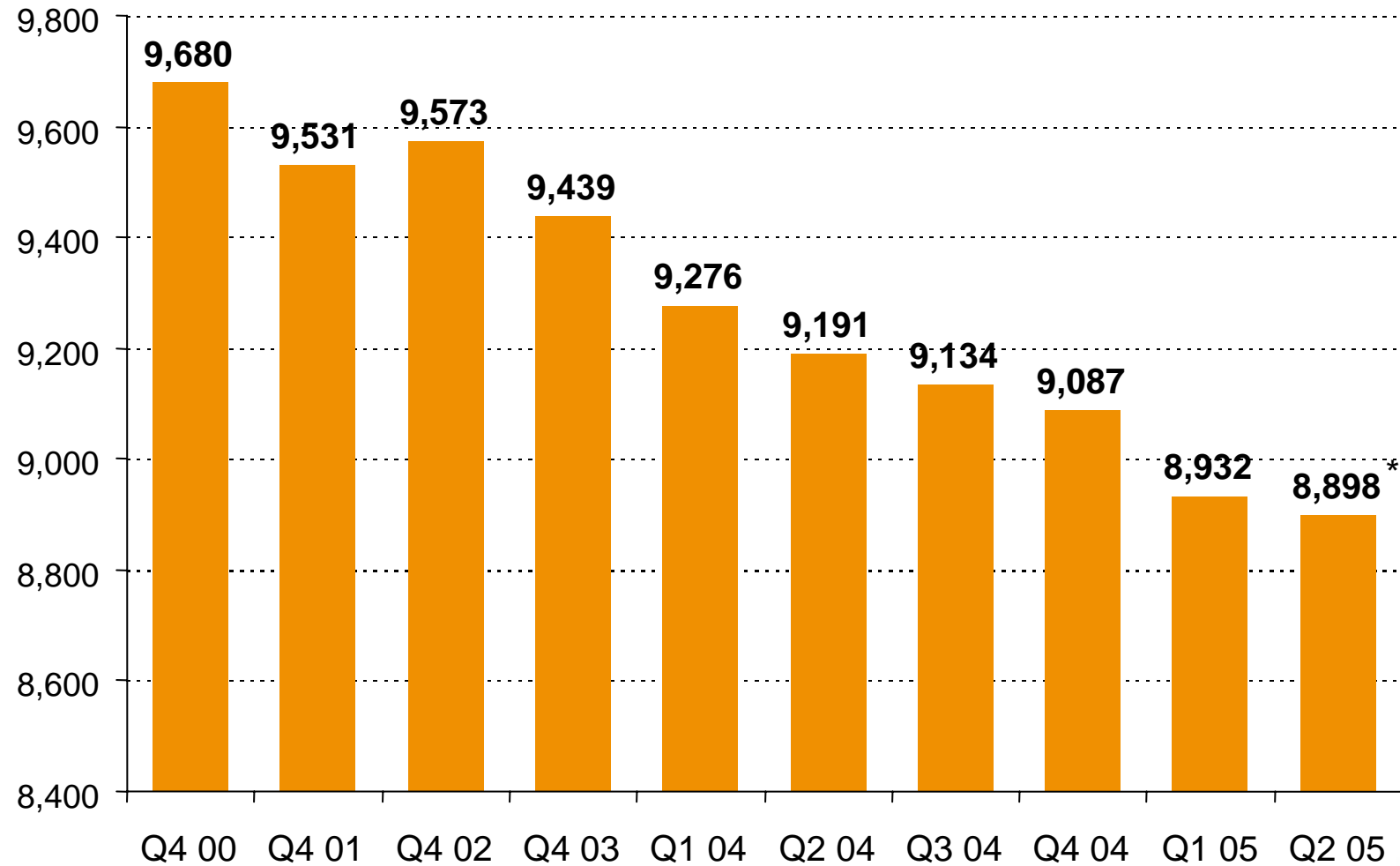
Costs

| SEK M | Q2, 2005 | Q1, 2005 | Q4, 2004 | Q3, 2004 | Q2, 2004 |
|---|--------------|--------------|--------------|--------------|--------------|
| Swedish operations | | | | | |
| Underlying costs | 2,686 | 2,676 | 2,669 | 2,582 | 2,697 |
| Costs for personnel changes | 79 | 58 | 30 | 155 | 89 |
| Profit based staff costs | 380 | 125 | 151 | 242 | 173 |
| International banking operations | | | | | |
| Total costs | 597 | 474 | 526 | 420 | 431 |
| Total | 3,742 | 3,333 | 3,376 | 3,399 | 3,390 |



