



Interim report for FöreningsSparbanken (Swedbank)
January – March 2004
May 4, 2004

Operating profit rose by 32 percent to SEK 2,623 M

First quarter in summary:

- Operating profit rose by 32 percent to SEK 2,623 M (1,983)
- Profit for the period rose by 36 percent to SEK 1,742 M (1,285)
- The return on equity rose to 16.9 percent (13.1)
- Earnings per share rose by 36 percent to SEK 3.30 (2.43)
- Total income rose by 9 percent to SEK 6,350 M (5,806)
- Net interest income rose by 2 percent to SEK 4,104 M (4,033)
- Net commission income rose by 24 percent to SEK 1,611 M (1,300)
- Net profit on financial operations doubled to SEK 388 M (194)
- Expenses rose by 8 percent to SEK 3,667 M (3,398). Excluding profit-based staff costs, the increase was 1 percent
- Loan losses decreased by 58 percent to SEK 163 M (390)

Profit trend for the Group

The Group's operating profit rose by 32 percent to SEK 2,623 M (1,983). Income rose by 9 percent to SEK 6,350 M (5,806), while expenses rose by 8 percent to SEK 3,667 M (3,398). Excluding profit-based staff costs, the increase was 1 percent. Loan losses decreased by 58 percent to SEK 163 M (390). The return on equity rose to 16.9 percent (13.1), while earnings per share increased to SEK 3.30 (2.43).

Comparative figures refer to the first quarter of 2003 unless otherwise indicated.

Income rose 9 percent

The Group's income rose by SEK 544 M or 9 percent and amounted to SEK 6,350 M (5,806). Net interest income rose by 2 percent or SEK 71 M mainly due to higher lending volumes. Net commission income rose by 24 percent or SEK 311 M mainly due to higher asset management and payment commissions. Net profit on financial operations rose by SEK 194 M.

Compared with the fourth quarter of 2003 income rose by 3 percent.

Net interest income

The Group's net interest income rose by 2 percent to SEK 4,104 M (4,033). Net interest income from Swedish deposit and lending operations rose due to higher volumes but declined from lower margins, partly as a result of generally lower interest rates. Net interest income improved by SEK 80 M in Swedbank Markets and by SEK 40 M in Treasury Management. In International Banking, net interest income was unchanged, while a decrease of SEK 46 M was reported by the Swedish Retail operations.

Compared with the fourth quarter of 2003 net interest income rose marginally from 4,096 to SEK 4,104 M.

Net commission income rose 24 percent

Net commission income rose by 24 percent or SEK 311 M to SEK 1,611 M (1,300). Higher use of debit and credit cards led to an increase of SEK 80 M or 18 percent in payment commissions to SEK 520 M (440). Asset management commissions rose by 29 percent or SEK 151 M. The increase was due to strong gains in fund contributions and appreciation in the value of fund assets resulting from higher stock prices. Increased stock market activity led to a jump of 111 percent in brokerage commissions to SEK 135 M.

Compared with the fourth quarter of 2003 net commission income rose by SEK 49 M.

Net profit on financial operations

Net profit on financial operations doubled to SEK 388 M (194). Profit from trading in fixed income securities rose by SEK 125 M, while profit from trading in equities and other financial instruments rose by SEK 53 M. Income from foreign exchange operations rose by SEK 16 M.

Compared with the fourth quarter of 2003 net profit on financial operations rose by SEK 131 M.

Other income

Other income, which consists largely of income from the sale of IT and administrative services to independent savings banks and partly owned banks in Sweden, declined by 10 percent to SEK 242 M (269). This income is directly related to FöreningsSparbanken's IT expenses, which also decreased during the quarter.

Profit-based staff costs raised expenses

The Group's expenses rose by SEK 269 M or 8 percent to SEK 3,667 M (3,398). Of the increase, SEK 223 M referred to profit-based staff costs. Excluding the latter, expenses rose by 1 percent.

Staff costs

Staff costs rose to SEK 1,996 M (1,713). In the Swedish operations, staff costs rose by SEK 126 M due to the payment of a bonus of SEK 10,000 to each employee and by SEK 88 M due to an increased allocation to the Kopparmyntet profit-sharing fund. Of the allocation, SEK 41 M was an adjustment of the allocation for

2003. Profit-based staff costs thus rose by 214 M. Excluding these expenses, staff costs in the Swedish operations rose by SEK 47 M or 3 percent due to contractual wage increases and higher pension costs. In International Banking, staff costs amounted to SEK 249 M (227). Of the increase, SEK 9 M was profit-based staff costs.

Compared with the fourth quarter of 2003 staff costs rose by SEK 169 M.

Change in the number of Group employees expressed in terms of full-time positions

| | March 31 2004 | Dec 31 2003 | March 31 2003 |
|--|--------------------------|------------------------|--------------------------|
| Total number of employees | 15,383 | 15,366 | 15,405 |
| <i>Of which International banking operations</i> | <i>6,110</i> | <i>5,931</i> | <i>5,924</i> |

Other expenses

Other expenses – i.e. other administrative expenses, depreciation of tangible fixed assets and amortization of goodwill – decreased by 1 percent to SEK 1,671 M (1,685). Depreciation of tangible fixed assets decreased by SEK 32 M to SEK 148 M (180) and amortization of goodwill amounted to SEK 158 M (154).

Compared with the fourth quarter of 2003 other expenses decreased by SEK 170 M.

IT expenses

IT expenses include all development and production expenditures as well as computer equipment service costs and depreciation. IT expenses for the period, after deducting IT-related income from partly owned banks and independent savings banks, amounted to SEK 530 M (576). The corresponding expense in the Swedish operations was SEK 466 M (502).

Loan losses declined

The loan loss level was 0.09 percent (0.22). Loan losses declined by 58 percent to SEK 163 M (390). FI-Holding's loan losses amounted to SEK 22 M (40) and Hansabank's to SEK 50 M (48). The Group's doubtful claims, gross, amounted to SEK 3,932 M as of March 31, 2004, against SEK 3,862 M on December 31, 2003. Loan loss reserves amounted to SEK 5,068 M (5,053). A specification of loan losses and claims is provided in Notes 3 and 4.

Share of profits of associated companies improved

The share of profits and losses of associated companies amounted to SEK 103 M (-35). The share of SpareBank 1 Gruppen's profit was SEK 6 M (-71) after profit improvements by Bank 1 Oslo and Odin Förvaltning.

Tax expense 26 percent

Consolidated profit before tax amounted to SEK 2,623 M (1,953) and the tax expense was SEK 671 M (504), or an effective tax rate of 26 percent (26).

Interest rate risk

An increase in all market interest rates by one percentage point as of March 31, 2004 would have reduced the value of the Group's interest-bearing assets and liabilities, including derivatives, by SEK 1,489 M (1,770). The decrease in the value of positions in SEK would have been SEK 1,264 M (1,445) and positions in foreign currency SEK 225 M (325). An interest rate increase of one percentage point would have reduced the Group's net profit on financial operations by SEK 295 M (276) as of March 31, 2004. Comparative figures refer to December 31, 2003.

Capital adequacy

The capital adequacy ratio, which is calculated for the financial companies group, amounted to 10.7 percent (10.8) on March 31, 2004, of which the primary capital ratio was 7.1 percent (7.2). Market risks as a share of the total capital adequacy ratio amounted to 0.5 percentage points (0.5).

In the first quarter of 2004 primary capital decreased by nearly SEK 1.6 bn due to effects of the application of accounting recommendation RR 29 (IAS 19) Employee benefits. As a result, the primary capital ratio decreased by nearly 0.3 percentage points. In March FöreningsSparbanken issued primary capital certificates amounting to GBP 200 million, equivalent to approximately SEK 2.7 bn. The issue raised the primary capital ratio by nearly 0.5 percentage points.

The risk-weighted amount for credit risks rose to SEK 579 bn (562) during the period. The increase is primarily attributable to higher volumes for Swedbank Markets and higher lending by Spintab and Hansabank. The risk-weighted amount for market risks rose by SEK 4 bn to SEK 30 bn, mainly due to higher volumes.

Profit for the first quarter of 2004 is not included in the capital base.

Specification of capital adequacy

| SEK M | March 31 2004 | Dec 31 2003 | March 31 2003 |
|---------------------------------------|------------------|----------------|------------------|
| Primary capital | 42,866 | 42,158 | 40,030 |
| Supplementary capital | 25,319 | 24,848 | 26,604 |
| Less shares, etc. | -4,262 | -4,282 | -5,089 |
| Expanded portion of capital base | 994 | 971 | 1,082 |
| Capital base | 64,917 | 63,695 | 62,627 |
| Risk-weighted amount for credit risks | 578,833 | 561,860 | 549,449 |
| Risk-weighted amount for market risks | 29,594 | 25,660 | 30,865 |
| Total risk-weighted amount | 608,427 | 587,520 | 580,314 |
| Capital adequacy ratio, % | 10.7 | 10.8 | 10.8 |
| Primary capital ratio, % | 7.1 | 7.2 | 6.9 |

As of March 31, 2004 the FöreningsSparbanken financial companies group included the FöreningsSparbanken Group, Eskilstuna Rekarne Sparbank AB, Färs och Frosta Sparbank AB, FöreningsSparbanken Sjuhärad AB, FöreningsSparbanken Söderhamn AB, Bergslagens Sparbank AB, Vimmerby Sparbank AB, BoStocken AB, Aktia Sparbank Abp in Finland, Sparebank 1 Gruppen A/S and First Securities A/S in Norway. The Group's insurance companies are not included.

Business volumes

Savings and investments

Customers' total savings and investments in FöreningsSparbanken amounted to SEK 584 bn (557) as of March 31, 2004, an increase of SEK 27 bn or 5 percent. Customers' deposits, excluding repurchase agreements (repos), rose SEK 4 bn or 1 percent to SEK 279 bn (275). Deposits in SEK fell by SEK 4 bn or 2 percent to SEK 218 bn (222), while deposits in foreign currency rose to SEK 60 bn (53).

