

AS SEB Pank Group

Interim Report of QIII 2009



Contents

	Statement of the Management Board	2
I.	Introduction - general information	3
1.	Credit institution	3
2.	Auditor	3
II.	Management Report	4
1.	Credit institution's group as defined in Credit Institutions Law	4
1.1.	Consolidated group	4
2.2.	Changes in the consolidated group during the accounting period and plans for year 2009	5
2.	Key events in QIII	5
3.	Capital adequacy	7
4.	Risk concentration	9
3.	Key Figures	9
III.	Consolidated Financial Accounts	11
1.	Consolidated Balance Sheet	11
2.	Consolidated Income Statement	12
3.	Consolidated Cash Flow Statement	13
4.	Changes in Consolidated Shareholders' Equity	14
5.	Contingent assets and liabilities and commitments	15
Note 1	Accounting principles	16
Note 2	Geographic concentration of financial assets and liabilities	17
Note 3	Concentration of financial assets and liabilities by economic sector	18
Note 4	Overdue	20
Note 5	Allowances on loans and advances	20
Note 6	Interest and similar income	20
Note 7	Interest expenses and similar charges	20
Note 8	Fee and commission income	21
Note 9	Fee and commission expense	21
Note 10	Impairment losses on loans and advances	21
Note 11	Related parties	22

Statement of the Management Board

Management Board of AS SEB Pank is on an opinion that the Interim Report of Quarter III 2009 consists of the following parts and reports:

- Introduction – general information
- Management Report
- Consolidated Financial Statements
- Notes

The financial and other additional information published in the Interim Report of Quarter III 2009 is true and complete. Consolidated financial statements gives a true and fair view of the actual financial position, results of operations and cash flows of the group.

Consolidated financial statements have been compiled in accordance with the International Accounting Standard IAS 34 “Interim financial reporting” and in conformity with the requirements of Eesti Pank for publishing information. AS SEB Pank and subsidiaries of the consolidated group are assumed to be going concern.

Consolidated financial statements for the Quarter III 2009 are not audited.

Ahti Asmann
Chairman of the Management Board

I. Introduction - general information

1. Credit institution

Company name	AS SEB Pank
Address	Tornimäe Str.2, Tallinn 15010, Estonia
Registered in	Republic of Estonia
Registry date	08.12.95
Registry code	10004252 (Estonian Commercial Register)
Phone	+372 6 655 100
Fax	+372 6 655 102
SWIFT	EEUHEE2X
e-mail	info@seb.ee
Internet homepage	http://www.seb.ee

2. Auditor

Audit company	AS PricewaterhouseCoopers
Registry code	10142876
Address	Pärnu Str. 15, 10141 Tallinn, Estonia
Report balance sheet date	30.09.2009
Reporting period	01.01.2009 - 30.09.2009
Report currency	Estonian kroon (EEK), millions

II. Management Report

1. Credit institution's group as defined in Credit Institutions Law

1.1. Consolidated group

30.09.09

Company name	Register	Reg.date	Address	Activity	Holding (%) ***	At an acquisition cost (EEK mio)
AS SEB Liising	10281767	03.10.97	Tallinn, Tornimäe 2	Leasing	100.0%	23.4
AS SEB Kindlustusmaakler*	10723587	16.01.01	Tallinn, Tornimäe 2	Insurance brokerage	100.0%	-
AS Rentacar*	10303546	20.10.97	Haapsalu, Karja 27	Leasing	100.0%	-
AS SEB Varahaldus	10035169	22.05.96	Tallinn, Tornimäe 2	Asset management	100.0%	42.5
AS SEB Elu- ja Pensionikindlustus	10525330	21.01.99	Tallinn, Tornimäe 2	Life and pension insurance	100.0%	30.0
AS Bangalo	10088272	18.10.96	Tallinn, Tornimäe 2	Rental of computers	100.0%	5.0
AS SEB Enskilda	11354037	16.02.07	Tallinn, Tornimäe 2	Financial consulting	100.0%	11.5
OÜ Estectus	10141919	23.04.97	Tallinn, Tornimäe 2	Real estate	100.0%	26.2
SEB IT Partner Estonia OÜ**	10002566	20.11.95	Tallinn, Liimi 1B	IT consulting, programming	35.0%	0.3
AS Sertifitseerimiskeskus**	10747013	27.03.01	Tallinn, Pärnu mnt 12	Data communication services	25.0%	15.0
OÜ TietoEnator Support **	11065244	30.08.04	Tallinn, Roosikrantsi 11	IT consulting, programming	20.0%	0.6

154.5

All enterprises registered in Estonian Commercial Register.

* Consolidated subsidiaries of AS SEB Liising

** Associates

*** For all investments the percentage of holding equals to both, the holding from the number of shares as well as from the number of votes.

Parent company of the Group is AS SEB Pank, it's activity being banking (information on page 3).

The 'consolidated group' in the meaning of Credit Institutions Law in Estonia and the 'Group' for IFRS consolidation purposes are identical.