Number of full-time positions

Swedish operations

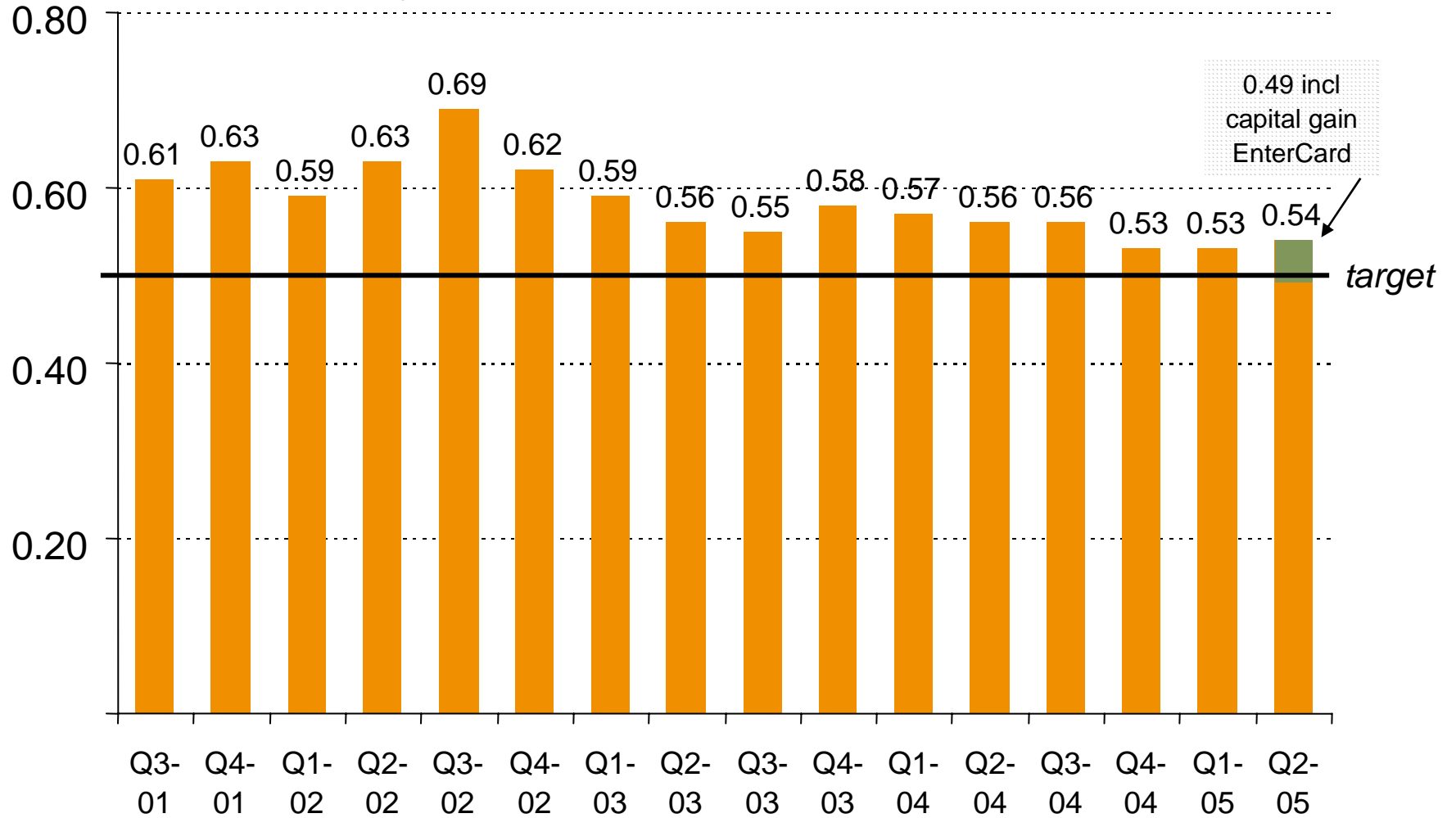


* Excluding First Securities



C/I ratio

adjusted to IFRS from Q1, 2004



Credit quality

- Doubtful claims gross decreased by 12 percent to SEK 2,508 M (2,858)*
- The provision ratio rose to 159 percent (137)*
- Loan losses fell by 25 percent to SEK 196 M (262)
- The loan loss level dropped to 0.05 percent (0.08)

* Excluding discontinued operations

Figures in parentheses refer to Q1-2, 2004



Loan losses

| SEK M | Q1-2, 2005 | Q1-2, 2004 |
|--|-------------------|-------------------|
| Established | 178 | 233 |
| Provisions | 325 | 411 |
| Recoveries | - 307 | - 382 |
| Total | 196 | 262 |
| of which collective provisions for claims assessed individually | 116 | 157 |



Swedish Retail operations

- Strong development of business volumes
 - lending increased 8 percent
 - deposits increased 7 percent
- Costs unchanged excluding profit based compensation and costs for personnel changes
- Number of full-time employees decreased by 275 to 6,447 (6,722)

Figures in parentheses refer to Q1-2 2004



Swedish Retail operations

| SEK M | Q2, 2005 | Q1, 2005 | Q4, 2004 | Q3, 2004 | Q2, 2004 |
|--|----------------|----------------|----------------|----------------|----------------|
| Net interest income | 2,996 | 3,119 | 3,166 | 3,293 | 3,021 |
| Other income | 2,180 | 1,232 | 1,116 | 1,108 | 1,107 |
| Share of profit/loss of associated companies | 32 | 46 | | 97 | 28 |
| Total income | 5,208 | 4,397 | 4,282 | 4,498 | 4,156 |
| Staff costs | - 1,188 | - 1,043 | - 1,056 | - 1,231 | - 1,051 |
| Other expenses | - 1,347 | - 1,258 | - 1,355 | - 1,257 | - 1,311 |
| Total expenses | - 2,535 | - 2,301 | - 2,411 | - 2,488 | - 2,362 |
| Profit before loan losses | 2,673 | 2,096 | 1,871 | 2,010 | 1,794 |
| Loan losses | 25 | - 60 | - 50 | - 77 | - 81 |
| Operating profit | 2,698 | 2,036 | 1,821 | 1,933 | 1,713 |
| Return on equity % | 33.0 | 22.1 | 21.4 | 22.9 | 20.0 |



EnterCard

- Establishment of new venture goes according to plan, focus on staffing and HQ
- Ambition to grow EnterCard into the leading credit-card issuer in the Nordic region
- Investigating possible entry options in Denmark and Finland



Disposal of KIAB

- Net gain of SEK 1.4 bn in Q3
- Five-year agreement with buyer to sell written-off claims within execution title at reasonable market price
- Sale will, all else equal, reduce loan loss write-backs somewhat in future



Non-life insurance

- FSB to sell Tre Kronor's non-life insurances on a commission basis in Sweden
- Initial offering includes home and auto insurances
- The aim is to reach a market share of 3 percent within 5 years
- Tre Kronor, owned by Trygg-Hansa (51%) and SpareBank 1 Gruppen (49%), manages the insurance operation



Asset Management and Insurance

- AuM reach record level of SEK 329 bn (286)
- 67 percent of Robur equity funds outperformed their indexes
- Morningstar's average rating on Robur funds improved further to 3.30 (3.28)

Figures in parentheses refer to December 31, 2004



Asset Management and Insurance

| SEK M | Q2, 2005 | Q1, 2005 | Q4, 2004 | Q3, 2004 | Q2, 2004 |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| Net interest income | 6 | 8 | 7 | 7 | 5 |
| Other income | 346 | 333 | 372 | 357 | 351 |
| Total income | 352 | 341 | 379 | 364 | 356 |
| Staff costs | - 77 | - 66 | - 50 | - 70 | - 65 |
| Other expenses | - 81 | - 84 | - 86 | - 78 | - 81 |
| Total expenses | - 158 | - 150 | - 136 | - 148 | - 146 |
| Operating profit | 194 | 191 | 243 | 216 | 210 |
| Return on equity % | 38.8 | 38.3 | 39.8 | 41.4 | 40.1 |