Savings and investments, the Group

| SEK bn | March 31 2004 | Dec 31 2003 | 3 months change | March 31 2003 |
|---|------------------|----------------|--------------------|------------------|
| Deposits from the public | | | | |
| Households | 134.4 | 135.4 | -1.0 | 131.7 |
| Other | 83.9 | 87.0 | -3.1 | 79.5 |
| Households, foreign currency | 18.0 | 16.7 | 1.3 | 15.7 |
| <i>Of which Hansabank</i> | 17.9 | 16.7 | 1.2 | 15.6 |
| Other, foreign currency | 42.2 | 35.8 | 6.4 | 34.4 |
| <i>Of which Hansabank</i> | 21.9 | 20.4 | 1.5 | 19.0 |
| Subtotal | 278.5 | 274.9 | 3.6 | 261.3 |
| Discretionary asset management | 22.2 | 22.6 | -0.4 | 17.8 |
| Fund management | 270.5 | 248.6 | 21.9 | 202.6 |
| Retail bonds, interest-bearing | 2.1 | 2.9 | -0.8 | 2.6 |
| Retail bonds, equity linked | 10.4 | 7.6 | 2.8 | 5.8 |
| Unit-linked insurance | 40.4 | 37.0 | 3.4 | 30.2 |
| Less unit-linked insurance in own companies | -40.4 | -37.0 | -3.4 | -29.7 |
| Total | 583.7 | 556.6 | 27.1 | 490.6 |

Sales and market shares

One of FöreningsSparbanken's objectives in 2004 is a market share in Sweden of 21 percent for new sales of savings products – deposits from household customers, mutual funds, unit-linked insurance from all customer categories, retail bonds and equity linked bonds – excluding sales through partly owned and independent savings banks.

Lending

The Group's total credit exposure, including contingent liabilities and derivatives, amounted to SEK 939 bn (906). Credit exposure in the Swedish market rose from December 31, 2003 by SEK 23 bn and in other markets by SEK 10 bn.

The Group's lending to the public amounted to SEK 726 bn (721) at the end of the quarter, an increase of SEK 5 bn or 1 percent from the beginning of the year. In the Swedish operations, lending rose to SEK 616 bn (614). Lending by Hansabank and FI-Holding amounted to SEK 110 bn (107). Of the change, SEK 2 bn was attributable to changes in exchange rates. Consumer loans amounted to SEK 342 bn (337), up SEK 5 bn or 1 percent from the beginning of the year. The increase is largely due to mortgage lending by Spintab arranged through the Swedish branch network.

Market shares

FöreningsSparbanken's subsidiary Spintab consolidated its position as Sweden's leading mortgage lender with a market share of 31 percent (31) as of March 31, 2004, including FöreningsSparbanken Jordbrukskredit.

Lending, Group

| SEK bn | March 31 2004 | Dec 31 2003 | 3 months change | March 31 2003 |
|---|------------------|----------------|--------------------|------------------|
| Private individuals | 342.1 | 337.5 | 4.6 | 312.4 |
| <i>Of which Spintab</i> | <i>278.0</i> | <i>273.6</i> | <i>4.4</i> | <i>253.7</i> |
| Real estate management | 151.6 | 153.0 | -1.4 | 144.6 |
| Retail, hotels, restaurants | 28.4 | 27.6 | 0.8 | 26.4 |
| Construction | 11.3 | 10.9 | 0.4 | 10.9 |
| Manufacturing | 50.1 | 49.5 | 0.6 | 51.9 |
| Transportation | 15.8 | 15.5 | 0.3 | 14.1 |
| Forestry and agriculture | 34.7 | 34.8 | -0.1 | 32.1 |
| Other service businesses | 17.3 | 18.1 | -0.8 | 19.5 |
| Other business lending | 61.8 | 60.0 | 1.8 | 56.6 |
| Municipalities ^{*)} | 13.4 | 14.2 | -0.8 | 14.2 |
| Total lending to the public | 726.5 | 721.1 | 5.4 | 682.7 |
| Credit institutions incl. Nat'l Debt Office | 51.6 | 54.7 | -3.1 | 66.1 |
| Repurchase agreements (repos) | 67.8 | 50.6 | 17.2 | 96.3 |
| Total lending | 845.9 | 826.4 | 19.5 | 845.1 |
| <i>Of which lending to the public by:</i> | | | | |
| <i>Hansabank</i> | <i>42.5</i> | <i>39.3</i> | <i>3.2</i> | <i>32.0</i> |
| <i>FI-Holding</i> | <i>67.9</i> | <i>67.9</i> | <i>0.0</i> | <i>71.5</i> |

^{*)} Not including municipal companies.

Payments

Card payments

As of year-end approximately 2.9 million FöreningsSparbanken bank cards were in issue in the Swedish market, an increase of 6 percent. The trend toward greater card use is continuing. The number of card purchases by FöreningsSparbanken's customers rose by 20 percent and the number of card transactions cleared climbed 20 percent compared with the first quarter of 2003.

Giro payments

Customers continue to switch from paper-based giro payments to an electronic, Internet-based giro system through the Internet bank. The number of private customers in the Swedish market with giro accounts is 2.6 million (2.7), of whom 1.1 million (1.0) are Internet-based. Comparative figures refer to March 2003.

Electronic payments

With e-billing, bills are sent directly to the Internet bank, where customers can safely and conveniently approve payments. A total of 250 companies offer the service, compared with 212 on December 31, 2003. The number of e-bills is rising steadily. During the quarter 216,000 e-bills were sent, compared with 164,000 in the corresponding quarter a year earlier.

Other

Jan Lidén new President of FöreningsSparbanken

In January 2004 Jan Lidén was appointed the new President and CEO of FöreningsSparbanken AB. He assumed the post on February 1, 2004. Until then Jan Lidén had served as Deputy CEO and Head of the Stockholm region as well as Acting CFO. He will retain the latter two positions until a permanent replacement is found.

Amended rules for Kopparmyntet profit-sharing system

When FöreningsSparbanken's return on equity exceeds a weighted average for large, publicly listed Nordic banks, an allocation is made to the Kopparmyntet profit-sharing fund. The maximum allocation also requires that the Group meet its market share objective for new sales of savings products in the Swedish market. This market share objective was previously 25 percent. If the objective is not met, the allocation to Kopparmyntet would be reduced by half. In March 2004 FöreningsSparbanken's Board of Directors decided that the market share objective for new sales of savings products in the Swedish market will be at least 21 percent this year. If the objective is not met, any allocation to Kopparmyntet for 2004 will be reduced by 25 percent.

Application of accounting principles

The interim report is prepared according to the Swedish Financial Accounting Standards Council's recommendation RR20, Interim reports. The report complies with the same accounting principles as the most recent annual report with the exception of changes owing to the application of the Swedish Financial Accounting Standards Council's new recommendation RR 29 Employee Benefits (IAS 19).

The recommendation, which entered into force on January 1, 2004, details how various forms of employee compensation should be reported and, for the FöreningsSparbanken Group, affects the valuation and reporting of the Group's defined-benefit pension commitments. The change in accounting principle took effect on January, 1 2004, due to which the opening shareholders' balance has been restated. Comparative figures may not be restated according to the recommendation

Valued in accordance with RR 29, the Group's opening balance of Other liabilities rises by SEK 1,537 M, consisting of pension debt, assets under management, payroll tax allocations and deferred income tax. The Group's opening balance of Other assets is reduced by SEK 26 M for the change in the share of equity in associated companies. The Group's opening shareholders' equity balance is thereby reduced by SEK 1,563 M.

Based on the conditions that existed at year-end, the reported pension cost for 2004 is expected to be the same in the Group as if it had been reported according to the previous method (defined-contribution method). Settlement of pensions within appropriations is no longer reported.

The recommendation requires the Group to clarify the assumptions that serve as the basis for its calculation. The valuation is based on, among other things, the following annual assumptions: cap on wage increases 3.25 percent; increase in basic income amount 2.5 percent; inflation 2.0 percent; debt is discounted by 4.9 percent, and the anticipated long-term return on assets held separately to cover pension commitments is estimated, after tax on returns and expenses, at 5.0 percent.

Transition to IASB's accounting standards

As of 2005 listed companies in the EU will prepare their consolidated accounts according to IASB's accounting standards (IFRS or IAS). An accounting standard issued by IASB will not become mandatory until the EU has approved its application. The recommendations that the EU has adopted to date do not result in any material changes in the current accounting principles and therefore are not expected to have a significant effect on profits and shareholders' equity.

However, IASB amended consolidated accounting recommendations during the first quarter of 2004 effective January 1, 2005. The change is not expected to have a significant transitional effect on the Group's shareholders' equity. On the other hand, it will mean an end to the amortization of goodwill. Instead goodwill write-offs will be assessed on a continuous basis. If the rule had applied in the first quarter of 2004, the consolidated operating profit would have improved by SEK 172 M due to the absence of goodwill amortization.

The EU has not yet adopted recommendations IAS 32 and IAS 39 on disclosures and valuation rules for financial assets and liabilities. Suggested changes to IAS 39 have been circulated for comment. The changes primarily affect when financial assets and liabilities can be valued at fair value instead of accrued acquisition value. Since the final wording of IAS 39 that the EU will adopt is unclear, the consequences of the transition on profits and shareholders' equity cannot be accurately estimated.

Preparations for the harmonization of the accounting principles to IAS 39 have been made as far as possible. The Group's project to harmonize to IASB's accounting standards is progressing according to plan.

Highlights following the conclusion of the quarter

Resolutions adopted by the Annual General Meeting of 2004

The Annual General Meeting (AGM) of FöreningsSparbanken on April 22, 2004 approved a dividend of SEK 5.75 per share.

The AGM also resolved to permit the bank, in its securities operations, to continuously acquire its own shares to facilitate these operations. This decision remains effective until the 2005 AGM. The holding of shares acquired by the securities operations may at no time exceed 2.5 percent of the total shares in the bank.

It was also resolved to authorize the bank's board until the 2005 AGM to decide to acquire and transfer the bank's own shares over and above any acquisitions made by the securities operations. According to the authorization, acquisitions may not raise the bank's total holding of its own shares, including shares acquired by the securities operations, to more than ten percent of the total number of the shares in the bank. Acquisitions may only be made on Stockholmsbörsen (the Stockholm Stock Exchange) and only at a price that lies within the interval between the highest buying rate and the lowest selling rate.