Non-profit association SEB Heategevusfond is an association, not belonging to the consolidation group, registered on 06.01.2006. The founders of the association are AS SEB Pank and AS SEB Elu- ja Pensionikindlustus. The association is aimed at raising and distributing funds for charitable cause to organisations, dealing with children, who have been deprived of parental care. Upon dissolution of the association, the assets remaining after satisfaction of the claims of creditors shall be transferred to a non-profit association or foundation with similar objectives, entered to the list of associations subject to income tax incentive of the Government of the Republic, or a legal person in public law, state or local government.

Non-profit association Spordiklubi United is an association, not belonging to the consolidation group, which started activity from September 2008. The association is found by AS SEB Pank. The association is aimed at organising on hobby and competition level sport events and organising promotions for advertising of own and supporter's activities. Upon dissolution of the association, the assets shall be transferred to a non-profit association, foundation or other persons filling the objects by articles in public interests.

1.2. Changes in the consolidated group during the accounting period and plans for year 2009

In January 2009 ownership in AS Bangalo decreased by 42,0 EEK mio.

The name of OÜ Strongler was changed to OÜ Estectus in February.

No such events or trends have occurred by the time of publishing the report, which would affect the financial strategy of the group in 2009.

2. Key events in QIII

SEB's client satisfaction has been solid through 2009 and even increased in Q3. Most satisfied segment is clients up to 35 years. According to survey conducted by EPSI Baltic, competition regarding client satisfaction is fierce among banks in Estonia, SEB is holding first place.

In the financial publication Euromoney's Awards for Excellence SEB won two awards for the Nordic and Baltic region. SEB Enskilda got for second consecutive year award for Best Mergers & Acquisitions House for the Nordics and Baltics. SEB got for the sixth consecutive year Euromoney's award for best cash management bank in the Nordic and Baltic region.

Starting from 28 July, new companies will be able to open start-up accounts in SEB over the Internet – a service they would previously have had to visit a branch of the bank to use. The founder of the company must have an ID card for this process to be completed successfully.

In summer SEB Heategevusfond (Charity Fund) launched a campaign to raise funds for shelters and children's homes in Estonia. 395,000 kroons was raised with the campaign. Clients of the bank have also set up 6,230 standing orders to support charity, 830 of them joined this summer.

SEB and the Estonian National Opera signed an agreement on August which will see SEB's gold sponsorship status – which it has already enjoyed for six years – extended for a further three seasons. The agreement was signed by Aivar Mäe, the new General Manager of the Estonian National Opera, and Chairman of the SEB Management Board Ahti Asmann in the presence of Minister of Culture Laine Jänes.

Due to difficult economical situation the state suspended its contributions to the second pension pillar system from 1 June 2009. The state will continue making contributions in limited amounts from 2011 and in the former amount from 2012. Clients can continue making contributions to their second pension pillar funds until the state resumes its contributions. The analysis made by SEB confirms that it pays for clients to continue their contributions, as this guarantees them a bigger pension in the future. SEB clients have

been most active in continuation. SEB launched an information campaign in September in order to inform people about the importance of continuing their contributions into the second pension pillar.

In September SEB launched new second pension pillar product, the Energetic Pension Fund. The proportion of equities in the new fund is greater than in any other second pension pillar fund currently offered by SEB and is suitable for clients who have enough time left until their retirement and whose risk profile allows them to rely more on the rates of return on equity markets.

In September SEB and Eesti Gaas signed a loan agreement for 580 million kroons. SEB will be financing the purchase of winter gas by Eesti Gaas from Gazprom with a loan to the value of 37 million euros.

From 28th September Allan Parik is a member of the Management Board of AS SEB Pank and the manager of the Corporates & Institutions Area of the bank. Allan Parik has long-term experience in banking and management. He started working in the bank in 1995. In 1997, he became the head of the Corporations Department. In 2000, he was the manager of the Corporate Banking Division and he has worked as the deputy manager of the Corporates & Institutions Area since 2007. The SEB Corporates & Institutions Area had for the last two years been managed by Kristoffer Lindberg, who returned to Finland where he has worked in different positions in SEB Finland since 1994.

The more than 807 400 customers of SEB Pank Group are served by 1509 employees. The customers are served through many different channels such as 57 branch offices, 220 on-line post offices, 348 ATMs, 6289 POS-terminals. There are more than 496 000 debit and credit cards in use. In addition, over 70 of our customers use our U-Net and U-Net Business services.