Swedbank Markets

- Operating profit in-line with previous year
- Holding in First Securities increased to 51 percent and consolidated as of June 15th
 - very successful quarter boosts income
- Continued high return on equity



Swedbank Markets

| SEK M | Q2, 2005 | Q1, 2005 | Q4, 2004 | Q3, 2004 | Q2, 2004 |
|--|--------------|--------------|--------------|--------------|--------------|
| Net interest income | 211 | 200 | 270 | 241 | 236 |
| Other income | 514 | 273 | 316 | 150 | 282 |
| Share of profit/loss of associated companies | 7 | 15 | 19 | 2 | 9 |
| Total income | 732 | 488 | 605 | 393 | 527 |
| Staff costs | - 241 | - 152 | - 153 | - 148 | - 145 |
| Other expenses | - 148 | - 126 | - 112 | - 124 | - 134 |
| Total expenses | - 389 | - 278 | - 265 | - 272 | - 279 |
| Profit before loan losses | 343 | 210 | 340 | 121 | 248 |
| Loan losses | - 25 | - 1 | - 21 | - 2 | 19 |
| Operating profit | 318 | 209 | 319 | 119 | 267 |
| Return on equity % | 32.2 | 24.0 | 38.3 | 14.1 | 32.1 |



First Securities

- Consolidated as a subsidiary as of June 15, 2005
 - share of income from associated companies from Jan 1st until June 14, amounted to SEK 22 M (18)
 - share of operating profit June 15-30: SEK 80 M (0)

| SEK M | 2005 of which June 15-30 | Q1-2 2005 | Q1-2 2004 |
|-------------------------|---|----------------------|----------------------|
| Net interest income | 2 | 5 | 0 |
| Net commissions | 168 | 307 | 151 |
| Other income | - 5 | 62 | 41 |
| Total income | 165 | 374 | 192 |
| Staff costs | - 82 | - 194 | 103 |
| Other expenses | - 3 | - 42 | - 36 |
| Total expenses | - 85 | - 236 | 139 |
| Operating profit | 80 | 138 | 53 |
| Taxes | - 22 | - 39 | - 15 |
| Net profit | 58 | 99 | 38 |



Hansabank

- Hansabank's operating profit rose by 27 percent to SEK 1,105 M (869) – another record quarter
- Integration work according to plan
- Increase of the share capital of Russian subsidiary Kvest bank by EUR 79 M
- Erkki Raasuke new CEO of Hansabank

Figures in parentheses refer to Q1-2 2004





Hansabank Q2, 2005

Erkki Raasuke, CEO



Quarterly Highlights

| EUR in millions | Q2 05 | Q2 04 | +/- |
|---------------------|--------------|--------------|------------|
| Loans | 7,237 | 5,078 | 43% |
| Deposits | 6,113 | 4,580 | 33% |
| Pre-tax profit | 62.2 | 50.3 | 24% |
| Net profit | 59.0 | 42.6 | 38% |
| Revenues | 129.5 | 104.8 | 24% |
| Expenses | 58.4 | 48.3 | 21% |
| Return on equity | 25.0% | 23.8% | 120bp |
| Net interest margin | 3.04% | 3.39% | -35bp |
| Cost-income | 45.0% | 44.2% | -80bp |