Transfers of the bank's own shares acquired in accordance with the authorization may be made by way of sale on Stockholmsbörsen at a price that lies within the interval at the time of transfer. To finance acquisitions of all or parts of companies or business activities, transfers may also be made other than through Stockholmsbörsen, with the right to diverge from shareholders' preferential rights and at a price equivalent to estimated market value. Settlement may be made in forms other than cash consideration, such as contributions in kind, set-off of receivables or otherwise with conditions.

Following the AGM, the Board of Directors consists of nine members. The following members were reelected: Bo Forslund, Ulrika Francke, Thomas Johansson, Göran Johnsson, Birgitta Klasén, Marianne Qvick Stoltz, Carl Eric Stålberg, Lennart Sundén and Anders Sundström.

The AGM appointed a Nomination Committee consisting of six members with Thomas Halvorsen, President of the Fourth National Pension Insurance Fund, as Chairman.

At its statutory meeting immediately following the AGM, the Board appointed Carl Eric Stålberg as Chairman, Bo Forslund as First Deputy Chairman and Ulrika Francke as Second Deputy Chairman.

Key ratios for the Group

| | March 31 2004 | March 31 2003 | Full-year 2003 |
|---|--------------------------|--------------------------|---------------------------|
| Return on equity, % | 16.9 | 13.1 | 15.9 |
| Return on total equity, % | 1.00 | 0.80 | 0.94 |
| Earnings per share, SEK * | 3.30 | 2.43 | 12.02 |
| Earnings per share after dilution, SEK ** | 3.30 | 2.43 | 12.01 |
| Equity per share, SEK * | 80.02 | 75.70 | 79.42 |
| Equity per share after dilution, SEK ** | 79.99 | 75.67 | 79.39 |
| C/I ratio before loan losses | 0.57 | 0.59 | 0.57 |
| C/I ratio after loan losses | 0.59 | 0.66 | 0.61 |
| Capital adequacy ratio, % | 10.7 | 10.8 | 10.8 |
| Primary capital ratio, % | 7.1 | 6.9 | 7.2 |
| Loan loss ratio, net, % | 0.09 | 0.22 | 0.14 |
| Share of doubtful claims, % | 0.29 | 0.28 | 0.28 |
| Provision ratio for doubtful claims, % *** | 129 | 133 | 131 |
| Number of shares at beginning and end of year | 527,808,843 | 527,808,843 | 527,808,843 |
| Average number of shares during the year | 527,808,843 | 527,808,843 | 527,808,843 |
| * Number of shares in calculation | 527,808,843 | 527,808,843 | 527,808,843 |
| ** Number of shares after dilution | 527,998,282 | 527,972,274 | 528,027,504 |
| *** See Note 4 | | | |

Operational profit and loss account, the Group *

| SEK M | Q1 2004 | Q1 2003 | % | Full-year 2003 |
|--|---------------|---------------|-----------|-------------------|
| <i>Interest receivable</i> | 11,486 | 12,586 | -9 | 47,755 |
| <i>Interest payable</i> | -7,382 | -8,553 | -14 | -31,554 |
| Net interest income | 4,104 | 4,033 | 2 | 16,201 |
| Dividends received | 5 | 10 | -50 | 105 |
| <i>Commissions receivable</i> | 2,135 | 1,738 | 23 | 7,661 |
| <i>Commissions payable</i> | -524 | -438 | 20 | -1,922 |
| Net commission income | 1,611 | 1,300 | 24 | 5,739 |
| Net profit on financial operations | 388 | 194 | 100 | 801 |
| Other operating income | 242 | 269 | -10 | 1,607 |
| Total income | 6,350 | 5,806 | 9 | 24,453 |
| General administrative expenses | | | | |
| - Staff costs excl. profit-based staff costs | -1,709 | -1,649 | 4 | -6,720 |
| - Profit-based staff costs | -287 | -64 | | -258 |
| - Other | -1,365 | -1,351 | 1 | -5,585 |
| Total general administrative expenses | -3,361 | -3,064 | 10 | -12,563 |
| Depreciation and write-down of tangible fixed assets | -148 | -180 | -18 | -664 |
| Amortization of goodwill | -158 | -154 | 3 | -614 |
| Total expenses | -3,667 | -3,398 | 8 | -13,841 |
| Profit before loan losses | 2,683 | 2,408 | 11 | 10,612 |
| Loan losses, net, including change in value of property taken over | -163 | -390 | -58 | -987 |
| Write-down/reversal of write-down of financial fixed assets | | | | 55 |
| Share of profit/loss of associated companies | 103 | -35 | | -116 |
| Operating profit | 2,623 | 1,983 | 32 | 9,564 |
| Settlement of pensions | | -30 | | -19 |
| Taxes | -671 | -504 | 33 | -2,567 |
| Minority interest | -210 | -164 | 28 | -635 |
| Profit for the period | 1,742 | 1,285 | 36 | 6,343 |
| Earnings per share, SEK ** | 3.30 | 2.43 | 36 | 12.02 |
| Earnings per share after dilution, SEK ** | 3.30 | 2.43 | 36 | 12.01 |

* The operational profit and loss account comprises the same legal entities and follows the same accounting principles as the profit and loss account prepared according to the instructions of the Financial Supervisory Authority, except that the insurance operations (consisting in large part of the pension and endowment insurance operations of Robur Försäkring) are integrated on a line-for-line basis in the income and expenses of the other operations. In the profit and loss account prepared according to the instructions of the Financial Supervisory Authority, insurance results are shown on a separate line. On an operating profit level, the two profit and loss accounts show the same results. The descriptions in the running text and the business area report are based on the operational profit and loss account unless indicated otherwise. The notes refer to the profit and loss accounts on pages 21 and 22.

** See key ratios on page 9 for number of shares

Quarterly profit trend for the Group

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 | Q3 2002 | Q2 2002 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net interest income | 4,104 | 4,096 | 4,114 | 3,958 | 4,033 | 3,886 | 3,930 | 3,908 |
| Net commission income | 1,611 | 1,562 | 1,476 | 1,401 | 1,300 | 1,439 | 1,369 | 1,479 |
| Net profit on financial operations | 388 | 257 | 132 | 218 | 194 | 188 | 183 | -173 |
| Other income | 247 | 268 | 294 | 871 | 279 | 277 | 267 | 377 |
| Total income | 6,350 | 6,183 | 6,016 | 6,448 | 5,806 | 5,790 | 5,749 | 5,591 |
| Staff costs | -1,865 | -1,782 | -1,707 | -1,671 | -1,670 | -1,753 | -1,750 | -1,722 |
| Allocation to Kopparmyntet* | -131 | -45 | -45 | -15 | -43 | -33 | 46 | -41 |
| Other expenses | -1,671 | -1,841 | -1,614 | -1,723 | -1,685 | -1,671 | -1,638 | -1,673 |
| Total expenses | -3,667 | -3,668 | -3,366 | -3,409 | -3,398 | -3,457 | -3,342 | -3,436 |
| Profit before loan losses | 2,683 | 2,515 | 2,650 | 3,039 | 2,408 | 2,333 | 2,407 | 2,155 |
| Loan losses, net incl. change in value of property taken over | -163 | -155 | -160 | -282 | -390 | -360 | -375 | -433 |
| Write-down/reversal of write-down of financial fixed assets | | 32 | 23 | | | | -264 | |
| Share of associated companies' profit/loss | 103 | 75 | 55 | -211 | -35 | -125 | -380 | -62 |
| Operating profit | 2,623 | 2,467 | 2,568 | 2,546 | 1,983 | 1,848 | 1,388 | 1,660 |

* Profit-sharing fund

Business area report

| SEK M | Swedish Retail Operations | | Swedbank Markets | | Asset Management and Insurance | | International Banking | | Treasury Management | | Shared Services and Group Staffs | | Eliminations | |
|--|---------------------------|---------------|------------------|-------------|--------------------------------|-------------|-----------------------|--------------|---------------------|-------------|----------------------------------|-------------|--------------|-------------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| January - March | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Net interest income | 2,844 | 2,890 | 280 | 200 | 11 | 23 | 776 | 779 | 200 | 160 | -11 | -24 | 4 | 5 |
| Net commission income | 840 | 653 | 169 | 141 | 331 | 271 | 260 | 229 | -6 | -8 | 16 | 4 | 1 | 10 |
| Financial transactions, net | 34 | 27 | 110 | 89 | 3 | -8 | 153 | 73 | 74 | 2 | 14 | 11 | 0 | 0 |
| Other income | 196 | 135 | 10 | 9 | 10 | 15 | 37 | 40 | 5 | 3 | 741 | 882 | -752 | -805 |
| Total income | 3,914 | 3,705 | 569 | 439 | 355 | 301 | 1,226 | 1,121 | 273 | 157 | 760 | 873 | -747 | -790 |
| Staff costs | -1,080 | -961 | -160 | -145 | -69 | -66 | -249 | -227 | -9 | -4 | -444 | -324 | 15 | 14 |
| IT expenses | -151 | -182 | -59 | -64 | -18 | -18 | -35 | -37 | -2 | -2 | -200 | -229 | 188 | 210 |
| Other expenses | -1,056 | -1,026 | -75 | -76 | -57 | -50 | -143 | -133 | -12 | -6 | -289 | -304 | 544 | 566 |
| Depreciation/amortization | -55 | -66 | -3 | -4 | -59 | -60 | -119 | -127 | 0 | 0 | -70 | -77 | | |
| Total expenses | -2,342 | -2,235 | -297 | -289 | -203 | -194 | -546 | -524 | -23 | -12 | -1,003 | -934 | 747 | 790 |
| Profit before loan losses | 1,572 | 1,470 | 272 | 150 | 152 | 107 | 680 | 597 | 250 | 145 | -243 | -61 | | |
| Loan losses | -81 | -303 | -10 | -9 | | | -72 | -92 | | | | | 14 | |
| Share of associated companies' profit/loss | 40 | 24 | 2 | -8 | | | 63 | -55 | -2 | 4 | 0 | 0 | | |
| Operating profit/loss | 1,531 | 1,191 | 264 | 133 | 152 | 107 | 671 | 450 | 248 | 149 | -243 | -47 | | |
| Return on allocated equity, % | 18.2 | 15.6 | 31.6 | 18.3 | 28.2 | 17.5 | 17.5 | 9.9 | 103.5 | 32.8 | | | | |
| C/I ratio before loan losses | 0.60 | 0.60 | 0.52 | 0.66 | 0.57 | 0.64 | 0.45 | 0.47 | 0.08 | 0.08 | 1.32 | 1.07 | | |
| Full-time employees | 6,826 | 7,147 | 536 | 558 | 257 | 260 | 6,110 | 5,924 | 27 | 16 | 1,627 | 1,500 | | |

Business area accounting principles

The business area report is based on FöreningsSparbanken's organization and internal accounts.