3. Capital adequacy

(millions of EEK)

	30.09.09	31.12.08
CAPITAL BASE		
Paid-in share capital	665.6	665.6
Premium	1,346.6	1,346.6
General banking reserves	306.0	304.9
Retained earnings / loss	6,426.6	5,571.0
Unrealised profit for previous periods on shares of subsidiaries and associated companies (negative)	-4.3	-3.7
Intangibles	-9.2	-390.5
Loss for the period (group without life insurance)	-1,144.9	0.0
Audited profit for the period (group without life insurance)	0.0	856.8
Total primary own funds	7,586.5	8,350.7
Subordinated debt	2,613.0	2,613.0
Available for sale financial instruments	0.5	-2.5
Unrealised part of profit on shares of subsidiaries and associated companies	1.9	1.7
Allowances and adjustments exceeding expected loss	225.7	0.5
Total supplementary own funds	2,841.1	2,612.7
Majority holding in other credit and financial institutions	1.6	3.6
Majority holding in insurers	30.0	30.0
Total deductions	31.6	33.6
Total third level own funds	-	-
Primary own funds after deductions	7,570.7	8,333.9
Supplementary own funds included in calculation of capital adequacy	2,825.3	2,595.9
Own funds included in calculation of capital adequacy	10,396.0	10,929.8
CAPITAL REQUIREMENTS	30.09.09	31.12.08
Central government and central banks with standardised approach	0.1	22.4
Municipalities and regions with standardised approach	94.5	90.2
State agencies, non-profit institutions and associations with standardised approach	2.2	2.0
Retail claims with standardised approach	241.6	289.2
Overdue claims with standardised approach	17.5	3.9
Shares of investment funds with standardised approach	5.9	5.4
Other assets with standardised approach	56.5	91.3
Credit institutions, investment firms and municipalities with IRB	26.2	20.4
Other companies with IRB	2,848.0	2,816.1
Retail claims with IRB	887.9	715.5
Total capital requirements for covering the credit risk and counterparty credit risk	4,180.4	4,056.4
Capital requirement for covering interest position risk	27.7	19.2
Capital requirement for covering equity position risk	0.5	0.6
AMA of operational risk	114.7	145.8
Capital requirements total	4,323.3	4,222.0
Transition period floor of own funds if using IRB	5,223.2	6,510.8
Capital requirements for calculating capital adequacy	5,223.2	6,510.8

Calculations are made for Group without AS SEB Elu- ja Pensionikindlustus (life insurance), holding in insurer is

CAPITAL RATIOS

	30.09.09	31.12.08
Capital adequacy (%)	19.90	16.79
Tier 1 Capital Ratio (%)	14.49	12.80
Tier 2 Capital Ratio (%)	5.41	3.99

**MEMBERS OF CONSOLIDATION GROUP,
INCLUDED TO CAPITAL ADEQUACY
CALCULATION**

AS SEB Pank
AS SEB Liising
AS SEB Varahaldus
AS Bangalo
AS SEB Enskilda
OÜ Estectus

**MEMBERS OF CONSOLIDATION GROUP,
NOT INCLUDED TO CAPITAL ADEQUACY
CALCULATION**

AS SEB Elu- ja Pensionikindlustus

In Estonia the Basel II capital adequacy rules are in effect from 1 January 2007. Basel II is capital adequacy framework which aims to converge regulative capital to the actual capital need of the bank according to its risk profile. Capital requirements for credit risk are reflecting the actual risk better than the previous rules, capital requirements for operational risk are introduced and the risk management and internal capital assessment of banks are subject to stricter scrutiny by the supervisors. In period 01.01.2008 - 30.06.2008 SEB Pank Group used standard method for calculation of credit risk and market risk and base method for calculating operational risk. From July 1, 2008, after respective permissions were granted by the supervisors, SEB Pank Group started to use the internal ratings based approach for reporting of credit risk and advanced approach for reporting of operational risk under Basel II.

4. Risk concentration

	30.09.09	31.12.08	30.09.08
Total claims against persons associated with the credit institution's consolidation group, EEKmio	20.5	15.7	15.5
The share of claims of the persons associated with the credit institution's consolidation group in net own funds, %	0.20	0.14	0.15
Total of large exposure claims, EEKmio	1,211.1	2,378.9	2,448.4
The share of large exposure claims in net own funds, %	11.65	21.77	24.29
Number of large exposure customers, pcs	1	2	2

3. Key Figures

	30.09.09	31.12.08	30.09.08
Net profit / loss, EEKmio	-1,097.2	766.4	690.7
Average equity, EEKmio	8,287.1	8,457.8	8,424.7
Return on equity (ROE), %	-17.65	9.06	10.93
Average assets, EEKmio	80,701.8	86,625.7	87,084.1
Return on assets (ROA), %	-1.81	0.88	1.06
Net interest income (excl. off-balance sheet transactions), EEKmio	1,023.9	1,873.3	1393.00
Average interest earning assets, EEKmio	77,753.9	81,912.7	81,889.2
Net interest margin (NIM), %	1.76	2.29	2.27
SPREAD, %	1.44	1.86	1.84
Cost / Income ratio, %	71.1	43.0	41.9
Impaired NPL / gross portfolio, %	5.07	2.35	1.96

Explanations

Return on equity (ROE) = Net profit (loss) / Average equity * 100

Average equity = (equity of actual period end+ equity of previous year end) / 2

Return on assets (ROA) = Net profit / Average assets * 100

Average assets = (assets of actual period end+ assets of previous year end) / 2

Net interest margin (NIM) = Net interest income (excl. off-balance sheet transactions) / Average interest earning assets * 100