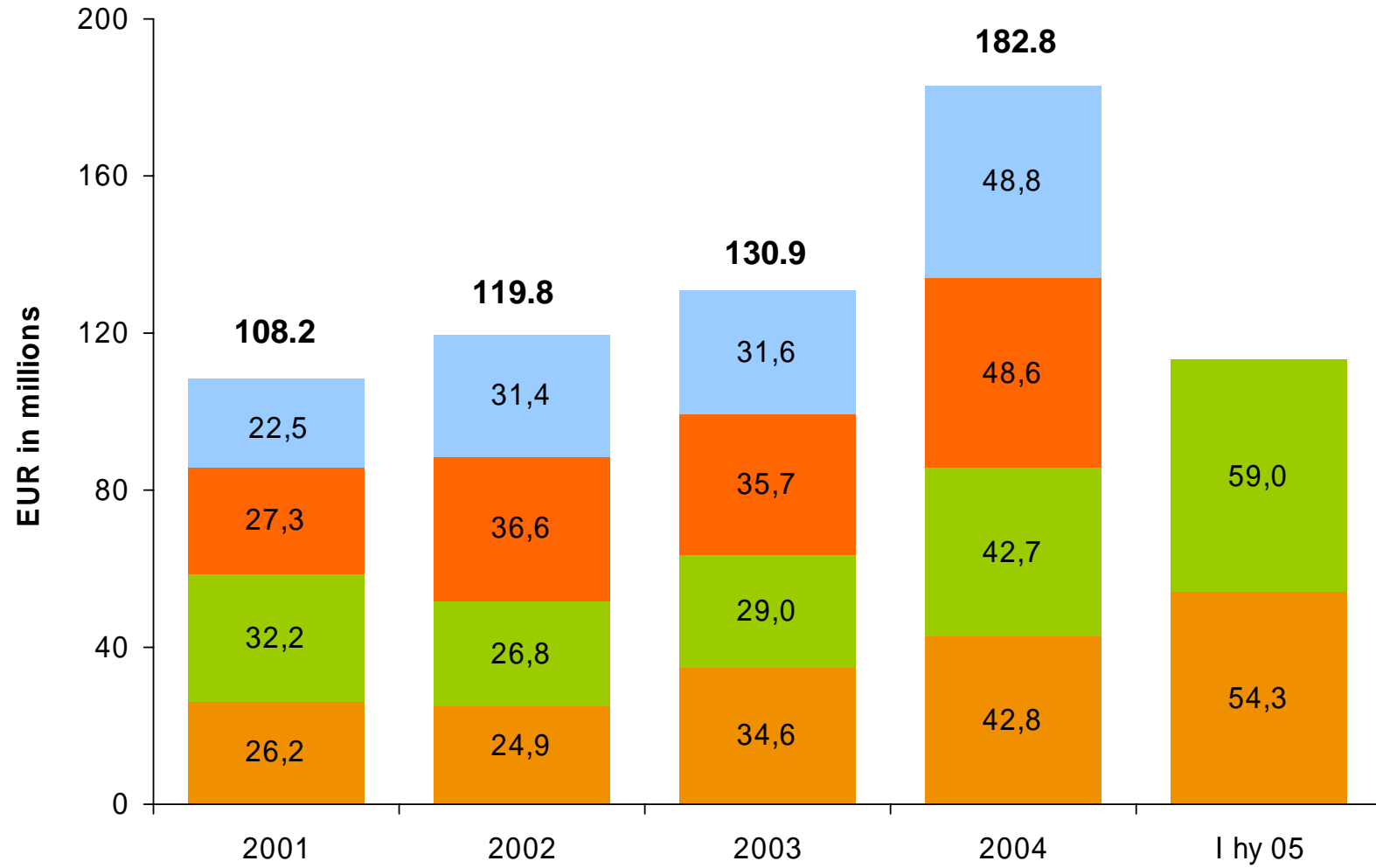


Quarterly Highlights

- Accelerating growth in all business units due to low interest rates and strong credit demand
- Strong deposit growth in all business units due to strong credit growth and increase in short-term deposits (Swedbank buy-out)
- NIM fairly stable in Latvia and Lithuania, biggest decrease in Estonia during 1st hy 2005. Estonian NIM the lowest in Q2 2005
- Swedbank minority buy-out in March-June



Quarterly profit trend



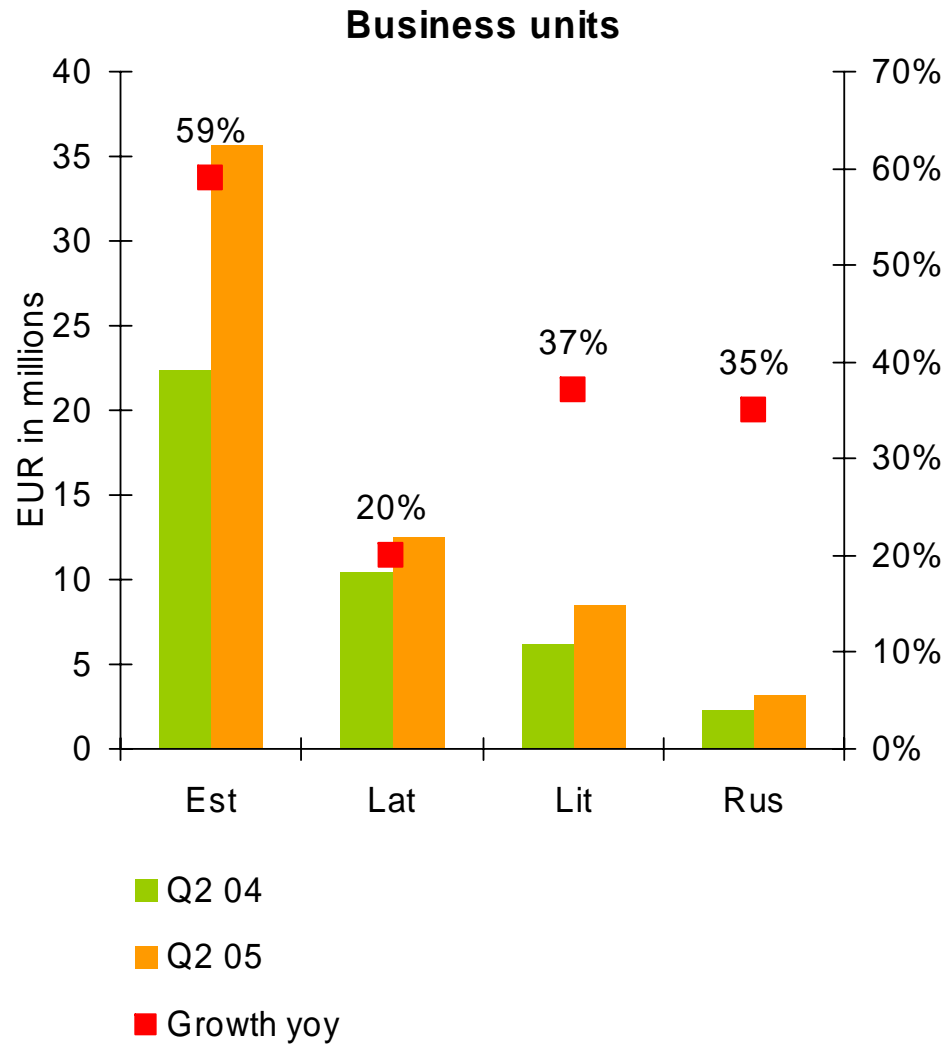
Regional distribution

| EUR in millions | Q2 05 | Est | Lat | Lit | Rus |
|--------------------|-------|-----|-----|-----|-----|
| Deposits | 6,113 | 45% | 23% | 31% | 1% |
| Loans | 7,237 | 46% | 24% | 26% | 4% |
| Total revenues | 129.5 | 46% | 25% | 25% | 4% |
| Operating expenses | 58.4 | 40% | 26% | 30% | 4% |
| Operating profit | 71.1 | 51% | 23% | 20% | 6% |
| Net credit losses | -9.0 | 10% | 24% | 63% | 3% |
| Net profit | 59.0 | 60% | 21% | 14% | 5% |
| ROE* | 25% | 50% | 35% | 22% | |
| Cost-income ratio | 45% | 39% | 48% | 55% | |

* For business units ROE is calculated based on allocated equity - the Group is allocating equity capital to the business units based on 9% capital adequacy. Group ROE is calculated based on actual equity. Group capital adequacy was 12.2% at the end of June 2005