Market-based compensation is applied between business areas, while all costs for IT, shared services and Group Staffs are transferred at full cost-based internal prices to the business areas. Executive Management expenses are not distributed.

The Group's shareholders' equity (the year's opening equity balance excluding the dividend) is allocated to each business area at the beginning of the year. The allocation is based on capital adequacy rules and estimated capital requirements during the year. Estimated interest on allocated equity is calculated based on average Swedish demand loan rates.

Goodwill, including the effects on profit, financial expense and amortization, is allocated to each business area.

Return on equity is based on allocated shareholders' equity for the business areas. The return for the business areas is based on operating profit less estimated tax and minority interests.

Swedish Retail operations

Swedish Retail operations have customer responsibility for private and commercial customers, organizations, municipalities and county councils in Sweden. It includes the Bank's own distribution channels in the form of branches, ATM's, the Swedish telephone and Internet banks. The Customer Offerings and Products unit (including the subsidiaries Spintab, FSB Finans, Kundinkasso and EnterCard), FSB Bolåndirekt Bank (formerly HSB Bank), partly owned Swedish banks, private banking operations in Luxembourg, FöreningsSparbanken Fastighetsbyrå AB (real estate brokerage) and FöreningsSparbanken Juristbyrå AB (legal services) are also included.

The branch network in Sweden is organized in 77 local banks in 6 regions throughout the country. With 510 branches, FöreningsSparbanken has the largest branch network of any Swedish bank. The cooperation with the partly owned and independent savings banks adds another 289 branches. The branch network is

complemented by 219 in-store banking locations. The agreement with Svensk Kassaservice (the Swedish postal service) also gives customers access to certain teller transactions at just over 900 post offices.

Approximately 2.1 million customers use the Telephone bank. Since the start of the year the number of customers using the Internet bank has risen to 1.6 million, of whom approximately 1.5 million were private customers, or 25 percent of private customers at FöreningsSparbanken, the independent savings banks and partly owned banks. 36 percent of the business customers in Sweden use the Internet bank.

Profit trend

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Net interest income | 2,844 | 2,909 | 2,843 | 2,881 | 2,890 | 2,929 |
| Net commission income | 840 | 819 | 818 | 717 | 653 | 720 |
| Financial transactions, net | 34 | 31 | 33 | 33 | 27 | 25 |
| Other income | 196 | 182 | 150 | 185 | 135 | 219 |
| Total income | 3,914 | 3,941 | 3,844 | 3,816 | 3,705 | 3,893 |
| Staff costs | -1,080 | -1,012 | -954 | -968 | -961 | -1,065 |
| IT expenses | -151 | -178 | -186 | -183 | -182 | -342 |
| Other expenses | -1,056 | -1,186 | -1,043 | -1,019 | -1,026 | -867 |
| Depreciation/amortization | -55 | -55 | -57 | -62 | -66 | -95 |
| Total expenses | -2,342 | -2,431 | -2,240 | -2,232 | -2,235 | -2,369 |
| Profit before loan losses | 1,572 | 1,510 | 1,604 | 1,584 | 1,470 | 1,524 |
| Loan losses | -81 | -132 | -100 | -291 | -303 | -232 |
| Share of associated companies' profit/loss | 40 | 7 | 34 | 24 | 24 | -19 |
| Operating profit/loss | 1,531 | 1,385 | 1,538 | 1,317 | 1,191 | 1,273 |
| Tax | -428 | -388 | -435 | -357 | -341 | -381 |
| Minority interests | -1 | 4 | -3 | 0 | -2 | 0 |
| Profit/loss for the period | 1,102 | 1,001 | 1,100 | 960 | 848 | 892 |
| Allocated equity | 24,271 | 21,754 | 21,754 | 21,754 | 21,754 | 20,367 |
| Return on allocated equity, % | 18.2 | 18.4 | 20.2 | 17.7 | 15.6 | 17.5 |
| Income items | | | | | | |
| Income from external customers | 3,648 | 3,710 | 3,630 | 3,590 | 3,487 | 3,716 |
| Income from transactions with other business areas | 266 | 231 | 214 | 226 | 218 | 177 |
| Total income | 3,914 | 3,941 | 3,844 | 3,816 | 3,705 | 3,893 |
| Business volumes, SEK bn | | | | | | |
| Lending | 601 | 602 | 590 | 576 | 560 | 553 |
| Deposits | 237 | 238 | 238 | 228 | 226 | 221 |
| Mutual funds and insurance | 183 | 165 | 155 | 153 | 139 | 142 |
| Other investment volume | 10 | 8 | 7 | 7 | 6 | 6 |
| Shares and participations in associated companies, SEK bn | 1 | 1 | 1 | 1 | 1 | 1 |
| Risk-weighted volume, SEK bn | 397 | 395 | 389 | 380 | 372 | 369 |
| Total assets, SEK bn | 662 | 658 | 652 | 627 | 610 | 602 |
| Total liabilities, SEK bn | 638 | 636 | 630 | 605 | 589 | 582 |
| Full-time employees | 6,826 | 7,038 | 6,978 | 7,007 | 7,147 | 7,252 |

Operating profit amounted to SEK 1,531 M, an increase of SEK 340 M or 29 percent from the previous year. Income rose by SEK 209 M or 6 percent compared with the previous year to SEK 3,914 M (3,705), mainly through higher mutual fund and insurance commissions and the acquisition of EnterCard, whose income amounted to SEK 60 M. Net interest income has been affected negatively by a lower margin on deposits, mainly due to lower interest rates.

Adjusted for bonuses and an increased allocation to the Kopparmyntet profit-sharing fund, as well as the acquisition of EnterCard, expenses decreased by SEK 75 M or just over 3 percent compared with the previous year.

Loan losses amounted to SEK 81 M, a decrease of SEK 222 M or 73 percent compared with the previous year. The loan loss ratio was 0.06 percent (0.20).

The return on allocated equity was 18 percent (16).

Compared with the previous quarter operating profit rose by SEK 146 M or 11 percent, primarily due to a seasonal increase in expenses during the fourth quarter of 2003.

The number of full-time positions was reduced by 321 compared with the previous year and by 212 compared with the fourth quarter of 2003.

Swedbank Markets

Swedbank Markets comprises Investment Banking and Merchant Banking operations, as well as responsibility for financial institutions. In addition to operations in Sweden and First Securities in Norway, the business area includes the international branches in Oslo, London and New York.

Swedbank Markets offers trading in securities and derivatives in the equity, fixed income and foreign exchange markets as well as financing solutions and professional analysis and advice. The research unit issues a steady stream of analyses on around 150 Nordic companies. For individual investors, Swedbank Markets offers stock trading and broad-market products, such as equity linked bonds. The products are sold by the Group's Swedish branch network, independent savings banks and partly owned banks, as well as through the Internet bank and Telephone bank.

Profit trend

| M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Net interest income | 280 | 144 | 348 | 151 | 200 | 258 |
| Net commission income | 169 | 206 | 124 | 151 | 141 | 174 |
| Financial transactions, net | 110 | 168 | 13 | 69 | 89 | 52 |
| Other income | 10 | 9 | 14 | 66 | 9 | 12 |
| Total income | 569 | 527 | 499 | 437 | 439 | 496 |
| Staff costs | -160 | -152 | -131 | -129 | -145 | -153 |
| IT expenses | -59 | -45 | -54 | -67 | -64 | -66 |
| Other expenses | -75 | -70 | -78 | -84 | -76 | -97 |
| Depreciation/amortization | -3 | -3 | -4 | -4 | -4 | -5 |
| Total expenses | -297 | -270 | -267 | -284 | -289 | -321 |
| Profit before loan losses | 272 | 257 | 232 | 153 | 150 | 175 |
| Loan losses | -10 | -4 | -4 | 0 | -9 | -11 |
| Share of associated companies' profit/loss | 2 | 3 | -6 | 4 | -8 | 0 |
| Operating profit/loss | 264 | 256 | 222 | 157 | 133 | 164 |
| Tax | -74 | -74 | -61 | -43 | -37 | -46 |
| Profit/loss for the period | 190 | 182 | 161 | 114 | 96 | 118 |
| Allocated equity | 2,405 | 2,093 | 2,093 | 2,093 | 2,093 | 2,249 |
| Return on allocated equity, % | 31.6 | 34.8 | 30.8 | 21.8 | 18.3 | 21.0 |
| Income items | | | | | | |
| Income from external customers | 492 | 439 | 427 | 365 | 365 | 423 |
| Income from transactions with other business areas | 77 | 88 | 72 | 72 | 74 | 73 |
| Total income | 569 | 527 | 499 | 437 | 439 | 496 |
| Business volumes, SEK bn | | | | | | |
| Lending | 14 | 12 | 12 | 14 | 16 | 17 |
| Deposits | 1 | | | 0 | | 0 |
| Mutual funds and insurance | 1 | 1 | 1 | 1 | 1 | 1 |
| Other investment volume | 10 | 8 | 7 | 6 | 6 | 6 |
| Shares and participations in associated companies, SEK bn | 0 | 0 | 0 | 0 | 0 | 0 |
| Risk-weighted volume, SEK bn | 45 | 37 | 40 | 45 | 46 | 39 |
| Total assets, SEK bn | 276 | 232 | 253 | 246 | 247 | 205 |
| Total liabilities, SEK bn | 274 | 230 | 251 | 244 | 245 | 203 |

| | | | | | | |
|---------------------|-----|-----|-----|-----|-----|-----|
| Full-time employees | 536 | 535 | 568 | 562 | 558 | 526 |
|---------------------|-----|-----|-----|-----|-----|-----|

Swedbank Markets' operating profit amounted to SEK 264 M, an increase of SEK 131 M or 98 percent compared with the previous year. Income from equity-related operations rose by 37 percent or SEK 64 M, while improving by 26 percent or SEK 65 M in fixed income and foreign exchange trading.