SPREAD = Yield on interest earning assets - Cost of interest bearing liabilities

Cost of interest bearing liabilities = Interest expenses (excl. off-balance sheet transactions) / Average interest bearing liabilities *100

Cost / Income Ratio = Total Operating Expenses / Total Income * 100

Impaired NPL / gross portfolio = Impaired, non-performing loans, gross / Loans and advances to customers without allowances for doubtful debt * 100

Interest earning assets:

Balances with central bank

Loans and advances to credit institutions

Loans and advances to customers (Financial assets held for trading + Financial assets at fair value through profit or loss + Available-for-sale financial assets) excl. shares and fund participations

(all without accrued interests)

Interest bearing liabilities:

Due to credit institutions

Due to customers

Loan funds

Issued securities

Subordinated loans

(all without accrued interests)

Total Operating Expenses:

Personnel expenses

Other expenses

Depreciation, amortization and impairment of tangible and intangible assets

Total Income:

Net Interest Income

Net fee and commission income

Net income from foreign exchange

Gains less losses from financial assets at fair value through profit or loss

Income from insurance activities

Income from dividends

Gains less losses from investment securities

Share of profit of associates

Other income

III. Consolidated Financial Accounts

1. Consolidated Balance Sheet

(millions of EEK)

	<u>30.09.09</u>	<u>31.12.08</u>
ASSETS		
Cash	612.8	712.1
Balances with central bank	3,822.5	5,739.4
Loans and advances to credit institutions	5,496.8	6,026.6
Loans and advances to customers	63,902.8	69,619.0
Financial assets held for trading	363.3	399.2
Financial assets at fair value through profit or loss	1,073.1	1,043.3
Available-for-sale financial assets	144.2	412.4
Other assets	745.9	598.1
Investments in associates	10.0	9.2
Intangible assets	9.3	390.5
Property plant and equipment	126.5	146.6
TOTAL ASSETS	76,307.2	85,096.4
LIABILITIES AND SHAREHOLDERS' EQUITY		
Due to credit institutions	31,009.9	35,776.4
Due to customers	31,987.1	35,006.2
Lending funds	187.5	129.9
Other liabilities	1,721.4	1,516.2
Issued debt securities	0.0	106.1
Financial liabilities at fair value through profit or loss	370.7	497.6
Provisions	661.3	611.2
Subordinated loans	2,627.0	2,620.9
Total Liabilities	68,564.9	76,264.5
Share capital	665.6	665.6
Share premium	1,346.6	1,346.6
Other reserves	326.6	318.9
Retained earnings	5,403.5	6,500.8
Total shareholders' equity	7,742.3	8,831.9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	76,307.2	85,096.4

2. Consolidated Income Statement

(millions of EEK)

		2009	2009	2008	2008
	Note	9 months	QIII	9 months	QIII
<i>Interest and similar income</i>	6	2,504.3	662.4	3,739.7	1,259.4
<i>Interest expenses and similar charges</i>	7	-1,480.4	-369.3	-2,346.7	-768.7
Net Interest Income		1,023.9	293.1	1,393.0	490.7
<i>Fee and commission income</i>	8	609.6	219.9	828.3	249.4
<i>Fee and commission expense</i>	9	-182.5	-62.7	-245.4	-77.1
Net fee and commission income		427.1	157.2	582.9	172.3
Net income from foreign exchange		84.6	30.0	99.7	32.1
Gains less losses from financial assets at fair value through profit or loss		41.7	43.2	-36.3	-9.3
Income from insurance activities		71.2	30.9	1.9	-3.0
Income from dividends		1.9	1.9	0.7	0.7
Gains less losses from investment securities		6.3	0.5	148.8	0.3
Share of profit of associates		0.8	0.4	1.7	-0.1
Other income		6.9	0.6	4.7	1.5
Personnel expenses		-483.0	-153.2	-510.7	-166.6
Other expenses		-273.2	-88.5	-304.3	-97.9
Depreciation, amortization and impairment of tangible and intangible assets		-428.0	-17.0	-48.6	-16.5
Profit before impairment losses on loans and advances		480.2	299.1	1,333.5	404.2
Impairment losses on loans and advances	10	-1,577.4	-854.5	-639.2	-25.4
Profit/loss before income tax		-1,097.2	-555.4	694.3	378.8
Income tax		0.0	0.0	-3.6	0.0
Net profit/loss		-1,097.2	-555.4	690.7	378.8

Statement of comprehensive income

	2009	2009	2008	2008
	9 months	QIII	9 months	QIII
Net profit/loss	-1,097.2	-555.4	690.7	378.8
Other comprehensive income/expense				
Revaluation of available-for-sale financial assets	6.5	9.2	-7.4	-4.3
Translation reserve	0.0	0.0	0.8	0.0
Total other comprehensive income/expense	6.5	9.2	-6.5	-4.3
Total comprehensive income/expense	-1,090.7	-546.2	684.2	374.5

3. Consolidated Cash Flow Statement

(millions of EEK)