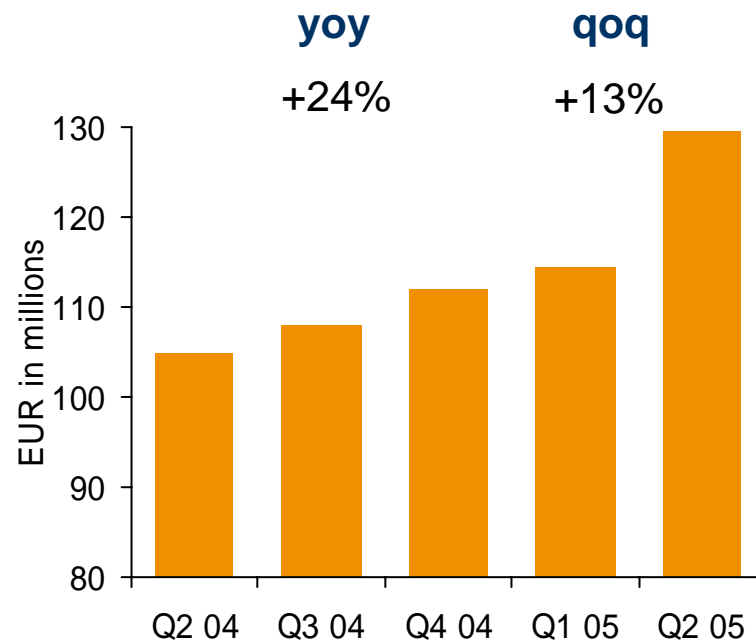
Net profit



- Estonian growth helped by EUR 5 million dividend tax expense in Q2 04 and changes to IFRS. Excluding those effects (no tax, goodwill amortisation and equal provisioning ratios), annual growth was 17%



Revenues

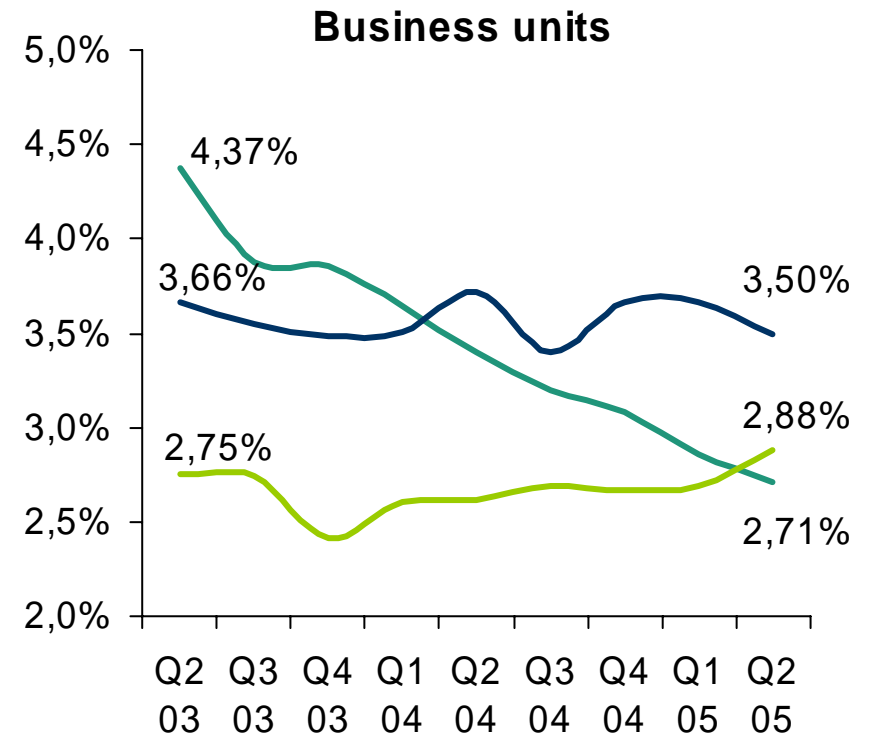
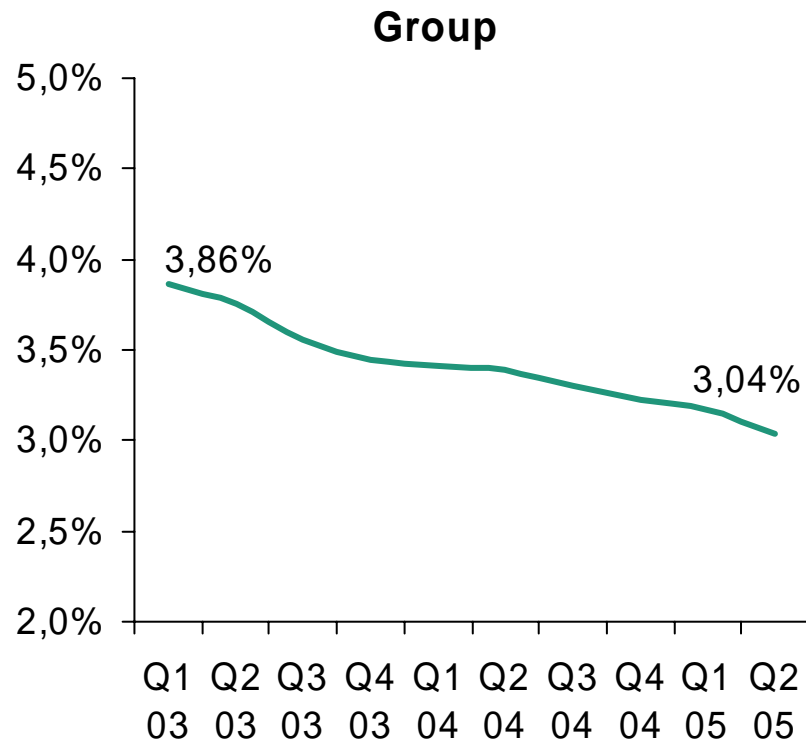


| | Q2 05 | Q2 04 | +/- |
|-----------------------|--------------|-------|------|
| Net interest income | 73.0 | 59.2 | 23% |
| Net fee income | 40.4 | 31.5 | 28% |
| Trading income | 13.2 | 8.5 | 55% |
| Other income | 2.9 | 5.6 | -48% |
| Total revenues | 129.5 | 104.8 | 24% |

- Net interest income growth driven by strong lending growth (YoY 43%) in all three countries
- Major sources of fee income are cards, lending and payment businesses