The return on allocated equity rose to 32 percent (18).

Compared with the previous quarter, operating profit rose by SEK 8 M or 3 percent.

Asset Management and Insurance

Asset Management and Insurance comprises the Robur Group and its operations in fund management, institutional asset management, discretionary asset management, insurance and individual pension savings.

Operating profit amounted to SEK 152 M, an increase of SEK 45 M or 42 percent compared with the first quarter of the previous year. The improvement is due to higher asset management volumes, primarily resulting from higher share prices on global markets, which raised asset volumes and resulted in increased commission income.

The return on allocated equity in the first quarter of 2004 was 28 percent (17).

Compared with the previous quarter, operating profit rose by SEK 29 M or 24 percent.

Profit trend

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Net interest income | 11 | 11 | 8 | 3 | 23 | 13 |
| Net commission income | 331 | 318 | 301 | 278 | 271 | 293 |
| Net profit on financial operations | 3 | -3 | 3 | 16 | -8 | 10 |
| Other income | 10 | 11 | 8 | 1 | 15 | 8 |
| Total income | 355 | 337 | 320 | 298 | 301 | 324 |
| Staff costs | -69 | -55 | -65 | -62 | -66 | -42 |
| IT expenses | -18 | -20 | -21 | -19 | -18 | -22 |
| Other expenses | -57 | -79 | -41 | -65 | -50 | -65 |
| Depreciation/amortization | -59 | -60 | -59 | -59 | -60 | -62 |
| Total expenses | -203 | -214 | -186 | -205 | -194 | -191 |
| Profit before loan losses | 152 | 123 | 134 | 93 | 107 | 133 |
| Operating profit | 152 | 123 | 134 | 93 | 107 | 133 |
| Tax | -43 | -34 | -38 | -26 | -30 | -37 |
| Profit for the period | 109 | 89 | 96 | 67 | 77 | 96 |
| Allocated equity | 1,547 | 1,759 | 1,759 | 1,759 | 1,759 | 1,971 |
| Return on allocated equity, % | 28.2 | 20.2 | 21.8 | 15.2 | 17.5 | 19.5 |
| Income items | | | | | | |
| Income from external customers | 701 | 662 | 629 | 624 | 535 | 611 |
| Income from transactions with other business areas | -346 | -325 | -309 | -326 | -234 | -287 |
| Total income | 355 | 337 | 320 | 298 | 301 | 324 |
| Business volumes, SEK bn | | | | | | |
| Mutual funds and insurance | 271 | 249 | 232 | 224 | 203 | 206 |
| Other investment volume | 22 | 22 | 24 | 24 | 18 | 20 |
| Total assets, SEK bn | 46 | 42 | 40 | 39 | 35 | 36 |
| Total liabilities, SEK bn | 44 | 40 | 38 | 37 | 33 | 34 |
| Full-time employees | 257 | 256 | 264 | 255 | 260 | 282 |

Fund savings, volumes and flows

Net contributions to Robur's mutual funds during the first quarter of 2004 totaled SEK 7 bn, against SEK 5 bn in the corresponding period of the previous year. Of net contributions, SEK 3.1 bn (2.9) was from premium pension investments and SEK 0.9 bn (0.3) from unit-linked insurance in Robur Försäkring.

Robur's assets under management amounted to SEK 271 bn on March 31, 2004, compared with SEK 249 bn on December 31, 2003. The change resulted from an increase in the value of fund assets of approximately SEK 15 bn, mainly because of rising stock prices during the year. After net fund contributions of approximately SEK 7 bn, the increase in fund assets during the period was SEK 22 bn. Institutional asset management operations managed SEK 42 bn (41), of which SEK 20 bn (18) was invested in Robur funds.

Robur's share of net contributions in the Swedish mutual fund market was 23 percent (17) in the first quarter of 2004. Its share of assets under management in the fund market was 28 percent (29) on December 31, 2003.

| | March 31 2003 | Dec 31 2003 | March 31 2002 |
|---------------------------------------|------------------|----------------|------------------|
| Fund management | | | |
| Assets under management (SEK bn) | 271 | 249 | 203 |
| <i>Of which:</i> | | | |
| <i>Swedish equities, %</i> | 27.3 | 27.4 | 25.3 |
| <i>Foreign equities, %</i> | 37.3 | 36.3 | 36.0 |
| <i>Interest-bearing securities, %</i> | 35.4 | 36.3 | 38.7 |
| Number of customers (thousands) | 2,793 | 2,776 | 2,742 |
| Unit-linked insurance | | | |
| Assets under management (SEK bn) | 40.5 | 37.0 | 30.2 |
| <i>Of which in Robur funds</i> | 40.5 | 37.0 | 29.7 |
| Number of policies (thousands) | 700 | 680 | 652 |
| Discretionary asset management | | | |
| Assets under management (SEK bn) | 42 | 41 | 32 |
| <i>Of which in Robur funds</i> | 20 | 18 | 14 |

Unit-linked insurance

Sales (premiums paid) of unit-linked insurance amounted to SEK 1.8 bn (1.6) during the first quarter of 2004. Robur Försäkring's assets under management by amounted to SEK 40.5 bn as of March 31, 2004, compared with SEK 37.0 bn on December 31, 2003.

The market share for new unit-linked insurance was 13 percent on December 31, 2003. Robur Försäkring had approximately 700,000 (680,000) policies as March 31, in addition to around 1 million group life insurance policies.

Fund management results

All of Robur's equity funds appreciated in value during the first quarter. Its Swedish funds rose between 8 and 9 percent, while its public savings funds generated a return of slightly over 7 percent. The highest return was by the Russia Fund, which gained approximately 37 percent during the quarter.

Equity funds that invest in Sweden and the Nordic region have had the best start of the year relative to their comparative indexes. International equity funds, on the other hand, performed weaker than their indexes.

The funds with the highest returns relative to their comparative indexes are industry-specific funds such as Realinvest, the Forestry Fund, Medica and Small Cap Sweden.

International Banking

The International Banking business area includes the subsidiaries Hansabank in the Baltic states and FI-Holding in Denmark as well as FöreningsSparbanken's interests in the associated companies SpareBank 1 Gruppen of Norway and Aktia of Finland.

In January 2004 FöreningsSparbanken acquired an additional 2.5 percent of the shares in FI-Holding, increasing its holding from 74.7 percent to 77.2 percent.

In January 2004 Hansabank acquired the Lithuanian insurance company Lietuvos Draudimo Gyvybes Draudimas (LDGD). The acquisition raised income by SEK 12 M and expenses by SEK 6 M in the first quarter of 2004.

Profit trend

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Net interest income | 776 | 799 | 748 | 743 | 779 | 695 |
| Net commission income | 260 | 266 | 249 | 258 | 229 | 256 |
| Net profit on financial operations | 153 | 48 | 87 | 56 | 73 | 107 |
| Other income | 37 | 26 | 40 | 75 | 40 | 44 |
| Total income | 1,226 | 1,139 | 1,124 | 1,132 | 1,121 | 1,102 |
| Staff costs | -249 | -276 | -220 | -237 | -227 | -257 |
| IT expenses | -35 | -48 | -35 | -37 | -37 | -39 |
| Other expenses | -143 | -173 | -146 | -146 | -133 | -187 |
| Depreciation/amortization | -119 | -113 | -119 | -121 | -127 | -122 |
| Total expenses | -546 | -610 | -520 | -541 | -524 | -605 |
| Profit before loan losses | 680 | 529 | 604 | 591 | 597 | 497 |
| Loan losses | -72 | -52 | -103 | -93 | -92 | -58 |
| Share of profit/loss of associated companies | 63 | 45 | 24 | -244 | -55 | -106 |
| Operating profit | 671 | 522 | 525 | 254 | 450 | 333 |
| Tax | -98 | -89 | -78 | -167 | -67 | -23 |
| Minority interests | -206 | -158 | -164 | -144 | -166 | -167 |
| Profit for the period | 367 | 275 | 283 | -57 | 217 | 143 |
| Allocated equity | 8,406 | 8,790 | 8,790 | 8,790 | 8,790 | 8,523 |
| Return on allocated equity, % | 17.5 | 12.5 | 12.9 | neg. | 9.9 | 6.7 |
| Income items | | | | | | |
| Income from external customers | 1,226 | 1,139 | 1,124 | 1,132 | 1,121 | 1,102 |
| Business volumes, SEK bn | | | | | | |
| Lending | 110 | 107 | 103 | 104 | 104 | 100 |
| Deposits | 40 | 37 | 35 | 35 | 35 | 33 |
| Shares and participations in associated companies, SEK bn | 1 | 1 | 1 | 1 | 2 | 1 |
| Risk-weighted volume, SEK bn | 155 | 149 | 147 | 152 | 154 | 150 |
| Total assets, SEK bn | 149 | 144 | 137 | 142 | 144 | 136 |
| Total liabilities, SEK bn | 141 | 135 | 128 | 133 | 135 | 127 |
| Full-time employees | 6,110 | 5,931 | 5,932 | 5,926 | 5,924 | 5,901 |

Operating profit for International Banking amounted to SEK 671 M, an increase of SEK 221 M or 49 percent from the previous year. Hansabank raised its operating profit by SEK 78 M or 26 percent to SEK 381 M, while FI-Holding's profit improved by SEK 47 M or 21 percent to SEK 267 M. SpareBank 1 Gruppen's profit improved by SEK 77 M to SEK 6 M.