	2009	2008
	9 months	9 months
I. Cash flows from operating activities		
Interest received	2,344.6	3,450.5
Interest paid	-1,192.4	-1,782.7
Dividends received	1.9	0.7
Fee and commission received	609.7	828.3
Net trading income and other operating income	453.2	91.3
Personnel expenses and other operating expenses	-703.1	-880.4
Income taxes paid	0.0	-3.6
Revaluation adjustments	4.3	5.2
Cash flows from operating profits before changes in the operating assets and liabilities	1,518.2	1,709.3
Changes in operating assets:		
Loans and advances to credit institutions	-12.7	1,551.1
Loans and advances to customers	3,547.5	-220.2
Other assets	457.3	794.7
Changes of operating liabilities:		
Due to credit institutions	-4,249.6	-717.0
Due to customers	-2,982.3	-1,509.8
Lending funds	57.6	-28.2
Other liabilities	-710.7	-1,025.2
Cash flow from operating activities	-2,374.7	554.7
II. Cash flows from investing activities		
Net increase-/decrease+ of investment portfolio securities	238.9	138.7
Proceeds from sale and liquidation of subsidiaries	0.0	49.6
Proceeds from sale and liquidation of associates	5.8	145.1
Purchase of investment properties, tangible and intangible assets	-27.7	-42.8
Proceeds from sale of investment properties, tangible and intangible assets	1.1	3.5
Cash flow from investing activities	218.1	294.1
III. Cash flows from financing activities		
Proceeds from debt securities (issuing)	0.0	229.9
Repurchasing of debt securities	-99.3	-352.3
Cash flow from financing activities	-99.3	-122.4
Net increase in cash and cash equivalents	-2,255.9	726.4
Cash and cash equivalents at beginning of period	12,153.1	10,219.9
Effect of exchange rate changes on cash and cash equivalents	0.0	3.0
Cash and cash equivalents at end of period	9,897.2	10,949.3
Cash and cash equivalents includes:		
Cash on hand	612.8	615.8
Balances with the central bank	3,821.6	5,246.0
Liquid deposits in other credit institutions	5,461.6	4,941.3
Trading portfolio	1.2	146.2
	9,897.2	10,949.3

4. Changes in Consolidated Shareholders' Equity

(millions of EEK)

	Paid up capital	Share premium	Reserves	Translation differences	Retained profit	Total shareholders' equity
Year beginning 01.01.2008	665.6	1,346.6	332.9	-0.8	5,739.3	8,083.6
Statutory reserve	0.0	0.0	2.9	0.0	-2.9	0.0
Profit for the year	0.0	0.0	0.0	0.0	690.7	690.7
Other comprehensive income:						
Net change in available for sale financial assets	0.0	0.0	-7.4	0.0	-2.0	-9.4
Currency translation differences	0.0	0.0	0.0	0.8	0.0	0.8
Total other comprehensive income	0.0	0.0	-7.4	0.8	-2.0	-8.6
Final balance 30.09.2008	665.6	1,346.6	328.4	0.0	6,425.1	8,765.7
Year beginning 01.01.2009	665.6	1,346.6	318.9	0.0	6,500.8	8,831.9
Statutory reserve	0.0	0.0	1.1	0.0	-1.1	0.0
Profit for the year	0.0	0.0	0.0	0.0	-1,097.2	-1,097.2
Other comprehensive income:						
Net change in available for sale financial assets	0.0	0.0	6.5	0.0	1.0	7.5
Total other comprehensive income	0.0	0.0	6.5	0.0	1.0	7.5
Final balance 30.09.2009	665.6	1,346.6	326.5	0.0	5,403.5	7,742.2

5. Contingent assets and liabilities and commitments

(millions of EEK)

30.09.09	Contract amount		Fair value	
	Assets	Liabilities	Assets	Liabilities
1. Irrevocable transactions	1,038.0	7,444.9	-	-
1.1. Guarantees and pledges	650.9	3,392.7	-	-
<i>incl. financial guarantees</i>	<i>625.9</i>	<i>1,484.7</i>	-	-
1.2. Loan commitments	387.1	4,052.2	-	-
2. Derivatives	17,505.5	17,285.3	362.1	361.9
2.1. Currency related derivatives	9,945.9	9,919.1	57.2	31.1
2.2. Interest related derivatives	6,346.5	6,334.3	259.8	265.7
2.3. Equity related derivatives*	1,213.1	1,031.9	45.2	65.1
	18,543.5	24,730.2	362.1	361.9

31.12.08	Contract amount		Fair value	
	Assets	Liabilities	Assets	Liabilities
1. Irrevocable transactions	926.6	10,088.9	-	-
1.1. Guarantees and pledges	640.3	4,280.5	-	-
<i>incl. financial guarantees</i>	<i>625.9</i>	<i>1,624.9</i>	-	-
1.2. Loan commitments	286.3	5,807.4	-	-
1.3. Other off-balance sheet commitments	0.0	1.0	-	-
2. Derivatives	11,258.3	11,250.1	383.4	489.4
2.1. Currency related derivatives	5,422.0	5,509.7	68.1	152.4
2.2. Interest related derivatives	4,215.6	4,223.3	275.2	275.2
2.3. Equity related derivatives*	1,620.7	1,517.1	40.1	61.8
	12,184.9	21,339.0	383.4	489.4

* Derivative transactions are executed to cover the client's position and the derivative risks are not taken to own portfolio. All risks arising from these transactions are fully mitigated with parent company. The equity option prices are calculated using for all input data (e.g. underlying prices or volumes) either independently sourced input (e.g. the underlying prices) or an independent price verification is performed on the next day to compare the values to independently sourced market data (e.g. for volumes).