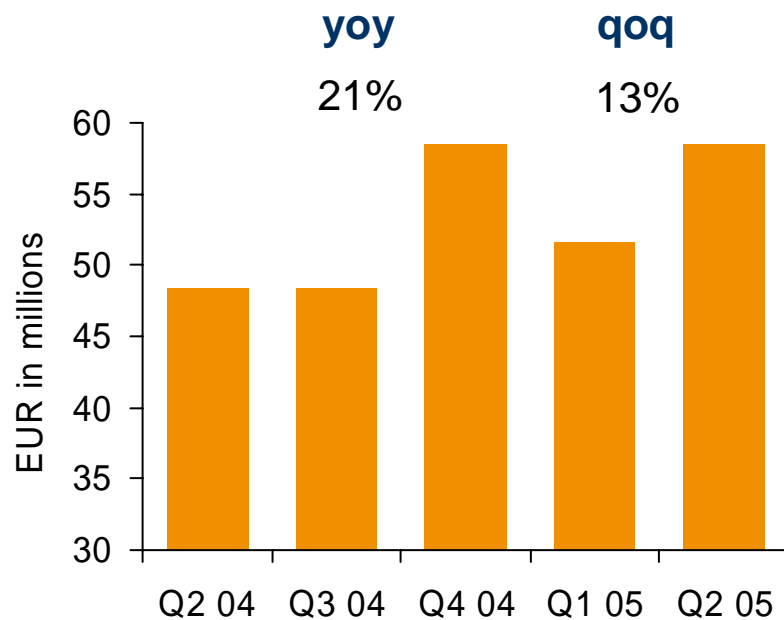
Net interest margin



— Estonia — Latvia — Lithuania



Expenses

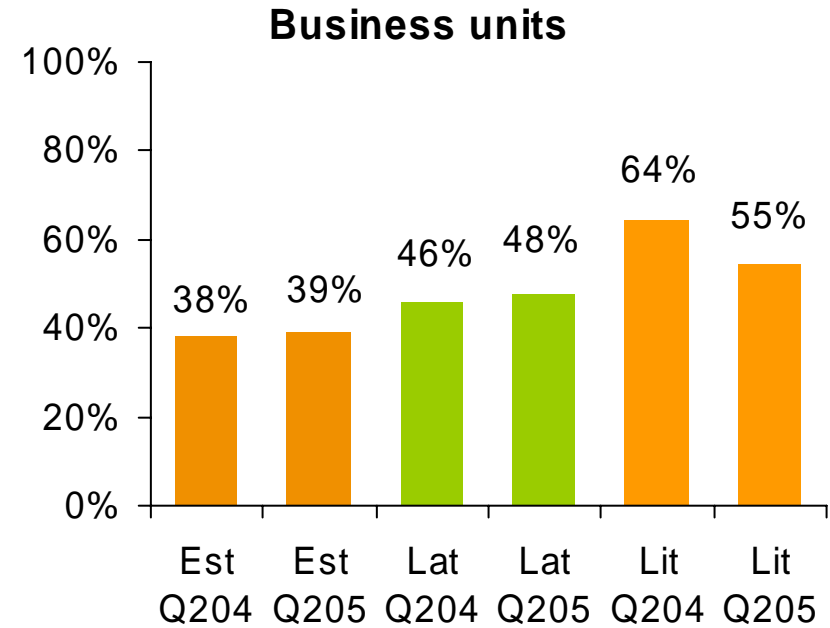
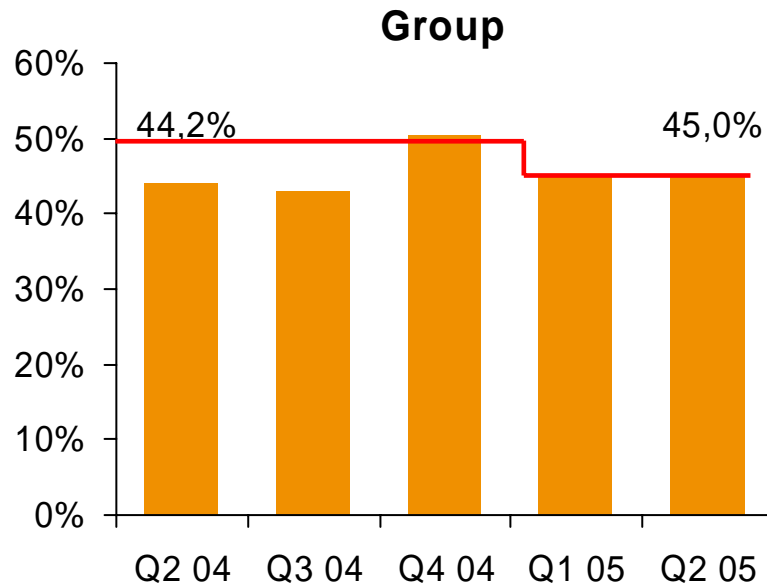


| | Q2 05 | Q2 04 | +/- |
|-----------------------|-------------|-------------|------------|
| Personnel | 29.0 | 23.5 | 23% |
| Administrative | 11.3 | 8.9 | 27% |
| Data network | 4.9 | 3.9 | 26% |
| Depreciation | 4.2 | 4.6 | -9% |
| Other | 9.0 | 7.4 | 22% |
| Total expenses | 58.4 | 48.3 | 21% |