Compared with the previous quarter operating profit improved by SEK 149 M, of which SEK 104 M related to Hansabank and SEK 28 M to FIH.

Income rose by SEK 105 M or 9 percent compared with the previous year to SEK 1,226 M. Expenses rose by SEK 22 M or 4 percent to SEK 546 M. Loan losses decreased by SEK 20 M to SEK 72 M.

The return on allocated equity was 17 percent (10). For Hansabank the return was 28 percent (24) and for FI-Holding 13 percent (10).

The number of full-time employees rose by 179 compared with the previous quarter. The increase is due to the acquisition of LDGD.

Treasury Management

The business area includes Treasury Management in Sweden (the parent company, FöreningsSparbanken AB, and the subsidiary Spintab). Treasury Management is responsible for long-term funding in the Swedish market and management of the bank's strategic short-term portfolio, interest-bearing fixed assets and strategic shareholdings, including the holding in OMHEX. Treasury Management is also responsible for managing issues regarding the Group's balance sheet and capital and risk structure.

As of the first quarter of 2004 the shareholding in VPC is reported in Treasury Management. Previously it had been reported in Shared Services and Group Staffs. Historical figures have been restated.

Profit trend

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|---|------------|------------|------------|------------|------------|------------|
| Net interest income | 200 | 257 | 236 | 141 | 160 | 131 |
| Net commission income | -6 | -7 | -7 | -6 | -8 | -7 |
| Net profit on financial operations | 74 | 12 | -5 | 57 | 2 | 4 |
| Other income | 5 | 8 | 19 | 515 | 3 | 1 |
| Total income | 273 | 270 | 243 | 707 | 157 | 129 |
| Staff costs | -9 | -4 | -3 | -4 | -4 | -4 |
| IT expenses | -2 | -1 | -2 | -1 | -2 | -2 |
| Other expenses | -12 | -6 | -6 | -8 | -6 | -15 |
| Depreciation/amortization | 0 | 0 | 0 | 0 | 0 | 0 |
| Total expenses | -23 | -11 | -11 | -13 | -12 | -21 |
| Profit before loan losses | 250 | 259 | 232 | 694 | 145 | 108 |
| Write-off/reversal of write-off of financial fixed assets | | 32 | 23 | | | |
| Share of associated companies' profit/loss | -2 | 20 | 2 | 5 | 4 | 1 |
| Operating profit | 248 | 311 | 257 | 699 | 149 | 109 |
| Tax | -69 | -86 | -72 | -92 | -42 | -30 |
| Profit for the period | 179 | 225 | 185 | 607 | 107 | 79 |
| Allocated equity | 692 | 1,303 | 1,303 | 1,303 | 1,303 | 1,470 |
| Return on allocated equity, % | 103.5 | 69.1 | 56.8 | 186.3 | 32.8 | 21.5 |
| Income items | | | | | | |
| Income from external customers | 272 | 272 | 246 | 707 | 158 | 129 |
| Income from transactions with other business areas | 1 | -2 | -3 | 0 | -1 | 0 |
| Total income | 273 | 270 | 243 | 707 | 157 | 129 |
| Business volumes, SEK bn | | | | | | |
| Lending | 1 | 0 | 1 | 1 | 1 | 1 |
| Other investment volume | 2 | 3 | 3 | 3 | 3 | 2 |
| Risk-weighted volume, SEK bn | 8 | 6 | 6 | 6 | 8 | 7 |
| Total assets, SEK bn | 389 | 368 | 373 | 373 | 350 | 340 |
| Total liabilities, SEK bn | 388 | 367 | 372 | 372 | 349 | 339 |
| Full-time employees | 27 | 18 | 18 | 18 | 16 | 18 |

Treasury Management's operating profit amounted to SEK 248 M, an increase of SEK 99 M compared with the previous year. Compared with the previous quarter operating profit decreased by SEK 63 M, mainly due to the reversal of a write-off of the OMHEX shares in the fourth quarter of 2003 and a decrease of SEK 22 M in the share of VPC's profit.

Shared Services and Group Staffs

Shared Services and Group Staffs comprises IT and other shared services, Group Staffs and the Group's own insurance company (Sparia). The business area previously included a few loan loss provisions that were not reported by units with customer responsibility.

Profit trend

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|--|---------------|-------------|-------------|-------------|-------------|-------------|
| Net interest income | -11 | -26 | -69 | 30 | -24 | -142 |
| Net commission income | 16 | -40 | -8 | 13 | 4 | 1 |
| Net profit on financial operations | 14 | 1 | 1 | -13 | 11 | -8 |
| Other income | 741 | 747 | 854 | 830 | 882 | 678 |
| Total income | 760 | 682 | 778 | 860 | 873 | 529 |
| Staff costs | -444 | -342 | -394 | -302 | -324 | -283 |
| IT expenses | -200 | -240 | -232 | -255 | -229 | -160 |
| Other expenses | -289 | -183 | -236 | -303 | -304 | -149 |
| Depreciation/amortization | -70 | -80 | -72 | -76 | -77 | -41 |
| Total expenses | -1,003 | -845 | -934 | -936 | -934 | -633 |
| Profit before loan losses | -243 | -163 | -156 | -76 | -61 | -104 |
| Loan losses | | 33 | 47 | 102 | 14 | -59 |
| Share of profit/loss of associated companies | 0 | 0 | 1 | 0 | 0 | -1 |
| Operating profit/loss | -243 | -130 | -108 | 26 | -47 | -164 |
| Appropriations | | 28 | 3 | -20 | -30 | -25 |
| Tax | 41 | -41 | 15 | 3 | 13 | 8 |
| Minority interests | -3 | -5 | 1 | -2 | 4 | -1 |
| Profit/loss for the period | -205 | -148 | -89 | 7 | -60 | -182 |
| Income items | | | | | | |
| Income from external customers | 74 | 102 | 106 | 97 | 101 | 105 |
| Income from transactions with other business areas | 686 | 580 | 672 | 763 | 772 | 424 |
| Total income | 760 | 682 | 778 | 860 | 873 | 529 |
| Business volumes, SEK bn | | | | | | |
| Lending | | | | | 2 | 2 |
| Total assets, SEK bn | 14 | 8 | 7 | 8 | 10 | 6 |
| Total liabilities, SEK bn | 14 | 8 | 7 | 8 | 10 | 6 |
| Full-time employees | 1,627 | 1,588 | 1,599 | 1,582 | 1,500 | 1,489 |

The business area reported an operating loss of SEK 243 M, a decrease of SEK 196 M compared with the previous year and SEK 113 M compared with the previous quarter. Income for IT services from partly owned banks and independent savings banks decreased, and the unit was charged with expenses of SEK 41 M for the increased distribution by the Kopparmyntet profit-sharing fund for 2003

Eliminations

| SEK M | Q1 2004 | Q4 2003 | Q3 2003 | Q2 2003 | Q1 2003 | Q4 2002 |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net interest income | 4 | 2 | 0 | 9 | 5 | 2 |
| Net commission income | 1 | 0 | -1 | -10 | 10 | 2 |
| Net profit on financial operations | 0 | 0 | 0 | 0 | 0 | -2 |
| Other income | -752 | -715 | -791 | -801 | -805 | -685 |
| Total income | -747 | -713 | -792 | -802 | -790 | -683 |
| Staff costs | 15 | 14 | 15 | 16 | 14 | 18 |
| IT expenses | 188 | 188 | 202 | 223 | 210 | 290 |
| Other expenses | 544 | 511 | 575 | 563 | 566 | 375 |
| Total expenses | 747 | 713 | 792 | 802 | 790 | 683 |
| Business volumes, SEK bn | | | | | | |
| Mutual funds and insurance | -184 | -166 | -155 | -154 | -140 | -143 |
| Other investment volume | -9 | -8 | -7 | -7 | -6 | -6 |
| Total assets, SEK bn | -481 | -450 | -452 | -403 | -385 | -368 |
| Total liabilities, SEK bn | -481 | -450 | -452 | -403 | -385 | -368 |

Profit and loss account, the Group *

| SEK M | Jan-Mar 2004 | Jan-Mar 2003 | % | Full-year 2003 |
|---|-----------------|-----------------|-----------|-------------------|
| <i>Interest receivable</i> | 11,466 | 12,563 | -9 | 47,701 |
| <i>Interest payable</i> | -7,397 | -8,571 | -14 | -31,615 |
| Net interest income | 4,069 | 3,992 | 2 | 16,086 |
| Dividends received | 5 | 10 | -50 | 104 |
| <i>Commissions receivable</i> | 2,022 | 1,650 | 23 | 7,239 |
| <i>Commissions payable</i> | -491 | -416 | 18 | -1,820 |
| Net commission income (Note 1) | 1,531 | 1,234 | 24 | 5,419 |
| Net profit on financial operations (Note 2) | 369 | 203 | 82 | 776 |
| Other operating income | 239 | 260 | -8 | 1,591 |
| Total income | 6,213 | 5,699 | 9 | 23,976 |
| General administrative expenses | | | | |
| - Staff costs | -1,981 | -1,699 | 17 | -6,937 |
| - Other | -1,348 | -1,329 | 1 | -5,516 |
| Total general administrative expenses | -3,329 | -3,028 | 10 | -12,453 |
| Depreciation/write-off of tangible fixed assets | -148 | -179 | -17 | -664 |
| Amortization of goodwill | -158 | -154 | 3 | -614 |
| Total expenses | -3,635 | -3,361 | 8 | -13,731 |
| Profit before loan losses | 2,578 | 2,338 | 10 | 10,245 |
| Loan losses, net (Note 3) | -163 | -390 | -58 | -987 |
| Reversal of write-off of financial fixed assets | | | | 55 |
| Share of profit/loss of associated companies | 103 | -35 | | -116 |
| Operating profit in banking operations | 2,518 | 1,913 | 32 | 9,197 |
| Operating profit in insurance operations | 105 | 70 | 50 | 367 |
| Profit before appropriations and tax | 2,623 | 1,983 | 32 | 9,564 |
| Settlement of pensions | | -30 | | -19 |
| Tax | -671 | -504 | 33 | -2,567 |
| Minority interest | -210 | -164 | 28 | -635 |
| Profit for the period | 1,742 | 1,285 | 36 | 6,343 |
| Earnings per share, SEK * | 3.30 | 2.43 | 36 | 12.02 |
| Earnings per share after dilution, SEK * | 3.30 | 2.43 | 36 | 12.01 |

* Prepared according to the instructions of the Financial Supervisory Authority.