Note 1

Accounting principles

The interim report of AS SEB Pank Group for QIII 2009 has been prepared in conformity with International Accounting Standard IAS 34 "Interim Financial Reporting" and the disclosure requirements, established by Eesti Pank.

The accounting principles, used in the interim report of AS SEB Pank Group for QIII 2009 are in conformity with the accounting principles, used in the annual report for the year ended on 31 December 2008.

Comprehensive income statement is presented separately, according to the change of IAS 1 „Presentation for Financial Statements“, which is effective for reporting periods since 1.01.2009. Comprehensive income statements include non-owner changes in equity, such as the revaluation of available-for-sale financial assets. The changed presentation has no impact on the recognition or measurement of specific transactions and balances.

Segment analysis, according to IFRS 8, is not described because AS SEB Pank has no any class of debt or equity instruments in a public market since 16.06.2009.

Note 2**Geographic concentration of financial assets and liabilities**

(millions of EEK)

	Cash and balances with central bank	Loans and advances to credit institu- tions	Loans and advances to custo- mers	Securi- ties	Other assets	Total assets	Due to to credit institu- tions	Due to custo- mers	Other liabilities	Total liabilities	Contingent liabilities
30.09.09											
Sweden	7.5	749.8	28.7	115.3	7.4	908.7	29,809.4	128.4	2,881.5	32,819.3	7,147.3
Estonia	4,241.5	18.7	63,429.6	668.8	738.7	69,097.3	352.9	28,154.0	2,597.5	31,104.4	17,057.4
United Kingdom	2.0	13.3	40.0	115.2	0.2	170.7	196.7	1,636.8	0.1	1,833.6	5.7
Russia	4.3	35.4	13.8	17.4	0.1	71.0	9.9	239.9	0.3	250.1	1.5
Germany	81.4	4,530.8	5.9	90.9	0.0	4,709.0	568.9	33.2	0.2	602.3	114.8
United States	11.9	19.4	21.0	39.0	0.0	91.3	1.8	279.1	0.1	281.0	0.2
Canada	1.1	0.6	0.0	0.0	0.0	1.7	2.3	11.8	0.0	14.1	0.0
Japan	0.6	1.2	0.0	2.1	0.0	3.9	0.0	1.3	0.0	1.3	0.0
Finland	0.0	0.1	290.0	83.2	0.0	373.3	6.4	110.3	0.2	116.9	173.9
Latvia	2.9	14.0	0.2	0.1	0.1	17.3	24.8	25.7	0.8	51.3	158.3
Lithuania	2.8	3.6	0.5	3.1	0.0	10.0	10.6	12.8	0.1	23.5	0.1
Luxembourg	0.0	5.1	0.0	209.9	7.0	222.0	3.8	0.0	1.2	5.0	0.0
Netherlands	0.0	0.9	9.8	73.2	0.0	83.9	0.0	3.5	0.0	3.5	0.0
Other Western Europe	7.1	91.1	43.6	163.0	0.3	305.1	21.9	587.3	0.2	609.4	69.1
Other Eastern Europe	3.6	6.3	0.7	3.4	0.1	14.1	0.2	30.9	0.2	31.3	0.0
Other countries	68.6	6.5	19.0	6.0	127.8	227.9	0.3	732.1	85.5	817.9	1.9
	4,435.3	5,496.8	63,902.8	1,590.6	881.7	76,307.2	31,009.9	31,987.1	5,567.9	68,564.9	24,730.2
31.12.08											
Sweden	6.1	469.3	34.9	192.6	0.0	702.9	34,740.9	176.0	2,712.2	37,629.1	2,676.5
Estonia	6,280.7	1.2	69,055.6	934.6	1,058.6	77,330.7	285.5	30,965.4	2,552.6	33,803.5	18,194.6
United Kingdom	1.9	4.7	41.9	44.3	0.0	92.8	32.2	1,587.4	0.6	1,620.2	61.8
Russia	2.5	122.8	17.5	50.7	0.0	193.5	29.3	268.1	0.2	297.6	1.8
Germany	64.8	5,344.0	48.4	53.5	0.0	5,510.7	542.1	24.1	0.2	566.4	89.6
United States	15.1	50.3	24.5	18.4	0.3	108.6	5.5	431.0	0.1	436.6	1.5
Canada	0.6	0.3	0.0	0.0	0.1	1.0	0.7	34.7	0.0	35.4	0.0
Japan	0.7	1.7	0.0	2.1	0.1	4.6	0.0	1.9	0.0	1.9	0.0
Finland	0.0	0.5	294.5	131.4	0.0	426.4	4.0	116.6	0.3	120.9	281.3
Latvia	4.1	11.5	0.3	20.6	0.0	36.5	31.3	36.2	0.0	67.5	10.2
Lithuania	2.4	0.8	0.7	18.2	0.2	22.3	16.0	9.8	0.8	26.6	2.8
Luxembourg	0.0	2.0	9.7	145.6	6.2	163.5	2.4	0.2	3.2	5.8	0.0
Netherlands	0.0	0.3	10.0	39.0	0.0	49.3	0.0	5.0	0.0	5.0	0.1
Other Western Europe	6.8	10.6	45.7	161.5	0.1	224.7	23.5	645.2	0.3	669.0	16.4
Other Eastern Europe	2.9	5.3	0.6	28.9	0.2	37.9	60.2	24.8	1.8	86.8	0.0
Other countries	62.9	1.3	34.7	22.7	69.4	191.0	2.8	679.8	209.6	892.2	2.4
	6,451.5	6,026.6	69,619.0	1,864.1	1,135.2	85,096.4	35,776.4	35,006.2	5,481.9	76,264.5	21,339.0