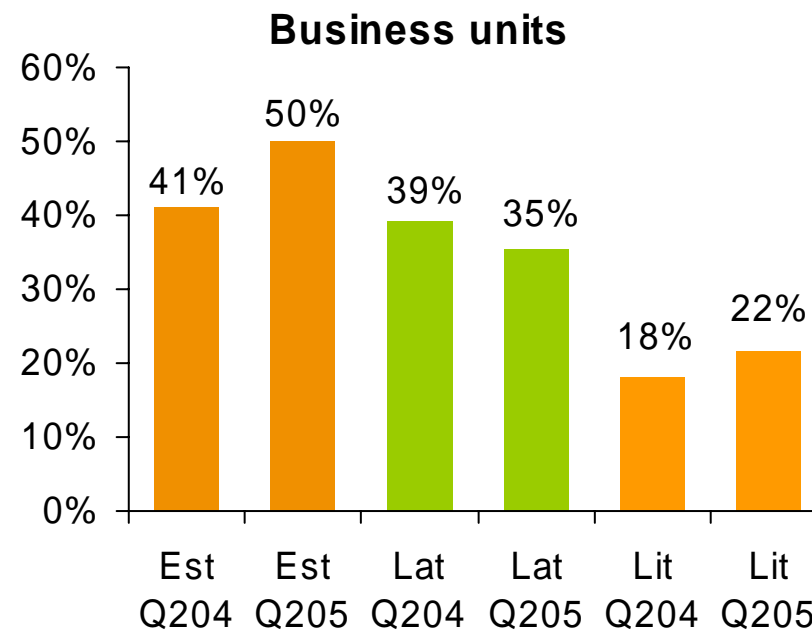
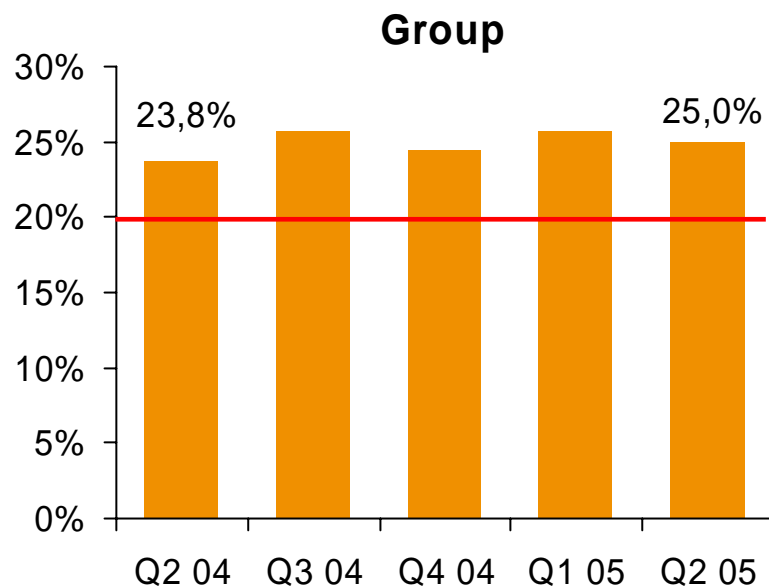
- No of employees increased by 356 in Q2, out of that 130 are summer trainees. Annual increase is 713. Salary cost growth was 17% in Q2
- Performance related bonus reserve forms EUR 7 mil of Q2 personnel cost



Cost-income ratio



Return on equity



Loans & Deposits

Deposits

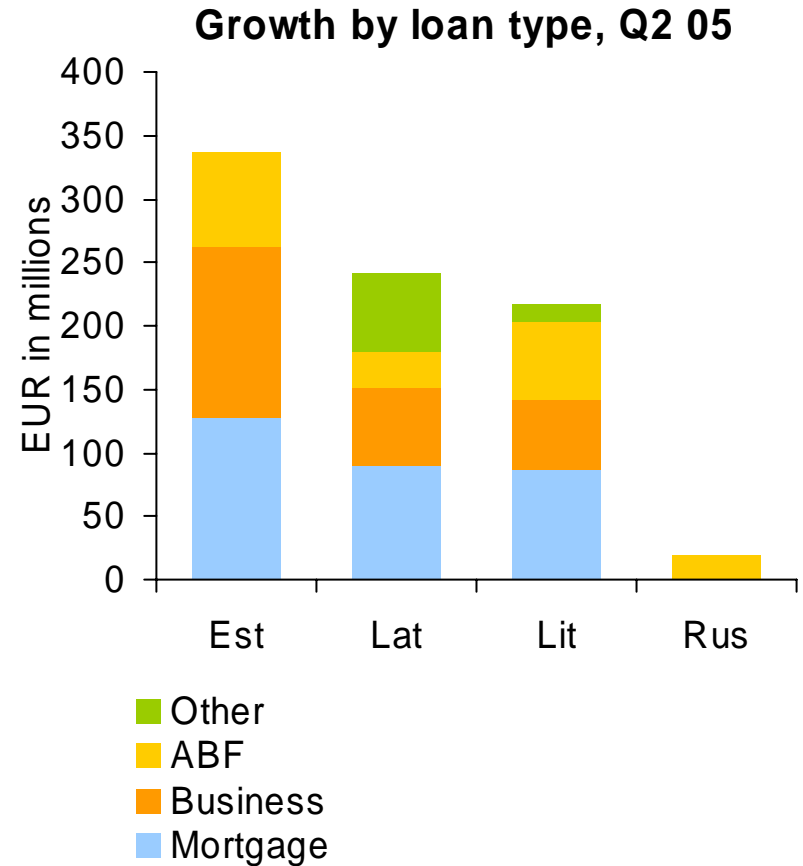
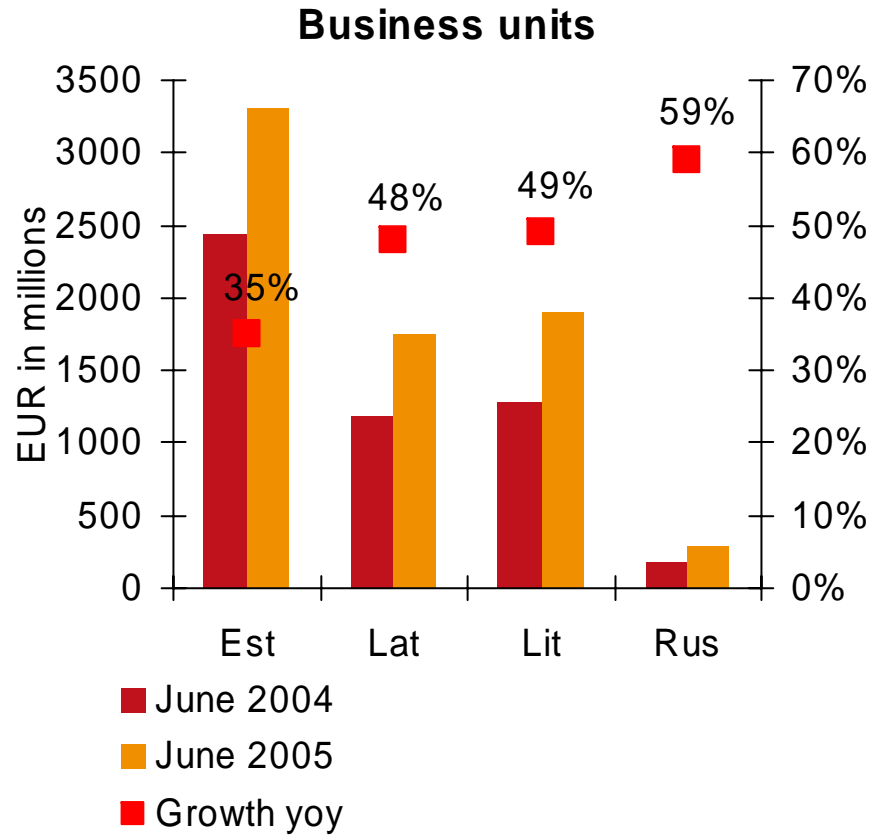
| (EUR in millions) | 30.06.05 | 31.12.04 | YTD change | Yoy% |
|-------------------|-----------------|-----------------|-------------------|-------------|
| Group | 6,113 | 4,972 | 1,141 | 33% |
| Estonia | 2,723 | 2,171 | 551 | 33% |
| Latvia | 1,381 | 1,125 | 256 | 35% |
| Lithuania | 1,927 | 1,633 | 294 | 35% |
| Russia | 83 | 44 | 39 | -1% |