** See key ratios on page 9 for number of shares.

Profit and loss account, the Bank

| SEK M | Jan-Mar 2004 | Jan-Mar 2003 | % | Full-year 2003 |
|---|-----------------|-----------------|-----------|-------------------|
| <i>Interest receivable</i> | 4,283 | 4,825 | -11 | 18,316 |
| <i>Interest payable</i> | -2,483 | -3,103 | -20 | -11,216 |
| Net interest income | 1,800 | 1,722 | 5 | 7,100 |
| Dividends received | 58 | 15 | | 5,515 |
| <i>Commissions receivable</i> | 1,338 | 1,083 | 24 | 4,764 |
| <i>Commissions payable</i> | -270 | -224 | 21 | -1,008 |
| Net commission income (Note 1) | 1,068 | 859 | 24 | 3,756 |
| Net profit on financial operations (Note 2) | 228 | 131 | 74 | 506 |
| Other operating income | 215 | 253 | -15 | 1,528 |
| Total income | 3,369 | 2,980 | 13 | 18,405 |
| General administrative expenses | | | | |
| - Staff costs | -1,595 | -1,350 | 18 | -5,466 |
| - Other | -1,066 | -1,046 | 2 | -4,324 |
| Total general administrative expenses | -2,661 | -2,396 | 11 | -9,790 |
| Depreciation/write-off of tangible fixed assets | -90 | -110 | -18 | -409 |
| Amortization of goodwill | -25 | -25 | 0 | -101 |
| Total expenses | -2,776 | -2,531 | 10 | -10,300 |
| Profit before loan losses | 593 | 449 | 32 | 8,105 |
| Loan losses, net (Note 3) | -135 | -294 | -54 | -820 |
| Write-off of financial fixed assets | | -39 | | -447 |
| Reversal of write-off of financial fixed assets | | | | 55 |
| Profit before appropriations and tax | 458 | 116 | | 6,893 |
| Appropriations | -5 | -30 | | -568 |
| Tax | -121 | -40 | | -1,728 |
| Profit for the period | 332 | 46 | | 4,597 |

Balance sheet

| SEK M | Group | | | Bank | | |
|---|------------------|------------------|------------------|----------------|----------------|----------------|
| | Mar 31 2004 | Dec 31 2003 | Mar 31 2003 | Mar 31 2004 | Dec 31 2003 | Mar 31 2003 |
| Loans to credit institutions (Note 4) | 107,596 | 76,643 | 114,020 | 165,801 | 124,423 | 142,008 |
| Loans to the public (Note 4) | 738,330 | 749,752 | 731,050 | 195,688 | 212,055 | 225,083 |
| Interest-bearing securities | 100,487 | 77,174 | 76,425 | 109,689 | 81,908 | 81,604 |
| - Financial fixed assets | 1 014 | 1 233 | 2 403 | 813 | 802 | 167 |
| - Financial current assets | 99,473 | 75,941 | 74,022 | 108,876 | 81,106 | 81,437 |
| Assets in insurance operations | 43,085 | 38,199 | 31,692 | | | |
| Other assets | 65,755 | 60,566 | 58,255 | 79,120 | 77,983 | 67,318 |
| Total assets | 1,055,253 | 1,002,334 | 1,011,442 | 550,298 | 496,369 | 516,013 |
| Amounts owed to credit institutions | 101,306 | 95,441 | 116,480 | 126,624 | 115,756 | 129,908 |
| Deposits and borrowings from the public | 288,145 | 283,616 | 276,511 | 238,804 | 235,498 | 229,482 |
| Debt securities in issue | 462,728 | 442,103 | 447,330 | 67,736 | 42,471 | 58,598 |
| Liabilities in the insurance operations | 43,020 | 38,082 | 31,905 | | | |
| Other liabilities | 82,608 | 69,149 | 64,723 | 59,696 | 48,708 | 43,166 |
| Subordinated liabilities | 29,939 | 26,826 | 29,617 | 23,350 | 20,180 | 22,685 |
| Minority interests | 5,271 | 5,198 | 4,922 | | | |
| Untaxed reserves | | | | 7,940 | 7,940 | 7,940 |
| Shareholders' equity | 42,236 | 41,919 | 39,954 | 26,148 | 25,816 | 24,234 |
| Total liabilities, provisions and shareholders' equity | 1,055,253 | 1,002,334 | 1,011,442 | 550,298 | 496,369 | 516,013 |
| Assets pledged for own liabilities | 99,068 | 97,730 | 63,690 | 58,709 | 60,290 | 27,443 |
| Other assets pledged | 12,013 | 11,988 | 52,338 | 11,659 | 11,984 | 52,178 |
| Contingent liabilities | 23,312 | 22,188 | 28,412 | 25,810 | 25,017 | 20,623 |
| Commitments | 3,706,244 | 3,283,527 | 2,406,795 | 3,365,190 | 2,973,326 | 2,132,952 |

Change in shareholders' equity

| SEK M | Group | | | Bank | | |
|--|----------------------|------------------------------|------------------------------------|----------------------|------------------------------|------------------------------------|
| | Restricted equity | Non- restricted equity | Total sharehold- ers' equity | Restricted equity | Non- restricted equity | Total sharehold- ers' equity |
| Opening balance Jan. 1, 2003 | 29,234 | 9,368 | 38,602 | 18,484 | 5,704 | 24,188 |
| Transfers between restricted and non-restricted equity | 903 | -903 | | 643 | -643 | |
| Dividend | | -2,903 | -2,903 | | -2,903 | -2,903 |
| Group contributions | | | | | -92 | -92 |
| Tax reduction due to Group contributions paid | | | | | 26 | 26 |
| Translation difference | | -183 | -183 | | | |
| Exchange rate difference subsidiary and associated company financing | | 60 | 60 | | | |
| Profit for the year | | 6,343 | 6,343 | | 4,597 | 4,597 |
| Closing balance December 31, 2003 | 30,137 | 11,782 | 41,919 | 19,127 | 6,689 | 25,816 |
| Change in accounting principle for RR 29 | | | | | | |
| Employee benefits | -24 | -1,539 | -1,563 | | | |
| Adjusted opening balance Jan. 1, 2004 | 30,113 | 10,243 | 40,356 | 19,127 | 6,689 | 25,816 |
| Transfers between restricted and non-restricted equity | 344 | -344 | | 307 | -307 | |
| Translation difference | | 301 | 301 | | | |
| Exchange rate difference subsidiary and associated company financing | | -163 | -163 | | | |
| Profit for the period | | 1,742 | 1,742 | | 332 | 332 |
| Closing balance March 31, 2004 | 30,457 | 11,779 | 42,236 | 19,434 | 6,714 | 26,148 |

Statement of cash flows

| SEK M January – March | Group | | Bank | |
|---|---------------|---------------|---------------|---------------|
| | 2004 | 2003 | 2004 | 2003 |
| Liquid assets at beginning of year * | 66,241 | 58,569 | 52,240 | 47,087 |
| Operating activities | | | | |
| Operating profit | 2 623 | 1 983 | 458 | 116 |
| Adjustments for non-cash items | 2,392 | 2,980 | 316 | 5,107 |
| Taxes | -224 | -247 | -357 | -297 |
| Decrease/increase in receivables from credit institutions | -2,854 | 5,008 | -11,241 | -7,579 |
| Decrease/increase in loans to the public | -1,851 | -12,047 | 863 | -1,343 |
| Decrease/increase in holdings of securities classified as current assets | -7,641 | -6,858 | -15,701 | -8,182 |
| Increase in deposits and borrowings from the public, including retail bonds | 11,169 | 3,239 | 11,496 | 961 |
| Decrease/increase in amounts owned to credit institutions | 5,680 | 14,622 | 11,839 | 28,281 |
| Change in other assets and liabilities, net | -3,006 | -7,432 | 3,113 | -6,058 |
| Cash flow from operating activities | 6,288 | 1,248 | 786 | 11,006 |
| Investing activities | | | | |
| Purchase of fixed assets | -503 | -864 | -355 | -2,002 |
| Sale of fixed assets | 281 | 108 | 51 | 5 |
| Cash flow from investing activities | -222 | -756 | -304 | -1,997 |
| Financing activities | | | | |
| Issuance of interest-bearing securities | 70,655 | 50,208 | 4,234 | 7,683 |
| Redemption of interest-bearing securities | -58,560 | -33,608 | -80 | -6,128 |
| Decrease in other funding | 10,895 | 17,051 | 21,516 | 19,068 |
| Cash flow from financing activities | 22,990 | 33,651 | 25,670 | 20,623 |
| Cash flow for the period | 29,056 | 34,143 | 26,152 | 29,632 |
| Exchange rate differences in liquid assets | 366 | 189 | | |
| Liquid assets at end of period* | 95,663 | 92,901 | 78,392 | 76,719 |
| * of which securities pledged for OMHEX, etc. | | | | |
| At beginning of year | 3,207 | 4,800 | 3,207 | 4,800 |
| At year-end | 1,197 | 780 | 1,197 | 780 |

Note 1. Specification of net commission income

| SEK M January – March | Group | | Bank | |
|-------------------------------------|--------------|--------------|--------------|--------------|
| | 2004 | 2003 | 2004 | 2003 |
| Payment processing commissions | 766 | 668 | 575 | 521 |
| Brokerage | 135 | 64 | 117 | 51 |
| Asset management | 566 | 443 | 309 | 234 |
| Other securities commissions | 63 | 46 | 62 | 41 |
| Other commissions receivable | 492 | 429 | 275 | 236 |
| Total commissions receivable | 2,022 | 1,650 | 1,338 | 1,083 |
| Payment processing commissions | -246 | -229 | -207 | -196 |
| Securities commissions | -49 | -30 | -37 | -19 |
| Other commissions payable | -196 | -157 | -26 | -9 |
| Total commissions payable | -491 | -416 | -270 | -224 |
| Total commissions, net | 1,531 | 1,234 | 1,068 | 859 |