Contingent liabilities in Note 2 and Note 3 includes guarantees and pledges, loan commitments, forwards, swaps, options, spots, interest rate based derivatives, revocable transactions, stand by loans, other revocable transactions, options of structured products and are presented in contract amount of contingent liabilities.

Securities in Note 2 and Note 3 includes Financial assets held for trading, Financial assets designated at fair value through profit or loss, Available-for-sale financial assets, Investments in associates.

Note 3**Concentration of financial assets and liabilities by economic sector**

(millions of EEK)

30.09.09	In balance sheet		
	Cash and loans to central bank, credit institutions and customers	Securities	Contingent liabilities
Real estate	11,558.2	614.7	2,734.5
Finance	10,031.3	123.6	8,512.6
Industry	4,709.0	22.5	2,018.8
Trading	4,148.8	21.9	1,302.4
Transport	3,167.0	0.0	1,878.0
Energy, gas and steam plants	2,661.4	0.0	1,204.1
Government and state defence	1,799.3	1.1	489.9
Agriculture, fishing, forestry	1,736.7	4.7	101.4
Construction	1,194.4	20.9	1,562.2
Hotels, restaurants	929.3	3.8	181.1
Health services, social work	894.3	1.9	89.1
Administration and assistance	643.7	37.1	593.6
Art, showbusiness, leisure	545.4	0.1	536.0
Education	329.3	0.0	80.4
Water supply, canalization, waste management	314.3	0.0	308.5
Professional, science and technical work	278.8	0.0	121.6
Information and telecommunication	264.6	31.6	92.9
Mining	142.7	10.1	3.2
Exterritorial organisations	0.1	2.0	0.4
Other government & social services	786.5	335.2	507.5
Individuals	30,327.9	5.0	2,412.0
Derivatives	0.0	354.4	0.0
Allowances	-2,628.1	-	-
	73,834.9	1,590.6	24,730.2

31.12.08	In balance sheet		
	Cash and loans to central bank, credit institutions and customers		Contingent liabilities
		Securities	
Finance	12,496.2	260.5	4,979.5
Real estate	11,502.3	597.1	2,578.1
Industry	5,628.6	48.3	1,570.9
Trading	5,123.6	138.6	2,824.3
Transport	3,860.1	35.8	1,378.8
Energy, gas and steam plants	2,353.6	0.0	1,375.9
Agriculture, fishing, forestry	2,043.7	4.4	102.9
Government and state defence	1,769.2	3.7	381.1
Construction	1,389.0	47.4	1,816.3
Hotels, restaurants	1,208.8	6.4	194.5
Health services, social work	935.1	12.1	110.0
Administration and assistance	840.7	34.9	206.3
Art, showbusiness, leisure	580.7	40.5	322.8
Professional, science and technical work	351.2	0.0	87.6
Water supply, canalization, waste management	339.5	0.0	90.2
Information and telecommunication	315.0	41.4	106.2
Education	286.6	0.0	252.5
Mining	58.4	11.6	4.6
Exterritorial organisations	0.1	2.3	0.5
Other government & social services	973.1	192.9	63.8
Individuals	31,135.5	2.8	2,892.2
Derivatives	0.0	383.4	0.0
Allowances	-1,093.9	-	-
	82,097.1	1,864.1	21,339.0

Note 4**Overdue**

By overdue maturity
(millions of EEK)

30.09.09

Loans

Other

Total

< 30 days	30 < 60 days	over 60 days	Total
2,269.2	485.5	4,236.2	6,990.9
0.0	0.9	1.5	2.4
2,269.2	486.4	4,237.7	6,993.3

31.12.08

Loans

Other

Total

< 30 days	30 < 60 days	over 60 days	Total
2,908.7	743.8	2,209.0	5,861.5
0.0	0.9	1.9	2.8
2,908.7	744.7	2,210.9	5,864.3

The tables indicates the balance (brutto) of overdue claims.