Lending

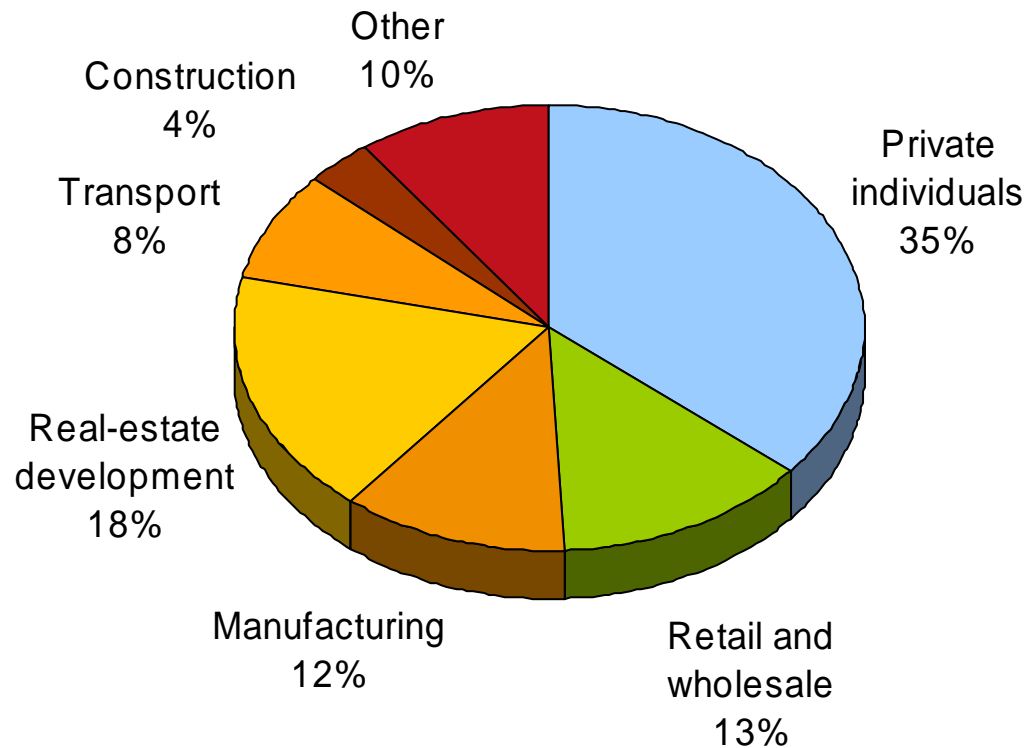
| (EUR in millions) | 30.06.05 | 31.12.04 | YTD change | Yoy% |
|-------------------|-----------------|-----------------|-------------------|-------------|
| Group | 7 237 | 5,924 | 1,313 | 43% |
| Estonia | 3 305 | 2,789 | 516 | 35% |
| Latvia | 1 748 | 1,366 | 382 | 48% |
| Lithuania | 1 900 | 1,565 | 335 | 49% |
| CIS | 283 | 203 | 80 | 59% |



Lending growth



Total lending



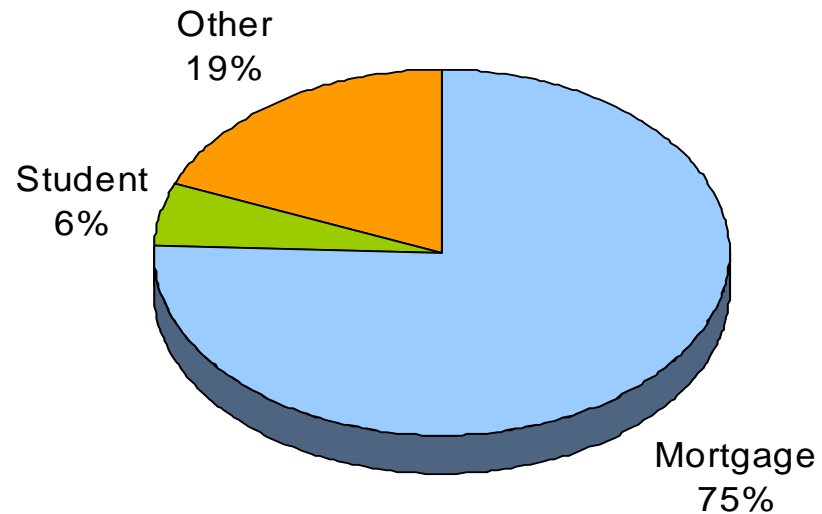
- Retail: € 2.62 billion
 - Annual 61%
 - Quarterly 18%
- Corporate: € 4.62 billion
 - Annual 34%
 - Quarterly 10%

Lending/GDP

- Est 67%
- Lat 62%
- Lit 37%



Retail lending



- Growth by countries
 - Est € 1,411 mil; +45%
 - Lat € 648 mil; +85%
 - Lit € 561 mil; +84%
- Mortgages/GDP
 - Est 22% (+6% yoy)
 - Lat 16% (+6% yoy)
 - Lit 8% (+2% yoy)



Asset quality

| EUR in millions | Q2 05 | Q1 05 | Q4 04 | Q3 04 |
|------------------------------|-------|-------|-------|-------|
| Overdues* | 64 | 66 | 45 | 46 |
| Non-performing loans (NPL)** | 31 | 19 | 17 | 22 |
| NPL/loans | 0.4% | 0.3% | 0.3% | 0.4% |
| NPL coverage ratio | 2.0 | 2.7 | 4.2 | 3.2 |
| Risk cost*** | -0.1% | 0.0% | -0.1% | 0.3% |

* Overdue more than 30 days

** Overdue more than 60 days

*** (write-offs – recoveries) / average portfolio





- a leading Nordic-Baltic bank