Note 2. Specification of net profit on financial operations

| SEK M | Group | | Bank | |
|------------------------------------|-------------|------------|-------------|------------|
| | 2004 | 2003 | 2004 | 2003 |
| January – March | | | | |
| Capital gains/losses | | | | |
| Shares/participating interests | -10 | -32 | -8 | -33 |
| Interest-bearing securities | -434 | 123 | -472 | 130 |
| Other financial instruments | 2 | -3 | 0 | 0 |
| Total | -442 | 88 | -480 | 97 |
| Unrealized changes in value | | | | |
| Shares/participating interests | 62 | 74 | 50 | 68 |
| Interest-bearing securities | 564 | -105 | 550 | -145 |
| Other financial instruments | -2 | -25 | 0 | 0 |
| Total | 624 | -56 | 600 | -77 |
| Change in exchange rates | 187 | 171 | 108 | 111 |
| Total | 369 | 203 | 228 | 131 |

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

| SEK M | Group | | Bank | |
|--|-------------|-------------|-------------|-------------|
| | 2004 | 2003 | 2004 | 2003 |
| January – March | | | | |
| <i>Specific provisions for claims assessed individually</i> | | | | |
| The period's write-off for established loan losses | -290 | -257 | -201 | -172 |
| Reversal of previous provisions for anticipated loan losses reported in the period's accounts as established | 211 | 181 | 152 | 131 |
| The period's provisions for anticipated loan losses | -217 | -285 | -42 | -81 |
| Recoveries from previous periods' established loan losses | 122 | 137 | 35 | 48 |
| Recovered provisions for anticipated loan losses | 75 | 80 | 20 | 17 |
| The period's net expense | -99 | -144 | -36 | -57 |
| <i>Collective provisions for individually assessed claims</i> | | | | |
| Allocations to collective provisions | -31 | -216 | -81 | -212 |
| <i>Collectively valued homogenous groups of claims with limited value and similar credit risk</i> | | | | |
| The year's write-off for established loan losses | -29 | -26 | -16 | -17 |
| Recoveries from previous years' established loan losses | 1 | 3 | 0 | 1 |
| Allocations/withdrawals from loan loss reserve | -2 | 1 | -1 | -4 |
| The period's net expense for collectively assessed claims | -30 | -22 | -17 | -20 |
| <i>Contingent liabilities</i> | | | | |
| The period's net expense for discharged guarantees and other contingent liabilities | -3 | -1 | -1 | 2 |
| The period's net loan loss expense | -163 | -383 | -135 | -287 |
| Change in the value of property taken over | 0 | -7 | 0 | -7 |
| Total loan losses, net, and change in value of property taken over | -163 | -390 | -135 | -294 |

Note 4. Claims

(Loans to credit institutions and loans to the public)

| SEK M | Group | | | Bank | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Mar 31 2004 | Dec 31 2003 | Mar 31 2003 | Mar 31 2004 | Dec 31 2003 | Mar 31 2003 |
| Accrued acquisition value (before accounting for provisions) | 850,994 | 831,448 | 850,150 | 364,389 | 339,423 | 369,935 |
| Specific provisions for individually assessed claims | -1,284 | -1,341 | -1,284 | -659 | -787 | -626 |
| Provisions for collectively valued homogenous groups of claims with limited value and similar credit risk | -205 | -211 | -202 | -110 | -108 | -106 |
| Collective provisions for individually assessed claims | -3,579 | -3,501 | -3,594 | -2,131 | -2,050 | -2,112 |
| Total provisions | -5,068 | -5,053 | -5,080 | -2,900 | -2,945 | -2,844 |
| Book value | 845,926 | 826,395 | 845,070 | 361,489 | 336,478 | 367,091 |
| Book value of doubtful claims | 2,442 | 2,304 | 2,340 | 979 | 1,015 | 1,156 |
| Book value of unsettled claims not included in doubtful claims and for which accrued interest has been entered as income | 437 | 396 | 590 | 103 | 124 | 183 |
| Property taken over to protect claims: | | | | | | |
| - Buildings and land | 7 | 11 | 12 | 0 | 0 | 1 |
| - Shares and participating interests | 14 | 12 | 14 | 10 | 7 | 9 |
| - Other | 2 | 2 | 2 | 0 | 0 | 0 |
| Total | 23 | 25 | 28 | 10 | 7 | 10 |
| Doubtful claims as % of total lending | 0.29 | 0.28 | 0.28 | 0.27 | 0.30 | 0.31 |
| Total provision ratio for doubtful claims * | 129 | 131 | 133 | 166 | 154 | 151 |
| Provision ratio for individually identified doubtful claims | 38 | 40 | 39 | 44 | 47 | 39 |

* Total provision, i.e. including provisions for claims in relation to doubtful claims, gross.

Specification of claims

| Sector/Industry SEK M March 31, 2004 | Accrued acquisition value before accounting for provisions | Specific provisions for individually assessed claims | Collective provisions for individually assessed claims | Provisions for collectively valued homogenous groups of claims | Book value of claims after accounting for provisions | Book value of doubtful claims (unsettled) | Book value of unsettled claims for which interest is entered as income |
|--|--|---|---|---|---|--|---|
| Consumers | 342,536 | 44 | 162 | 205 | 342,125 | 323 | 202 |
| Real estate management | 152,264 | 212 | 501 | | 151,551 | 380 | 24 |
| Retail, hotels, restaurants | 29,010 | 101 | 485 | | 28,424 | 133 | 6 |
| Construction | 11,427 | 13 | 73 | | 11,341 | 31 | 1 |
| Manufacturing | 51,681 | 378 | 1,214 | | 50,089 | 503 | 148 |
| Transportation | 15,914 | 35 | 104 | | 15,775 | 183 | 5 |
| Forestry and agriculture | 34,829 | 25 | 94 | | 34,710 | 72 | 4 |
| Other service businesses | 17,635 | 76 | 308 | | 17,251 | 195 | 39 |
| Other business lending | 62,795 | 380 | 638 | | 61,777 | 622 | 8 |
| Municipalities | 13,414 | | | | 13,414 | | |
| Lending | 731,505 | 1,264 | 3,579 | 205 | 726,457 | 2,442 | 437 |
| Credit institutions incl. Nat'l Debt Office | 51,662 | 20 | | | 51,642 | 0 | |
| Repurchase agreements - credit institutions incl. Nat'l Debt Office | 56,454 | | | | 56,454 | | |
| Repurchase agreements - public | 11,373 | | | | 11,373 | | |
| Total lending to credit institutions and the public | 850,994 | 1,284 | 3,579 | 205 | 845,926 | 2,442 | 437 |

Warrant program

In the spring of 2000 employees of FöreningsSparbanken and wholly owned Group companies in Sweden and members of local bank boards were offered the opportunity to buy warrants in FöreningsSparbanken on market terms. The 8,008,100 outstanding warrants carry the right to subscribe for an equal number of shares during a specific period in 2005, as detailed in their terms and conditions. The premium was SEK 15 and the subscription price SEK 187. On March 31, 2004 the price of the FöreningsSparbanken share was SEK 140 and the warrant SEK 3.30.

Derivatives in the Group on March 31, 2004

The Group trades in derivatives in the normal course of business and for the purpose of hedging certain positions with regard to the value of equities, interest rates and foreign currencies. The following table is prepared in accordance with the directives of the Financial Supervisory Authority and includes all derivatives in the Group. Generally, derivatives are reported at fair value. Exceptions are made for derivatives that are accounted for as hedges. The deviations between book and fair value reported below correspond to opposing deviations for other positions included in the portion of the Group's operations covered by hedge accounting.

Derivatives with positive fair values or nil value

| SEK M | Interest-related | | Currency-related | | Equity-related | | Other | |
|--|------------------|------------|------------------|------------|----------------|------------|------------|------------|
| | Fair value | Book value | Fair value | Book value | Fair value | Book value | Fair value | Book value |
| Derivatives reported entirely or partly on the balance sheet | 23,388 | 21,153 | 10,554 | 7,495 | 1,213 | 1,194 | 5 | 4 |
| Derivatives not reported on the balance sheet | 105 | | 858 | | | | | |

Derivatives with negative fair values

| SEK M | Interest-related | | Currency-related | | Equity-related | | Other | |
|--|------------------|------------|------------------|------------|----------------|------------|------------|------------|
| | Fair value | Book value | Fair value | Book value | Fair value | Book value | Fair value | Book value |
| Derivatives reported entirely or partly on the balance sheet | 27,360 | 22,794 | 12,762 | 10,027 | 1,268 | 1,268 | 5 | 5 |
| Derivatives not reported on the balance sheet | 133 | | 2 | | | | | |

Ratings, March 31 2004

| | S&P | | Moody's | | | Fitch | | R/I |
|------------------|-------|------|---------|------|-------|-------|------|------|
| | Short | Long | Short | Long | BFSR* | Short | Long | Long |
| Bank | A-1 | A | P-1 | Aa3 | B | F1 | A+ | AA- |
| Spintab | A-1 | - | P-1 | Aa3 | - | F1+ | AA- | - |
| Hansabank | - | - | P-1 | A1 | C | F1 | A- | - |
| FIH | - | - | P-1 | A1 | - | - | - | - |

* Bank Financial Strength Rating

Financial information 2004

The Group's financial reports can be obtained or ordered on FöreningsSparbanken's website at <http://www.foreningssparbanken.se/ir> or at the nearest branch of FöreningsSparbanken.

FöreningsSparbanken will publish financial reports on the following dates:

- Interim report January – June 2004 on August 18, 2004
- Interim report January – September 2004 on October 29, 2004

Audit report

This year-end report has not been reviewed by the bank's auditors.

Stockholm, May 4, 2004

Jan Lidén

President and Chief Executive Officer

FöreningsSparbanken AB (publ)

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