Note 5**Allowances on loans and advances**

(millions of EEK)

At January, 1

Loan provisions

Reversals of provisions

Loans and advances written off

Exchange rate adjustments

At September, 30**30.09.09****31.12.08**

1093.9

2030.7

-489.4

-6.3

-0.8

2,628.1**1,093.9**

Recoveries from write-offs

1.8

8.2

Note 6**Interest and similar income**

(millions of EEK)

Loans

Leasing

Deposits with other banks

Fixed income securities

2009		2008	
9 months	QIII	9 kuud	QIII
2,104.0	553.7	3,004.8	1,029.5
358.8	100.2	591.2	178.8
26.0	6.4	137.2	48.8
15.5	2.1	6.5	2.3
2,504.3	662.4	3,739.7	1,259.4

Note 7**Interest expenses and similar charges**

(millions of EEK)

Credit institutions

Time and other saving deposits

Demand deposits

Subordinated debts

Issued bonds

Loan funds

Other

2009		2008	
9 months	QIII	9 kuud	QIII
-748.7	-164.9	-1,279.5	-424.7
-450.3	-134.0	-494.0	-167.7
-209.0	-54.3	-430.9	-129.0
-65.0	-14.3	-110.8	-38.2
-2.5	0.0	-27.1	-7.7
-4.6	-1.7	-4.2	-1.3
-0.3	-0.1	-0.2	-0.1
-1,480.4	-369.3	-2,346.7	-768.7

Note 8**Fee and commission income**

(millions of EEK)

	2009		2008	
	9 months	QIII	9 kuud	QIII
Credit and payment cards	230.2	78.4	290.5	94.5
Securities market services	121.7	50.7	160.9	52.7
Credit contracts*	48.6	17.3	121.7	25.8
Transaction fees	87.1	29.7	97.7	33.4
Non-life insurance brokerage fees	30.0	9.9	35.6	11.4
Corporate Finance fees	4.9	4.5	34.9	2.8
Income from leasing agreements (full service)	27.4	8.7	34.2	10.3
Other	20.1	7.4	20.3	7.3
Income from electronic channels	12.6	4.1	12.7	4.1
Cash handling fees	9.9	3.5	10.0	3.4
Other settlement fees	17.1	5.7	9.8	3.7
	609.6	219.9	828.3	249.4

*Credit contracts include loan, leasing, letter of credit and guarantee contracts signed with customers, which are short-term and do not constitute interest income, but are of administrative nature for arrangement reorganisation of credits.

Note 9**Fee and commission expense**

(millions of EEK)

	2009		2008	
	9 months	QIII	9 kuud	QIII
Credit and payment cards	-92.3	-32.8	-133.7	-40.9
Securities market	-14.7	-5.0	-31.2	-10.6
Expenses to leasing agreements (full service)	-20.8	-6.7	-26.7	-8.1
Cash collecting fees	-20.5	-7.0	-19.7	-7.0
Transaction fees	-12.8	-3.7	-13.5	-4.4
Other	-11.5	-4.3	-11.3	-3.3
Expenses of electronic channels	-9.9	-3.2	-8.4	-2.4
Corporate Finance fees	0.0	0.0	-0.9	-0.4
	-182.5	-62.7	-245.4	-77.1

Note 10**Impairment losses on loans and advances**

(millions of EEK)

	2009		2008	
	9 months	QIII	9 kuud	QIII
Allowances for advances to customers	-1,546.1	-844.6	-638.2	-24.2
new loan allowances	-2,037.3	-1,201.9	-918.8	-160.4
recoveries from write-offs	1.8	0.3	6.6	4.0
reversals of allowances	489.4	357.0	274.0	132.2
Assets held for sale	-31.3	-9.9	-1.0	-1.2
reappraisal	-25.5	-9.5	-2.9	-1.7
realized gains / losses	-5.8	-0.4	1.9	0.5
	-1,577.4	-854.5	-639.2	-25.4

Note 11**Related parties**

(millions of EEK)

	30.09.09	31.12.08
Loans to members of management board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons.	17.8	15.3
Contingent liabilities to members of management board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons (credit lines and commitments to extend credit).	-2.7	-0.4
Deposits of members of management board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons.	-3.6	-6.5
Loans to parent company	859.0	581.6
Due to parent company	-32,725.0	-37,741.7
incl. subordinated liabilities	-2,613.0	-2,613.0
Contingent assets and commitments to parent company	622.0	652.2
Contingent liabilities and commitments to parent company	0.0	0.0
Loans to enterprises of parent company's consolidation group	4,560.0	5,376.9
Due to enterprises of parent company's consolidation group	-45.0	-68.9
Contingent assets and commitments to enterprises of parent company's consolidation group	293.0	152.4
Contingent liabilities and commitments to enterprises of parent company's consolidation group	-6.0	-2.2

Interest rates of the loans given to related parties do not differ materially from interest rates of the loans to customers. Transactions with related parties have been based on market terms.

Related parties are:

- parent company
- subsidiaries of parent company;
- associates of parent company;
- associates of the Group;
- members of management board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons.